

Uplifting business processes through a combination of business and SAP system mentoring, training and support

CASE STUDY

Project Synopsis

System Assessment & Recommendation followed by specialist skills to uplift the business processes supported by SAP



OkTedi Mining (OTML) operates an open-pit copper, gold and silver mine located in a remote part of Oceania and is recognised to be a major engineering feat, given the remote location of the site and the instability of the terrain.

OTML had made a significant investment in the implementation of SAP as its management information system. Following a pause in mining operations for over 6 months, when staff returned to work, management realised that both the SAP system and business process maturity was very low.

Challenge

In order to understand the issues, OTML's management team sought and engaged the PM Eleven as an "independent" specialist to perform a review of the business processes and the use and adoption of SAP.

With the insights provided by PM Eleven, it was decided to initiate the "SAP Uplift" project to deliver a structured and sustained approach targeting an "uplift" in the SAP system usage, a sharing of system knowledge to a broader group, and subsequently an embedding of the business processes using the system.

Solution

PM Eleven provided a team of "business skilled" SAP specialists with best practice knowledge in maintenance, finance, warehousing, procurement, HR-payroll and operations (and SAP). The team members worked closely with OTML's SAP process leads and key users to ensure that all the SAP system issues were fixed, but also that the business process improvement initiatives were rolled out. This was achieved through a structured program of:

- Leading, coaching and mentoring the end users to deliver business improvements within its operations,
- Facilitating and delivering a mentoring program based on the customers SAP configuration, business process and data structures,
- Focusing on "quick wins" and process changes identified and assigned from the initial independent Business & SAP review, which require investigation, resolution, agreement and actioning,
- Documenting and providing direction for issue resolution,
- Delivering an SAP Basics training program to run alongside the mentoring program.

Delivery Principles

Guiding principles were developed to ensure the business and consulting team could retain focus on business outcomes desired from the change. These guiding principles included:

- The team shall remain true to the design of the business processes, however if this proves impractical or unworkable, then the new business process or solution shall be as "simple and effective" as possible using standard SAP,
- The business processes will be viewed as the drivers for the business.
- The SAP system and technology are the "enablers" which provides the tools that support business processes,

Benefits

Over the journey, the transformation of the business was significant, and the subsequent net financial benefits. Some of the real benefits achieved included:

- Saving of over 40% of the project cost in reduction in vendor overpayments,
- The mentors mentored over 716 people,
- The HR team commenced using SAP,
- 300+ additional notifications and 700+ work orders created per month (Avg).
- 900+ reduction in outstanding notifications
- 5000+ increase per month in reservations to work orders, and

"PM Eleven provided the skills we needed to get back on our feet. Their training, mentoring and education in the best practice usage of SAP was invaluable"

OTML Manager

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- “On contract” PO’s trending up, and the “off contract” PO’s trended down