



Nando's

How Nando's South Africa haven't missed an option in five years

After an exhaustive search for a more efficient way to manage their leasing data, they took a chance on new technology – and it paid off

Today, Nando's is a highly-recognisable global company. It all started in South Africa, where the desire of two locals to bring the tastes of Portugal to their home country resulted in the opening of the first Nando's store. Fast forward 30 years and Nando's in South Africa has 280 locations operating across the country.

Whilst an impressive portfolio, Nando's discovered that the challenges of managing their retail outlets were growing as quickly as the business. Primarily as a result of managing all their lease data manually via spreadsheets.

Although Excel provided an easy tool, it proved to be insufficient when it came to:

- Accessing data remotely
- Tracking critical lease dates
- Maintaining accurate data
- Real time business and performance reporting

The problems of using Excel were accentuated by:

- An ever-increasing number of new staff
- Geographic expansion of the portfolio
- Changing lease accounting requirements
- Tighter legal requirements
- Increased corporate governance

After managing their lease portfolio via multiple spreadsheets since the very beginning, both the staff and the business were feeling the strain of such manual processes.

A drain on productivity

Nando's manual processes were born out of necessity, not strategy. The absence of a management system that could cater for the specific needs resulted in such inefficient processes as:

- Tedious manual data entry & management
- No centralised access across the team
- Increased risk of payment errors
- Significant wasted time tracking critical lease expiries
- Human error and inaccurate reporting

Leasing Manager, Sibiu Mkhonza, was Nando's go-to contact for all leasing information – meaning much of his time was spent answering queries, instead of looking after the leases.

"Anyone who needed information on any property data would have to phone me to look it up for them. This was extremely time consuming and disruptive"

- Sibiu Mkhonza, Leasing Manager

Nando's weren't oblivious to the problem that their management processes were causing. In fact, they'd been investigating options to improve their system for a long time.

However, there was nothing they could find that offered the capabilities that they needed, 'out of the box' – all that was available was software catering to landlords rather than tenants.

Searching far and wide for a solution

In early 2014, the Head of Nando's South Africa visited Australia and had the opportunity to experience how Nando's Australia managed its lease portfolio.

What he saw impressed him, and he immediately referred the system to his team back in South Africa. That system was LeaseEagle.

Even though this was a completely new product to the South African market, convincing stakeholders to implement it for Nando's South Africa was not an issue.

"It was one of the easiest pitches we have had in a long time. Everyone knew what we needed, and agreed LeaseEagle was the perfect solution" - Sibiu Mkhonza



Taking the time to get it right

Due to the manual records and the sheer amount of property information, the data migration process was important to get right.

With close to 300 hard copy lease agreements to transfer into LeaseEagle, it was quite a task – but it was well worth the investment of time to ensure that all data was transferred correctly.

The LeaseEagle team worked closely with Nando's to ensure the whole migration process was as simple as possible and the data accuracy was very high.

The result

Within two weeks, Nando's had LeaseEagle up and running and the Team started to see the benefits immediately.

Since implementing the core system, Nando's have seen significant improvements in their ability to manage their leases.

- **They haven't missed an option**

Since Nando's started using LeaseEagle in early 2015, they have not missed an option or a lease expiry as the system provides built-in notifications and easy cloud-based access to leasing data.

- **They have a centralised property information hub**

All of Nando's leasing data can now be accessed anywhere, anytime, with just an electronic device and an Internet connection. Property and operations managers no longer have to go through multiple hierarchy levels to get their request for information sent to the head office. They have immediate access in the palm of their hand, allowing them to retrieve data while they're in the store or on the road.

- **The team has unrestricted access**

There's no bottleneck to accessing lease data anymore – employees can find what they need when they need it, even those from other departments. There's no charge for additional users, and custom access levels can be easily assigned to ensure data security.

- **They've saved significant time**

Perhaps the greatest improvement is the time Nando's have saved. The user friendly solution has provided them with mobile access, streamlined reporting and clearer visibility of their property portfolio. Therefore, staff no longer waste time on tedious lease administration and productivity has increased.

"LeaseEagle freed up a lot of time, specifically for myself as I no longer had to constantly look up information for the rest of the staff. It was almost like we freed up an extra employee." - Sibu Mkhonza

With the core LeaseEagle contract management functionality fully implemented into the business, Nando's are now exploring further ways to generate even more productivity gains through the additional optional modules.

Nando's have future plans to add on the *LEFinancials* module, to integrate and automate the processing of property invoices and payments. Also under consideration is the recently released *LECompliance* module, built to provide customers with automated and detailed reporting that is compliant with the new IFRS16 lease accounting standards.

Having undertaken the full journey, Nando's South Africa now knows first-hand the benefits of implementing a lease management solution purpose built for retail tenants.

And their advice to others?

"If you don't have a system, get one. If you do, ask yourself, is it designed for landlords or tenants?"

- Sibu Mkhonza

LeaseEagle

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