



## Australian Mining Contractor

Production Increase and Management Control System / Queensland

Our client is a leading construction, mining and services contractor with operations in Australia, New Zealand, Indonesia, and India. As one of the world's largest open-cut coal contract miner, they mine more than 109 million tonnes of coal, 7 million tonnes of ore and move about 542 million cubic metres of overburden per year. They also own and operate one of the largest mining fleets in the world. Contracts have included coal, iron ore, copper and uranium, nickel, gold, silver, lead, zinc and magnetite.

“The approach taken by Renoir was direct and hands on, immersing themselves in the environment of our mine site to engage with stakeholders at all levels.

Renoir facilitated the development, improvement and installation of simple, robust and effective solutions, concentrated on the critical issues identified through an initial, very thorough, analysis phase. We realized an overall 16% improvement in production.”

**General Manager Mining**  
**Australian Mining**

### ANALYSIS

Renoir was invited to conduct an analysis of the mining operations with a focus on Planning, Operations (Production), Drill & Blast and Maintenance. The objective was to identify opportunities for operational improvement to support an uplift in overall production, with a secondary focus on Overall Equipment Efficiency (OEE), productivity, utilisation and availability of the digging fleet, operational discipline and reduced waste in processes.

The Analysis focused on the efficiency of current management practices, processes, systems and behaviours, plus the effectiveness of activities in each area. A number of areas for improvement were identified, including:

- Current staff activity vs a more value-adding activity balance.
  - Management systems and practices not used optimally to identify and address reasons for lost production.
  - Management behaviors not geared towards proactively tackling underlying issues, rather than fixing problems as they arise.
  - Lack of structured management tools such as; KPIs, short interval control, variation analysis, etc.
  - Lack of, or poor use of, formal procedures by which to coordinate and control key activities that drive production.
  - Compliance to plan low due to constant priority changes and poor interdepartmental planning coordination.
  - Roles and responsibilities require clarification to avoid confusion, rework and ineffective communication.
  - Ineffective communications between departments and between individuals & departments causing misalignment of priorities.
- An increase in production output was planned to flow from the outlined enhancement initiatives. Renoir was engaged for 20 weeks to deliver rapid results.

### PROJECT APPROACH

The Project Team was comprised of a Renoir Project Manager, Renoir Operations Manager (part time), three Renoir consultants and three, subject matter competent, client Taskforce Members (full time). This setup allowed for optimal skills transfer, cooperation, & co-ordination between Renoir and our client as well as facilitating buy-in from their stakeholders to ensure sustainability.

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### Key Results

16% increase in overall production

13% increase in excavator utilisation

Greater strategic oversight and managerial control based on establishing clear and simple processes and unified Management Control System elements for continuous improvement

### THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

Visit Renoir at [www.renoirgroup.com](http://www.renoirgroup.com) for more information and a complete list of regional contacts or send us an e-mail at: [renoir.office@renoirgroup.com](mailto:renoir.office@renoirgroup.com)

### TARGETED IMPROVEMENTS

The main objective of the program was to drive a rapid increase in production through developing and implementing simplified and efficient processes and procedures, alongside robust management control practices, across the mine. These were designed to allow management to Short Interval Control the planned activities and address deviations quickly, reinforcing desired management behaviour to constantly improve.

### INITIATIVES

Project initiatives focused on:

Reviewing & installing best practice procedures for several key areas directly impacting production, e.g:

- Production meeting effectiveness
- Hot seating optimisation
- Pit control/Dispatch best practice
- Workforce transportation efficiency
- Safety Work Area Briefing (WAB) and prestart standardisation.

Implementation of a Root Cause Analysis system to drive continuous improvement.

Automation of manual processes

Developing and implementing Drill & Blast Quality Assurance protocols and controls, including contractor management elements.

Development and installation of effective equipment Operations/ Maintenance communications and handover procedures.

Holistic improvement in Maintenance, covering, for example:

- Improvement of planning and work prioritisation through implementation of resource-balanced planning, job standards and Maintenance/Ops planning alignment
- Installation of revised supervisory behaviours around break discipline
- Skills gap analysis and instigation of new training plans
- Revision of work orders ("Service Sheets")
- Improved meeting practices through revised formats, tools and individual coaching

Increased clarity in roles and responsibilities for all the applicable processes.

**The ultimate objective of the program was to develop and implement changes to our client's work management practices, improving production through increases in machine availability, utilisation and digger (excavator) productivity.**

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