

SHAREFORCE STREAMLINES KUMBA IRON ORE'S SHARE PLAN MANAGEMENT

ABOUT KUMBA IRON ORE

Kumba Iron Ore is a leading supplier of high-quality iron ore to the global steel industry, operating primarily in Africa.

The company is committed to empowering its employees through ownership schemes, particularly the Karolo and Semela Employee Share Ownership Plans, which allows employees to own shares in the company.



SHARE PLAN ADMINISTRATION CHALLENGES

Before partnering with ShareForce, Kumba faced challenges in managing its share plans, especially with the Karolo (meaning "part of") ESOP.

KEY ISSUES INCLUDED:

Complex logistics for participant communication

Due to many employees working at mining sites, Kumba had to rely on physically printing and distributing award notices and scheme-related information, resulting in unnecessary printing and logistical expenses.

Impact on productivity

Participants had to wait in long queues to receive and submit their forms. This time away from their roles had an impact on production efficiency.

Manual processing of share plan communications

Previously, share plans were managed across various platforms, requiring manual extraction of data, editing, and communication with participants, leading to errors and miscommunication.

Inefficient systems

Multiple systems were used for processing tax directives and share plan administration, resulting in delayed responses and errors that impacted operations like vesting notices and performance testing.



HOW SHAREFORCE HELPED

ShareForce introduced a comprehensive solution that addressed these challenges by offering an integrated, digital platform for managing Kumba's share plans.

- Streamlined communication
- Cost savings
- Consolidation of systems
- Improved reporting and performance management



Streamlined communication

ShareForce made participant communication electronic, eliminating the need for physical forms. Workers could now log into the system and manage their choices independently, reducing the need for time-consuming, error-prone manual processes. Consistent, real-time communication ensured participants were always informed about their share plans and options.

Cost savings

By digitising the process, Kumba was able to cut down on costs related to printing and logistics. Additionally, reducing the time employees spent away from production, thereby helped to minimise the operational costs associated with participant engagement.

Consolidation of systems

ShareForce integrated various processes into one platform, reducing manual data entry and errors. Kumba could now manage share awards, vesting notices, tax directives, and retention awards all from one place, which dramatically shortened turnaround times and improved accuracy.

Improved reporting and performance management

The reporting module allowed Kumba to create and customise reports as needed, from financial data to performance testing reports. With these capabilities, Kumba could generate accurate, real-time performance and vesting data at the push of a button.

ONGOING SUPPORT

Kumba Iron Ore's partnership with ShareForce has transformed the way the company manages its share plans, leading to improved efficiency, reduced costs, and increased employee engagement. With the support from ShareForce, Kumba continues to innovate and expand its use of the platform, ensuring long-term success in employee ownership and rewards programs.

“Beyond managing share plans, Kumba has extended the platform’s capabilities to include the administration of retention rewards and bonuses. This was previously unfeasible due to the complexities of managing large-scale employee data across different systems” says Stean Vorster, Client Manager at ShareForce

