

Formula Sheet

$$C_{pk} = \text{Minimum of } \left[\frac{\bar{x} - \text{Lower Specification}}{3\sigma}, \frac{\text{Upper Specification} - \bar{x}}{3\sigma} \right]$$

$$C_p = \frac{\text{Upper Specification} - \text{Lower Specification}}{6\sigma}$$

$$\text{Utilization} = \frac{\text{Actual Output}}{\text{Design Capacity}}$$

$$\text{Efficiency} = \frac{\text{Actual Output}}{\text{Effective Capacity}}$$

$$\text{Break - even in units} = \frac{F}{P - V}$$

$$\text{Break - even in dollars} = \frac{F}{1 - \left(\frac{V}{P}\right)}$$

$$\text{Multiproduct break - even in dollars} = \frac{F}{\sum \left[\left(1 - \frac{V_i}{P_i}\right) * (W_i) \right]}$$

$$\text{Labor cost per unit} = \text{Labor cost per day} \div \text{production (units per day)}$$

$$x - \text{coordinate of the center of gravity} = \sum_i x_i Q_i / \sum_i Q_i$$

$$y - \text{coordinate of the center of gravity} = \sum_i y_i Q_i / \sum_i Q_i$$

$$\text{Minimize Cost} = \sum_{i=1}^n \sum_{j=1}^n X_{ij} C_{ij}$$

$$\text{Takt time} = \frac{\text{total work time available}}{\text{units required to satisfy customer demand}}$$

$$\text{Workers Required} = \frac{\text{total operation time required}}{\text{takt time}}$$

$$\text{cycle time} = \frac{\text{production time available per day}}{\text{units required per day}}$$

$$\text{Minimum Number of Workstations} = \frac{\sum_{i=1}^n \text{time for task } i}{\text{cycle time}}$$

$$\text{efficiency} = \frac{\sum \text{task times}}{\text{actual number of workstations} * \text{largest assigned cycle time}}$$

$$\text{Idle Time} = (\text{actual number of workstations}) * (\text{Largest assigned cycle time}) - \sum \text{task times}$$

$$P(n) = S + (1 - S)U^n \quad \text{Bullwhip} = \frac{\text{Variance in orders}}{\text{Variance of demand}} = \frac{\sigma_{\text{orders}}^2}{\sigma_{\text{demand}}^2}$$