

## **QUEUE MANAGEMENT**

EX SET #4

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- The queuing theory is necessary for companies in order take better business decisions in terms of resources
- Companies can better manage their resources and understanding which is the need of farther resources in order to provide a service.
- It studies the waiting times of customers/products

#### Key messages from the lesson

- ✦ Focus on a network of systems
- Understanding in practical terms how to apply the queuing theory tanking into account all the possible criticalities
  - How to map a complex system
  - How to manage different types of customers/products
  - How to map/understand/evaluate the customers/products paths
  - How to calculate occurrences
  - How to manage paths in case of scraps
  - How to manage products/customers with different priorities

MASTER Spa has to deliver 500 good components per hour to the customer, respectively 300 type A pieces and 200 type B pieces. The production system of MASTER Spa is basically a job shop and production flow for the two types of components is described below.

Both types of product are processed in the first stage of rough-cut. It consists of two technologically identical machines. These resources don't need set-up to change product type, they can indifferently work both product families. The next item waiting to be processed in the queue will be worked by the first free machine. After this stage the production flows of the two types are separated, they meet on the last stage of testing.

Type A products first pass the surface finishing stage and further the drilling stage. Downstream of the drilling stage pieces join the testing stage queue.

Type B products, after initial roughing stage in common with type A product, are processed in a work center. After being processed by the work center, they are placed in the testing stage queue.

The product B has a particular shape, which easily creates problems during the process. Because of this, frequently type B products have to be reworked or discarded. The quality control is made by the same work center. In particular, 5% of pieces worked are no longer workable and therefore they are discarded, while 15% of the pieces that this stage works have to be reworked to become good products.

These B-products have to be reworked on traditional machines, so they are sent to the queue upstream of the surface finishing machine that works products of type A. Once the product is reprocessed by surface finishing and drilling machines, it is considered good. In surface finishing and drilling stages products of type B move forward with a lower priority than type A, according to a not preemptive logic.

Last stage is formed by the testing machine. In the testing stage there aren't any types of priority rule. The testing machine is old and sometimes it identifies as defective a good product. For this reason, a product been identified as defective first time has to be tested again. On Average 15% of products tested by the machine (both types) has to be tested again. 50% of the pieces tested twice are discarded (both types). The other products are good and they can be delivered to the customer.

The table shows the service rates of the resources of MASTER Spa. The service rates and the arrival rates are distributed according to a negative exponential.

Service rate	Pieces/hour
Rough-cut stage (1 machine)	300
Work center stage	250
Surface finishing stage	380
Drilling stage	380
testing	660

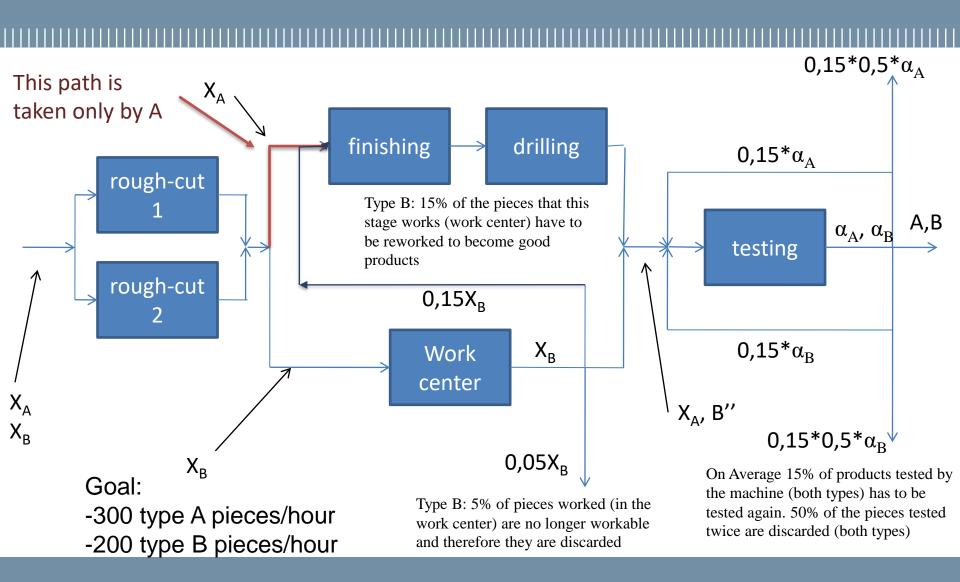
#### Company's requests are:

- Model the production system of the Master Spa, calculate all relevant parameters of the system, with particular attention to the calculation of the necessary input for each component in order to meet the production target.
- Calculate the expected throughput time of the production system (not considering the products that need to be eliminated because defective)
- 3) Calculate the raw material input reduction if the defective products percentage at testing machine drops to 0 (in the second test all the products result conformed). What are the effects on the expected throughput time?

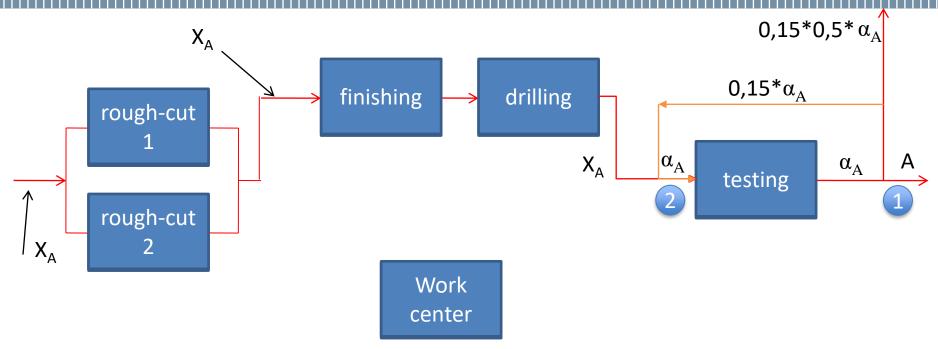
Input a = Xa? Input b = Xb?

Output a = A = 300 p/hOutput b = B = 200 p/h

#### Master S.p.A.



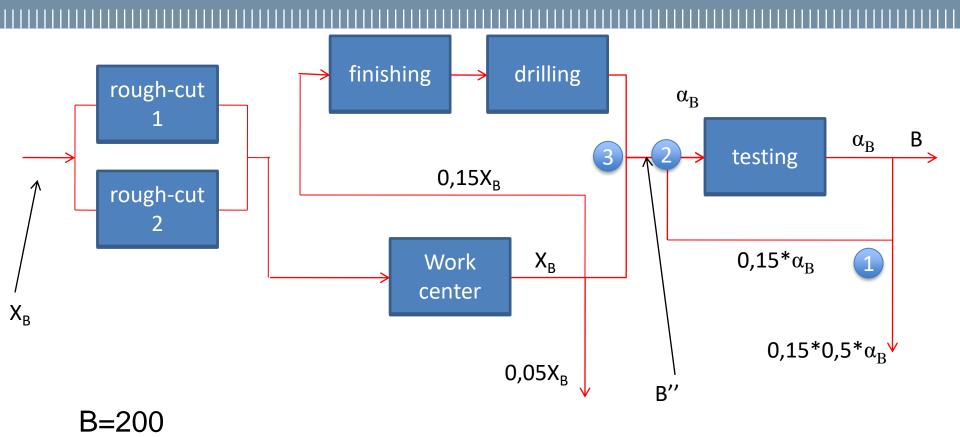
#### **Input A**



$$A=300$$

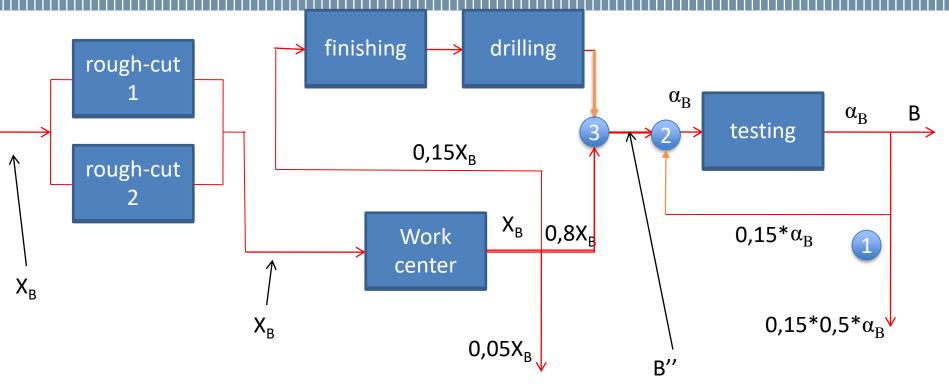
- 1  $A+0.15*0.5*\alpha_A+0.15*\alpha_A = \alpha_A \rightarrow 0.775*\alpha_A=300$  $\alpha_A=387.097 \text{ pieces/hour}$
- 2  $X_A + 0.15^* \alpha_A = \alpha_A \rightarrow X_A = 0.85^* \alpha_A = 329.032 \text{ pieces/hour}$  $X_A \text{ INPUT "A"} : 329.032 \text{ pieces / hour}$

## Products B



1 B+0,15\*0,5\* $\alpha_{\rm B}$ +0,15\* $\alpha_{\rm B}$ = $\alpha_{\rm B}$  > 0,775\* $\alpha_{\rm B}$ =200  $\alpha_{\rm B}$ =258,064 pieces/hour

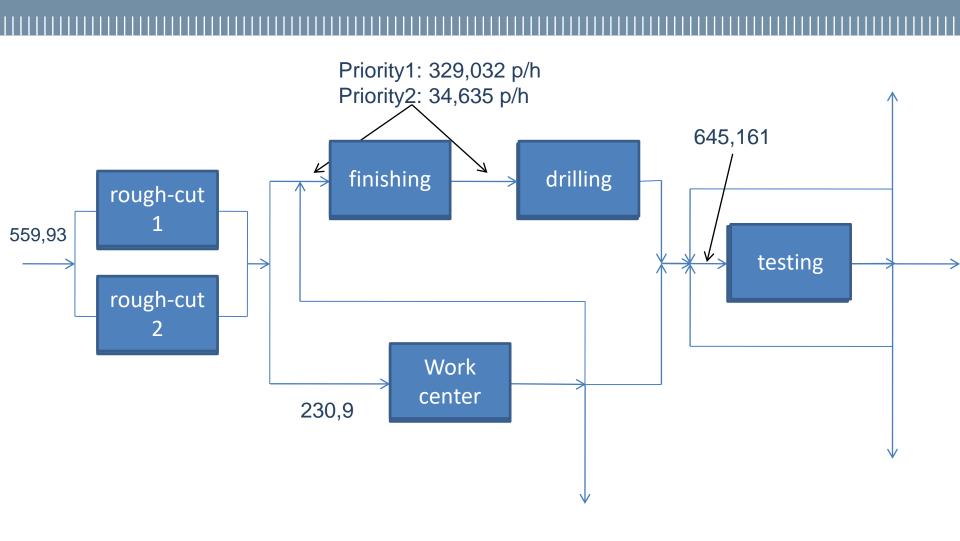
#### **Input B**



- 2 B" +0,15  $\alpha_{\rm B} = \alpha_{\rm B}$   $\rightarrow$  B" = 0,85  $\alpha_{\rm B}$  = 219,4 pieces/hour
- 3 B" = 0,15 $X_B$  + 0,8  $X_B$

 $X_B$  INPUT «B» = 230,9 pieces/hour

# Master S.p.A. – arrival rates



## Master S.p.A. – parameters

	rough-cut	finishing	drilling	Work center	testing
λ (pz/hour)	559,93	Priority1: 329,032 Priority2: 34,635	Priority1: 329,032 Priority2: 34,635	230,9	645,161
μ (pz/hour)	300 (1 machine)	380	380	250	660
Priority rule	-	NON PREHEMPTIVE	NON PREHEMPTIVE	-	-
Queue type	M/M/2	M/M/1	M/M/1	M/M/1	M/M/1

The next item waiting to be processed in the queue will be worked by the first free machine

## Throughput time

	rough-cut	finishing	drilling	Work center	testing
λ (pz/hour)	559,93	A:Priority1: 329,032 B:Priority2: 34,635	A:Priority1: 329,032 B:Priority2: 34,635	230,9	645,161
μ (pz/hour)	300 (1 machine)	380	380	250	660
Priority rule	-	NON PREHEMPTIVE	NON PREHEMPTIVE	-	-
queue	M/M/2	M/M/1	M/M/1	M/M/1	M/M/1
Ws (min)	2,08	Priority1: 1,284 Priority2: 26,369	Priority1: 1,284 Priority2: 26,369	3,141	4,043

#### Rough cut M/M/2

Ws = Lq / 
$$\lambda$$
 + 1 /  $\mu$   
 $\lambda$ = 559,93  $\mu$  = 300  $\rightarrow \lambda/\mu$  = 1,866  
C=2  $\rightarrow$  Lq= 17,587

 $W_s = (17,587/559,93 + 1/300) *60 = 2,08 min$ 

Lq res	ults of	model	٨
λ/μ	c=1	c=2	L
			C
0,15	0,026	0,001	Ļ
0,20	0,050	0,002	Ļ
0,25	0,083	0,004	L
0,30	0,129	0,007	L
0,35	0,188	0,011	L
0,40	0,267	0,017	L
0,45	0,368	0,024	L
0,50	0,500	0,033	
0,55	0,672	0,045	
0,60	0,900	0,059	Γ
0,65	1,207	0,077	Γ
0,70	1,633	0,098	Г
0,75	2,250	0,123	Г
0,80	3,200	0,152	Γ
0,85	4,817	0,187	Г
0,90	8,100	0,229	Г
0,95	18,050	0,277	Г
1,0		0,333	Г
1,1		0,477	Г
1,2		0,675	Г
1,3		0,951	Г
1,4		1,345	Г
1,5		1,929	Г
1,6		2,844	Г
1,7		4,426	T
1,8		7,674	T
1,9		17,587	>

**Finishing** M/M/1 Non preemptive priority

$$\lambda 1 = 329,032$$

$$\lambda 2 = 34,635$$

$$\mu = 380$$

$$E(S_1) = \frac{(1 + \rho_2)/\mu}{1 - \rho_1},$$

$$E(S_2) = \frac{(1 - \rho_1(1 - \rho_1 - \rho_2))/\mu}{(1 - \rho_1)(1 - \rho_1 - \rho_2)}.$$

$$E(S1) = 60*((1+34,635/380)/380) / (1-329,032/380) = 1,284 min$$
  
 $E(S2) = 60*(1-329,032/380(1-329,032/380-34,635/380))/380 / ((1-329,032/380)*(1-329,032/380-34,635/380)) = 26,369 min$ 

**Drilling** M/M/1 Non prehentive priority

$$\lambda 1 = 329,032$$

$$\lambda 2 = 34,635$$

$$\mu = 380$$

$$E(S_1) = \frac{(1 + \rho_2)/\mu}{1 - \rho_1},$$

$$E(S_2) = \frac{(1 - \rho_1(1 - \rho_1 - \rho_2))/\mu}{(1 - \rho_1)(1 - \rho_1 - \rho_2)}.$$

$$E(S1) = 60*((1+34,635/380)/380) / (1-329,032/380) = 1,284 min$$
  
 $E(S2) = 60*(1-329,032/380(1-329,032/380-34,635/380))/380 / ((1-329,032/380)*(1-329,032/380-34,635/380)) = 26,369 min$ 

#### Work center M/M/1

$$\lambda = 230,9$$

$$\mu = 250$$

$$W_S = 1/(\mu - \lambda) = 1/(250-230,9)*60 = 3,141$$

#### Testing M/M/1

$$\lambda = 645,161$$

$$\mu = 660$$

$$W_s = 1/(\mu - \lambda) = 1/(660-645,161) * 60 = 4,043$$

## Throughput time

Which are the possible paths?

	rough-cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final customer
A1	×	×	×			×			×
A2	X	×	×			×	×		×
A3	X	×	×			×	×	×	
B1	X			X		×			×
B2	X			X	X				
В3	X			X		×	×		×
B4	X			X		×	×	×	
B5	X	×	×	X		×			×
В6	X	×	×	X		×	×		×
В7	×	×	X	X		×	×	X	

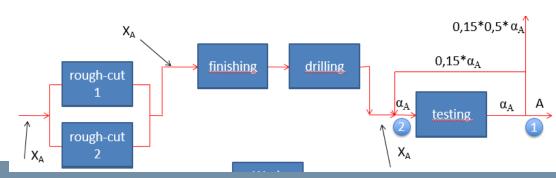
#### Occurrences of type A

	rough-cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final customer
A1	×	×	×			×			×
A2	×	×	×			×	×		×
A3	×	×	×			×	×	×	

A1:  $(X_A - 0.15 \alpha_A) / X_{A=0.82}$ 

A2:  $((1-0.5)*0.15 \alpha_A)/X_{A=0.09}$ 

A3:  $(0.5*0.15 \alpha_{A})/X_{A} = 0.09$ 



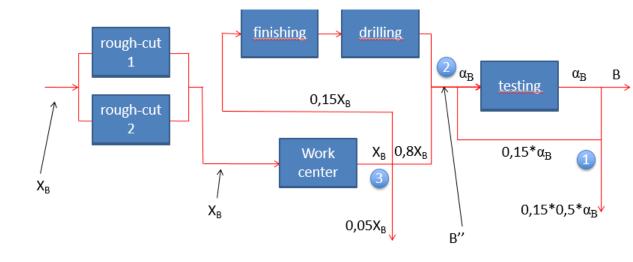
## Occurrences of type B (1/7)

	rough-cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final customer
B1	×			X		×			×
B2	×			X	X				
В3	X			X		×	×		×
B4	×			X		×	×	X	
B5	×	×	×	X		×			×
В6	×	×	×	X		×	×		×
B7	×	×	X	X		×	×	×	

#### Occurrences of type B (2/7)

	rough-cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final customer
B2	×			×	X				

$$B2 = 0.05 \times X_B / X_{B} = 0.05$$



#### Occurrences of type B (3/7)

	rough-cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final customer
B1	×			X		×			X
В3	×			X		×	×		×
B4	×			X		×	×	×	

In B1, B3 and B4 paths the pieces don't have to be reworked by finishing and drilling machines.

The total amount of these pieces is 0,8\*X<sub>B</sub>.

0,8\*X<sub>B</sub> is distributed among good pieces at first test, good pieces at 2° test and scraps at second test.

#### Occurrences of type B (4/7)

$$\alpha_B = 0.8/0.95 \; \alpha_B + 0.15/0.95 \; \alpha_B$$
 Part of pieces reworked by finishing and drilling machines

The quantities of pieces that enter in the testing phase are  $0.8^*X_B$  that arrives directly from work center and  $0.15^*X_B$  is reworked by traditional machines

This proportion is kept also for the pieces processed by the testing machine and the pieces that have to be tested again.

$$0.8/(0.8+0.15) = 0.8/0.95$$
 not-reworked  $0.15/(0.8+0.15) = 0.15/0.95$  reworked

Reworked= «reworked by finishing and drilling machines», Not «pieces tested twice»!!)

#### Occurrences of type B (5/7)

%Reworked in the testing

B1 = 
$$(0.8 X_B - 0.8/0.95* 0.15 \alpha_B) / X_B = 152.12/230.9 = 0.659$$

%Reworked in the testing - %scraps

B3 = 
$$[0.8/0.95 * (1 - 0.5)*0.15 \alpha_B] / X_B = 16.3/230.9 = 0.071$$

%Scraps

B4 = 
$$[0.8/0.95 * 0.5*0.15 \alpha_B] / X_B = 16.3/230.9 = 0.071$$

#### Occurrences of type B (6/7)

	rough-cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final customer
B5	×	×	×	X		×			×
В6	×	×	×	X		×	×		×
B7	×	×	×	X		×	×	X	

In B5, B6 and B7 paths the pieces have to be reworked by finishing and drilling machines.

The total amount of these pieces is 0,15\*XB.

0,15\*XB is distributed among good pieces at first test, good pieces at 2°test and scraps at second test.

#### Occurrences of type B (7/7)

B5 = 
$$(0.15 X_B - 0.15/0.95* 0.15 \alpha_B) / X_B = 28.52/230.9 = 0.124$$

B6 = 
$$[0,15/0,95 * (1-0,5)*0,15 \alpha_B]/X_B = 3,056/230,9=0,013$$

B7 = 
$$[0,15/0,95 * 0,5*0,15 \alpha_B]/X_B = 3,056/230,9 = 0,013$$

## **Paths**

	rough- cut	finishing	drilling	Work center	scrap	Testing 1	Testing 2	scrap	Final cust.	Pieces/ hour
A1	X	×	X			×			×	270.975
A2	X	×	×			×	×		X	29.025
A3	X	×	×			×	×	×		29.025
B1	X			X		×			×	152.12
B2	X			X	X					11.545
В3	X			X		×	×		×	16.30
B4	X			X		×	×	×		16.30
B5	X	×	×	X		×			×	28.523
В6	X	×	X	X		×	×		×	3.056
В7	X	×	X	X		×	X	X		3.056

Total A 329.025 Total B 230.9

## **Adjusted Occurrences**

	Pieces/hour	Occurrence	Adjusted occurrece
A1	270.975	0.8236	0.8236/ <mark>0,9118</mark> = 0.9033
A2	29.025	0.0882	0.0882/ <mark>0,9118</mark> = 0.0967
B1	152.12	0.6588	0.6588/ <mark>0.8662</mark> = 0.7606
В3	16.30	0.0706	0.0706/ <mark>0.8662</mark> = 0.0815
B5	28.523	0.1235	0.1235/ <mark>0.8662</mark> = 0.1426
B6	3.056	0.0132	0.0132/ <mark>0.8662</mark> = 0.0153

0.9118=1-Occ (A3)

0.8662=1-[Occ (B2)+Occ(B4)+Occ(B7)]

#### Throughput time

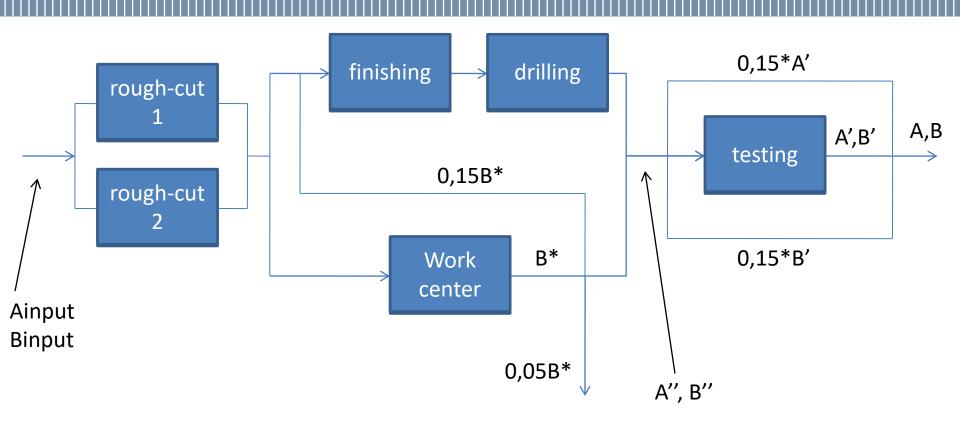
	rough- cut	finishing	drilling	Work center	Testing 1	Testing 2	Throu. Time	Adj. Occ.	Weig. time
A 1	2.08	1,284	1,284		4,043		8.691	0.9033	7.85
A 2	2,08	1,284	1,284		4,043	4,043	12.734	0.0967	1.23
B1	2,08			3,141	4,043		9.264	0.7606	7.05
В3	2,08			3,141	4,043	4,043	13.307	0.0815	1.08
B5	2,08	26,369	26,369	3,141	4,043		62.002	0.1426	8.84
В6	2,08	26,369	26,369	3,141	4,043	4,043	66.045	0.0153	1.01

Type A occurrence: 300 / 500 = 0.6Type B occurrence: 200 / 500 = 0.4

#### **Average throughput time:**

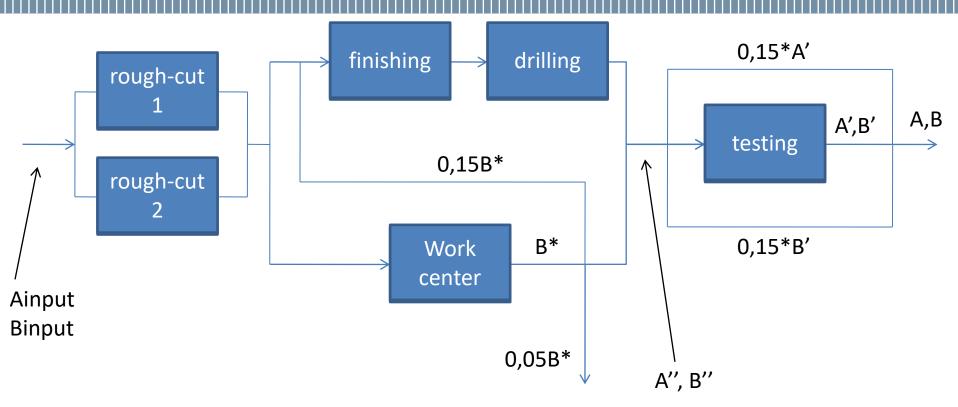
0.6\*(7.85 + 1.23) + 0.4\*(7.05 + 1.08 + 8.84 + 1.01) = 12.64 minutes

#### No scraps from testing phase



Input A=300
How calculate it? → there aren't scraps

#### No scraps from testing phase



Input B: B"=B=200

 $B''=0,15B^* + 0.8B^*$ 

**B\*** = 211,54 pieces/hour = **INPUT** B

## Some examples – How to shape the following systems?

- 1. In FIAT, each component of the various cars are processed through specific processes, the majority of them are automatic processes. In same case some components are discarded, others are reworked and others having not the right shape, after being reworked, are sold on a second market. The last processes are done by humans in order to ensure high quality of the product. Map the possible network of systems.
- 2. The Lamborghini plant has different lines where single components are processed. There are some customized products that have the priority over the other products. During the production process some problems can happen and some scraps is discarded. Try to map the possible network of systems

