

Advisory Services Case Study Smoothing the Way to Better Group Reporting

KAZ Minerals

Summary

The Group Finance team at KAZ Minerals recognised the need for CPM systems change, but lacked a framework for vendor evaluation that mitigated the risks of acquiring a replacement system. Concentric offered a structured path for aligning software selection with business requirements.



About KAZ Minerals

KAZ Minerals is a pure-play copper company focused on open pit mining in Kazakhstan and Kyrgyzstan. The company operates the Bozshakol open pit mine in the Pavlodar region of Kazakhstan, the Aktogay open pit mine, three underground mines in the East Region of Kazakhstan, and the Bozymchak open pit mine in Kyrgyzstan. Listed in London, Kazakhstan and Hong Kong, KAZ Minerals is a leading natural resources group and one of the world's largest producers of copper.

Industry: Mining

Annual Revenue: 1,663 billion USD

Product & Services

- Copper, Zinc, Silver, Gold

The Challenges

Legacy reporting tools were inflexible, lacked vendor support and created audit risk. A desire to deliver financial reporting, planning and production data analytics from a single source could not be met by incumbent applications. Considerable manual intervention was needed to manipulate data between differing software solutions in order to complete key reporting cycles.

With a small head office team, KAZ Minerals needed a better way of managing the financial close. They believed in the vision of an integrated CPM platform, but lacked the time and means to identify objective differentiators between vendor offerings.

Key Benefits

- Formalisation of key business needs
- Validation of the license and commercial models that fitted our circumstances
- Identification of ROI factors
- Quantifying the cost of the solution



The Solution

Concentric provided the industry insight and guidance needed to ensure that a diligent approach was adopted in selecting a system that offered an optimal solution fit. The selection team needed greater validation of the solution choices, but had limited availability to devote to this objective.



"We chose Concentric because we felt that their understanding of our legacy systems, their market knowledge and their pragmatic approach, would enable us to make solution choices faster."
Group Controller, KAZ Minerals.



Concentric's Better Business Case Framework helped KAZ Minerals ask the right questions up front. It assisted them in identifying systems that met business needs, offered functional value for money, and also provided attractive cost of ownership models that could be delivered and supported successfully.

A Discovery Questionnaire was completed, and subsequent workshops with key stakeholders enabled the definition and clear understanding of priorities. This led to scoring matrices being updated to reflect functional requirements, which provided an evidence-based approach to assessing suitable solutions.



KAZ Minerals were then able to objectively consider bid responses and vendor presentations within a framework tailored to their specific needs.

Concentric facilitated vendor solution demonstrations and coordinated customer reference call agendas and meetings, ensuring independent validation of each vendor's value proposition.



"Throughout the process, Concentric provided the selection team with useful guidance and insightful advice driven by their extensive industry experience. Their coordination of each step of the process helped mitigate the overhead on our head office resources, whilst ensuring we considered appropriate factors in a logical order."
Group Financial Controller, KAZ Minerals.



The Concentric team then provided project preparation support, helping structure project scope by phase, advising on delivery models and frameworks, and supporting the preferred supplier in their preparation of an initial project plan. This enabled KAZ Minerals to gain a representative understanding of the solution delivery costs and timescales, and facilitated better alignment between KAZ Minerals and the chosen supplier.

Advisory Services Case Study



Results



Concentric's 'Advisory Framework' enabled KAZ Minerals to benchmark shortlisted solutions to ensure that vendor proposals:

- Delivered strategic value (met key business needs);
- Delivered economic value (suitable functionality was offered that negated dependencies on spreadsheets and manual processes);
- Delivered financial value (deployment models introduced benefits and efficiencies for an acceptable cost of ownership);
- Delivered management value (project success was achievable).



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“Concentric led us through a detailed evaluation of the market leading consolidation systems enabling us to identify the best-fit solution. They drove the evaluation process which allowed us to run a diligent selection project with the involvement of just 3 key stakeholders part time.”

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Call us now on +44 (0)203 411 0140
to arrange a free consultation with one of our industry experts