



# THE TIMES 100

Edition 14

## Anglo American: New technology development in the primary sector

### Answer sheet

#### Questions

1. What sector does Anglo American work in?  
Primary and Secondary sector . it is a mining company that also processes the raw materials.
2. What does Anglo American do?  
Exploration, extraction and processing of metals and minerals.
3. How does Anglo American maintain its position against its competitors?  
Continually explores new areas to mine and develops new technologies that aid exploration, extraction and processing in terms of efficiency, productivity and cost.
4. Anglo American uses a road map. What does this mean?  
The road map is used to assess the developments, plans and innovations and ensure that these areas are meeting the requirements of the business and that they actually work. i.e. from problem . to potential solution . implementation (does it work with in the parameters of cost, time and efficiency.)
5. Anglo American benefits from specialist economies. How is this so?  
Anglo American recruits people to work in certain areas of the business. As they are a large company those employees will do specific jobs and therefore become very good at them, in terms of speed, knowledge, productivity and efficiency, which reduces costs overall and makes Anglo American more competitive in the wider world.
6. After having reading the case study, in your opinion would Anglo American use critical path analysis and decision trees. If so, why?  
Yes because decisions have to be made which the owners / managers need to know if there will be a return on investment and whether this would be a viable proposition. Also would there be enough margin for the shareholders. With regards to Critical Path Analysis, if there is a project /extraction, there will need to be a schedule in place so that deadlines can be met. With the large amounts of equipment and machinery required, it would need large amounts of organisation in terms of workforce planning and utilisation of machinery. Critical Path Analysis provides a schedule and allocation of resources.
7. What is the difference between a Brownfield and Greenfield site?  
Brownfield sites are areas that have already been developed previously, whereas Greenfield sites have not been developed at all.



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8. What are the private costs and benefits to Anglo American of developing Greenfield sites?  
Private costs - the actual cost of developing the site. Private benefits . the profits/ revenue it receives from the newly developed sites.
9. What are the social costs and benefits to Anglo American of developing Greenfield sites?  
Social costs will be the negative publicity from the various pressure groups for developing the untouched land. Wildlife is killed as their habitat is destroyed. The green fields become an eye sore, and the various pollutions increase . noise and traffic. Jobs are created which creates wealth in the local areas.
10. Why might Anglo American use computer modelling before implementing full scale production?  
Computer modelling would be used for cost and time purposes, to ensure that the idea/ process work.
11. Using the case study, give an example of innovation that Anglo American has used.  
Hydraulic rigs has been developed that reduce the time it takes to drill mine shafts and the developments in recycling water have made it possible to drill in arid regions in Africa and Australia.