



BUSINESS OUTCOMES

INDUSTRY:

Mining

SOLUTION:

EZ App® Pre-Screening

Multi-Level Assessment Brings Excellent Return on Investment

Author: Jim LaCoste

The Situation

A mine located in Magna, Utah, boasts the world's largest man-made excavation, measuring two and a half miles wide by three quarters of a mile deep. The mine's owner is also the second largest producer of copper in the United States, providing approximately 13 % of the country's copper needs. In continuous operation since 1906, the mine was facing closure in 2010 if productivity issues could not be resolved. The Company needed to justify a substantial investment to ultimately take the operation underground to extend the life of the mine to 2040. In 2001, the organization's management determined that a "step change" in their operations was required if they were to continue to operate beyond 2010.

The Company employs over 1,400 people at this particular operation, which has been represented by the United Steel Workers union since 1943. The operation is divided into four primary areas: mining/crushing, concentrator plant, smelter and refinery. Internal analysis of the processes revealed that the most serious bottleneck was in the smelter operations. Maintenance issues within the smelter operations were identified to be the root cause of the problems. In 2001, the smelter was operating at 89% capacity. In January 2002, a leading safety management organization was selected to replace the incumbent maintenance workforce and take over maintenance responsibility of the smelter operations.

In continuous operation since 1906, the mine was facing closure if productivity issues could not be resolved.

The Solution

In preparing to mobilize the project, the management firm partnered with Select International to develop a plan to staff the project and also mitigate the risks associated with replacing an incumbent-represented workforce of 144 maintenance mechanics. Select International managed an expansive advertising campaign, resulting in over 4,000 online applications. The Select International EZ App® process reduced this number to 1,500 potential candidates. The incumbent employees were encouraged to apply for employment and were not required to go through the pre-screening process.

The Select International EZ App® process reduced the number of potential candidate applications from 4,000 to 1,500.

All potential candidates were tested to evaluate electrical and/or mechanical competency and behavioral traits that were determined to be important indicators of future success to the new employer. Over a period of 6 weeks, these efforts resulted in the identification of a pool of 490 qualified applicants from which the management firm would begin the final selection process. Approximately 20% of the incumbent workforce applied for positions with the firm, of which more than 70% failed to pass at least one portion of the testing process. In March 2002, the firm took over the maintenance operations at the smelter with a workforce of 88 mechanics.



Outcomes

The mining company experienced a significant impact on productivity, safety and cost, including:

- The workforce was reduced 40% from 144 to 88 employees, resulting in a substantial and immediate cost reduction for the client.
- No unfair labor practice charges were filed by the USW alleging discrimination in failure to hire incumbent employees because of their union affiliation.
- In the first year of providing maintenance services, the management firm increased the “uptime” of the smelter from 89% to 94%, which equates to one additional month of production through-put.
- **Prior to 2002, the safety incident rate per 500,000 M/H at the smelter was 9.6%. In year one, the management firm’s incident rate per 500,000 M/H was 1.6%. This incident rate has continued to drop and is currently .45%.**
- Annual attrition rate over the past seven years has averaged 2%.
- **The mining company was required to submit a progress report to its parent owner in 2005. This report reflected quantified productivity improvement and cost savings of \$90 million over three years.**
- In 2005, the parent owner committed \$170 million dollars to the East 1 pushback project which extends the life of the mine to 2013. Further alternatives to extend the mine underground are being evaluated.

The mine’s progress report reflected quantified productivity improvement and cost savings of \$90 million over three years.

In 2007, the management firm’s contract to provide maintenance services at the smelter was renewed for an additional five years. Opportunities for expansion of services into other areas of the mining operations are under consideration. According to project management, this success was a product of many factors. Certainly providing sound management direction and proven maintenance management processes and expertise was critical. However, in their opinion, the single most important piece was our ability to “hire the best” employees available; employees who were incrementally better - both in attitude and competency - in performing the work.

For over 20 years, Select International, Inc. has provided superior assessment products and solutions for its clients. Many of the world’s largest and most successful organizations trust us with their hiring and retention goals. Whether your company

needs pre-employment screening, personnel evaluation, in-depth leadership assessment or behavioral interviewing, Select International has a solution to meet - *and then exceed* - your needs.

Select International, Inc.
5700 Corporate Drive, Suite 250
Pittsburgh, PA 15237
800-786-8595
www.selectinternational.com