

RAPID RESULTS SUCCESS

ROLLING STONES PERFORMS AT MOGALAKWENA

11 October 2011

In as little as three months, Mogalakwena Mine, Anglo American's only open pit platinum mine, has increased its average daily production from 180,000 to 220,000 tonnes thanks to the effective implementation approach used during Project Rolling Stones. Project Rolling Stones, an improvement project that commenced earlier this year following an Operational Review conducted at the mine by Group Asset Optimisation, is a key driving force behind the operation's enhanced productivity figures.

Improvement projects such as Project Rolling Stones can only be deemed as successful if they have the capability to produce results on a sustainable basis. The first wave of improvement projects was concluded in April 2011 and continues displaying maintainable performance:

- The unplanned downtime of Mogalakwena's support equipment, such as track dozers, tyre dozers, graders and front end loaders, has maintained a 30% improvement level from 165 to 117 hours per day.
- The lost hours on haul trucks decreased by 49% from an average of 41 hours to an average of 21 hours per day. In addition the operation has maintained the lost hours at a rate of less than 10 hours per day for two consecutive months, testifying to the project's sustainability.
- Tyre damage was significantly reduced with damages during the final month of the project reduced from 12 to 7 tyres. Improving tyre life is a long-term project that is driven by strong support and attention by mine management and passionate people from the tyre champion right through to all equipment operators. Several key factors influence the success of reduced tyre damage. These encompass creating operator awareness and urgency around improving tyre life; the tyre campaign, ensuring optimal pit conditions such as road load and dump area condition monitoring, spillage clearing, road design issues, overloading and skew loading controls; enhanced tyre and rim management including proactive pressure checking, tyre rotation and matching as well as identification of damaged tyres for repairs; and tyre system management.

"Some of the factors that have contributed to the success of Project Rolling Stones include the people's buy-in to the implementation methodology, the urgency and quick responses that were elicited by this process and the change in management's focus resulting in a multi-level involvement in the project," says Vijay Kumar, Production Manager at Mogalakwena Mine.

A noteworthy second project wave

The action teams at Mogalakwena were given 100 days to implement three additional value generating projects using their existing resources and capacities. The multi-disciplinary action teams included individuals from various levels at the mine covering all functions within the performance chain, thereby maximising the teams' input into problem identification and solving, and increasing the odds of achieving the set targets.

Project Rolling Stone's second wave of projects involved:

- Enhancing the availability of the light delivery vehicle fleet. As such a target of 89% availability was set and resulted in 84% availability being achieved by the end of the project.
- Attaining quality drilling up to 90% of all metres drilled in terms of depth and positioning, enhancing drilling and directly impacting the ore quality produced.
- Enhancing the truck loads per shift was identified during the on-site Value Driver Tree process as the best value opportunity project for the mine, potentially increasing production by 6%. Due to its scope, this project has advanced into the third wave of Project Rolling Stones.

With the third leg of improvement projects already underway, maintaining the performance of the first and second waves has remained a key focus, with daily performance tracking and sustainable performance remaining top of management's agenda.

A formula for success

The site has been using the implementation methodology since January 2011 with the launch of Project Rolling Stones. The approach unleashes implementation capacity, strengthening the action team's level of accountability and commitment to delivering on target. This business improvement process, aptly called Rapid Results, builds competence in results based management and focuses on setting defined, measurable and visible goals, successfully creating a sense of urgency and accountability amongst the members of the action teams. Rapid Results passes the project accountability and ownership to the individuals on site, tapping their intelligence, their experience and their expertise for achieving and sustaining operational excellence.

"One of the most obvious deductions from the project is that even though effective systems and processes are operational necessities, the biggest value lies in our people," comments Ted Muhajir, General Manager at Mogalakwena Mine. "Every person on the team has a responsibility to the improvement process. Targets are set with each team member's buy-in, progress is measured daily and performance reports are submitted weekly to the SteerCom for review. From the onset, everyone understands exactly what value their individual input will add and so there is a personal interest in realising the results. The outcome is either very rewarding or very disappointing for everyone involved."

Key learnings

A key lesson that can be taken from Project Rolling Stones is the incredible value that can be garnered from leveraging the available skills on-site from a grassroots level. It's the people with hands-on involvement at the mine who are most able to contribute to problem fixing and operational improvement. This multi-disciplinary, multi-level interaction breaks down the silos that restrict knowledge sharing within the operation.

Bert Rossouw, Business Improvement Manager at Mogalakwena Mine: "A synergy between management and the team members stems from the defined urgency of the improvement project. It forges a two-way process that not only aids management, but also assists the action team members. This results in designs being impacted by a top-down approach and implementation being affected by a bottom-up approach."

A changing culture

The urgency of a project is often accompanied by initial difficulty in changing a working team's focus from operational to problem solving. This step involves regular team updates, focused communication and facilitation by the Mogalakwena Business Improvement (BI) team necessary for changing the operational mind-set of the team members. Once the initial hurdle is overcome, a lot of energy results from the team dynamics that if channeled correctly works to the advantage of the project.

"One of the most important aspects of Project Rolling Stones is that it has ignited a renewed passion amongst the team members for their work. Passion in the workplace is a company value that Anglo American strives to achieve and is one of the most significant ways of delivering long-term operational value," says Yolanda Oberholzer, Business Improvement Specialist at Mogalakwena Mine.

In conclusion

Mogalakwena Mine is well positioned for achieving the ambitious production target of 240,000 tonnes per day as a result of the successful implementation of its performance improvement projects. Project Rolling Stones completed its second wave of projects at the end of September, commencing its third wave simultaneously.

CONTACT:

For more information, please contact:

Alrien van der Walt, iResults Director, call: +27 (0) 82 323 5137, email: alrien@i-results.com