


A man wearing safety glasses is focused on his work in a factory. The background shows industrial machinery and a green chair. A large red box with white text is overlaid on the image.

ENHANCING OPERATIONAL EFFICIENCY IN THE NIGERIAN LEASING INDUSTRY – THE ROLE OF IT

A FinTrak Software Perspective



HI!

CHIDOZIE K. OFOEGBU

HEAD, DIGITAL BUSINESS & STRATEGY

- Work with FinTrak Software Co. Ltd which is arguably one of the foremost enterprise solutions providers in Nigeria and beyond.
- More than a decade of experience as a Product Manager in the technology sector.
- Successfully delivered over 50 enterprise digital transformation solutions for financial institutions across Africa.
- Volunteer with Digital Transformation Institute

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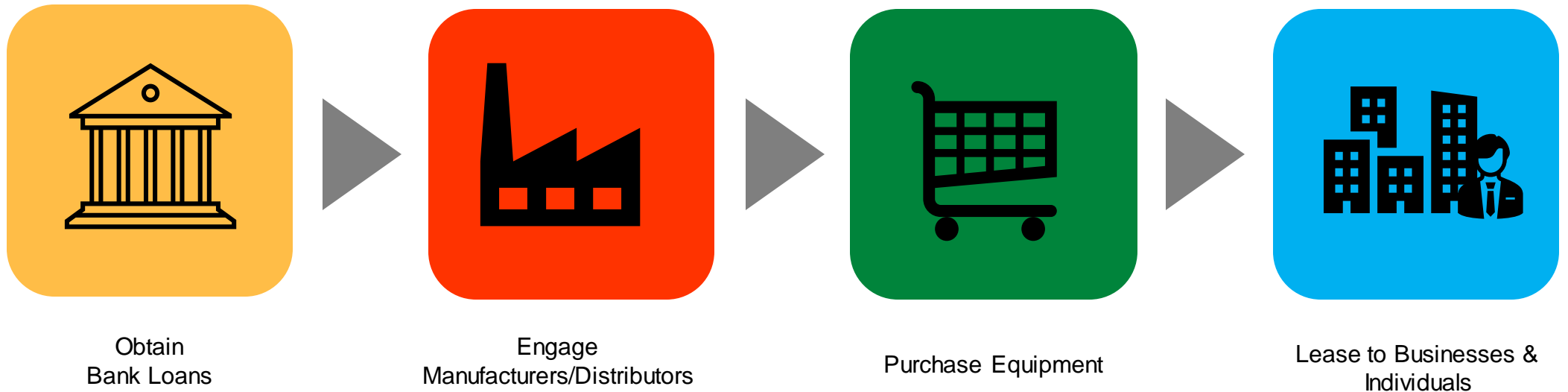
EQUIPMENT LEASING BUSINESS IN NIGERIA

Overview

OVERVIEW OF THE EQUIPMENT & LEASING INDUSTRY

The leasing industry in Nigeria is a major contributor to the country's economy. It provides an important source of financing for businesses, helping them to acquire the necessary equipment and machinery to facilitate their operations.

The Nigerian leasing industry has experienced significant growth over the past decade, with increased participation from banks, non-banking financial institutions, and private equity firms.



~~₦~~1,440,000,000

Total industry transactions in 2020 (ELAN Report 2021)



TRANSPORTATION

Estimated to account for a significant portion of the equipment leasing transactions in Nigeria



CONSTRUCTION

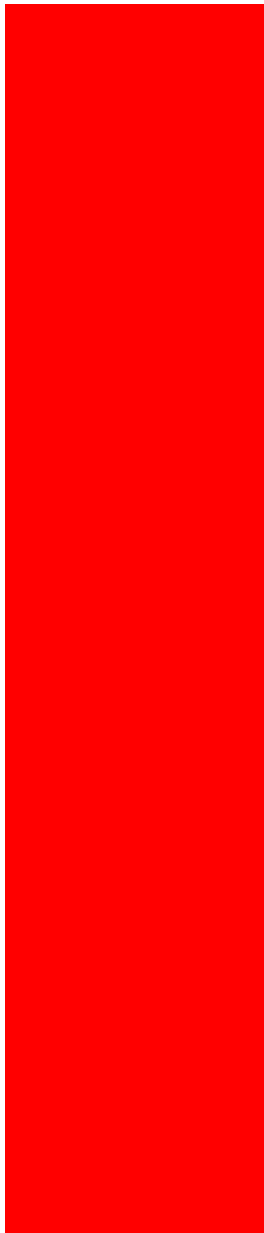
Demand for heavy equipment like crane bulldozers excavators etc.



HEALTHCARE

Increased demand for medical equipment like X-ray machines, ultrasound scanners etc.

Based on available information and industry reports, these are some of the top equipment and leasing operating sectors in Nigeria.



OPPORTUNITIES FOR IMPROVEMENT

Aside from expanding the leasing industry to cover more sectors, developing innovative leasing products, improving regulatory frameworks, and investing in infrastructure and equipment, from a technology perspective, there are opportunities for improvement, the industry can leverage technology to achieve the following:

Improve
operational
efficiency

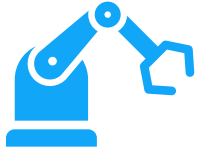
Enhance customer
experience

Increase market
penetration

Why do equipment
leasing companies that
provide operational
efficiency for businesses
need operational
efficiency



WHAT OPERATIONAL EFFICIENCY CAN OFFER



Improved Automation

Automate manual processes involved in equipment leasing operations.



Visibility and Control

Greater visibility and control over operations. Better decision-making and risk management



Customer Experience

Deliver better customer experiences by providing more responsive and personalized services. Build customer loyalty.



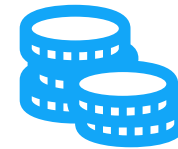
Data Management

Manage data more effectively. This can enable better reporting, analysis, and decision-making.




Scale Business

Leverage technology to scale business to new services or locations.



Cost Savings

Leasing companies reduce their costs by streamlining processes, automating tasks, and eliminating waste.

A close-up, shallow depth-of-field photograph of a person's hands typing on a silver laptop keyboard. The person is wearing a blue long-sleeved shirt. The background is bright and out of focus, showing another person in a white shirt. The overall scene is a professional office environment.

OVERVIEW OF TECHNOLOGY SOLUTIONS TO ENHANCE OPERATIONAL EFFICIENCY

TECHNOLOGY THAT MAKES LEASING
OPERATIONAL EFFICIENCY POSSIBLE

TECHNOLOGY SOLUTIONS TO SUPPORT OPERATIONAL EFFICIENCY



Cloud-based
Enterprise
solutions platform.

01

02

Internet of Things
(IoT) sensors

Customer
Relationship
Management

03

Mobile Apps

04

Artificial
Intelligence (AI)
and Machine
Learning (ML)

05

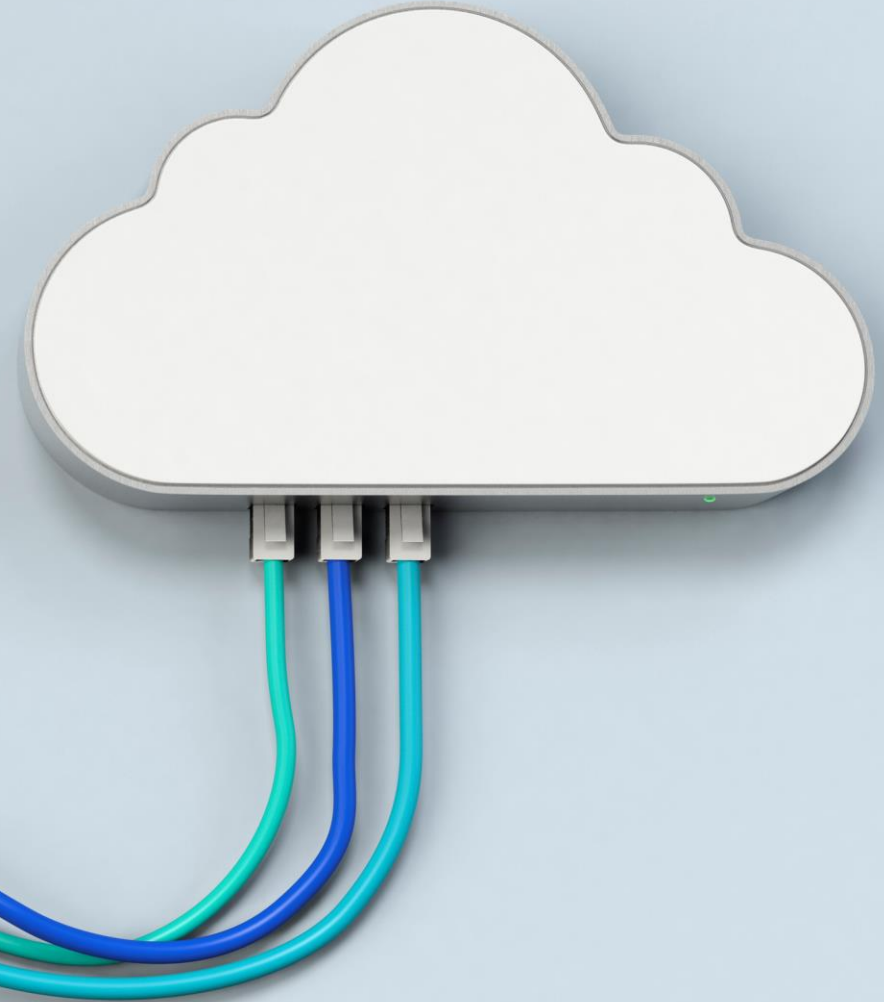
Blockchain

05

CLOUD-BASED ENTERPRISE SOLUTIONS PLATFORM

A secured, collaborative and cost-effective platform for managing various business operations that is scalable and supports transformation goals. Bring your accounting, asset management, CRM, Inventory and lending management, reporting, and analytics into one robust platform.

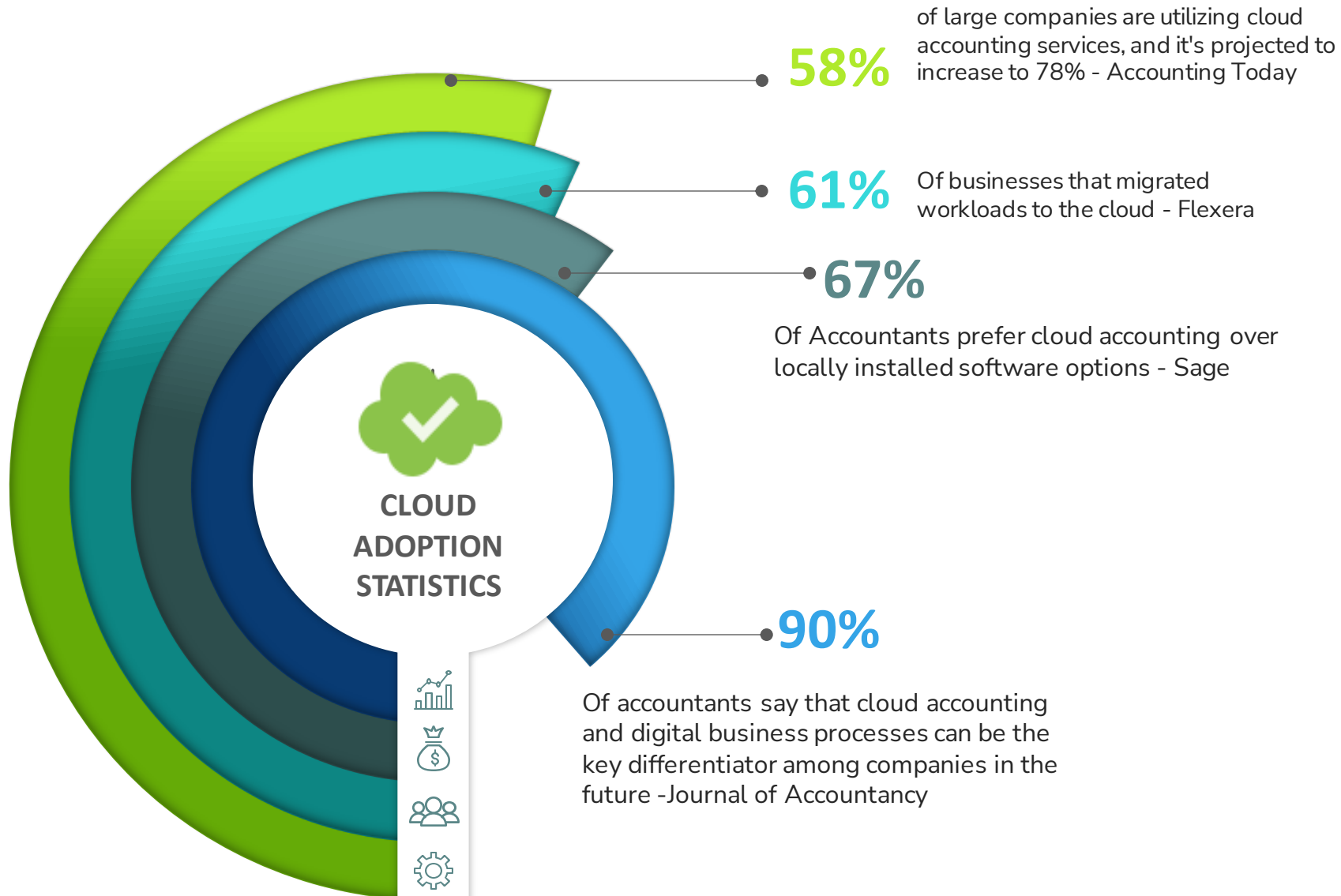
These cloud-based solution features enable better management of assets, customers, and finances. Additionally, these platforms offer several benefits, such as cost savings, better collaboration, and enhanced security, making them a valuable investment for equipment leasing companies looking to improve their operations.



SOME FEATURES A CLOUD-BASED ENTERPRISE SOLUTION



CLOUD SOLUTIONS ADOPTION STATS



IOT SENSORS FOR EQUIPMENT AND LEASING BUSINESS

Enabling real-time monitoring, analysis, and automation of equipment usage and maintenance.

IoT sensors offer a range of benefits to the leasing industry, enabling equipment leasing companies to optimize asset utilization, reduce maintenance costs, enhance safety and security, and improve customer experience.

Improved asset utilization

IoT sensors can provide real-time data on equipment usage, enabling equipment leasing companies to optimize asset utilization and avoid underutilization or overutilization.

Preventive Maintenance

Monitor equipment health in real-time and alert equipment leasing companies to potential issues before problems occur. This can reduce downtime and maintenance costs.

Enhanced safety and security

Provide real-time location tracking and monitor equipment usage patterns, detect anomalies and prevent theft or misuse.

Improved customer experience

IoT sensors can provide equipment leasing customers with real-time usage data and insights, for informed decisions and better manage their assets.

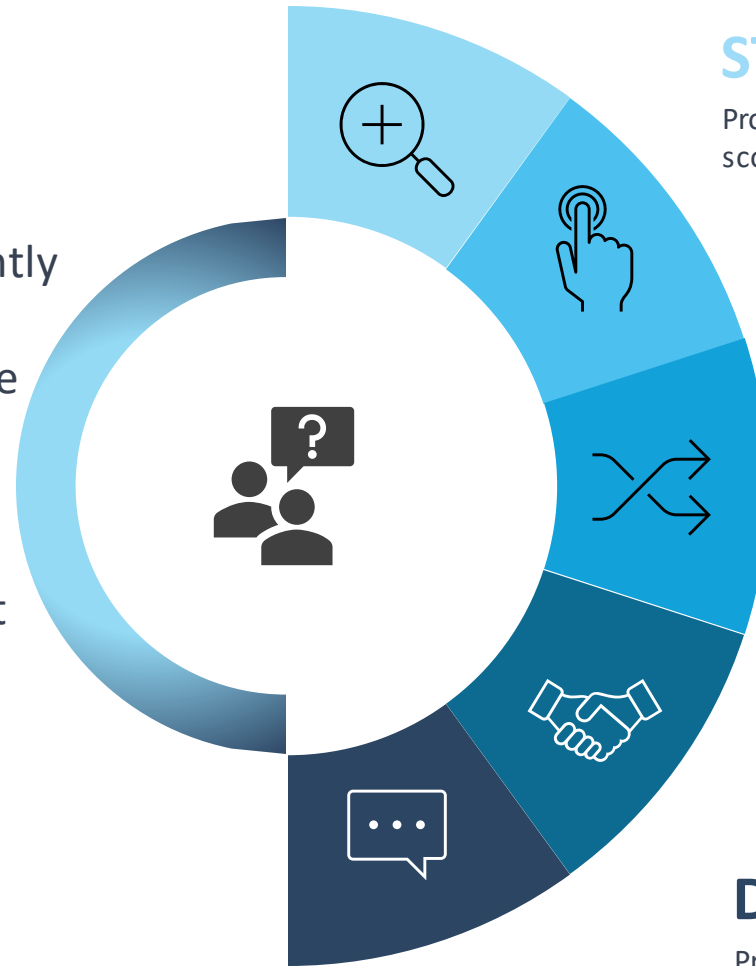
AI & ML TECHNOLOGY USE CASES FOR EQUIPMENT AND LEASING

AI and ML technologies can provide significant benefits to the equipment and leasing industry by improving operational efficiency, reducing downtime, and improving customer satisfaction. By leveraging these technologies, leasing companies can stay competitive and drive long-term success.



CRM SOLUTIONS

CRM applications can significantly benefit the leasing industry by enhancing customer experience and boosting sales revenue. By leveraging these applications, leasing companies can gain a competitive edge in the market and achieve long-term success.



STREAMLINE LEAD MGT

Provides a centralized platform for tracking, scoring, and prioritizing leads.

CUSTOMER EXPERIENCE

Provides a comprehensive view of customer interactions, preferences, and history, to deliver personalized service and support.

COLLABORATION

Collaborate and share information across different teams, departments, and locations.

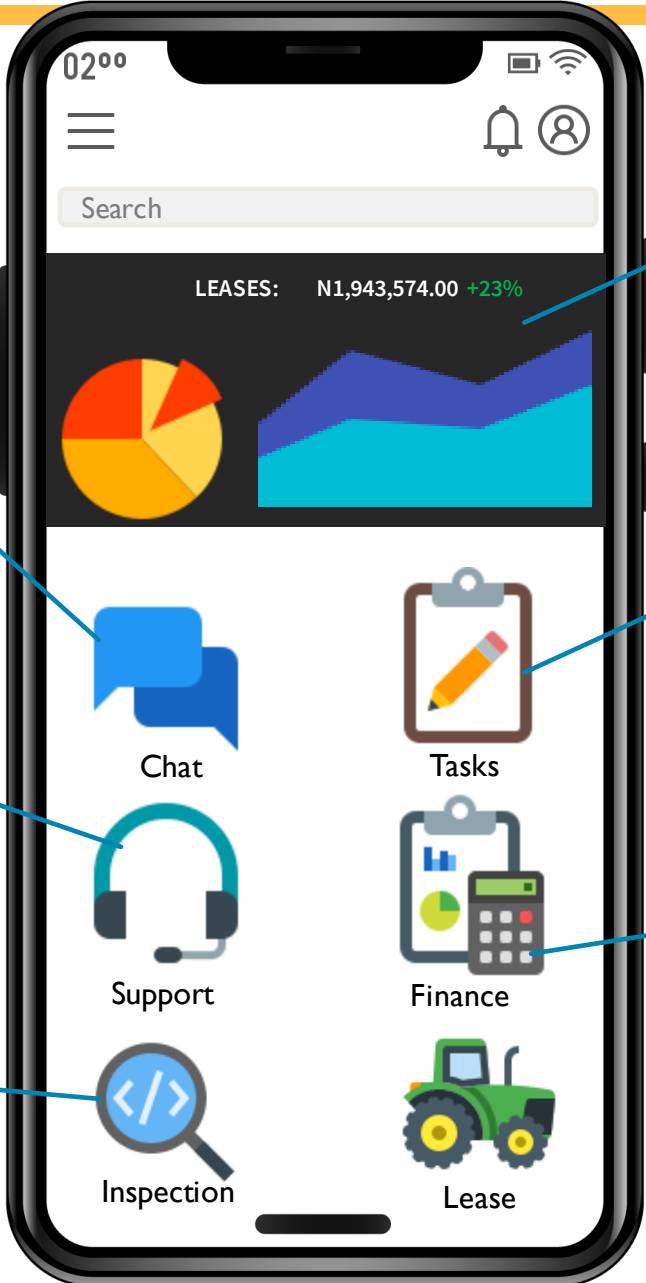
SALES MANAGEMENT

Manage sales pipelines more effectively, allowing them to identify potential bottlenecks and take proactive measures to close deals faster.

DATA ANALYSIS

Provide real-time data and insights on customer behaviour, preferences, and trends. This enables data-driven decisions

MOBILE APPS



Improved Communication:
Mobile apps can facilitate seamless communication between employees, customers, and other stakeholders.

Customer Experience:
Customers can manage their leasing agreements, submit maintenance requests, and make payments through a user-friendly interface.

Asset Maintenance:
Enable lease companies to perform thorough inspections of equipment and vehicles, record and track damages, and generate inspection reports.

Data Analysis:
Provide a secure and centralized platform for managing equipment data, such as maintenance schedules, service history, and warranty information.

Real-time access to information:
Mobile apps enable leasing company employees to access important information and data in real time, even when they are on the go.

Finance Automation:
Automate many routine tasks, such as inventory management, invoicing, and payment processing

BLOCKCHAIN FOR EQUIPMENT AND LEASING LIFECYCLE

Enhance Supply Chain Mgt

Blockchain can be used to create a secure and transparent supply chain, making it easier to track the movement of equipment and ensure that it is being maintained and serviced properly.

Increase Transparency

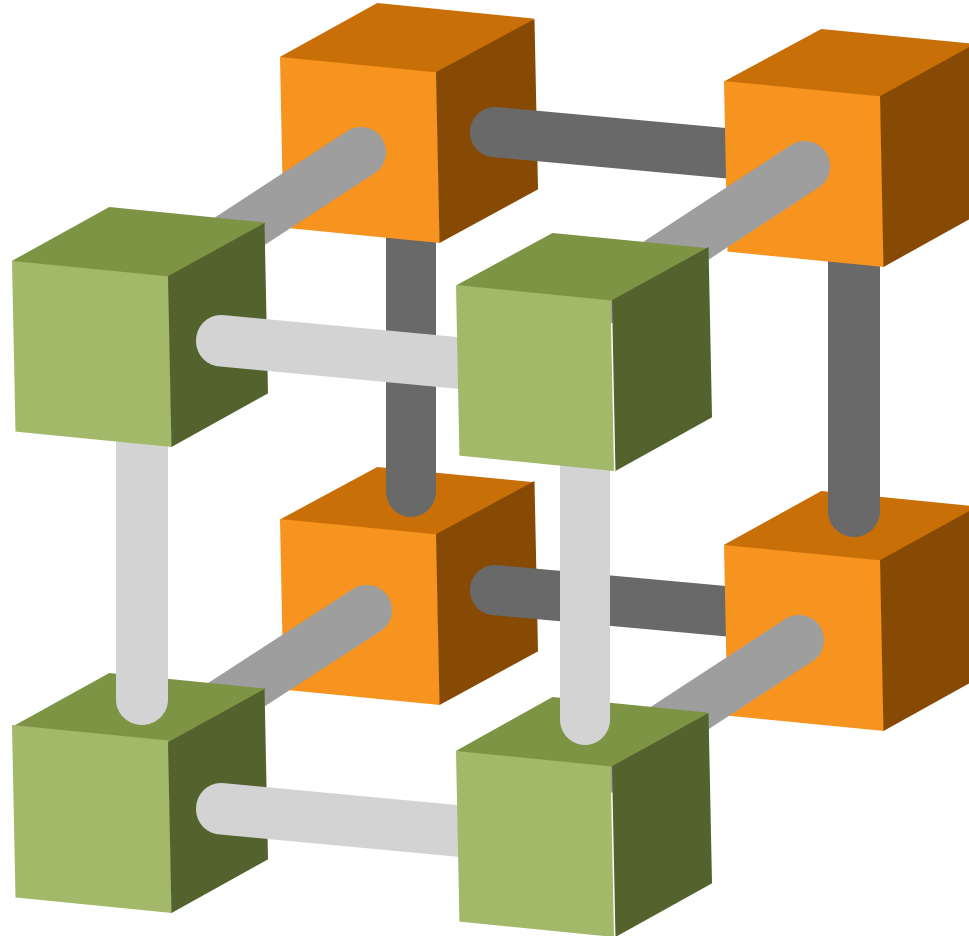
Blockchain provides a secure and transparent platform for tracking and verifying transactions. This can help to increase trust between parties and reduce the risk of fraud..

Improve Asset Tracking

Blockchain can provide a tamper-proof record of asset ownership and usage, making it easier to track equipment and ensure that it is being used appropriately.

Simplifying Payment processing

Blockchain can simplify payment processing by eliminating the need for intermediaries and providing a secure and transparent platform for transactions..



IBM
Blockchain for
Equipment
Lifecycle
Management

Aion Network
is a blockchain
platform for
transparent
supply chain
management

OVERVIEW OF IT IMPLEMENTATION AND RISKS

IMPLEMENTING IT SOLUTIONS

Digital transformation readiness review

Planning and design

Implementation and integration

Testing and evaluation

CHALLENGES AND RISKS

Data privacy and security

Implementation costs

Resistance to change

Regulatory and environmental factors

A grayscale background image showing a hand pointing at a tablet screen. The screen displays a bar chart with six bars of increasing height from left to right. The bars are rendered as white wireframe outlines. The hand is positioned on the left side of the frame, with the index finger pointing towards the first bar of the chart.

FINTRAK SOLUTIONS CASE STUDIES

EXAMPLE OF SOLUTIONS
THAT OFFER EFFICIENCY

CASE STUDY

BANKING

HOW FINTRAK IMPROVED BUDGETING AND MPR REPORTING



ORGANIZATION:

Access Bank Group

INDUSTRY:

Financial Services

COMPANY SIZE:

Large

APPLICATION USED:

FinTrak Performance
Insight PI360

- ✓ Automated Monthly Management Reporting
- ✓ Transfer pricing and fund Charge calculations
- ✓ Group IFRS Reporting
- ✓ Balance Scorecard
- ✓ Annual Budget Planning and Process

PI360 SOLUTION DETAILS



CHALLENGE

- ✘ Access Bank Group needed to increase the alignment between its strategic goals and its day-to-day performance across customers, products, accounts and hierarchical SBUs.
- ✘ Inability to generate comprehensive management performance reports in hours
- ✘ Total headcount of accountants responsible for collating and producing group management report was 50 and counting . Which took days and usually plagued with errors.
- ✘ Required a system for management reporting, budgeting, reforecasting and the calculation of complex performance metrics to reflect bank wide hierarchical views of all reports.

SOLUTION BENEFITS

- ✔ Implemented infrastructure to achieve full management reporting and scorecard daily which in 2 hours or less.
- ✔ Facilitated self-service reporting by organization's users, including management reports, KPIs, and Actual versus Budget variance analysis
- ✔ Enhanced the organization's ability to produce budgets and forecasts across multiple scenarios.
- ✔ Headcount of analysts required for producing MPR dropped from 50 to 10.
- ✔ Improved business decision making which resulted in annualized Return on Average Equity (ROAE) stood at 21.0%

CASE STUDY

BANKING

ORGANIZATION:

First Bank of Nigeria

INDUSTRY:

Financial Services

COMPANY SIZE:

Large

APPLICATION USED:

FinTrak Credit Risk 360

CREDIT DIGITAL TRANSFORMATION USING CREDIT 360



- ✓ Faster digital credit granting process
- ✓ More secure risk profiles
- ✓ Lower credit lifecycle operating costs
- ✓ Consolidate credit monitoring from multiple channels into one scalable platform
- ✓ Enable a credit risk Datawarehouse that transforms its credit granting and underwriting processes

CREDIT 360 SOLUTION DETAILS



CHALLENGE

- ✘ Required a tailor-made technology to drive its credit transformation initiative
- ✘ Collateral management headache. Customers collateral information were in silos
- ✘ Long duration for processing corporate loans
- ✘ Manual risk assessment process
- ✘ Manual review of credit bureau reports for loan customers
- ✘ The bank had over 100 designated credit analysts in its regions to preview loan applications before it was sent to head office

SOLUTION BENEFITS

- ✔ Implemented an AI assisted loan pre-evaluation and risk assessment process to establish reliability
- ✔ With the adoption of Credit 360 Application all loan application channels were funnelled into the system with capacity for the system to make acceptance decision for certain loan products. Eliminating the need for the over 100 credit analysts in the regions.
- ✔ Simplified the lending processes and increased transparency, the new solution streamlined back-office operations.
- ✔ Service and loan product personalization for individuals and economic sectors
- ✔ An integrated system with Credit Bureau and Collateral Registry platforms would aid validation of customer creditworthiness.

CASE STUDY

INSURANCE

ORGANIZATION:

AllCO Insurance

INDUSTRY:

Financial Services

COMPANY SIZE:

Large

APPLICATION USED:

FinTrak Bank
Reconciliation

ACCURATE AND COST SAVING CASH RECONCILIATION APP BY FINTRAK



- ✓ ROI with time saving. 90% reduction in time spent on reconciliation
- ✓ Increased bank accounts without adding additional resources
- ✓ 70% reduction in headcount for account reconciliation roles
- ✓ Minimal dependence on IT resources to achieve periodic bank reconciliation
- ✓ Electronic import of all bank statements

FINTRAK BANK RECON SOLUTION DETAILS

CHALLENGE

- ✘ All bank and card reconciliations were performed in Excel
- ✘ No reporting facilities. They used filters and pivot tables in Excel
- ✘ Inability to generate reconciliation statement for all banks on 1st day of new month
- ✘ Increasing time and material cost for bank reconciliation as transactions and banks accounts increased
- ✘ Required resources for an accountant to managed reconciliation for each corporate bank account

SOLUTION BENEFITS

- ✔ Automatic integration with core business application to import cashbook
- ✔ Ability to apply different matching rules to different bank
- ✔ Ability to import Bank Financial Statements and **auto-posting of transfers, sweeps and charges.**
 - Achieved >75% automation on match rates
- ✔ Improved Treasury visibility on the businesses cash flows.
- Post solution implementation reduced bank reconciliation desk to 2 from 10.

OPPORTUNITIES - NEW BUSINESS MODELS



- Crowdfunded Equipment to be leased



- Cocreation with creatives using equipment



- Global procurement of equipment for leasing in other countries



CONCLUSION AND CALL TO ACTION

- Recap of the key points covered in the presentation
- Call to action to adopt IT solutions to enhance their operational efficiency

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