

Sage ERP X3 integrates and consoli- dates Village Main Reef's mining assets



Customer
Village Main Reef

Industry
Mining

Location
South Africa

System
Sage ERP X3

Village Main Reef (Village) is a South African-based, mining and development company listed on the Johannesburg Stock Exchange. The Company's assets include Lesego Platinum, Cons Murch Mine, Buffelsfontein Gold Mines (which consists of Tau Lekoa Mine, Buffels Gold Mine and the South Gold Plant) and Blyvooruitzicht Gold Mining Company (Blyvoor Gold Mine).

The Company's strategy is to invest in and develop self-sustaining, socially-responsible mining entities. This is achieved by identifying and acquiring assets that represent value and unlocking opportunities from these assets in a way which realises their potential value. The company has some 9,349 employees, including contractors and operates out of its corporate office in Houghton, Johannesburg.

Integration and consolidation

Village Main Reef has acquired a number of mining assets around the country since 2010 and needs to consolidate these assets into one organisation with a centralised financial and shared services facility. Each mining operation was operating on a different ERP platform. The organisation was looking for a single reliable and scalable ERP platform that could integrate and consolidate the multiple companies with a single chart of accounts. A single ERP system was a strategic component of the client's goal in establishing a shared services environment to provide back office services to all group assets in order to drive efficiency and cost savings.

'The Sage ERP X3 system has standardised the processes and controls across all our systems. Having one system provides a platform for potential future cost savings'

Sandeep Gandhi
CFO,
Village Main Reef

Challenge

Village Main Reef required a single reliable and scalable (ERP) platform that could integrate and consolidate its multiple mining assets into a single chart of accounts.

Solution

Sage ERP X3 fit Village Main Reef perfectly as a recognised mid-tier product with a proven track record in the mining industry.

Results

Sage ERP X3 has provided Village Main Reef with a single ERP platform with a single chart of accounts and consistent business processes across all of its companies and assets.

‘We also look forward to the value added benefits that will be realised as we go forward due to Sage ERP X3’s reporting functionality which will significantly benefit our ability to report on our operations.’

Sandeep Gandhi
CFO,
Village Main Reef

Proven track record

Village Main Reef chose Deloitte Consulting to implement Sage ERP X3. Deloitte has a track record of applying deep industry knowledge in mining to secure ERP and IT solutions across all disciplines. Deloitte Consulting is also known to be able to deliver quality solutions on complex assignments. Sage ERP X3 is a recognised mid-tier product with a proven track record in the mining industry.

One of the key requirements of the ERP design was to maintain standard Sage ERP X3 functionality which ensures a more efficient roll-out of the solution to new group companies as the group continues to grow.

The backbone of back-office processes

The implementation at Village Main Reef went live in July 2012. Village Main Reef now has a single ERP platform with a single chart of accounts and consistent business processes across all of its companies and assets. This common platform is now the backbone of the back-office processes provided to the Village Main Reef group of companies by its newly established Shared Services Centre.

“The Sage ERP X3 system has standardised the processes and controls across all our systems. Having one system provides a platform for potential future cost savings. Since its implementation in July all our transactions have been going through the one ERP platform and this has helped to consolidate our operations within the group. We also look forward to the value added benefits that will be realised as we go forward due to Sage ERP X3’s reporting functionality which will significantly benefit our ability to report on our operations,” Sandeep Gandhi, Chief Financial Officer, Village Main Reef.

“We are very comfortable with the product,” says Johan Theron, a Director at Deloitte Consulting.

“Sage ERP X3 does not come with the hefty price tag that some of its bigger counterparts present, which makes it the ideal solution in a tough economy. Cost of ownership is a focal point and with that in mind Deloitte introduced a software finance plan option, to stagger the initial implementation cost, as an option for our clients should they require this. The return on investment makes the implementation of a Deloitte Mining Shared Services offering well worth it. The package comprises, an ERP solution, financial co-and outsourcing services in addition to information technology outsourcing services.”

“Innovation remains at the forefront of the entire Sage Group’s identity. Sage ERP X3 offers the option of a decentralised approach to further improve our products for the mining industry, including the ability to use the software in offline mode. Connectivity, especially in some areas in Africa where mines are situated, can be both expensive and inconsistent, which is why we have integrated an option to work offline with our Sage ERP X3 product,” says Keith Fenner, senior vice-president for sales at Sage ERP Africa.

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