SharePoint Customer Solution Case Study

Gold-Mining Company Achieves Real-Time Cross-Company Visibility and Reduces Risks

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Fabio Casti, Principal, Caprivi Solutions

Kinross, a major gold producer headquartered in Canada, was in pursuit of a smoother process to manage its $1 billion in annual capital requests. Caprivi Solutions implemented a Business-Critical Solution using K2 applications to integrate line-of-business systems, automate business processes, and improve compliance and visibility across the entire company.

Company: Kinross Gold Corporation
Website: http://kinross.com/
Country or Region: Toronto, Ontario, Canada
Industry: Mining
Partners: K2 and Caprivi Solutions
Partner Websites:
http://www.k2.com/
http://www.caprivisolutions.com/

Company Profile
Kinross is the third-largest gold producer in Canada, with operations in the USA, Chile, Brazil, Ecuador, Russia, Mauritania and Ghana.

Software and Services
Microsoft® SharePoint® 2010
K2 blackpearl® and K2 smartforms®
Microsoft InfoPath

Business Needs

With mining operations spanning the globe, Kinross manages more than $1 billion in capital requests each year. Previously, these requests were managed entirely by a manual process, which resulted in delays, duplication, chasing after signatures and much frustration. A second iteration saw the development of a hard-coded custom .NET solution. While it did improve traceability, the system provided little flexibility, was entirely sequential, and offered none of the critical functionality that one would expect from a business process management (BPM) solution.

"It was extremely difficult to manage and support, costing thousands to develop basic functionality or to implement simple changes," said Chris Fraidakis, Program Manager at Kinross Gold Corporation. "What's more, it was very frustrating for the users who could not perform simple things like viewing their tasks or approving things while on the go.

"The thought of trying to automate any other processes seemed very daunting."

Solution

Kinross looked to several ecosystem providers to help fill the need for a robust BPM solution.

"In the end, K2 was the most feature rich and cost effective solution, and they had the strongest implementation partners," Fraidakis said.

Working with K2 Partner Caprivi Solutions, Kinross developed a Business-Critical SharePoint solution, built on K2 blackpearl and K2 smartforms. The solution connects SharePoint with line-of-business (LOB) systems: a JD Edwards enterprise resource management (ERP) system, SQL Server, and a business intelligence (BI) tool and provides the ability to access, visualize, and share business data from the LOB systems and automate processes across the company.

"Starting with the capital expenditure process, we transformed a 15-step sequential approval to a 3-tier parallel process that handles every step, from the mines to the board of directors," said Fabio Casti, Principal, Caprivi Solutions. "With our agile methodology, we've also allowed Kinross to go beyond the basics to include post-investment reviews, integration with ERP and business intelligence solutions, and health and safety checklists.

"Users love the ability to complete their tasks on the go from any mobile device," Casti said. "This is a key feature for a company that travels extensively and another process we have since helped to automate."

Following this success, Kinross has automated more than a dozen additional processes using K2, with many more on the backlog.

"It has gone viral," Fraidakis said. "With every new application we release, we get more requests from other mines and departments asking if we could do the same for them. I don't think we could have handled the demand without Caprivi Solutions. Their approach, professionalism and performance have been second to none.

"The business loves working with them, and they have delivered everything from

business analysis and development to training and support services."

Benefits

Leveraging the power of K2, Kinross has now deployed a number of Business-Critical SharePoint solutions, focused on automating and accelerating the following processes:

- Capital expenditures
- Incident management
- Employee onboarding
- Invoice approvals
- Post investment reviews
- Delegation of authority
- Vacation requests
- Continuous improvement
- Project document approval
- Travel requests

The first two processes mentioned above are detailed as follows.

Real-Time, Global View of Capital Expenditures

Kinross's CapEx system is used by all its mine sites across the world. It manages over $1 billion in capital spending per year, and it is of great importance to C-level executives

The budget and classification details of CapEx projects are stored in SharePoint form libraries using InfoPath's XML capabilities. The ERP system is JD Edwards (JDE) and it records actual spend against the CapEx project. JDE alone cannot provide comprehensive management reports, as JDE only captures actual spend against the CapEx projects but it is not aware of the approved budget or the all-important CapEx categories. These categories of CapEx spend are defined by the World Gold Council and must be reported on together with financial results.

SQL Server reporting services is used to generate reports which mine the budget data in SharePoint and the actual spend in JDE.A data warehouse was created using

Microsoft SQL Server. K2 is the link between the systems and controls the status and processing of CapEx projects throughout the lifecycle.

With this system in place, anybody at Kinross's corporate head office can get a consolidated view of capital spend budget versus actuals by category. Users can drill down into a region, mine and individual projects and obtain account level information on actual spending for any project. The real-time visibility is of huge value. Reporting is available for everyone from the CEO to a remote project manager at a mine site. Everybody can use the same data across the world, and having one version of truth is very beneficial.

Improving Safety and Compliance of the Incident Management Process

Incident management process was another SharePoint process optimized by K2.

The solution has multi-language capabilities and is used to record any type of incident that requires a formal investigation. This can range from near misses, damage or injuries. K2 controls the process and the assignment of actions. InfoPath is used as the form technology and SharePoint stores all information and statuses of the investigation. The information stored in SharePoint (XML format) and is used to generate global and regional reports and generate statistics.

Once again, this is all done in real time, so corporate Health and Safety managers can monitor all incidents at mine sites across the world.

Business-Critical SharePoint (BCSP) is a Microsoft partner program that includes top solution and service providers who focus on LOB integration with SharePoint.