

**Manuka Health's
financial planning
process is "the bee's
knees" with Oracle® EPM**

CUSTOMER
Manuka Health

LOCATION
Auckland, New Zealand

INDUSTRY
Consumer and Retail



Challenge

- Time-consuming and error-prone spreadsheet-based budgeting process, with significant data integrity issues
- Legacy systems, models and processes for forecasting and planning with manual data reconciliation from multiple sources
- The need for cost centre owners to view and update data directly in the system without relying on the finance team



Solution

- Oracle® EPM Cloud Planning for integrated cloud-based planning, budgeting and forecasting to improve business predictability
- Industry best practice DXC Accelerate Templates
- DXC ongoing managed services



Results

- Organisation-wide best practice budgeting and forecasting with improved accuracy and greater insight into underlying data
- Modern digital functionality and a new user experience with increased productivity
- Improved business predictability and the ability to drive better business planning decisions

Manuka Health's financial planning process is "the bee's knees" with Oracle® EPM



Manuka Health is a proudly New Zealand born and based company, founded in 2006. Inspired by the knowledge that New Zealand bee products hold special and unique health properties, Manuka Health was driven by a desire to use science to understand and harness these unique natural products and share them with the world. Today, Manuka Health comprises a growing team of dedicated specialists (about 1.5 billion bees and 200+ humans), who carefully craft and nurture Manuka honey, Propolis, Royal Jelly, and New Zealand Gourmet honey to capture the living energy of New Zealand nature.

Manuka Health also partner with dedicated and passionate landowners and to date have planted over 80,000 Mānuka trees. In working with local communities and Maori landowners to improve the productivity and revenue from their whenua (native land), Manuka Health help create jobs and support the local economy.

"We were encouraged to keep it simple and not to think we were too different to other organisations. Understanding your business processes before you embark on a project like this is essential."

— Caroline Allison
Head of IT,
Manuka Health

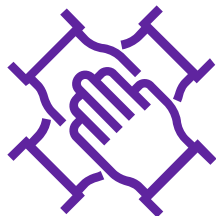
Business challenge

Experiencing rapid business growth, Manuka Health recognised the need to replace its manual spreadsheet-based budgeting, planning and reporting environment with a fully integrated and systemised approach.

The annual budget process took several months, with two senior finance people spending almost all their time on preparation. Tom Maling, Group Management Accountant from Manuka Health, and a colleague worked one-on-one with cost centre owners to develop detailed budgets. With 30+ overly complex spreadsheets and numerous individuals involved, collation and version control was challenging.

Finance staff spent a week each month manually extracting, consolidating and organising data to create month-end reports. The company was estimating revenue by budgeting at the SKU and customer level without any forecasting tools.

These outdated, manual approaches caused significant timing challenges and potential for error. Manuka Health needed to increase budget accuracy and planning efficiency, eliminate manual data reconciliation from multiple sources, and minimise data integrity issues. It was also looking to improve the finance team's responsiveness when requests for information were made, and automate budgeting and planning processes to increase productivity and free up time for more strategic projects. Improved accountability for cost centre owners was also desired by enabling direct data entry and viewing without relying on the finance team.



“One of the keys to success was Manuka Health’s willingness to collaborate and be guided. The team weren’t fixed on rigid ideas. We brought our expertise from doing this elsewhere, and they willingly listened and embraced the change.”

— Philip Swierczynski
NZ Practice Lead, Analytics
- DXC Practice for Oracle

Solution

With a cloud-first strategy, Manuka Health sought the latest functionality offered by Software-as-a-Service (SaaS) products. After independently evaluating several solutions, Oracle Enterprise Performance Management (EPM) Cloud, the leading financial planning and analysis solution on the market, was selected.

An existing DXC Technology client, Manuka Health engaged DXC’s Practice for Oracle as the preferred implementation partner and ongoing managed services provider. The credentials, in-depth understanding of Oracle EPM and unique IP from DXC’s Accelerate Templates were critical to the decision.

DXC’s Oracle Planning Accelerate Templates, a suite of pre-built templates, leverage DXC’s in-depth knowledge, functional and technical IP built up over many years, and trusted partner relationship with Oracle. Designed to help customers take an integrated approach to key tasks, such as budgeting and forecasting, workforce planning, strategic modelling, activity-based costing and performance improvement, the templates allow organisations to get up and running quicker, while providing a best practice industry guideline.

Implementation

DXC managed the entire implementation, from documenting business requirements and scoping through to implementation and change management, working closely with Manuka Health to drive innovation. Leading the initial discovery sessions in collaboration with the Manuka Health team, an agile approach to design, build, and UAT with ongoing model validation and testing ensured success. Tom said, “The DXC team’s understanding of our business and its unique intricacies meant the design phase was seamless. We were challenged appropriately to re-evaluate some business processes, and we still moved into development very quickly.”

Caroline Allison, Head of IT for Manuka Health, said, “We were encouraged to keep it simple and not to think we were too different to other organisations. Understanding your business processes before you embark on a project like this is essential.”

Philip Swierczynski, NZ Practice Lead, Analytics for DXC’s Practice for Oracle, responded by saying, “One of the keys to success was Manuka Health’s willingness to collaborate and be guided. The team weren’t fixed on rigid ideas. We brought our expertise from doing this elsewhere, and they willingly listened and embraced the change. DXC’s Accelerate Templates were invaluable since we don’t want to reinvent the wheel. It provides a best practice starting point which we adapt to suit individual business models, but only where necessary.”

DXC delivered the Oracle EPM solution to provide budgeting, forecasting, management reporting, and cost analysis. Core functionality includes:



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— Tom Maling
Group Management
Accountant, Manuka Health

- Integrated data sourced from the data warehouse, including general ledger (GL) data from Microsoft Dynamics365 and sales demand data from Farsight
- DXC Accelerate templates for Workforce, Capex, balance sheet and cashflow models
- Detailed Foreign Currency Translation Reserve (FCTR) functionality developed specifically for Manuka Health
- A sales planning model using demand forecast data combined with multi-currency product SKU price lists and a customer dimension to enable sales demand and profitability analysis across domestic and international markets

Results and benefits

The Oracle EPM solution is used by the financial controller, operational accountant, market and marketing managers, and provides a single source of truth. The company is seeing huge benefits in data collation, calculation and revenue modelling.

The budget process has reduced by weeks, with the ability to perform budget reporting throughout a game-changer for the finance team. Early in the process, contributors want different scenarios and an understanding of the whole budget to make decisions. When a change request was made pre-Oracle EPM, 30+ spreadsheets had to be consolidated into one and questions on the rolled-up budget were challenging to answer. Now changes

are made on the fly, with total budget numbers available immediately.

The sales team is empowered to perform its own revenue budgeting with no need for IT to manage unruly spreadsheets. The previous experience was so overwhelming it often resulted in budget ownership issues. The new templates make data entry, visibility and cross-checking much easier.

Having worked in the business for five years, Tom said, “The most recent budget was the easiest by far. This system gives us confidence - particularly when reporting to the Board and when budgeting. We can look at our demand plan, estimate revenue and cost of goods (COG), and rely on the actual numbers.”

At least a day a month is saved with automated (and higher quality) month-end cost analysis and reporting. Variance analysis for individual cost centres, and the ability to adjust, refresh and review data instantly is now possible. A far cry from the previous approach where it was difficult to dig deeper for thorough analysis due to the need to extract and reformat Excel data every time.

Oracle EPM has also revolutionised the monthly demand forecasting process. Where previously sales teams had to wait a day for forecast validation, the integrated demand planning tool now offers increased flexibility with data in one place, built from scratch, and available for immediate review and feedback.

Manuka Health sells a range of products with different margins and product pricing in eight major markets. Standard margins were previously assumed across all



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markets; however, new margin analysis by unit and cost, with foreign currency capability, makes forecasting volumes straightforward. Revenue calculations are more sophisticated, with sales now able to view value impact across various markets.

Security is also crucial since data, particularly for budgets, is sensitive and was previously stored in spreadsheets saved in various locations.

Tom said, “For me personally, user experience is key. The stress surrounding the budget process was intense and I wasn’t confident I had produced a high-quality product. With Oracle EPM, I trust the inputs and outputs and know if changes need to be made, we can accommodate them on the fly.”

Caroline concluded, “It was a great project and a collaborative effort. We have an excellent working relationship with the DXC team, and we always received the assistance needed.”

Looking to the future

Manuka Health’s relationship with DXC has evolved. Caroline said, “The DXC team understands our business. The lead developer sat in our office and immersed himself in our team, and the handover to managed services was smooth.”

A strong framework for the future is now in place, with commercial reporting and more detailed strategic planning benefits already achieved. Tom commented, “We’ve only ever performed five-year planning at a high level. This solution will allow us to answer more in-depth questions to support much more comprehensive planning.”

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