Manufacturing Systems Design and Analysis

Past Successes and Future Research

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Performance analysis of manufacturing systems

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Introduction

Summary of research in Manufacturing Systems Design and Analysis

• Motivation
  ⭐ Economic
  ⭐ Technical
• Specific MIT research areas
• Successes
• Current and future research
Motivation

- Frequent new product introductions.
  - Short product lifetimes.
  - Short process lifetimes.
This leads to frequent building, rebuilding, and reconfiguration of manufacturing systems, and this is expensive and time-consuming.

- Huge capital costs.
  - The time required to bring factory to optimal performance is expensive.
Motivation

- Tools to predict performance of proposed factory designs.
- Tools for optimal real-time management (control) of factories.
- Manufacturing Systems Engineering professionals who understand factories as complex systems.
  ★ They must have *systems* expertise and intuition.
Motivation

Economic Industry Needs

• These tools must be *fast* as well as accurate.

★ Optimization for system design requires many evaluations. The more evaluations, the better the outcome can be.

★ Real-time scheduling in response to random events must be fast. The factory cannot be idle, and should not be following an obsolete schedule, while a new one is being constructed.

• *Simulation is typically not fast enough.* We use mathematical modeling and analysis to develop our tools.
Motivation

- Collections of things often have properties that are *unexpected* functions of the properties of the things collected.

- Some kinds of production (e.g., semiconductor fabrication) have hundreds of operations, hundreds of part types, and/or complicated material flows.

- In many practical situations, infinite buffers are not good approximations for real buffers.
Motivation

Technical Challenges

Randomness, Variability, Uncertainty

• Factories are full of random events:
  ★ machine failures
  ★ changes in orders
  ★ quality failures
  ★ human variability

• The economic environment is uncertain:
  ★ demand variations
  ★ supplier unreliability
  ★ changes in costs and prices

Factories must be built and operated to minimize the damage that such phenomena can cause.
Motivation

General Statement: Variability is the enemy of manufacturing.

Variability in processes reduces quality; variability in event times decreases production rates and increases inventories and lead times.
The first fundamental problem of manufacturing systems engineering is: *design the best possible system that meets specified requirements.*

The second problem is: *operate a system in the best possible way to meet specified requirements.*

The criterion for “best” and the requirements are defined in terms of the performance measures and financial considerations.
The challenge is to predict the performance measures of the system *before* it is built or operated. This is difficult because:

- Most people lack good intuition for complex systems.
- Good computational tools are challenging to develop.
- The data needed is hard to obtain.
Most factories are built with simple rules by people with experience.

Often factories are built and then modified.

Widely-used quantitative tools are either *simple and crude*:
- spreadsheet estimates of capacity

or *excessively detailed*:
- simulation or real-time scheduling optimization.

This was tolerable in the past. However, such approaches are now inadequate due to reduced factory lifetimes and intensifying global competition.
Manufacturing systems research is concerned with the modeling of systems for the purpose of computing quantity- and quality-related performance measures. It makes heavy use of

- stochastic processes,
- approximation methods,
- nonlinear analysis and optimization,
- statistics,

and other mathematical fields.
Earlier Research

... or *Flow shop*, *Transfer line*, or *Production line*.

Traditionally used for high volume, low variety production.
Earlier Research

Manufacturing Systems Engineering
by Stanley B. Gershwin
http://home.comcast.net/~hierarchy/MSE/mse.html
Earlier Research

Flow Line
Two-Machine Line

The machines are unreliable — they fail at random times and are repaired at random times.

As a consequence, machines cause each other to be forced idle at random times for random durations. This reduces production.

Goal of analysis: calculate production rate, in-process inventory.
Method of analysis:

1. Construct Markov chain model.

2. Determine steady-state probability distribution.

3. Calculate average production rate and average inventory from steady-state probability distribution.
Earlier Research

Flow Line

Two-Machine Line

Earlier Research

Flow Line

Two-Machine Line

n=0 n=1 n=2 n=3 n=4 n=5 n=6 n=7 n=8 n=9 n=10 n=11 n=12 n=13

(α₁,α₂)

(0,0)

(0,1)

(1,0)

(1,1)

key

transitions

out of transient states

out of non-transient states

to increasing buffer level

to decreasing buffer level

unchanging buffer level

states

transient

non-transient

boundary

internal

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• We vary the buffer size $N$ and observe its effect on the production rate $P$.

• *Observation*: the production rate increases monotonically up to a limit.

• However, increasing $N$ increases inventory and other costs.

*Note*: The upper limit is what would be estimated by a simple capacity formula.
Earlier Research

**Problem**: Longer lines have larger state spaces. The state space grows *exponentially* in the length of the line.

**Dealing with large state spaces is the *fundamental technical problem* of manufacturing systems analysis.

**Solution**: Approximate one long line by many small lines.
• Decomposition breaks up systems and then reunites them.
• Conceptually: put an observer in a buffer, and tell him that he is in the buffer of a two-machine line.
• Question: *What would the observer see, and how can he be convinced he is in a two-machine line? Construct the two-machine line. Construct all the two-machine lines.*
Earlier Research

• Consider an observer in Buffer $B_i$. Imagine the material flow process that the observer sees entering and the material flow process that the observer sees leaving the buffer.

• We construct a two-machine line $L(i)$, i.e., we find machines $M_u(i)$ and $M_d(i)$ such that an observer in its buffer will see almost the same processes.

• The parameters are chosen as functions of the parameters of the long line and of the parameters of the other two-machine lines.
Earlier Research

- The number of equations is now *linear* in the length of the line.
- An iterative algorithm works well.
- Results have been extensively compared with simulation, and they are very accurate.
Earlier Research

Successes

• A Hewlett Packard ink jet printer factory was built using MIT techniques. The estimated economic impact was hundreds of millions of US dollars.

• General Motors has used similar tools and claims a savings of two billion US dollars.

• Peugeot is also using, and further developing, such methods for designing automobile factories.

• These tools have also been used in frozen food and medical device production.
• **Optimization**: evaluation embedded in gradient search.
  ★ **Primal** Minimize buffer space subject to production rate constraint.
  ★ **Dual** Maximize production rate subject to buffer space constraint.

• Acyclic A/D (tree-structured) systems
• Single- and multiple-loop systems
  ★ Pallets and kanbans
Example

- Design the buffers for a 20-machine production line.
- The machines have been selected, and the only decision remaining is the amount of space to allocate for in-process inventory.
- *The goal is to determine the smallest amount of in-process inventory space so that the line meets a production rate target.*
Example

- The common operation time is one operation per minute.
- The target production rate is $0.88$ parts per minute.

<table>
<thead>
<tr>
<th>Case</th>
<th>MTTF</th>
<th>MTTR</th>
<th>MTTF</th>
<th>MTTR</th>
<th>$P_\infty$, parts/min</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most machines, min</td>
<td>200</td>
<td>10.5</td>
<td>200</td>
<td>10.5</td>
<td>0.95</td>
</tr>
<tr>
<td>Machine 5, min</td>
<td>200</td>
<td>10.5</td>
<td>100</td>
<td>10.5</td>
<td>0.905</td>
</tr>
<tr>
<td>1</td>
<td>200</td>
<td>10.5</td>
<td>200</td>
<td>10.5</td>
<td>0.95</td>
</tr>
<tr>
<td>2</td>
<td>200</td>
<td>10.5</td>
<td>100</td>
<td>10.5</td>
<td>0.905</td>
</tr>
<tr>
<td>3</td>
<td>200</td>
<td>10.5</td>
<td>200</td>
<td>21</td>
<td>0.905</td>
</tr>
</tbody>
</table>
First question: are buffers really needed?

<table>
<thead>
<tr>
<th>Line</th>
<th>Production rate with no buffers, parts per minute</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case 1</td>
<td>.487</td>
</tr>
<tr>
<td>Case 2</td>
<td>.475</td>
</tr>
<tr>
<td>Case 3</td>
<td>.475</td>
</tr>
</tbody>
</table>

Yes.
Example

Optimal buffer space distribution

Solution

<table>
<thead>
<tr>
<th>Line</th>
<th>Space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case 1</td>
<td>430</td>
</tr>
<tr>
<td>Case 2</td>
<td>485</td>
</tr>
<tr>
<td>Case 3</td>
<td>523</td>
</tr>
</tbody>
</table>

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Example

Optimal buffer space distribution

- Observation from studying buffer space allocation problems:
  - *Buffer space is needed most where buffer level variability is greatest!*
Acyclic A/D (tree-structured) systems

- Straightforward extension of line equations and algorithm
Earlier Research

Single-loop systems

- Finite buffers ($0 \leq n_i(t) \leq N_i$).
- Fixed population invariant: $\sum_i n_i(t) = N$.
- Motivation:
  - Limited pallets/fixtures.
  - CONWIP (or hybrid) flow control.
Earlier Research

- The invariant creates complications for the decomposition.

- Multiple-loop systems have one invariant per loop.

- More loops create more opportunities for control.
Earlier Research

Machine Buffer
- Material flow
- Token (information) flow

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Current Research

Multiple part types and reentrant flow
Current Research

Multiple part types and reentrant flow

Type 1

Type 2

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Current Research

- We assume strict priority.
  - This assumption will be extended.

- Two-part type decomposition has been done.
  - Extension to three part types is next;
  - extension to more than three should be easy.

- Reentrant flow is modeled as an extension to multiple-part types.
  - Part reenters system as a new part type.
  - Parts with fewer remaining operations can be given priority.
Quality Dynamics

- **Definition:** How the quality of a machine changes over time.
- The quality literature distinguishes between *common causes* and *special causes*. (Other terms are also used.)
  
  ★ Common cause: successive failures are equally likely, regardless of past history.
  
  GGGGGGBGGGBGGGGGGGGBGGBGGGGGBBGGGGGGG . . . . .

  ★ Special cause: something happens to the machine, and failures become much more likely.
  
  GGGGGBGGGGGBGGGGGGGGBBBBBBBGBBBBBGGBBB . . . . .

- We use this concept to extend quantity models.
Current Research

Quality/Quantity Modeling

Simplest model

Versions:

• The *Good* state has 100% yield and the *Bad* state has 0% yield.

• The *Good* state has high yield and the *Bad* state has low yield.
The relationship between quality dynamics and statistical process control:

\[ G \rightarrow B \]

*Note:* The operator does not know when the machine is in the bad state until it has been detected.
The transition from UP/BAD to DOWN is signaled from a downstream inspection.

The detection of the failure can only occur when the first bad part reaches the inspection station.

Thus the production rate of good parts depends on how much inventory there is between the machine and the inspection.
To analyze this system by decomposition, we must

- analyze two-machine lines with multiple up- and down-states, and
- relate the transition rate from UP/BAD to DOWN to the amount of inventory between the operation and the inspection.
Opinions:

- Quantity-oriented people tend to assume that increasing a buffer *increases* the production rate.

- Quality-oriented people tend to assume that increasing a buffer *decreases* the production rate of good items.

- However, we have found that the picture is not so simple.
Effective production rate = production rate of good parts.
Quality/Quantity Modeling

Harmful Buffer

Effective Production Rate vs. Buffer Size

Copyright ©2006 Stanley B. Gershwin. All rights reserved.
Mixed-Benefit Buffer

Buffer Size

Effective Production Rate

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How many inspections should there be? And where?

- Intuition: more inspection improves quality.

- Reality: increasing inspection can actually reduce quality, if it is not done well.
• We simulated a 15-machine, 14-buffer line.
• All machines and buffers were identical.
• We looked at all possible combinations of inspection stations in which all operations were inspected.
  ★ *Example*: Inspection stations just after Machines 6, 9, 13, and 15.
  ★ The first inspection looks at the results from Machines 1 – 6; the second looks at results from Machines 7 – 9; the third from 10 – 13; and the last from 14 and 15.
  ★ There is always one inspection after Machine 15.
• A total of $2^{14} = 16,384$ cases were simulated.
Quality/Quantity Modeling

Inspections

Current Research

Range of Good Production Rates for Different Numbers of Inspection Stations

<table>
<thead>
<tr>
<th>Number of Inspection Stations</th>
<th>Good Production Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0.10040</td>
</tr>
<tr>
<td>1</td>
<td>0.295</td>
</tr>
<tr>
<td>2</td>
<td>0.305</td>
</tr>
<tr>
<td>3</td>
<td>0.315</td>
</tr>
<tr>
<td>4</td>
<td>0.325</td>
</tr>
<tr>
<td>5</td>
<td>0.335</td>
</tr>
<tr>
<td>6</td>
<td>0.345</td>
</tr>
<tr>
<td>7</td>
<td>0.355</td>
</tr>
<tr>
<td>8</td>
<td>0.365</td>
</tr>
<tr>
<td>9</td>
<td>0.375</td>
</tr>
</tbody>
</table>

Best locations

Worst locations

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Current Research

Quality/Quantity Modeling

Possible Extensions

- Design of inspection policies using Bayesian analysis.
- Analysis of multiple-state machines.
- Analysis of lines with multiple-state machines.
- Control of material flow in systems with quality issues.
Current Research

Analytic evaluation of long lines

Ubiquitous inspection:

Single remote inspection of a single machine:

Single remote inspection of multiple machines:

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• The three-state machine model is much too simple.
• One extension is
• … but even this leaves out important features.
Another extension is

This allows more general wear or aging models.
Conclusions

- Manufacturing systems engineering is valuable economically and intellectually.

- There are many interesting and important untreated problem areas.