

# Client Success

# SEBUKU MINE

LEIGHTON

19% Productivity Improvement

# Background

Sebuku is located to the south-east of Borneo, Leighton Asia undertook contract mining for Straits Resources through PT Bahari Cakrawala Sebuku at the Sebuku coal mine in South Kalimantan, Indonesia.

This ten-year life-of-mine contract comprised of infrastructure construction, removal of overburden and mining of 16 million tonnes of multiple seam coal. It also included the design, finance, construction and operation on a BOOT basis of a 200tph coal washing plant and 1000tph load out facility. Construction work at this greenfield site commenced in July 1997, with processed coal being produced from January 1998, initially at 1.3MT per year and then at 1.7MT coal per annum

# The Challenge

In 2000, Leighton Asia contracted Jamieson Consulting to carry out a comprehensive review of our Mining Operations with a focus on improving productivity, performance and profitability.

As a result of the findings from that review a "Performance Improvement Program" was undertaken.

The program focused on designing an enhanced Management Structure and Management Operating System that would assist Sebuku in its mining challenges.

The Program was focussed on productivity, and profitability performance improvement within Mining, Maintenance, Coal Processing and Coal Transportation.

# The Approach

The main aims of the project were to engineer a system that provided a greater level of control over the work process from the operators through front line supervisor up to the Project Manager, and to integrate the planning and reporting functions of the production, maintenance and the CPP.



# Project at a Glance

#### **REGION**

Asia, Indonesia (Southern Kalimantan)

#### **INDUSTRY**

Mining

# COMMODITY

Coal

# MINE TYPE

Open Cut

#### PROJECT FOCUS

Improving productivity and performance

### **KEY ACHIEVEMENTS**

19% productivity improvement on all excavators



The project approach was to:

- Review and re-engineer the work allocation and management systems.
- Upgrade and implement Management Operating System improvements with the following elements:
  - o Forecast
  - o Plan
  - o Schedule
  - o Follow up
  - o Reporting
  - o Feedback
  - o Evaluation (KPI's and Accountability)
- Facilitate the integration of all site information and the Management Operating Systems into a single system.
- Integration of Safety and Training into the Management Operating System.
- Carry out coaching to improve the competency of frontline supervisors enabling the installation of a "flatter" more "streamlined" organizational structure.
- Assist with the detailed design and installation of the new structure.
- Educate staff to develop a culture of continuous improvement with heightened awareness of business needs and requirements.
- Educate and coach to develop management and supervisory behaviours with an emphasis on implementation, follow-up, root cause analysis and problem solving.

# The Success

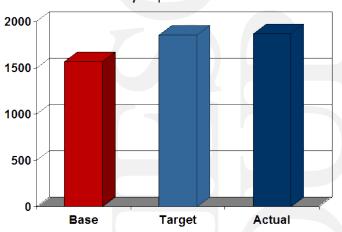
"The program proved successful, through the identification of our business drivers, the design and installation of an enhanced Management Operating System and most importantly the training, coaching and mentoring of our onsite staff from

management to frontline supervisors. We were able to achieve measurable, sustainable improvements at one of our largest mining operations.

While the process is hard work and needs very specifically skilled people to be effective, In summary I would have (and have had in the past) no hesitation in recommending Jamieson Consulting to any organisation wishing to achieve measurable improved performance regardless of industry or the culture within which they are located".

Ray Hodgson, President Director, P.T. Leighton Indonesia.

## Overall Productivity Improvement of all Excavators



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