



# **The Performance Management Exchange**

Thursday November 24th 2016

**The Hockey Hall of Fame**



# Customer Success Story - CAPREIT



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# CAPREIT Canada's Landlord of Choice

## Focus

- Primary focus on residential rental sector



## Assets

- Interests in 48,190 residential suites and sites
  - 41,747 apartment and townhouse suites
  - 6,443 land lease sites in 31 manufactured home communities



## Listing

- Listed on Toronto Stock Exchange (symbol CAR.UN)
  - Approx. 135.1 million Trust Units issued & outstanding
  - TSX/S&P REIT Indices



## Market Cap

- Market capitalization approx. \$4.17 billion



# Pre-BPC CAPREIT budgeting and forecasting landscape

## Business

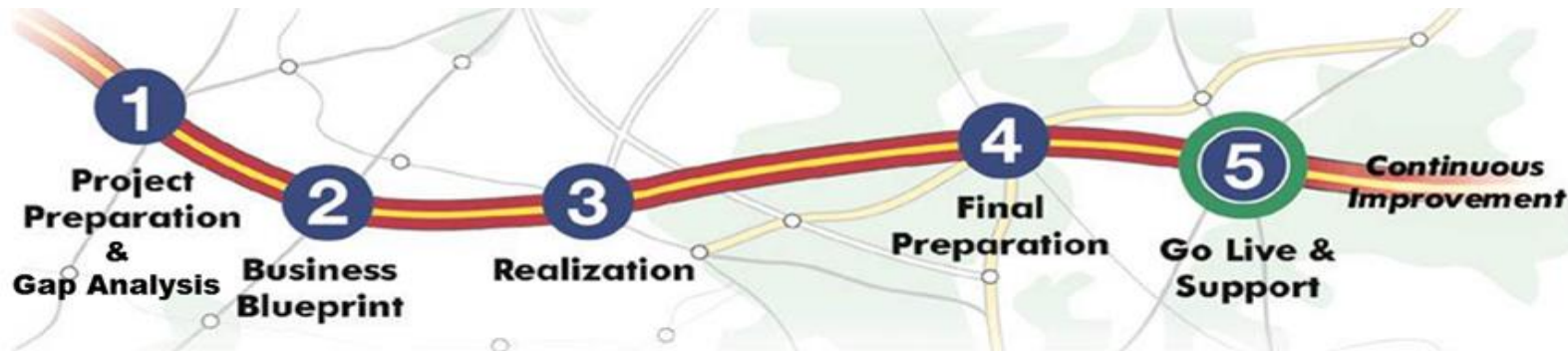
- Manual budget and forecast process relying on localized data sources to generate the budget/forecast
- No direct integration with SAP data. Calculations in Excel and/or Clarity with manual analysis
- Lengthy budget process, 6+ months from start to finish
- Resource intensive process to conduct budget analyses and what-if scenarios

## Technology

- SAP ECC implemented in 2010 (FICO, MM, RE-FX)
- Clarity used for budgeting and disclosure management
- BPC licensed in 2015 with the intention of decommissioning Clarity and moving budget and forecast activities into SAP
- Innovating the decision making process by mining our extensive data for competitive advantage / management dashboards / live-income statement

# Our BPC journey started with selecting the right partner

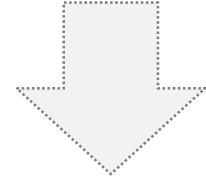
1. Game plan was to implement BPC with internal resources
  - Realized we were missing an opportunity to innovate budget / forecast process
2. We considered several implementation partners - both larger SAP SI vendors and independent BPC consultants
3. PAC emerged as a strong partner
  - 75+ BPC planning implementations
  - Core team with finance and accounting specialists
4. Knowing our environment, we challenged PAC to innovate standard implementation model to increase our likelihood of success ...



# Start with the end

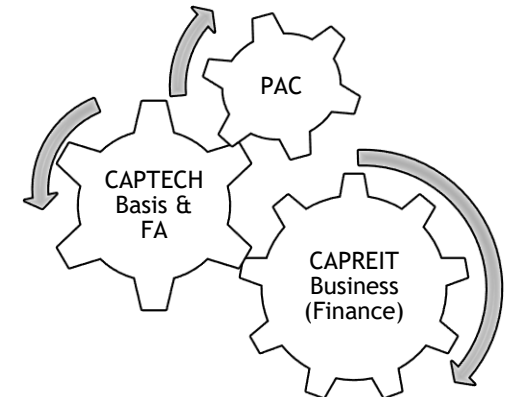
PAC revised approach involved:

1. Understanding the goals and objectives of our planning process and high-level planning attributes
2. Internal PAC team review with lead architects to assess best practices learned from previous PAC implementations
3. PAC proposed proven design increasing likelihood of success
4. Performing a gap analysis on proposed best practices with our processes and data, resulting in a go-forward implementation roadmap



# Setting up the project

- Planning to a firm deadline
  - Tool had to be in place for “traditional” budget cycle start
  - Built an aggressive plan
- BCP for BPC - contingency planning
  - Plan B - Prepped Clarity to mitigate risk of missing BPC go-live
  - Reduced integration risk using SAP/BW and flat file data loads
- Contracting the project
  - Three phased approach - design, blueprint, and realization
  - Opportunity to pause at the end of each phase and make a decision to move forward
- Staffing the project
  - CAPREIT dedicated a finance lead for the duration of the project
  - At outset, finance resources pre-scheduled for key project activities
  - Dedicated SAP Basis and Functional Analysts for duration of the project



- Improved data access and validation
  - Single source of planning data within BPC is more accessible for the end user
  - Retrieving data is easier (for analysis, reporting etc...)
  - Access to data for ad hoc reporting, a new capability
  - Better process control through versioning, data locking, copying etc.
- Better reporting
  - Audit reports are more detailed
  - Ability to generate ad hoc reports on consolidated data
- Ability to plan process improvements and greater automation in the budget and forecast activities



- Vital to assemble the right team across Business, Technology, and Vendor resources
- Business resources **MUST** be dedicated through all stages of the project
- A tailored approach increases the probability of success
  - Best practices based design
  - Deliverable based milestones
  - Continuous knowledge transfer through hands-on involvement in implementation
- Senior management commitment and willingness to change old habits is essential
- Get business buy in early and establish mindset that BPC is a business led initiative not a technology project
- Phased contractual approach to the project through design, blueprint, and realization - more paperwork for PAC - provided better scope and budget control

Thank you!

