
SBV CONSULTING & SOLUTIONS DIVISION

▶ BACKGROUND

Since its establishment in 1986, SBV Services has become recognised as one of the world's leading 'end-to-end' service providers in the Cash Supply Chain. With a continuous focus on innovation and risk management, SBV has dominated on the African continent as leader in the CIT industry.

In recent years however the South African Cash industry has undergone significant transformation with increased pressures for industry players to collaborate to drive mutual benefits.

To meet these challenges SBV formed the Consulting & Solutions Division to provide advisory services both within the Group and to the broader African Cash industry.

Using globally proven Manufacturing and Supply Chain Management principles, SBV Consulting & Solutions Division has positioned SBV as a thought leader, driving Business Performance Improvement for clients and unlocking significant shareholder value.

SBV Consulting & Solutions Division has been involved in multiple Cash Industry projects including Cash Network rationalisation, National footprint and capacity planning, Optimal national apportionment of national balance sheet relief, Development of plans for the introduction of new bank notes into the national network, and customer to cash centre allocation models, to name but a few.

These projects and initiatives have delivered significant value to the project sponsors and the African banking industry as a whole.

AREAS OF EXPERTISE

Utilising leading methodologies to integrate people, processes, technologies, facilities and risk management, SBV Consulting & Solutions Division has developed capabilities and expertise in the following areas:

- ▶ **Network Optimisation**
Centre of gravity exercises to establish the correct footprint of cash centres given supply and demand patterns.
- ▶ **Customer Allocation Analysis**
Ensure that all customers are allocated to the correct cash centres to ensure lowest costs servicing.
- ▶ **Forecasting & Demand Management**
Implementation of state of the art forecasting tools, and the ability to apply traditional Sales & Operations planning methodology to improve forecast accuracy through consensus forecasting.
- ▶ **Simulated Network Environment**
Create a simulated network in which one can test numerous 'what-if' scenarios and the operational and financial impact of those scenarios.

AREAS OF EXPERTISE

► Capacity Planning

Establish that the optimal operational resources (Cash Centres, Sorting and Vault capacity, CIT Vehicles etc) are allocated to cash centres and the network as a whole through applying the theory of constraints methodology.

► Logistics Management

Evaluation and implementation of appropriate logistics management platforms to ensure optimal use of CIT fleet through route optimisation. Fleet capacity planning and configuration / selection to ensure appropriate fleet to balance the risk vs operating cost equation.

► Cash Centre Design

Optimal cash centre design, layouts and process flows to ensure maximum productivity, and risk mitigation.

► Cash Handling Processes & Procedures

Process mapping and writing of procedures for effective cash handling.

► Business Case Formulation & Review

Evaluation and interpretation of model outputs and the review of the merits of the various options to assist with the formulation of business cases.

► Risk Management

Review of the threat levels in a geography and advise on the appropriate risk methodology, processes and procedures to mitigate those risks.

CASE STUDY

Following pressure from the South African Reserve Bank to reduce the quantity of notes in circulation and the associated levying of a 'handling' tax, the South African banking industry faced a significant challenge. No single bank could solve this problem – A collaborative approach was required.

Given SBV's leading position in the industry and focus on innovative technology, the company was selected to spearhead and co-ordinate this industry initiative.

SBV Consulting & Solutions Division was then tasked with the "Turnkey" project to design, implement and manage an industry based initiative to drive efficiencies across the wholesale cash network in South Africa.

Through the establishment of a Collaboration Forum and the deployment of leading-edge technology, the strategic objectives of the project were met for both the major banks and the Reserve Bank. In the first year of operation, the project delivered a net benefit to the industry participants in excess of \$36 million.



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