

Growing Use of Technology in the Mining Industry

In order to stay competitive, control costs and remain sustainable, mining companies across Canada have increasingly begun investing in a more digital approach to managing operations, according to a survey by Accenture. Twenty-five percent of survey respondents stated that their digital investment has **increased by 50 percent or more** in the last three years.

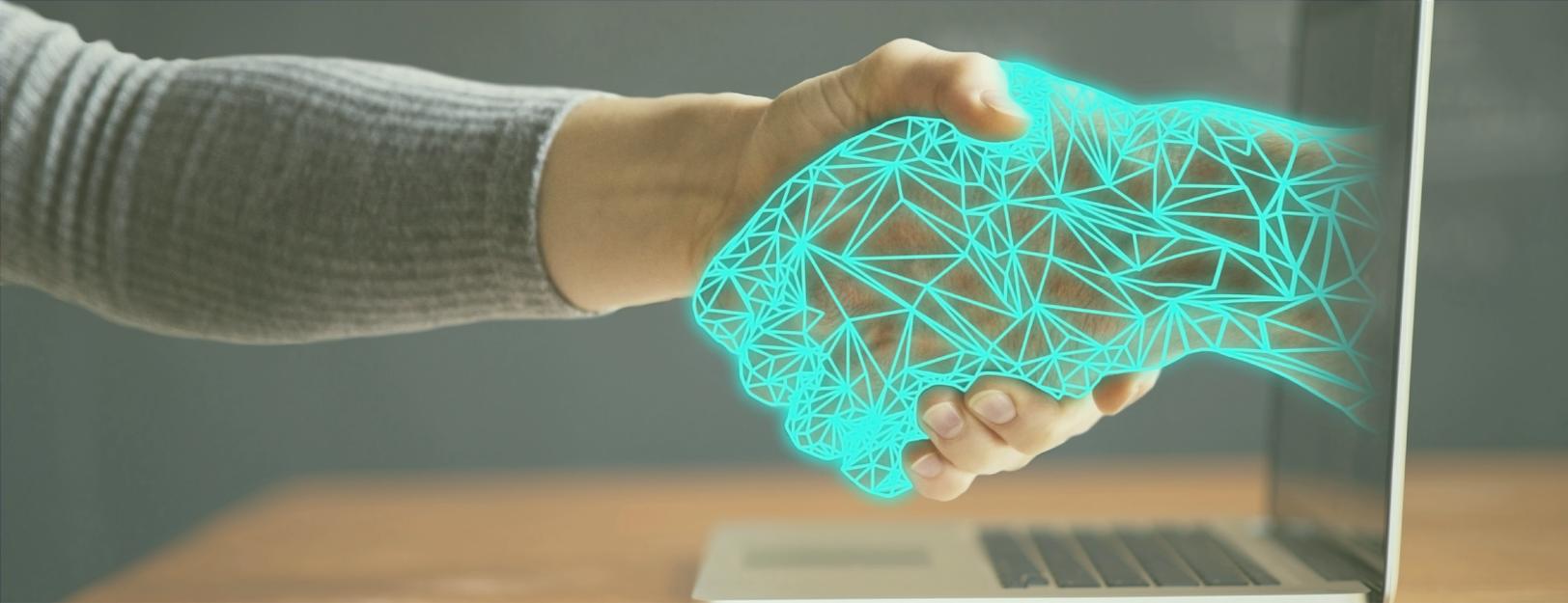
Various types of technology can be employed to help companies manage some of the mining industry's most serious challenges, such as working in geographically remote areas, controlling costs, training employees to work safely in dangerous environments and keeping up with the world's demand for resources. The executives surveyed by Accenture identified data analytics, cloud computing and mobility as the areas with the greatest potential for company ROI.

THE RISKS

Over **95 percent** of mining executives plan to implement more technology at their companies in the next few years. However, the benefits of incorporating technology into the workplace do come with risks. Here are some of the most important risks to plan for:

- 1. Hardware and software failure:** Employee error, natural disasters and technology failure can cause lost access to data or data corruption. It's important for your company to have a business continuity plan in place for when technology goes down—without prior planning, you leave your company open to a financial crisis, especially if you are forced to close operations for a period of time. Having a business continuity plan helps you prepare for anything that disrupts your business operations and plan for a backup option when feasible. You also need to plan how you will recover from any business disruptions and re-open as soon as possible.
- 2. Loss of digital information:** The intangible property your company owns, including websites, data and networks, has the potential to be damaged, lost or stolen. It's important to have this information backed up on the cloud and also at an off-site location. Additionally, your company should have policies in place that outline procedures to follow to keep your information safe.
- 3. Malware, viruses, spam, scams and phishing:** Any of these computer intrusions could cripple your company, costing you thousands or millions of dollars in damages and/or lost sales. It is important to be vigilant and cautious about the content your employees open while using the Internet. Risky employee Internet use can have serious consequences for your company. Company policies and employee training regarding computer use are effective ways to reduce the impact that malware has on your system.
- 4. Learning curve:** You may need to hire employees who are familiar with the new software and programs your company is using, and provide training for existing employees. Coordinate small group training where employees can work hands-on with new software and receive guidance regarding proper workflows and processes. Employees will feel more comfortable asking questions in a smaller group setting, and any employees who need assistance above and beyond the scope of normal training can be helped on the spot. It's also a good idea to set benchmarks to measure where you want employees to be with the new technology and by when. Setting goals will help employees stay on track who are struggling with or resisting the transition.

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5. **Reorganizing business operations:** Day-to-day activities, workflow and processes may have to be reorganized to incorporate the use of new technology. Employees will need time and training to adapt. Customers or third-party vendors may be impacted, too. Everyone will need to be responsible for thinking through new processes step by step and planning for changes that will need to be made. For changes that will impact third-party vendors, be sure to communicate with them in a timely, professional manner.
6. **Human error:** Storing information electronically opens a company up to the risks of employee error. For example, an employee could accidentally delete company data or publish it publicly. Though this doesn't happen very often, there are steps you can take to ensure safe employee technology use, including the following:
 - Establishing a company policy regarding computer use
 - Limiting employee access to important data
 - Leaving only one or two people in charge of publicly publishing information
 - Making sure all information is backed up on the cloud or at an off-site location

THE FUTURE

Industry experts predict that technology will continue to transform the mining industry as we know it. Exciting projects are already taking place across the globe, such as using drones for environmental scanning and mapping, employing driverless vehicles in unsafe terrain and building robot miners controlled by remote operators. Projects like this will continue to capture the attention of the public and encourage further innovation.

Have you considered the impact increasing technology use will have on your business? Contact your local Advisor and learn more about the risks and benefits.

LET US HELP YOU MANAGE YOUR RISK

LOCATIONS

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