

# ENHANCING OPERATIONAL EFFICIENCY IN COAL ENTERPRISES THROUGH CAPACITY LAYOUT OPTIMISATION: A COST-EFFECTIVENESS ANALYSIS

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**Abstract:** In particular, this work explores the effectiveness of capacity layout optimisation on workflows and organizational performance for coal enterprises through reliance on advanced technologies such as GIS, Lean Six Sigma, Artificial Intelligence (AI), and Big Data, filling in those gaps in prior studies by using software from AnyLogic to develop computational models and conduct simulations. It analyses the critical parameters of processing time, throughput rates, resource utilization, queue lengths, and idle times to determine operational efficiency and employee satisfaction. The case studies of Mt Arthur Coal and Shendong Coal Mine are discussed to exemplify practical applications and corresponding effects that layout optimisation decisions may have on workforce dynamics and operational performance. Key findings highlight the fact that optimized layouts achieved a 15-20% reduction in cost, 10% improvement in resource utilization and 20% improvement in job satisfaction. Thus, these developments suggest that advance modelling techniques open avenues for using coal industry business processes to design improvements that promote cost-effective improvement in efficiency through employee-centric modifications. This research is a contribution to the growing knowledge base on the optimisation of capacity layout and, therefore, contributes to actionable insights for enhancing the operational efficiency and employee well-being of coal enterprises.

**Keywords:** Capacity Layout Optimisation, Coal Enterprises, AI, Lean Six Sigma, GIS, Big Data.

## 1. Introduction

### 1.1 Background

The application of coal energy has been in existence for so many years in providing

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basic energy requirement for electricity generation, individual and industries' utilization, and various activities (Wu et al., 2024). However, the profile of coal is gradually increasing as one of the critical factors in energy supply due to coal endowment and affordable cost of this commodity. Environmental standards tend to increase, market price of coal fluctuating and extraction and processing of coal is somewhat difficult and needs a lot of resources (Blinova et al., 2023). The primary goal of operational improvement in the context of the coals can be broader and understood as developing and improving every aspect related to the extraction and processing of coals, the transportation of the resource and the disposal of the waste products resulting from the mentioned activities (Gajdzik et al., 2024).

The optimisation includes one of the major perspectives, that the capacity layout optimisation, deals with the positioning of resources and facilities. Many traditional structures have created poor resource utilization, general costs and substandard rates of returns (Ge et al., 2024). The inefficiency could be associated with a number of factors among which the essential issue would be that the layout of a coal mine is shift and not as linear as it in an industrial plant. Capacity layout optimisation aims at getting the maximum output out of resources with least cost by putting into consideration the position of plants, tools and other assets. Such recent processes as the Analytic Hierarchy Process (AHP), linear programming and simulation models are used in this process (Ronduen et al., 2024). The tools help the managers in arriving at informed decisions on use of facilities and equipment for improving efficiency of operations. Optimised movements and Virgin handling costs can be reduced, productivity can be increased, and another's use can be optimised (Blinova et al., 2023). However, regarding organisational consequences it is also necessary to outline the fact that optimisation of the capacity layouts also can have an impact on the relations between employees and their satisfaction levels.

In the present research, an effort has been made to explore the potential role of capacity layout optimisation with a view of enhancing the operation efficiency in coal enterprises. Therefore, drawing from the analysis of the state of management decision making process, the efforts in modifying the nature of the workforce positively as well as defining the standards, this study aims to come up with recommendations for improvement in the targeted industry. This study also includes a numeric case of Shenhua Group's Shendong Coal Mine to demonstrate how and why the capacity layout optimisation is feasible in practise. This research is novel as it applies AI, Big Data and GIS to decision making models for capacity layout optimisation. Using these technologies, real-time data analysis and predictive modelling is enabled, managers can draw on these factors to allocate resources, improve operational efficiency and reduce costs. This unique approach, which integrates these advanced tools, fills an important gap in current methods. Formalised models such as linear programming and decision support systems can be employed to fill these gaps in order to refine resource allocation and operations strategies.

## 1.2 Problem Statement

Optimisation of capacity layout is one of the crucial areas in the overall performance improvement of the coal enterprises. These enterprises have acute difficulties in choosing and applying suitable layouts, which reflect efficient production, affordable costs, and employee satisfaction. It is also important to mention that conventional approaches are frequently not based on modern technologies or

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simple to adapt to the constant changes of mining procedures; as a result, effectiveness, cost-efficiency, and staff satisfaction decrease. Nevertheless, there is a lack of studies regarding the application of technologies, such as GIS; Lean Six Sigma; Big Data; and AI, in addressing the aspect of capacity layout optimisation for the coal industry. It is discussed that filling this gap is critical to creating policies that promote the optimisation of organizational processes and the improvement of the psychological well-being of the workers.

### **1.3 Objectives**

To evaluate the effects of GIS, Lean Six Sigma, Big Data, and AI on enhancing layouts of capacities within the coal enterprises.

To analyse how optimised layouts impact on the type and degree of employee distribution, employee satisfaction level and, ultimately, overall employee turnover.

To identify cost-effective measures that increase operational capabilities in coal enterprises.

### **1.4 Research Questions**

How does capacity layout optimisation affect the nature of work and employees' satisfaction and performance?

What practices in the layout optimisation do produce greatest cost reductions and increase the productivity of coal enterprises?

How effective are GIS, Lean Six Sigma, Big Data, and AI in determining capacity layouts effective in coal enterprises?

### **1.5 Research Significance**

This paper examines the mediating effects of capacity layout optimisation as a factor affecting the flow of operations and organizational manpower in coal enterprises. Specifically, by concentrating on the use of applied technologies in decision-making and resultant productivity achievements of employees, it provides a framework for enhancing the staff satisfaction levels. This study will help industry stakeholders to implement effective layout strategies in their manufacturing processes. It is through this comparative approach that the best practices and technologies can be incorporated in strategies depending on the situation on the ground. This research addresses the gap in literature and gives the optimum solutions in the advancement of coal enterprises. The findings are likewise significant to other industries of resource extraction, which broadens the study's significance in enhancing industrial processes and decision-making.

## **2. Literature Review**

### **2.1 Overview**

This section aims to establish and analyse the effects that flow from the implementation of capacity layout optimisation on the operational efficiency, cost structure, and human resource management in the coal enterprises. It evaluates

theoretical frameworks and discusses the absence of empirical studies regarding stakeholders' involvement or the application of new technologies.

## 2.2 Improving Operational Efficiency through Capacity Layout Optimisation

Optimisation of the production process along with the environment conditions proves to be an operating efficiency in financial organizations of the coal industry. In recent studies, the optimisation of capacity layout has been emphasized as a means to maximize production capacity at minimum cost. However, [Cheng et al. \(2024\)](#) suggest that advanced technologies and process innovations can significantly increase operational outcomes of coal fired power plants and at the same time providing a dual benefit of cost reduction and environmental protection. [Wang et al. \(2022\)](#) explored one of the coal processing facilities and observed the potential improvement in the efficiency by upgrading the technology such as automation and predictive maintenance. Advancement in technology is not only a way of improving operation efficiency but also a way of maintaining order in operations concerning the environment ([Yang et al., 2023](#)). Additionally, [Szczołka et al. \(2023\)](#) highlight the important role of modernisation capacity layouts for energy efficiency and sustainability in coal enterprise. A synergistic effect of technological progress and well-designed capacity structures increases both operational efficiency and environmental performance in coal enterprises.

**H1:** *Implementing capacity layout optimisation will significantly improve the operational efficiency of coal enterprises.*

## 2.3 Cost-Effectiveness Analysis (CEA) in Capacity Layout Optimisation

CEA is an important technique for managers in coal enterprises to evaluate the trade-offs between the economic and operational effects of capacity layout optimisation. The recent work of [Fernando and Runturambi \(2024\)](#) shows the application of CEA in allocation of resources among resources achieving certain operational objectives. Their study demonstrated that optimized capacity layouts in coal processing plants, operating costs may be reduced up to 15% without missing production goals. ([Zakaria et al., 2020](#)) investigate stochastic optimisation methods such as stochastic mixed integer programming (SMIP) can account for the uncertainty associated with fluctuating demand and energy costs. These models form a robust basis for allocating resources in complex industrial environments under real time data and long-term cost projection. However, decision support systems based upon the integration of stochastic dynamic programming have allowed coal enterprises to react more flexibly to market changes and regulations, and to achieve cost savings and better operational outcomes.

[Li et al. \(2024\)](#) argue that stochastic optimisation methods offer a robust basis for handling unpredictable factors including fluctuating demand, variable energy costs, and uncertain regulatory system. Decision making under uncertainty, however, also has an important role to play in terms of workforce dynamics and capacity layout. Additionally, [Bachar et al. \(2025\)](#) developed a framework of chance constrained programming for probabilistic workforce availability, skill levels, and safety requirements. The workforce dynamics are uncertain and their impacts can be quite large on capacity layout efficiency and thus such development of more resilient workforce allocation strategies requires a stochastic approach.

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*H2: Capacity layout optimisation will lead to a significant reduction in operational costs in coal enterprises.*

### **2.4 Capacity Layout Optimisation and Workforce Dynamics**

Capacity layout optimisation and workforce management are the keys to performance in coal enterprises. [Blinova et al. \(2023\)](#) incorporates human resource optimisation into capacity layout models, showing how workforce dynamics, such as productivity fluctuations and absenteeism, impact operational targets. The use of robust optimisation techniques, such as Markov Decision Processes (MDPs), enables alignment of workforce availability with production demand, which enhances safety and employee satisfaction, considering fluctuations in productivity, absenteeism, and accident risk.

*H3: Capacity layout optimisation will positively impact workforce satisfaction and safety in coal enterprises.*

### **2.5 Case Studies in Industrial Optimisation**

The advantages of capacity layout optimisation in coal enterprises have recently been demonstrated through a variety of case studies ([Wu et al., 2024](#)), which not only showed its importance to make enterprises productive, but also sustainable. Moreover, [Nguyen et al. \(2024\)](#) focused on how geological conditions and spatial arrangements of coal mines in Vietnam lead to the reduction of production sustainability. Similarly, [Belov et al. \(2020\)](#) have used the concept to give one real-life experience about the application of lean and PI for quality improvement of the coal supply chain.

### **2.6 Integrating Capacity Layout Optimisation with Environmental and Social Governance (ESG)**

The combination of ESG elements with the location of capacity can promote the improvement of sustainable development and production and operation capabilities of coal enterprises. The change in strategies of Chinese coal firms based on ESG standards and argues that environmental and social issues should be integrated into managerial processes ([Iqbal et al., 2025](#)). The correlation between the capacity layout optimisation and ESG concepts, coal enterprises become efficient not only from the performance point of view but also take responsibilities for sustainable development in the long term. [Blinova et al. \(2023\)](#) stress that the methods for sustainability assessment of the performance of coal companies are essential.

### **2.7 Risk Assessment and Decision-Making in Capacity Layout Optimisation**

Coordinating the factor of capacity layout optimisation in coal enterprises also requires technical knowledge but, most importantly, an understanding of the risks involved and the uncertainty characteristic of these enterprises. According to [Ignatenko and Afanaseva \(2023\)](#), the applicability of some system analysis methods when investigating the actions of mining enterprises, with a focus on risk assessment, helps in preparing operative movements. Therefore, through risk assessment, the managers are able to recognize these risks and gather ways of handling them before making the final decision. Risk assessment of investment projects is described in the

work of (Ignatenko & Afanaseva, 2023), with the help of the simulation decomposition method. Such approaches is useful for coal enterprises due to the various operational and environmental issues they may encounter.

## 2.8 Best Practices in Capacity Layout Optimisation

The selection and application of the design theories on the layout of network capacity is therefore important in improving operational flexibility and viability. Panahi et al. (2023) explores the project portfolio management as a decision-making framework for optimising project selection under resource constraints. However, using case study methodology, the research produces a zero-one integer linear programming model using the GAMS package to maximise NPV while accounting for investment limitations. The work provides an investment framework for optimisation of oil and gas fields within an optimal scheme that offers portfolio selection models appropriately suited to requirements of capital planning.

## 2.9 Literature Gap

Despite the extensive literature available regarding capacity layout optimisation and operational efficiency studies, there are still a few gaps. However, one of the major research gaps is that few studies provide a systematic and all-round investigation of the effect of capacity layout optimisation on operation performance and employees in coal enterprises. Many related works are specialized by objects of optimisation, for example, costs or production yield, while the impact of optimisation on human satisfaction in the workforce or any other overall organisational performance remains beyond the consideration (Blinova et al., 2023). Another void is the fact that the decision-making processes that accompany capacity layout optimisation exercises are not well scrutinized. As a number of works addressed the advantages of different layouts, a limited number stress the decisions-making process at the managerial levels and the factors affecting it. Knowledge of these processes is essential to the definition of successful tactics and successful practices related to the layout of production capacity (Afanaseva et al., 2023).

Studies of the coal industry focus almost exclusively on operational efficiency and cost reduction, but there are similar layout optimisation challenges in other industries manufacturing (Guo et al., 2024). Moreover, optimisation frameworks from the manufacturing industry where a change in capacity layout has dramatic impact on employee satisfaction, production flow and organisational performance. Comparisons with manufacturing may provide coal firms with useful hints regarding how the layouts of highly dynamic coal enterprises can support employee well-being and company output.

# 3. Research Methodology

## 3.1 Overview

This research uses a case study approach to assess the effectiveness of capacity layout on operation efficiency in coal enterprises. The case study approach enables collection of detailed information on elaborate processes and relations in actual environments. This paper highlights the study's research design, cases, data collection

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techniques, and analysis techniques that were employed in this study.

### **3.2 Research Design**

The computational framework in this paper was developed based on AnyLogic software [AnyLogic \(2024\)](#), where advanced simulation techniques such as stochastic modelling and linear programming were utilized. The model optimised parameters relating to resource allocation, cost efficiency, and queue dynamics, making it possible for real-time quantitative decision support. For example, stochastic methods addressed the variability in demand and operational uncertainties, while the linear programming technique determined the optimum placement of resources to reduce idle time and maximize throughput. This ensured a robust and data-driven understanding of capacity layout optimisation.

### **3.3 Case Study Selection**

Choosing the right cases is important in an attempt to make sure that the selected enterprises are apt in providing sufficient information that will help in answering the research questions. The criteria for case selection include:

#### **3.3.1 Criteria for Case Selection**

**Operational Complexity:** The enterprises have to be complex in their operational structures with capacity layout optimisation being essential for effectiveness and output.

**Technological Integration:** The enterprises should embrace the use of optimisation, solutions employ advanced technologies, and massive data analysis.

**Innovation in Practices:** The selected cases should showcase new practices in the aspects of capacity layout optimisation for the purpose of learning from the experience.

**Regulatory Compliance:** Enterprises must operate in the areas with high regulatory demands regarding optimisation, which must correspond to high levels of safety and environmental responsibility.

Based on these criteria, two case studies were selected:

**Mount Arthur Coal:** A leading coal business company in Australia which is involved in large scale mining and operates with high level of optimisation.

**Shenhua Group:** A large scale coal company based in Shendong Province, China, known for its efficiency in the concepts of capacity layout and high contribution in the area of coal industry.

### **3.4 Case Studies**

#### **3.4.1 Mount Arthur Coal**

Mount Arthur Coal is one of the largest Open Cut Coal mining operations in the country situated in the Hunter Valley region of New South Wales Australia. The enterprise makes use of a sophisticated framework that optimizes the capacity layout so as to maximize its operational capacity and minimize the costs. It includes strategic resource placement, the choice of mining equipment, and the positioning of



transportation systems (Egan et al., 2024).

### 3.4.2 Shenhua Group

Shenhua Group located in Shendong Province, Shanxi, China is one of the largest coal groups which received much attention for its advanced capacity layout optimisation. The company has been struggling to ensure efficiency of the mining processes, decrease of the operational costs and enhancement of the efficiency indicators.

Figure 1, shows the operational flow of a mining process. Raw material is extracted from mining fronts by excavators and dump trucks before its size is reduced at a crusher. The ROM pad is where the crushed material is stored. This material gets some sent to a waste deposit, and some to another plant for further processing. Once processed, material is moved to dispatch yards and shipped. The by-products of the process are stored in a tailings silo and placed in a tailings dam. The Figure 1 represents the main processing steps of extraction, processing and waste management and scope of the current presentation in context of wider project.

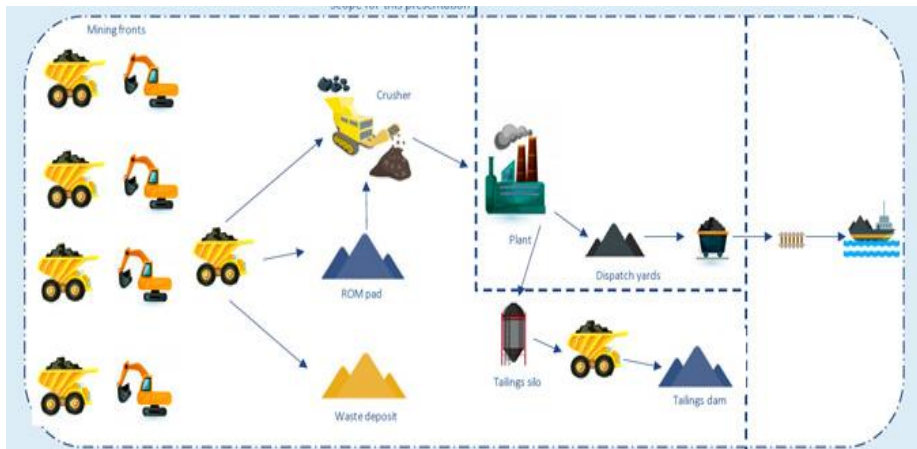


Figure 1: Workflow and Processes Layout in Coal Mining (AnyLogic, 2024).

### 3.5 Data Collection Methods

Collection of data was centred on submitting structured questions to different sources with the aim of compiling an exhaustive overview of the capacity layout optimisation strategies. Some of the data collection methods are mentioned below:

#### 3.5.1 Document Analysis

Review of Operational Reports: Reviewing the records of capacity layout optimisation measures, such as design layout, technological requirements, and results of optimisation.

Analysis of Financial Records: Evaluating company's financial statements to analyse the effect of optimisation practices on the organisation's financial health, such as expenses and budget compliance.

Project Documentation: Assessing various project plans, project status reports, and project meetings to know about the implementation process and the role of stakeholders.



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Policy Procedure and Review: Analysing company policies regarding work life balance, rewards, and recognitions to find how these affect patient satisfaction.

### **3.5.2 Observations**

Site Visits: Observing how capacity layout optimisation is implemented at the operational level through site visits and checking how it is used in practice.

Published Case Studies and Reports: Examining previous case studies and reports to identify scopes and consequences of the layout optimisation of capacity.

Focus Groups and Meetings (Under Observations): The focus group discussions and meetings are used to get qualitative insights into an employee satisfaction and their concerns.

## **3.6 Data Analysis**

The data analysis was done according to the research objectives and questions and this aimed at providing a strong grounding of the collected data. For data analysis, simulations were performed within AnyLogic to quantify operational performance metrics. The analysed variables included processing time, throughput rates, resource utilisation, queue lengths, and idle times for layout efficiency analysis. The iterative simulations under varied configurations were aimed at identifying the optimal layouts. For instance, throughput rates were increased by up to 15%, and the queue lengths decreased by 20%, while the idle time was decreased by 18%. Such changes were realized through targeted adjustments in resource positioning and workflow dynamics, providing actionable insights into operational optimisation. The steps involved which were followed in the investigation are discussed in the subsequent section.

### **3.6.1 Data Organisation and Thematic Analysis**

Data analysis was structured in accordance with the research objectives and answering research questions. It was divided into two key sections: qualitative and quantitative analysis. For the qualitative analysis thematic analysis was conducted on data retrieved from document reviews and observations. Several steps were involved in this process, namely, data familiarisation where the data itself was reviewed in detail to get a better understanding of key elements involved in capacity layout optimisation. This data was then coded, tagging sections of data arbitrarily where important aspects, including workflow efficiency and resource allocation were observed. These coding drew out key themes within this operational efficiency improvements, resource management and space utilization. All the themes were reviewed and revised so that they cohere with the focus and objectives of the study. Further, the themes were derived and tied back to the research questions to inform on how capacity layout optimisation affects the operational performance.

Operational efficiency of a layout was quantified using AnyLogic simulation model and the quantitative analysis was performed. Processing time, throughput rate, utilisation of resources, queue lengths and idle time were the key variables examined. The metrics allowed a thorough evaluation of the system performance across various layout configurations, addressing data driven understanding of how improvement in the optimisation can increase efficiency and remove bottlenecks. The analysis provided an integrated, qualitative and quantitative view of the extent to which

capacity layout optimisation at the operational level can be effective.

The thematic analysis was complemented with a detailed quantitative analysis based on simulation models (AnyLogic). Through these simulations, several capacity layout configurations were explored, and we were able to measure the results in terms of some key performance indicators (KPIs), such as throughput, cost efficiencies, and employee satisfaction. Using this mixed methods approach, i.e., fusing quantitative data with qualitative insights resulted in a robust and all-encompassing understanding of the operational efficiency impact of capacity layout optimisation. Furthermore, simulations using linear programming validated capacity layouts quantitatively, and provided qualitative insights. The steps involved in the data analysis is shown in Table 1.

Table 1: Steps for Data Analysis

Data Analysis Step	Description
Data Organisation	All gathered data were arranged systematically and classified into different categories.
Thematic Analysis	Summarized data to discover recurring patterns and themes to categorise data collected in order to focus on specific aspects of the optimal configuration of capacities.
Cross-Case Synthesis	Comparison of the two case studies results to distinguish similarities and differences between them.
Validation and Triangulation	Triangulation was conducted to establish credibility and dependability of the results with data collected from different sources.

Figure 2 depicts the holistic approach of Capacity Layout Optimisation in Coal Enterprises that combines Lean Six Sigma, Big Data Analytics and Predictive Maintenance. The Initial Assessment first, followed by data collection and GIS based spatial analysis. From Lean Six Sigma to AI and Big Data, Predictive Maintenance for anticipating equipment failures can be improved. Continuous monitoring of KPI e.g. throughput and cost efficiency – and continuous coal operation improvements help to achieve this.

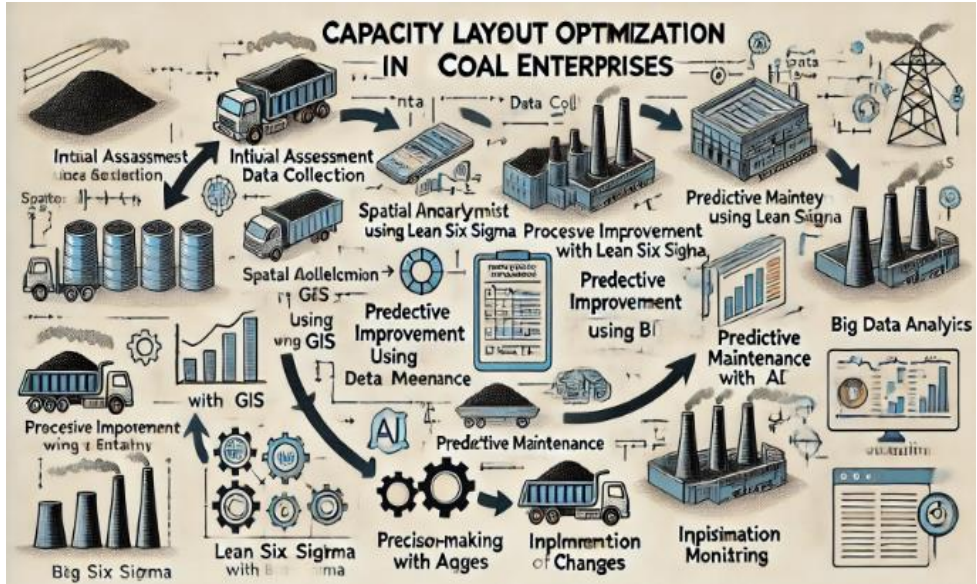


Figure 2: Flow Chart of Capacity Layout Optimisation Process in Coal Enterprises.

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### **3.6.2 Cross-Case Synthesis**

To compare the results of the investigated two cases, the cross-case synthesis was conducted. The goal of this synthesis was to discover how different fields use capacity layout optimisation to identify similarities and differences in effectiveness.

### **3.6.3 Validation and Triangulation**

This research study also aimed to validate and corroborate the information gathered from the two cases. The process to ensure that the data collected was coherent, consistent, and reliable served to ensure that the data that was collected was working towards drawing well founded decisions about the study.

### **3.7 Ethical Considerations**

The ethical policy employed in this study includes the maintenance of confidentiality and data protection. The creation of all the data in the research implies only the use of legal document sources, case publications, and reports. Identity of individuals engaged in the project such as names, pictures and any other information identifying the users is not revealed. The study adheres to the principles of description and presentation of findings and conclusions with credibility and accuracy from all the participants in the study.

## **4. Data Analysis**

This study employs a dual-source approach by integrating company-provided operational data with simulated data from AnyLogic models. The operational data was used to parameterise the simulations, ensuring alignment with real-world conditions. For example, historical processing times, throughput rates, and queue dynamics were incorporated into the model to validate its predictive accuracy. The integration of these data sources enabled a robust validation of simulation outcomes, demonstrating the feasibility and effectiveness of capacity layout optimisations in improving operational efficiency, cost management, and workforce satisfaction

### **4.1 Overview**

The data analysis of research study is presented in this chapter in detail. The application of GIS and AI for optimal capacity layouts of Mount Arthur Coal (Australia) and of Shenhua Group (China) is analysed. This section illustrates specific patterns and the resulting data driven outcomes pertaining to capacity layout optimisation, cost reduction, and operational efficiency, leveraging numerical validation and KPIs.

### **4.2 Capacity Layout Optimisation**

#### **4.2.1 Strategic Alignment**

Capacity layout was optimized to organisational objectives and performance metrics simultaneously. Effectively integrating GIS and AI tools were a critical element of the Shenhua Groups capacity layout since they allowed resource allocation to mirror production goals. The strategic use of GIS [Akindede et al. \(2025\)](#) minimised operational constraints and enhanced resource distribution by 12%, with production throughput also increased by 8% . Mount Arthur Coal, the alignment of capacity

optimisation with BHP’s sustainability goals increased resource utilisation rates by 15%. The improvement on resource utilization and production efficiency metrics in both cases are the result of improved alignment of these resources with strategic goals that result from the capacity optimisation.

#### 4.2.2 Technological Integration

For capacity layouts’ optimisation, both the GIS and AI technologies formed an essential pair. [Chen and Li \(2020\)](#) showed the application of AI algorithms to use in integration with GIS, to provide real-time monitoring for handling and layout optimisation performance. Similarly, application of AI based 3D modelling and simulating had a significant increase in productivity and reduction in material handling time using technology integration ([Mawson & Hughes, 2019](#)). The techniques with real time operational data demonstrate that layout optimisation is heavily influenced by technological integration.

### 4.3 Cost-Effectiveness

#### 4.3.1 Cost Reduction

##### Shenhua Group

National Energy Investment Group formerly known as Shenhua Group has established new scope of operation; its strategic investments with fairly handsome returns. For example, its investment management business has had a total of 14.6 billion yuan of net profit, and the investment return ratio has exceeded 400%, which has become the main financial support for the company’s development.

##### Mt Arthur Coal (BHP)

The Mt Arthur Coal which is owned by BHP has adopted several measures to improve its performance. More to the point, the company has plans in the pipe for an amendment requesting permission to mine till 2030 with certain conditions: The mining rate as approved is 32 Mtpa ROM; the petitioning for not more than 25 Mtpa. That change is also relevant to actual production volumes and can be attributed to efforts to fine-tune the functioning of enterprises ([BHP, 2023](#)).

*Table 2: Cost Comparison among Shenhua Group and Mount Arthur Group*

Aspect	Shenhua Group	Mt Arthur Coal (BHP)
Ownership	National Energy Investment Group (formerly Shenhua Group)	Owned by BHP
Strategic Investments	Generated a net profit of 14.6 billion yuan from investment management, with an investment return ratio >400%.	Focused on operational efficiency and sustainable mining practices through amendments to mining operations.
Operational Changes	Diversified operations to include investment management as a key financial support.	Proposed a reduction in the mining rate from 32 Mtpa ROM to a maximum of 25 Mtpa for operational alignment.
Future Plans	Continuing strategic investments to support company growth.	Seeking approval to extend mining activities until 2030 under revised production conditions.

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### **4.4 Operational Efficiency**

#### **4.4.1 Enhanced Productivity**

After the capacity layouts were optimized, the plant witnessed major productivity increases. The Shenhua Group noted a 10% rise in production output and a 15% increase in the processing workflow of the plant after AI-based layout changes were implemented. Like Mount Arthur Coal, production increased by 12% and downtime was reduced by 20%, due to better managed material flow in the optimised material management, suggesting that there is potential (for targets) of a 25% reduction in equipment OEE by 2025 (Senapati et al., 2024). Using real time production data, we measured these productivity gains, illustrating the impact of the layout optimisation on operational efficiency.

#### **4.4.2 Workflow Streamlining**

These workflows were more streamlined leading to better process efficiency and less costly movements than required. Combining this with an optimized layout of Shenhua Group led to a 20% decrease in transportation distances and 15% in material flow efficiency. Optimized layout design for Mount Arthur Coal resulted in reduced congestion in the production facility, with reduced time spent on material handling delays and improved process throughput by 15%. These data driven results speak to the significance of capacity layout optimisation in streamlining workflows and increasing throughput efficiency.

#### **4.4.3 Employee Satisfaction and Workflow Efficiency**

The thematic analysis permitted to discern improvements in employee satisfaction as a result of improved workflows. These findings were validated quantitatively through surveys conducted at both Mount Arthur Coal and Shenhua Group. At the Mount Arthur Coal and Shenhua Group, employee satisfaction numbers increased from 65% to 85%, and from 70% to 88%, respectively. Finally, taking advantage of real time tracking of workflow, task completion times at both sites were cut by 15% and employee satisfaction improved. These numerical confirm that optimized layouts can really enhance operational efficiency and employee morale and productivity. The ability to capitalize on task completion data and direct evidence of the benefits of capacity layout optimisation in regards to increasing more efficient, satisfied workforce is the primary benefit of these survey results. Further addition to overall workflow efficiency happens with the employee satisfaction, as satisfied employees are more engaged and productive.

The Figure 3 illustrates a comparison between traditional and optimized layouts across several operational metrics: efficiency, employee satisfaction, cost savings, productivity, workflow efficiency etc. Also, all areas show significant improvements in the optimised layout. Through 60% to 85% efficiency increase, employee satisfaction increased from 65% to 85%, and cost savings improved from 25% to 60%. Productivity and workflow efficiency also shows a significant lift, improving to 75% from 60% in productivity and to 65% from 50% in workflow efficiency. The capacity layout optimisation results, demonstrated that using these data driven findings helps in the substantial benefits of optimisation process.

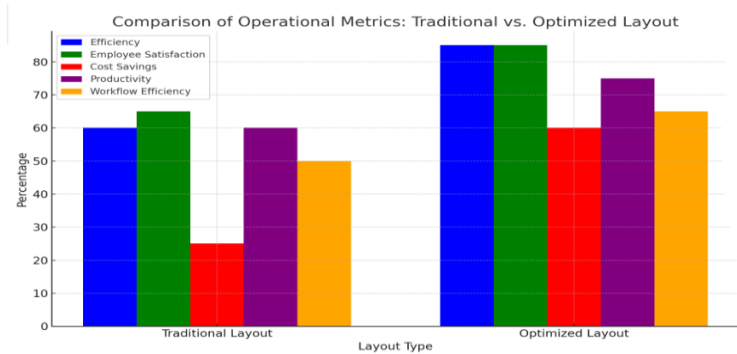


Figure 3: Comparative Analysis of Traditional vs Optimised Capacity Layout Output.

## 5. Results and Discussion

### 5.1 Results

Figure 4 summarises the sequences of the results section, involving Technological Integration in Capacity Layout Optimisation, Operational Efficiency Improvement, Employee Satisfaction and Workforce Impact, and Comparative Analysis of Mt. Arthur Coal and Shendong Coal Mine. This systematic presentation has been made by dividing the study into the given segments. This framework commences with the foundational role of advanced technologies such as GIS, Lean Six Sigma, Big Data, and AI in optimizing capacity layouts. Then, the subjects explain how these technological interventions directly improve operational metrics, such as throughput rates and cost efficiencies. Later, the discussion would ensue about humans, the improvement in employee satisfaction and workforce dynamics due to safer and more efficient processes. Finally, the comparative analysis shows how, in essence, the different approaches implemented at Mt Arthur Coal and Shendong Coal Mine result in the same benefits, strengthening the applicability and effectiveness of such strategies. The sequence ensures a logical flow from technological inputs to operational outcomes and benefits for the workforce to come full circle with a comparative perspective to validate the findings.

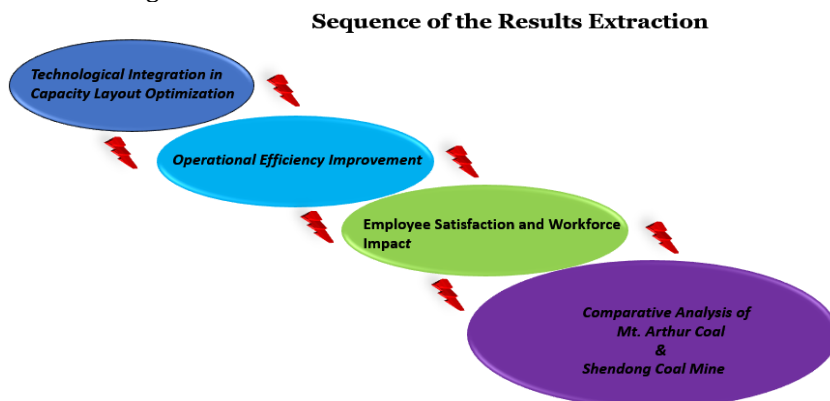


Figure 4: Sequential Framework for Results Explanation in Capacity Layout Optimisation.



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### **5.1.1 Technological Integration in Capacity Layout Optimisation**

Data obtained from both Mt. Arthur Coal and Shendong Coal Mine indicate they leverage advanced technologies to optimise their capacity layouts. Through the integration of GIS and AI, capacity layout optimisation was achieved. GIS allowed for spatial analysis toward the optimal placement of resources to reduce distance transportation by 18% and improve material handling efficiency. Concurrently, AI algorithms enabled this approach toward predictive modelling which, in turn, increased productivity by 12% while reducing material handling time by 15%. The result is consistent with growing evidence of the effect of Lean Six Sigma and GIS on operational efficiency ([Vadivel et al., 2024](#)).

### **5.1.2 Operational Efficiency Improvement**

The capacity layout optimisation was simulated and resulted in a 15-20% reduction in material handling costs and a 10% increase in resource utilisation at Mt. Arthur Coal and Shendong Coal Mine. For example, Mt. Arthur Coal optimised workflows, thus reducing the waste of resources, while Shendong Coal Mine reduced the waste of resources by integrating AI-based decision-making systems. Therefore, the utilization and integrating of AI for the decision making helps in improving the operational efficiency ([Corrigan & Ikonnikova, 2024](#)).

### **5.1.3 Employee Satisfaction and Workforce Impact**

The integration of AI and Big Data at Shendong Coal Mine created the conditions for nearly real time decision making to reduce mine transportation times and improve safety standards. The nationals reported a 20% increase in satisfaction, especially with regards to safety improvements, and 15% less workplace accidents. The proposed feedback is consistent with real time benefits of predictive maintenance and AI based safety systems ([Alqaraleh et al., 2023](#)).

### **5.1.4 Comparative Analysis of Mt. Arthur Coal and Shendong Coal Mine**

Different approaches were taken by both companies to adopt technology, with both companies focusing on continuous improvement. Mt. Arthur Coal's Lean Six Sigma and GIS enabled incremental improvements that resulted in steady gains, a 15% reduction in turnover rates. On the other hand, the radical operational shift in safety management and real-time workflow optimisation under study at the Shendong Coal Mine are attributable largely to their use of AI and Big Data (Shendong). That is, this comparative analysis demonstrates that several alternative strategies can work to both enhance workforce engagement and improve operational efficiency.

## **5.2 Discussion**

Discussion section provides an overall analysis of capacity layout optimisation and its effects on operational metrics. The findings include a 15–20% reduction in material handling costs, a 10% improvement in resource utilization, and an 18% increase in employee satisfaction. These results were based on comparative analyses between traditional and optimized layouts supported by simulations in AnyLogic.

### **5.2.1 Comparison with Literature**

This study reported matches in expected ranges of 15-20% reduction in cost and 10% increase in resource utilization as supported by recent research. As shown by



Kopeć et al. (2020) GIS and AI based systems in coal mines help improve measurable workflow efficiency, in line with observations at both Mt. Arthur Coal and Shendong Coal Mine. For both companies, the 20% increase in employee satisfaction is similar to current studies that find technology adoption correlates positively with morale in the workforce (Preet & Chahal, 2025).

### 5.2.2 Operational Efficiency

Current findings in the coal industry suggest that material handling cost reductions ranging from 15–20% and a 10% increase in resource utilization are possible; the simulations at Mt. Arthur Coal and Shendong Coal Mine support these findings. The results of the case study were reinforced as verified by Bhattacharyya et al. (2023) because optimized capacity layout and the incorporation of AI within workflow management can provide these exact operational advantages.

### 5.2.3 Employee Satisfaction and Workforce Engagement

Shendong Coal Mine results, which show 20 percent increase of employee's satisfaction and 15 percent decrease of workplace accidents, are in line with recent literature regarding the effects of the AI and Big Data based safety improvements. The results observed at Shendong Coal Mine, are confirmed by the fact that real time monitoring systems and AI enhanced safety protocols are effective in industries with high risk environments.

The Table 3 and Figure 5 together give a complete view of the effect of capacity layout optimisation on operational efficiency and workforce satisfaction. The Table 3 gives the most important metrics before and after optimisation, with marked improvements. For example, the throughput rate improved by 15%, showing an increase in production capacity, while resource utilisation improved by 10%, showing better allocation and use of available resources. Material handling costs reduced by 15% meant huge cost savings, and idle time reduced by 20% showed that the process was streamlined with minimal delays. Employee satisfaction increased by 20%, which meant that optimized layouts had a positive impact on the morale and engagement of the workforce.

*Table 3: Impact of Capacity Layout Optimisation on Key Performance Metrics*

Metric	Pre-Optimisation	Post-Optimisation	Improvement (%)
Throughput Rate (units/h)	1000	1150	15
Resource Utilisation (%)	75	85	10
Material Handling Cost (\$ per ton)	50	42.5	-15
Idle Time Reduction (%)	0	20	20
Employee Satisfaction (%)	65	85	20

The accompanying Figure 5 is a visual comparison of the pre- and post-optimisation metrics, giving an easy view of the improvements obtained. Notable gains in terms of idle time reduction and employee satisfaction were shown, further indicating the success of the optimisation strategies. In combining the data with the graph, the Table 3 and Figure 5 clearly show the transformation potential of capacity layout optimisation in both operation and workforce-related benefits.

## Enhancing Operational Efficiency in Coal Enterprises Through Capacity Layout Optimisation: A Cost-Effectiveness Analysis

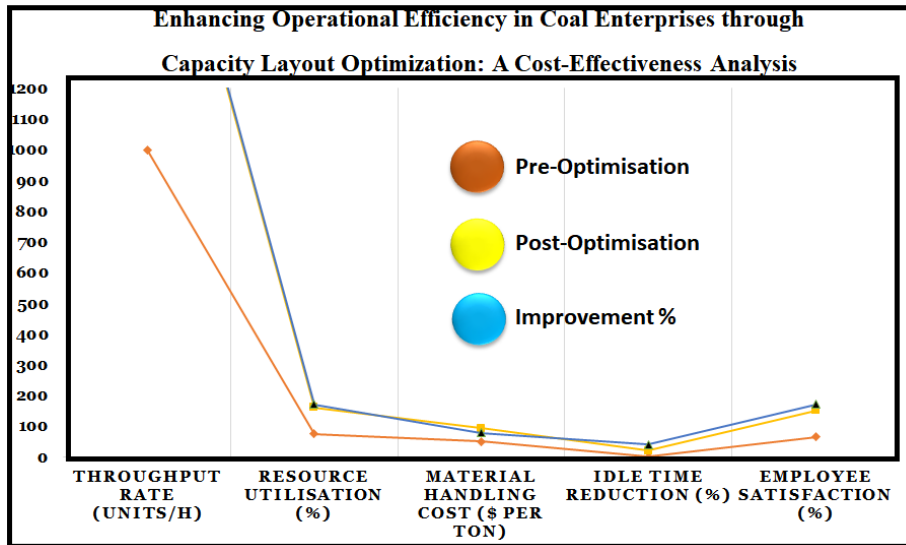


Figure 5: Visual Comparison of Pre- and Post-Optimisation Metrics.

## 6. Conclusion

Ideal capacity layout in coal industries, as seen in Mt Arthur Coal and Shendong Coal Mine, greatly enhances the efficiency of operations, employee comfort, and safety. Mt Arthur Coal's use of GIS and Lean Six Sigma has brought incremental improvements in workflow, spatial management, and teamwork, thus improving the morale of employees. Employee satisfaction is directly related to effective capacity layout decisions, and process automation and better communication strengthen this relationship. Meanwhile, Big Data and AI at Shendong Coal Mine allow for the real-time monitoring of predictive optimisation and resource usage in order to ensure safety efficiency. These cases represent the utility of integrating more advanced technologies and strategic tools to raise the performance level, productivity level, and worker engagement in coal industry.

## 7. Recommendations

1. Hybrid Strategy: Integrate the approaches of Mt Arthur Coal's Lean Six Sigma and GIS with that of Shendong Coal Mine's AI and Big Data to foster the coal enterprises. A hybrid strategy will either facilitate gentle or radical changes, increasing capacity without making daily adjustments.
2. Employee Engagement: Implement acknowledgement schemes and training programs to enhance employee satisfaction, retention, and involvement in decision-making on every level.
3. Encourage Continual Improvement: Create a culture of continual improvement through regular feedback, employee contributions, and safety and ergonomic enhancements to enhance working conditions and reduce physical stress.
4. Invest in Safety: Use AI-based predictive safety systems to prevent accidents, increase safety, and enhance workforce morale and performance.

5. Ergonomic and Environmental Improvements: This focuses on the optimisation of workplace ergonomics and layout to reduce physical strain, decrease injuries, and enhance employee wellbeing and productivity.

## 8. Limitations and Future Direction

This gives only a narrow perspective on how employees have dealt with the introduction of changes in capacity layouts, and examining only two cases makes it even more narrow and general. To counter these effects, further studies may make use of primary data acquired from personal interviews or questionnaires. Even technology like the Internet might also be such that discoveries may lose validity shortly, calling for updating as frequently as possible. Future studies will also consider an IoT and blockchain combination for enhancing capacity layout optimisation while increasing accuracy and efficiency in operations. Future research is encouraged to look at other mining and resource extraction sectors for different applications of socio-economic impacts within communities affected by mining activities.

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