



Cloud Computing Benefits *to* Small-Medium
Enterprises *with*
Oracle Fusion Cloud

White Paper 2015

INTRODUCTION

Research acknowledges that small to medium enterprises in Namibia still face challenges of which the prime are access to finance, access to market and market information, access to innovation, and lack of business skills and knowledge. A report published by Namibia's *Joint Consultative Committee* in 2008, concluded that the growth of the SME sector was being hampered by a number of factors, including the lack of formal collateralised credit for micro and small enterprises, and that there was a need for micro credit schemes catering specifically to the SME sector.

BACKGROUND

The SME sector covers a wide variation of different types of enterprises regarding:

- Class of business
- Income
- Number of employees
- Time of operation
- Etc.

This situational analysis aims at giving an overview over this wide area in Namibia focusing on the benefits of cloud computing on medium enterprises in Namibia, in other words it aims on how cloud computing can shape this industry. In Namibia the SME sector is in comparison with other African countries small. Nevertheless the Namibian government estimates this sector as a great potential for the socio-economic development of the country in terms of economic growth or poverty improvement.

CHALLENGES THAT SMES FACE

Access to finance

Lack of finance is widely recognised to be the main obstacle to the development of small to medium businesses. Despite the many NGOs and Parastatal agencies involved, the availability of finance to small businesses remains poor disadvantaging SMEs from investing in the right IT operational infrastructures.

Access to Market and information

A look at the market size reveals that the large majority of businesses serve local markets with limited market outreach. About 77% of the SMEs sell their products or services locally, 18% in the region, 4% nationally and only 1% of SMEs export their products or services.

Access to Innovation

Many SMEs in Namibia fail to change or create more effective processes, products and ideas, and can decrease the likelihood of a business succeeding.

Lack of knowledge

The attitude in drawing managerial decisions is another important factor for business success. Beside the fact, that some businesses lack resources, knowledge and expertise to drive their business further, it seems that some do not have the desire to expand. Based on market interviews, local capacity does not culture thirst for knowledge and become specialised in their career fields therefore remain comfortable just to retain employment.

ORACLE FUSION FINANCIALS CLOUD

Small and Medium sized businesses can benefit from implementing business cloud solutions. The Cloud platform will allow Namibian SMEs to use solutions that was previously reserved for large enterprises.

Cloud means Storing and accessing data and programs over the internet instead of your computer hard drive, today do all kinds things "in the cloud", e.g. if you have ever checked your emails online, access your Facebook account then you have used the cloud. With Oracle Cloud SMEs can *innovate* create more efficient work processes and have better productivity and performance.

Benefits include:

- Unlimited data storage from the cloud
- Access to data from anywhere and anytime, promoting flexibility
- High levels of security and data protection
- Up-to-data software that does not place any capital cost on the business
- Better business performance due to portability, promoting productivity, efficiency
- Modern user interfaces and online help

The cloud financials solutions are based on the rapid approach methodology with minimum implementation of a 4 week timeline. SMEs can rapidly access innovative technology, and make available financial information in a short period of time. Inability to timeously have access to monetary funds like loans may be disadvantaged by the lack of enterprise financial information. With the Oracle Cloud offering by New Point the required financial information is already configured and ready to use by our clients.

Capacity building is a strength pillar for NEW POINT; our objective is not only to provide a solution but to engage users to take control of their own solution and data, with training during the implementation and post go-live stages the financials. Change management, of course, should be embraced by both the enterprise drivers and enablers to build a successful solution.

CLOUD FINANCIAL SERVICES

General Ledger

Receivables

Payables

Assets

Cash Management

Budgetary Control

iExpenses

Dashboards & KPIs

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The Cloud will save the SMEs industry in terms of hardware costs, training costs, support and maintenance costs. With the limited financial sources, cloud services come at an inexpensive value due to the elimination of hardware costs. The cloud solution engages the user through the modern user interface, help buttons and training options on the system.

The Oracle Cloud solution is a viable for the Namibian SMEs to solve or the eliminate challenges when acquiring IT solutions to manage their operational information processes.

Market information on the benefits is broadly available of Oracle and New Point websites

User interface

Reports