

MIT 2.853/2.854

Introduction to Manufacturing Systems

# Manufacturing Systems Overview

**Stanley B. Gershwin**

Laboratory for Manufacturing and Productivity

Massachusetts Institute of Technology

`gershwin@mit.edu`

# HP Printer Case

## Background

- In 1993, the ink-jet printer market was taking off explosively, and manufacturers were competing intensively for market share.

# HP Printer Case

## Background

- In 1993, the ink-jet printer market was taking off explosively, and manufacturers were competing intensively for market share.
- Manufacturers could sell all they could produce. Demand was much greater than production capacity.

# HP Printer Case

## Background

- In 1993, the ink-jet printer market was taking off explosively, and manufacturers were competing intensively for market share.
- Manufacturers could sell all they could produce. Demand was much greater than production capacity.
- Hewlett Packard was designing and producing its printers in Vancouver, Washington (near Portland, Oregon).

# HP Printer Case

## HP's needs

- Maintain quality.

# HP Printer Case

## HP's needs

- Maintain quality.
- Meet increased demand *and* increase market share.

# HP Printer Case

## HP's needs

- Maintain quality.
- Meet increased demand *and* increase market share.
  - ★ *Target: 300,000 printers/month.*

# HP Printer Case

## HP's needs

- Maintain quality.
- Meet increased demand *and* increase market share.
  - ★ *Target: 300,000 printers/month.*
  - ★ *Capacity with existing manual assembly: 200,000 printers/month.*



# HP Printer Case

## HP's needs

- Maintain quality.
- Meet increased demand *and* increase market share.
  - ★ *Target: 300,000 printers/month.*
  - ★ *Capacity with existing manual assembly: 200,000 printers/month.*
- Meet profit and revenue targets.

# HP Printer Case

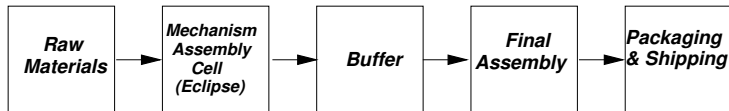
## HP's needs

- Maintain quality.
- Meet increased demand *and* increase market share.
  - ★ *Target: 300,000 printers/month.*
  - ★ *Capacity with existing manual assembly: 200,000 printers/month.*
- Meet profit and revenue targets.
- Keep employment stable.

# HP Printer Case

## Printer Production

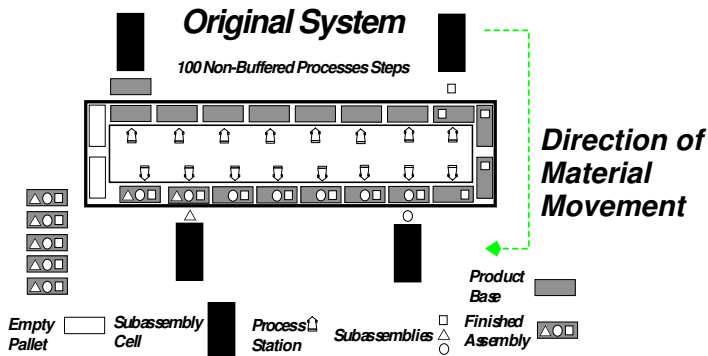
HP invested \$25,000,000 in “Eclipse,” a new system for automated assembly of the print engine.



Two Eclipses were installed.

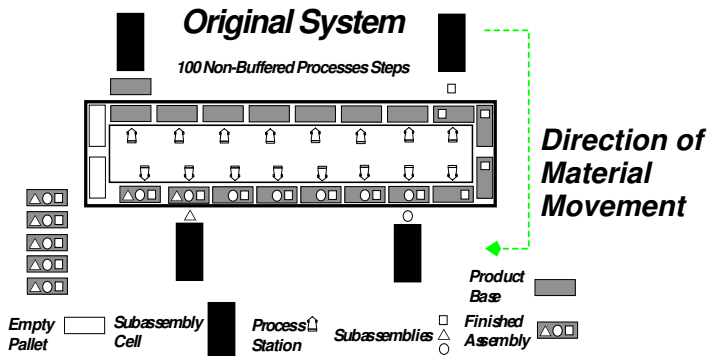
# HP Printer Case

## Printer Production



# HP Printer Case

## Printer Production



*Design philosophy:* minimal — essentially zero — buffer space.

# HP Printer Case

## The Problem

- Machine efficiencies<sup>1</sup> were estimated to be about .99.

---

<sup>1</sup>(to be defined)

# HP Printer Case

## The Problem

- Machine efficiencies<sup>1</sup> were estimated to be about .99.
- Operation times were estimated to be 9 seconds, and constant.

---

<sup>1</sup>*(to be defined)*

# HP Printer Case

## The Problem

- Machine efficiencies<sup>1</sup> were estimated to be about .99.
  - Operation times were estimated to be 9 seconds, and constant.
- ★ Consequently, the total production rate was estimated to be about 370,000 units/month.

---

<sup>1</sup> *(to be defined)*



# HP Printer Case

## The Problem

- Machine efficiencies<sup>1</sup> were estimated to be about .99.
- Operation times were estimated to be 9 seconds, and constant.
  - ★ Consequently, the total production rate was estimated to be about 370,000 units/month.
- BUT data was collected when the first two machines were installed:
  - ★ Efficiency was less than .99.

---

<sup>1</sup> *(to be defined)*

# HP Printer Case

## The Problem

- Machine efficiencies<sup>1</sup> were estimated to be about .99.
- Operation times were estimated to be 9 seconds, and constant.
  - ★ Consequently, the total production rate was estimated to be about 370,000 units/month.
- BUT data was collected when the first two machines were installed:
  - ★ Efficiency was less than .99.
  - ★ Operation times were variable, often greater than 9 seconds.

---

<sup>1</sup>(to be defined)

# HP Printer Case

## The Problem

- Machine efficiencies<sup>1</sup> were estimated to be about .99.
- Operation times were estimated to be 9 seconds, and constant.
  - ★ Consequently, the total production rate was estimated to be about 370,000 units/month.
- BUT data was collected when the first two machines were installed:
  - ★ Efficiency was less than .99.
  - ★ Operation times were variable, often greater than 9 seconds.

*Actual production rate would be about 125,000 units/month.*

---

<sup>1</sup>(to be defined)

# HP Printer Case

## The Problem

- HP tried to analyze the system by simulation. They consulted a vendor, but the project appeared to be too large and complex to produce useful results in time to affect the system design.

# HP Printer Case

## The Problem

- HP tried to analyze the system by simulation. They consulted a vendor, but the project appeared to be too large and complex to produce useful results in time to affect the system design.

★ *This was because they tried to include too much detail.*

# HP Printer Case

## The Problem

- HP tried to analyze the system by simulation. They consulted a vendor, but the project appeared to be too large and complex to produce useful results in time to affect the system design.

★ *This was because they tried to include too much detail.*

- Infeasible changes: adding labor, redesigning machines.

# HP Printer Case

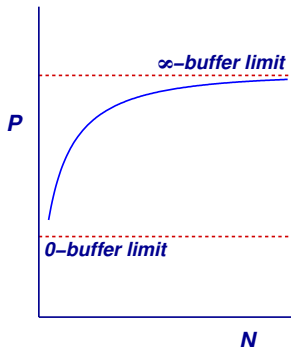
## The Solution

- Feasible change: visiting researcher proposed adding *a small amount* of buffer space within Eclipse.

# HP Printer Case

## The Solution

- Feasible change: visiting researcher proposed adding *a small amount* of buffer space within Eclipse.

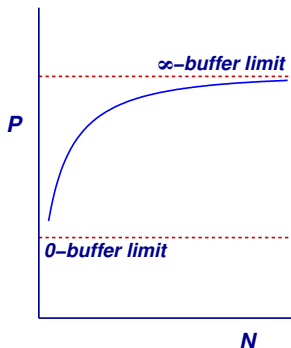




# HP Printer Case

## The Solution

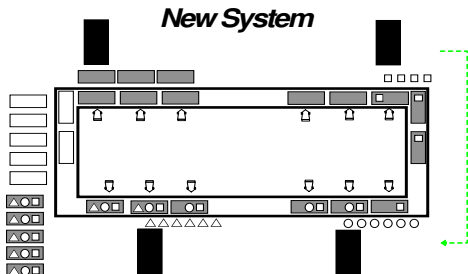
- Feasible change: visiting researcher proposed adding *a small amount* of buffer space within Eclipse.



- Design and analysis tools: *described in the second part of this course.*

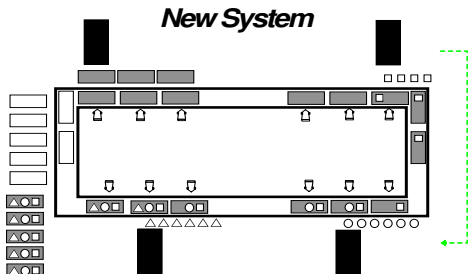
# HP Printer Case

## The Solution



# HP Printer Case

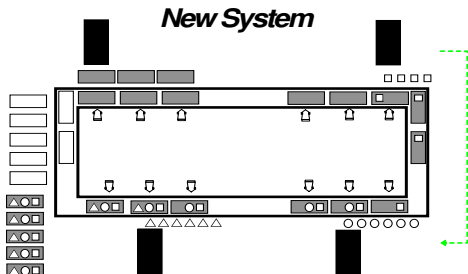
## The Solution



- Empty pallet buffer.

# HP Printer Case

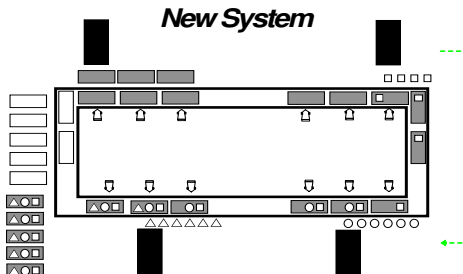
## The Solution



- Empty pallet buffer.
- WIP (*work in process*) space between subassembly lines and main line.

# HP Printer Case

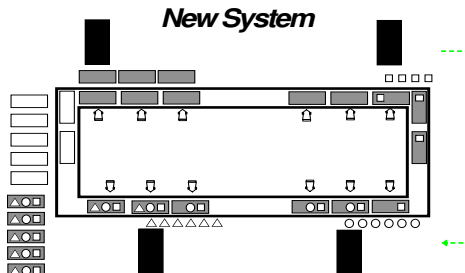
## The Solution



- Empty pallet buffer.
- WIP (*work in process*) space between subassembly lines and main line.
- WIP space on main line.

# HP Printer Case

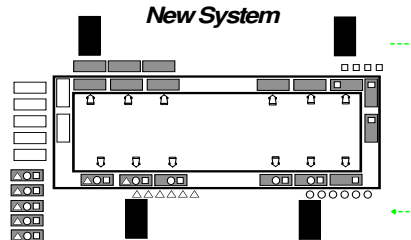
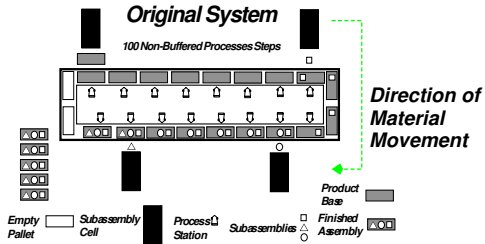
## The Solution



- Empty pallet buffer.
- WIP (*work in process*) space between subassembly lines and main line.
- WIP space on main line.
- Buffer sizes were large enough to hold about 30 minutes worth of material.  
This is a small multiple of the mean time to repair (MTTR) of the machines.

# HP Printer Case

## Comparison



# HP Printer Case

## Consequences

- Increased factory capacity — to over 250,000 units/month.



# HP Printer Case

## Consequences

- Increased factory capacity — to over 250,000 units/month.
- Capital cost of changes was about \$1,400,000.

# HP Printer Case

## Consequences

- Increased factory capacity — to over 250,000 units/month.
- Capital cost of changes was about \$1,400,000.
- Incremental revenues of about \$280,000,000.

# HP Printer Case

## Consequences

- Increased factory capacity — to over 250,000 units/month.
- Capital cost of changes was about \$1,400,000.
- Incremental revenues of about \$280,000,000.
- Labor productivity increased by about 50%.

# HP Printer Case

## Reasons for Success

- Early intervention (before too much of the system was built).

# HP Printer Case

## Reasons for Success

- Early intervention (before too much of the system was built).
- Rapid response by visiting researcher was possible because much research work had already been done.

# HP Printer Case

## Reasons for Success

- Early intervention (before too much of the system was built).
- Rapid response by visiting researcher was possible because much research work had already been done.
- HP managers' flexibility.

# HP Printer Case

## Reasons for Success

- Early intervention (before too much of the system was built).
- Rapid response by visiting researcher was possible because much research work had already been done.
- HP managers' flexibility.
- The new analysis tool was fast, easy to use, and was at the right level of detail.

# HP Printer Case

## Reasons for Success

- Early intervention (before too much of the system was built).
- Rapid response by visiting researcher was possible because much research work had already been done.
- HP managers' flexibility.
- The new analysis tool was fast, easy to use, and was at the right level of detail.
  - ★ It only dealt with important features of the system.



# HP Printer Case

## Reasons for Success

- Early intervention (before too much of the system was built).
- Rapid response by visiting researcher was possible because much research work had already been done.
- HP managers' flexibility.
- The new analysis tool was fast, easy to use, and was at the right level of detail.
  - ★ It only dealt with important features of the system.
  - ★ It did not require much data.

# Course Overview

## Message

- Manufacturing systems can be understood like any complex engineered system.

# Course Overview

## Message

- Manufacturing systems can be understood like any complex engineered system.
- Engineers must have intuition about these systems in order to design and operate them most effectively.

# Course Overview

## Message

- Manufacturing systems can be understood like any complex engineered system.
- Engineers must have intuition about these systems in order to design and operate them most effectively.
- Such intuition can be developed by studying the elements of the system and their interactions.

# Course Overview

## Message

- Manufacturing systems can be understood like any complex engineered system.
- Engineers must have intuition about these systems in order to design and operate them most effectively.
- Such intuition can be developed by studying the elements of the system and their interactions.
- Using intuition and appropriate design tools can have a big payoff.

# Course Overview

## Goals

- To explain important measures of system performance.

# Course Overview

## Goals

- To explain important measures of system performance.
- To show the importance of random, potentially disruptive events in factories.

# Course Overview

## Goals

- To explain important measures of system performance.
- To show the importance of random, potentially disruptive events in factories.
- To give some intuition about behavior of these systems.



# Course Overview

## Goals

- To explain important measures of system performance.
- To show the importance of random, potentially disruptive events in factories.
- To give some intuition about behavior of these systems.
- To describe and justify some quantitative tools and methods.

# Course Overview

## Goals

- To explain important measures of system performance.
- To show the importance of random, potentially disruptive events in factories.
- To give some intuition about behavior of these systems.
- To describe and justify some quantitative tools and methods.
- But *not* to describe all current common-sense approaches.

# Approach

- To focus on important factory phenomena that can be analyzed quantitatively.

# Approach

- To focus on important factory phenomena that can be analyzed quantitatively.
- To develop or describe mathematical models of these phenomena.

# Approach

- To focus on important factory phenomena that can be analyzed quantitatively.
- To develop or describe mathematical models of these phenomena.
- To study the required mathematics, only as deeply as needed.

# Approach

- To focus on important factory phenomena that can be analyzed quantitatively.
- To develop or describe mathematical models of these phenomena.
- To study the required mathematics, only as deeply as needed.

# Problems

- Manufacturing System Engineering (MSE) is not as advanced as other branches of engineering.

# Problems

- Manufacturing System Engineering (MSE) is not as advanced as other branches of engineering.
- Practitioners are sometimes encouraged to rely on slogans or black boxes.



# Problems

- Manufacturing System Engineering (MSE) is not as advanced as other branches of engineering.
- Practitioners are sometimes encouraged to rely on slogans or black boxes.
- A gap exists between theoreticians and practitioners.

# Problems

- The research literature is incomplete,

# Problems

- The research literature is incomplete,
  - ★ ... but practitioners are often unaware of what does exist.

# Problems

- The research literature is incomplete,
  - ★ ... but practitioners are often unaware of what does exist.
- Terminology, notation, basic assumptions are not standardized.

# Problems

- The research literature is incomplete,
  - ★ ... but practitioners are often unaware of what does exist.
- Terminology, notation, basic assumptions are not standardized.
- There is typically a separation of product, process, and system design.

# Problems

- The research literature is incomplete,
  - ★ ... but practitioners are often unaware of what does exist.
- Terminology, notation, basic assumptions are not standardized.
- There is typically a separation of product, process, and system design.
  - ★ They should be done simultaneously or iteratively, *not* sequentially.

# Problems

- Confusion about objectives:

# Problems

- Confusion about objectives:

- ★ *maximize capacity?*



# Problems

- Confusion about objectives:
  - ★ *maximize capacity?*
  - ★ *minimize capacity variability?*

# Problems

- Confusion about objectives:
  - ★ *maximize capacity?*
  - ★ *minimize capacity variability?*
  - ★ *maximize capacity utilization?*

# Problems

- Confusion about objectives:
  - ★ *maximize capacity?*
  - ★ *minimize capacity variability?*
  - ★ *maximize capacity utilization?*
  - ★ *minimize lead time?*

# Problems

- Confusion about objectives:
  - ★ *maximize capacity?*
  - ★ *minimize capacity variability?*
  - ★ *maximize capacity utilization?*
  - ★ *minimize lead time?*
  - ★ *minimize lead time variability?*

# Problems

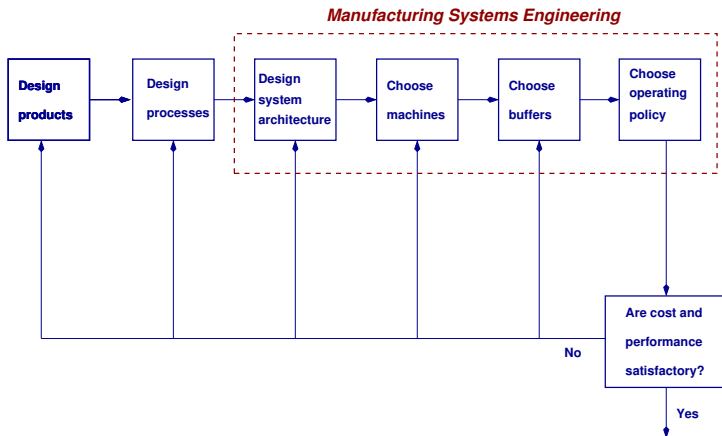
- Confusion about objectives:
  - ★ *maximize capacity?*
  - ★ *minimize capacity variability?*
  - ★ *maximize capacity utilization?*
  - ★ *minimize lead time?*
  - ★ *minimize lead time variability?*
  - ★ *maximize profit?*

# Problems

- Confusion about objectives:
  - ★ *maximize capacity?*
  - ★ *minimize capacity variability?*
  - ★ *maximize capacity utilization?*
  - ★ *minimize lead time?*
  - ★ *minimize lead time variability?*
  - ★ *maximize profit?*

# Product Realization

Products, Processes, Machines, Buffers, and Operating Policy



# Rule proliferation

- *When a system is not well understood, rules proliferate.*



# Rule proliferation

- *When a system is not well understood, rules proliferate.*
- This is because rules are developed to regulate behavior.

# Rule proliferation

- *When a system is not well understood, rules proliferate.*
- This is because rules are developed to regulate behavior.
- But the rules lead to unexpected, undesirable behavior. (*Why?*)

# Rule proliferation

- *When a system is not well understood, rules proliferate.*
- This is because rules are developed to regulate behavior.
- But the rules lead to unexpected, undesirable behavior. (*Why?*)
- New rules are developed to regulate the new behavior.

# Rule proliferation

- *When a system is not well understood, rules proliferate.*
- This is because rules are developed to regulate behavior.
- But the rules lead to unexpected, undesirable behavior. (*Why?*)
- New rules are developed to regulate the new behavior.
- Et cetera.

# Rule proliferation

## Example

- A factory starts with one rule: *do the latest jobs first* .

# Rule proliferation

## Example

- A factory starts with one rule: *do the latest jobs first* .
- Over time, more and more jobs are later and later.

# Rule proliferation

## Example

- A factory starts with one rule: *do the latest jobs first* .
- Over time, more and more jobs are later and later.
- A new rule is added: *treat the highest priority customers' orders as though their due dates are two weeks earlier than they are.*

# Rule proliferation

## Example

- A factory starts with one rule: *do the latest jobs first* .
- Over time, more and more jobs are later and later.
- A new rule is added: *treat the highest priority customers' orders as though their due dates are two weeks earlier than they are.*
- The low priority customers find other suppliers, but the factory is still late.



# Rule proliferation

## Example

- A factory starts with one rule: *do the latest jobs first* .
- Over time, more and more jobs are later and later.
- A new rule is added: *treat the highest priority customers' orders as though their due dates are two weeks earlier than they are.*
- The low priority customers find other suppliers, but the factory is still late.
- *Why?*

# Rule proliferation

Why?

- There are significant setup times from part family to part family. If setup times are not considered, changeovers will occur too often, and waste capacity.

# Rule proliferation

## Why?

- There are significant setup times from part family to part family. If setup times are not considered, changeovers will occur too often, and waste capacity.
- Any rules that do not consider setup times in this factory will perform poorly.

# Definitions

- *Manufacturing*: the transformation of material into something useful and portable.

# Definitions

- *Manufacturing:* the transformation of material into something useful and portable.
- *Manufacturing System:* A manufacturing system is a set of machines, transportation elements, computers, storage buffers, people, and other items that are used together for manufacturing. These items are *resources*.

# Definitions

- *Manufacturing*: the transformation of material into something useful and portable.
- *Manufacturing System*: A manufacturing system is a set of machines, transportation elements, computers, storage buffers, people, and other items that are used together for manufacturing. These items are *resources*.
  - ★ Alternate terms:
    - ▶ *Factory*
    - ▶ *Production system*
    - ▶ *Fabrication facility*

# Definitions

- *Manufacturing*: the transformation of material into something useful and portable.
- *Manufacturing System*: A manufacturing system is a set of machines, transportation elements, computers, storage buffers, people, and other items that are used together for manufacturing. These items are *resources*.
  - ★ Alternate terms:
    - ▶ *Factory*
    - ▶ *Production system*
    - ▶ *Fabrication facility*
- Subsets of manufacturing systems, which are themselves systems, are sometimes called *cells*, *work centers*, or *work stations*.

# Basic Issues

- Frequent new product introductions.



# Basic Issues

- Frequent new product introductions.
- Product lifetimes often short.

# Basic Issues

- Frequent new product introductions.
- Product lifetimes often short.
- Process lifetimes often short.

# Basic Issues

- Frequent new product introductions.
- Product lifetimes often short.
- Process lifetimes often short.

This leads to frequent building and rebuilding of factories.

# Basic Issues

- Frequent new product introductions.
- Product lifetimes often short.
- Process lifetimes often short.

This leads to frequent building and rebuilding of factories.

*There is little time for improving the factory after it is built; it must be built right.*

# Basic Issues

## Consequent Needs

- Tools to predict the performance of proposed factory designs.

# Basic Issues

## Consequent Needs

- Tools to predict the performance of proposed factory designs.
- Tools for optimal factory design.

# Basic Issues

## Consequent Needs

- Tools to predict the performance of proposed factory designs.
- Tools for optimal factory design.
- Tools for optimal real-time management (control) of factories.

# Basic Issues

## Consequent Needs

- Tools to predict the performance of proposed factory designs.
- Tools for optimal factory design.
- Tools for optimal real-time management (control) of factories.
- Manufacturing Systems Engineering professionals who understand factories as complex systems.



# Basic Issues

## Quantity, Quality, and Variability

- Design Quality – the design of products that give customers what they want or would like to have (*features*).
  - ★ Examples: Fuel economy in cars. Advanced electronics, attractive styling in cell phones.

# Basic Issues

## Quantity, Quality, and Variability

- Design Quality – the design of products that give customers what they want or would like to have (*features*).
  - ★ Examples: Fuel economy in cars. Advanced electronics, attractive styling in cell phones.
- Manufacturing Quality – the manufacturing of products to *avoid* giving customers what they *don't* want or *would not* like to have (*bugs*).
  - ★ Examples: Exploding airbags in cars. Exploding batteries in cell phones.

# Basic Issues

## Quantity, Quality, and Variability

- Design Quality – the design of products that give customers what they want or would like to have (*features*).
  - ★ Examples: Fuel economy in cars. Advanced electronics, attractive styling in cell phones.
- Manufacturing Quality – the manufacturing of products to *avoid* giving customers what they *don't* want or *would not* like to have (*bugs*).
  - ★ Examples: Exploding airbags in cars. Exploding batteries in cell phones.

This course is about manufacturing, *not* product design.

# Basic Issues

## Quantity, Quality, and Variability

- Quantity – *how much* is produced and *when* it is produced.

# Basic Issues

## Quantity, Quality, and Variability

- Quantity – *how much* is produced and *when* it is produced.
- Quality – *how well* it is produced.

# Basic Issues

## Quantity, Quality, and Variability

- Quantity – *how much* is produced and *when* it is produced.
- Quality – *how well* it is produced.

In this course, we focus *mostly* on *quantity*.

# Basic Issues

## Quantity, Quality, and Variability

- Quantity – *how much* is produced and *when* it is produced.
- Quality – *how well* it is produced.

In this course, we focus *mostly* on *quantity*.

*General Statement: Variability is the enemy of manufacturing.*

# Basic Issues

## Styles for Demand Satisfaction

- Make to Stock (Off the Shelf):



# Basic Issues

## Styles for Demand Satisfaction

- Make to Stock (Off the Shelf):
  - ★ items available when a customer arrives

# Basic Issues

## Styles for Demand Satisfaction

- Make to Stock (Off the Shelf):
  - ★ items available when a customer arrives
  - ★ appropriate for large volumes, limited product variety, cheap raw materials

# Basic Issues

## Styles for Demand Satisfaction

- Make to Stock (Off the Shelf):
  - ★ items available when a customer arrives
  - ★ appropriate for large volumes, limited product variety, cheap raw materials
- Make to Order:

# Basic Issues

## Styles for Demand Satisfaction

- Make to Stock (Off the Shelf):
  - ★ items available when a customer arrives
  - ★ appropriate for large volumes, limited product variety, cheap raw materials
- Make to Order:
  - ★ production started only after order arrives

# Basic Issues

## Styles for Demand Satisfaction

- Make to Stock (Off the Shelf):
  - ★ items available when a customer arrives
  - ★ appropriate for large volumes, limited product variety, cheap raw materials
- Make to Order:
  - ★ production started only after order arrives
  - ★ appropriate for custom products, low volumes, expensive raw materials

# Basic Issues

## Conflicting Objectives

- Make to Stock:

# Basic Issues

## Conflicting Objectives

- Make to Stock:
  - ★ large finished goods inventories needed to prevent stockouts

# Basic Issues

## Conflicting Objectives

- Make to Stock:
  - ★ large finished goods inventories needed to prevent stockouts
  - ★ small finished goods inventories needed to keep costs low



# Basic Issues

## Conflicting Objectives

- Make to Order:

# Basic Issues

## Conflicting Objectives

- Make to Order:
  - ★ excess production capacity (*low utilization*) needed to allow early, reliable delivery promises

# Basic Issues

## Conflicting Objectives

- Make to Order:
  - ★ excess production capacity (*low utilization*) needed to allow early, reliable delivery promises
  - ★ minimal production capacity (*high utilization*) needed to to keep costs low

# Basic Issues

## Concepts

- *Complexity*: collections of things have properties that are non-obvious functions of the properties of the things collected.

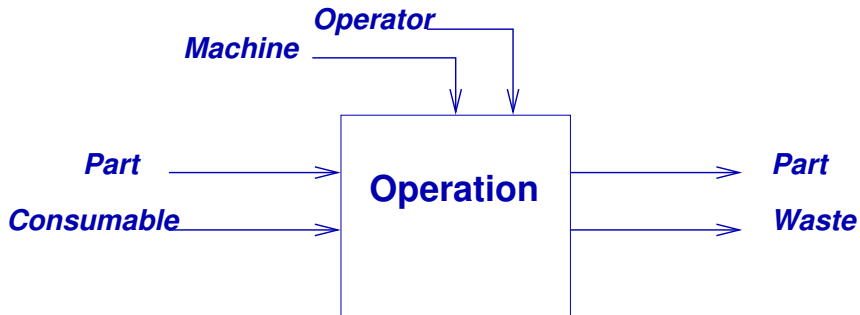
# Basic Issues

## Concepts

- *Complexity*: collections of things have properties that are non-obvious functions of the properties of the things collected.
- *Non-synchronism (especially randomness) and its consequences*:  
Factories do not run like clockwork.

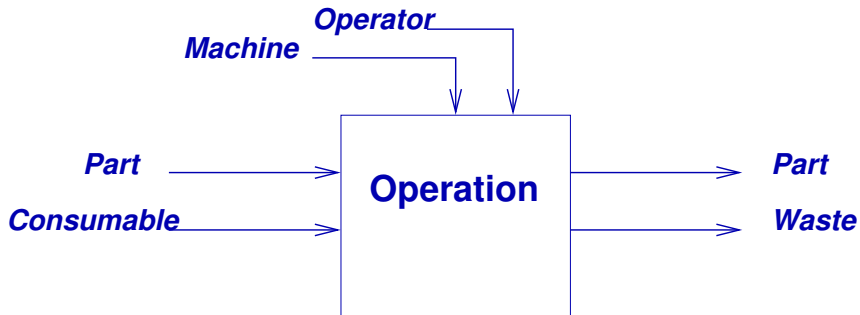
# Basic Issues

## Operation



# Basic Issues

## Operation



Nothing happens until everything is present.

# Basic Issues

## Waiting

*Whatever does not arrive last must wait.*



# Basic Issues

## Waiting

*Whatever does not arrive last must wait.*

- *Inventory:* parts waiting.

# Basic Issues

## Waiting

*Whatever does not arrive last must wait.*

- *Inventory:* parts waiting.
- *Under-utilization:* machines waiting.

# Basic Issues

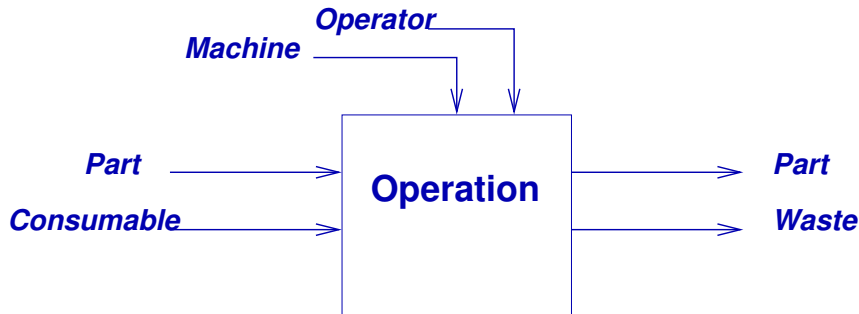
## Waiting

*Whatever does not arrive last must wait.*

- *Inventory:* parts waiting.
- *Under-utilization:* machines waiting.
- *Idle work force:* operators waiting.

# Basic Issues

## Waiting



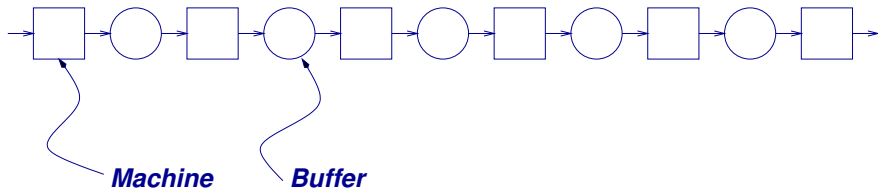
- *Reductions* in the availability, or ...
- *Increased variability* in the availability ...

... of any one of these items increases waiting in the rest of them and reduces performance of the system.

# Kinds of Systems

## Flow shop

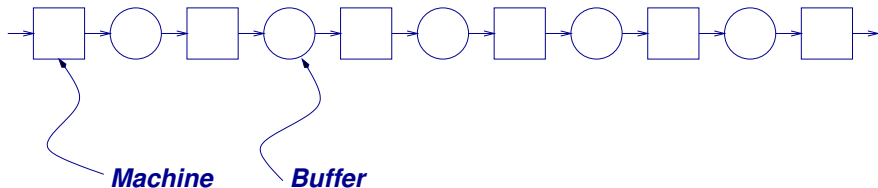
... or *Flow line* , *Transfer line* , or *Production line*.



# Kinds of Systems

## Flow shop

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

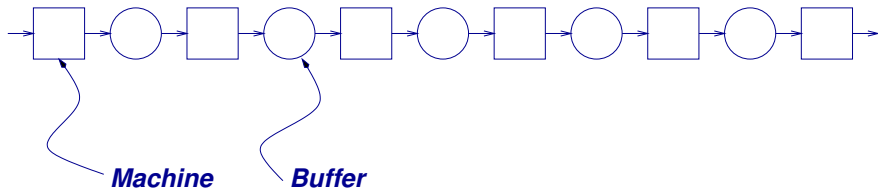


Traditionally used for high volume, low variety production.

# Kinds of Systems

## Flow shop

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

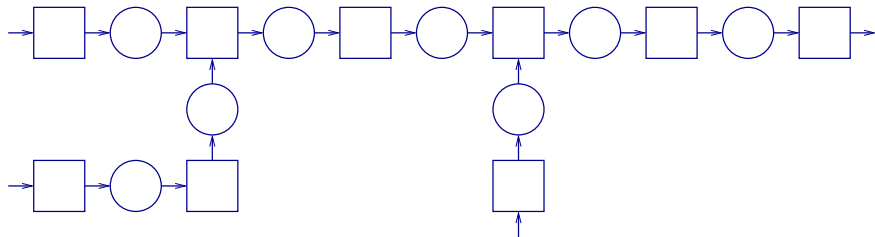


Traditionally used for high volume, low variety production.

*What are the buffers for?*

# Kinds of Systems

## Assembly system



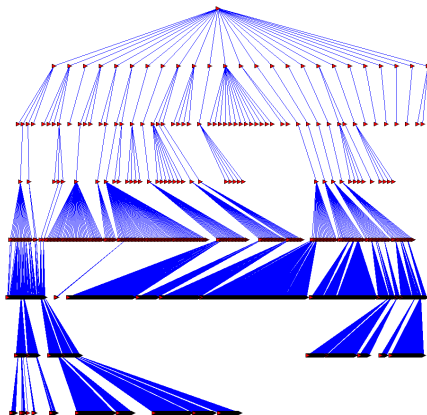
Assembly systems are *trees* , and may involve *thousands* of parts.



# Kinds of Systems

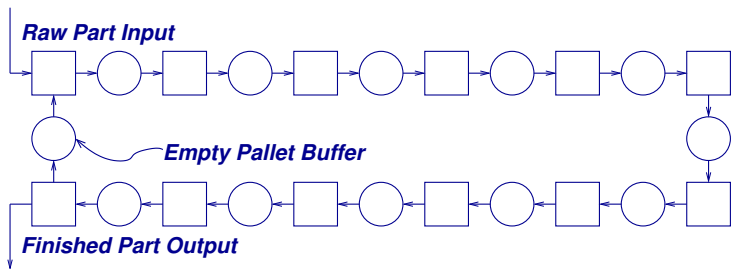
## Assembly system

Bill of Materials of a large electronic product



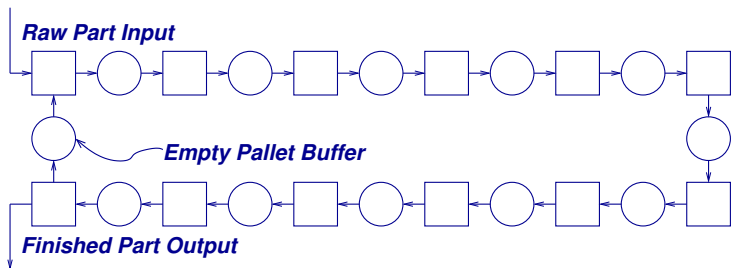
# Kinds of Systems — Loops

## Closed loop (1)



# Kinds of Systems — Loops

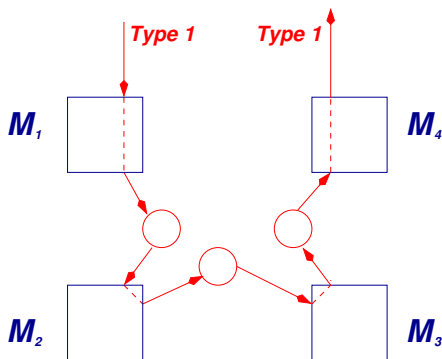
## Closed loop (1)



Pallets or fixtures travel in a closed loop. Routes are determined. The number of pallets in the loop is constant.

# Kinds of Systems — Loops

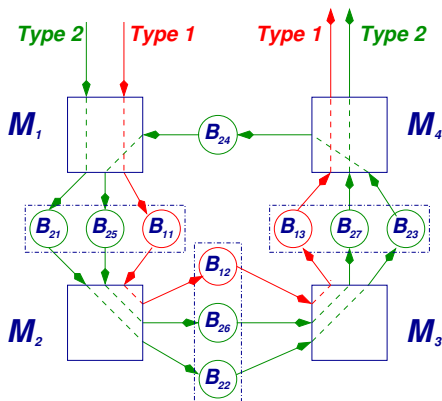
## Reentrant loops (2)



# Kinds of Systems — Loops

## Reentrant loops (2)

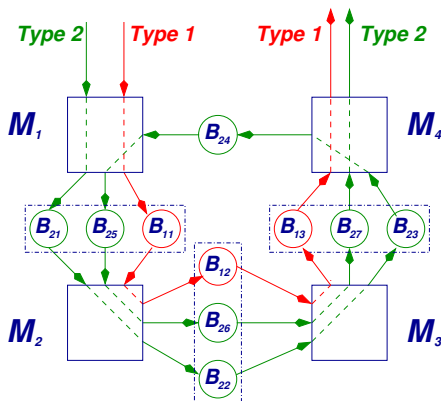
*System with  
reentrant flow  
and two part  
types*



# Kinds of Systems — Loops

## Reentrant loops (2)

*System with  
reentrant flow  
and two part  
types*

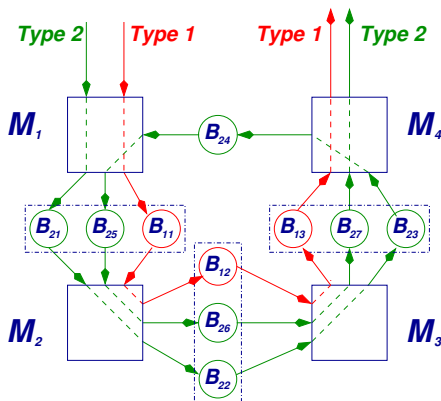


Routes are determined. The number of parts in the loop varies.

# Kinds of Systems — Loops

## Reentrant loops (2)

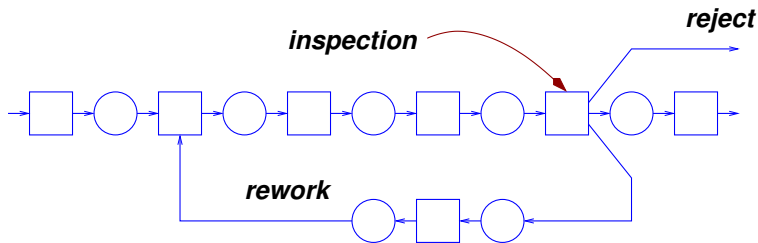
*System with  
reentrant flow  
and two part  
types*



Routes are determined. The number of parts in the loop varies.  
Semiconductor fabrication is highly reentrant.

# Kinds of Systems — Loops

## Rework loop (3)



Routes are random. The number of parts in the loop varies.



# Kinds of Systems

## Job shop

- Machines not organized according to process flow.

# Kinds of Systems

## Job shop

- Machines not organized according to process flow.
- Often, machines grouped by department:

# Kinds of Systems

## Job shop

- Machines not organized according to process flow.
- Often, machines grouped by department:
  - ★ mill department
  - ★ lathe department
  - ★ etc.

# Kinds of Systems

## Job shop

- Machines not organized according to process flow.
- Often, machines grouped by department:
  - ★ mill department
  - ★ lathe department
  - ★ etc.
- Great variety of products.

# Kinds of Systems

## Job shop

- Machines not organized according to process flow.
- Often, machines grouped by department:
  - ★ mill department
  - ★ lathe department
  - ★ etc.
- Great variety of products.
- Different products follow different paths.

# Kinds of Systems

## Job shop

- Machines not organized according to process flow.
- Often, machines grouped by department:
  - ★ mill department
  - ★ lathe department
  - ★ etc.
- Great variety of products.
- Different products follow different paths.
- Complex management.

# Time

- Many factory performance measures are about time, such as

# Time

- Many factory performance measures are about time, such as
  - ★ *production rate*: how much is made in a given time.



- Many factory performance measures are about time, such as
  - ★ *production rate*: how much is made in a given time.
  - ★ *lead time*: how much time before delivery.

- Many factory performance measures are about time, such as
  - ★ *production rate*: how much is made in a given time.
  - ★ *lead time*: how much time before delivery.
  - ★ *cycle time*: how much time a part spends in the factory.

- Many factory performance measures are about time, such as
  - ★ *production rate*: how much is made in a given time.
  - ★ *lead time*: how much time before delivery.
  - ★ *cycle time*: how much time a part spends in the factory.
  - ★ *delivery reliability*: how often a factory delivers on time.

- Many factory performance measures are about time, such as
  - ★ *production rate*: how much is made in a given time.
  - ★ *lead time*: how much time before delivery.
  - ★ *cycle time*: how much time a part spends in the factory.
  - ★ *delivery reliability*: how often a factory delivers on time.
  - ★ *capital pay-back period*: the time before the company get its investment back.

# Time

Even inventory can be described in time units:

Even inventory can be described in time units:

*“we are holding  $x$  weeks of inventory”*

Even inventory can be described in time units:

*“we are holding  $x$  weeks of inventory”*

means

Even inventory can be described in time units:

*“we are holding  $x$  weeks of inventory”*

means

*“customer demand could consume  
all our inventory in  $x$  weeks.”*



# Time

- Time appears in two forms:

# Time

- Time appears in two forms:

- ★ delay

# Time

- Time appears in two forms:
  - ★ delay
  - ★ capacity utilization

# Time

- Time appears in two forms:
  - ★ delay
  - ★ capacity utilization
- Every action has impact on both.

# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that

# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that
  - ★ a workpiece experiences while undergoing that operation;

# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that
  - ★ a workpiece experiences while undergoing that operation;
  - ★ every other workpiece experiences that is waiting while the first is being processed.

# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that
  - ★ a workpiece experiences while undergoing that operation;
  - ★ every other workpiece experiences that is waiting while the first is being processed.
- A machine stoppage that lasts 10 minutes adds 10 minutes to the delay that
  - ★ every workpiece that is waiting to be processed at that machine experiences.



# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that
  - ★ a workpiece experiences while undergoing that operation;
  - ★ every other workpiece experiences that is waiting while the first is being processed.
- A machine stoppage that lasts 10 minutes adds 10 minutes to the delay that
  - ★ every workpiece that is waiting to be processed at that machine experiences.
  - ★ Machine stoppages are caused by failures, maintenance, blocking, starvation, set-up changes and other causes.

# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that
  - ★ a workpiece experiences while undergoing that operation;
  - ★ every other workpiece experiences that is waiting while the first is being processed.
- A machine stoppage that lasts 10 minutes adds 10 minutes to the delay that
  - ★ every workpiece that is waiting to be processed at that machine experiences.
  - ★ Machine stoppages are caused by failures, maintenance, blocking, starvation, set-up changes and other causes.
- The sum of all the delays that a part experiences during production is the extra time that a part spends in a factory beyond the time required for its operations.

# Time

## Delay

- An operation that takes 10 minutes adds 10 minutes to the *delay* that
  - ★ a workpiece experiences while undergoing that operation;
  - ★ every other workpiece experiences that is waiting while the first is being processed.
- A machine stoppage that lasts 10 minutes adds 10 minutes to the delay that
  - ★ every workpiece that is waiting to be processed at that machine experiences.
  - ★ Machine stoppages are caused by failures, maintenance, blocking, starvation, set-up changes and other causes.
- The sum of all the delays that a part experiences during production is the extra time that a part spends in a factory beyond the time required for its operations.
  - ★ That is often between 10 and 100 times the total operation time.

# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of

# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of
  - ★ a machine,

# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of
  - ★ a machine,
  - ★ an operator,

# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of
  - ★ a machine,
  - ★ an operator,
  - ★ or other resources.

# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of
  - ★ a machine,
  - ★ an operator,
  - ★ or other resources.
- Similarly for machine stoppages.



# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of
  - ★ a machine,
  - ★ an operator,
  - ★ or other resources.
- Similarly for machine stoppages.
- Since there are a limited number of minutes of each resource that are available in a day, there are a limited number of operations that can be done in a day.

# Time

## Capacity Utilization

- An operation that takes 10 minutes takes up 10 minutes of the available time of
  - ★ a machine,
  - ★ an operator,
  - ★ or other resources.
- Similarly for machine stoppages.
- Since there are a limited number of minutes of each resource that are available in a day, there are a limited number of operations that can be done in a day.
- In other words, this is the limit on the factory's production rate.

# Time

## Production Rate

- *Operation Time*: the time that a machine takes to do an operation.

# Time

## Production Rate

- *Operation Time*: the time that a machine takes to do an operation.
- *Production Rate*: the average number of parts produced in a time unit. (Also called *throughput*.)

# Time

## Production Rate

- *Operation Time*: the time that a machine takes to do an operation.
- *Production Rate*: the average number of parts produced in a time unit. (Also called *throughput*.)

If nothing interesting ever happens (no failures, etc.),

# Time

## Production Rate

- *Operation Time*: the time that a machine takes to do an operation.
- *Production Rate*: the average number of parts produced in a time unit. (Also called *throughput*.)

If nothing interesting ever happens (no failures, etc.),

$$\text{Production rate} = \frac{1}{\text{operation time}}$$

# Time

## Production Rate

- *Operation Time*: the time that a machine takes to do an operation.
- *Production Rate*: the average number of parts produced in a time unit. (Also called *throughput*.)

If nothing interesting ever happens (no failures, etc.),

$$\text{Production rate} = \frac{1}{\text{operation time}}$$

... but something interesting *always* happens.

# Time

## Capacity

- *Capacity*: the maximum possible production rate of a manufacturing system, for systems that are making only one part type.



# Time

## Capacity

- *Capacity*: the maximum possible production rate of a manufacturing system, for systems that are making only one part type.
  - ★ *Short term capacity*: determined by the resources available right now.

# Time

## Capacity

- *Capacity*: the maximum possible production rate of a manufacturing system, for systems that are making only one part type.
  - ★ *Short term capacity*: determined by the resources available right now.
  - ★ *Long term capacity*: determined by the average resource availability.

# Time

## Capacity

- *Capacity*: the maximum possible production rate of a manufacturing system, for systems that are making only one part type.
  - ★ *Short term capacity*: determined by the resources available right now.
  - ★ *Long term capacity*: determined by the average resource availability.
- Capacity is harder to define for systems making more than one part type. Since it is hard to define, it is *very* hard to calculate.

# Two Issues

- Efficient design of systems;

# Two Issues

- Efficient design of systems;
- Efficient operation of systems after they are built.

# Randomness, Variability, Uncertainty

- *Uncertainty*: Incomplete knowledge.

# Randomness, Variability, Uncertainty

- *Uncertainty*: Incomplete knowledge.
- *Variability*: Change over time.

# Randomness, Variability, Uncertainty

- *Uncertainty*: Incomplete knowledge.
- *Variability*: Change over time.
- *Randomness*: A specific kind of incomplete knowledge that can be quantified and for which there is a mathematical theory.



# Randomness, Variability, Uncertainty

- Factories are full of random events:

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes
  - ★ scheduled breaks for lunch, meetings, etc.



# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes
  - ★ scheduled breaks for lunch, meetings, etc.
- The economic environment is uncertain:

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes
  - ★ scheduled breaks for lunch, meetings, etc.
- The economic environment is uncertain:
  - ★ changes in orders

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes
  - ★ scheduled breaks for lunch, meetings, etc.
- The economic environment is uncertain:
  - ★ changes in orders
  - ★ demand variations

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes
  - ★ scheduled breaks for lunch, meetings, etc.
- The economic environment is uncertain:
  - ★ changes in orders
  - ★ demand variations
  - ★ supplier unreliability

# Randomness, Variability, Uncertainty

- Factories are full of random events:
  - ★ machine failures
  - ★ quality failures
  - ★ human variations
- All this randomness causes variability. Variability can also be caused by deterministic events:
  - ★ scheduled maintenance
  - ★ scheduled setup changes
  - ★ scheduled breaks for lunch, meetings, etc.
- The economic environment is uncertain:
  - ★ changes in orders
  - ★ demand variations
  - ★ supplier unreliability
  - ★ changes in costs and prices

# Randomness, Variability, Uncertainty

Therefore, factories should be

# Randomness, Variability, Uncertainty

Therefore, factories should be

- *designed* and *operated*

# Randomness, Variability, Uncertainty

Therefore, factories should be

- *designed* and *operated*

to minimize the



# Randomness, Variability, Uncertainty

Therefore, factories should be

- *designed* and *operated*

to minimize the

- *creation, propagation, or amplification*

# Randomness, Variability, Uncertainty

Therefore, factories should be

- *designed* and *operated*

to minimize the

- *creation, propagation, or amplification*

of *uncertainty, variability, and randomness.*

# Randomness, Variability, Uncertainty

- Therefore, all engineers should know probability...

# Randomness, Variability, Uncertainty

- Therefore, all engineers should know probability...

★ *especially manufacturing systems engineers.*

# Models

- A *scientific or engineering model* of something is a representation that furthers understanding of it or is useful for estimating or predicting a quantity related to it.

# Models

- A *scientific or engineering model* of something is a representation that furthers understanding of it or is useful for estimating or predicting a quantity related to it.
- We will be concerned with two kinds of models:

# Models

- A *scientific or engineering model* of something is a representation that furthers understanding of it or is useful for estimating or predicting a quantity related to it.
- We will be concerned with two kinds of models:
  - ★ Mathematical models, which usually involve equations. The equations must be solved to get useful quantities. Developing and analyzing a mathematical model is usually a research task.

# Models

- A *scientific or engineering model* of something is a representation that furthers understanding of it or is useful for estimating or predicting a quantity related to it.
- We will be concerned with two kinds of models:
  - ★ Mathematical models, which usually involve equations. The equations must be solved to get useful quantities. Developing and analyzing a mathematical model is usually a research task.
  - ★ Simulation models, in which a computer program is created to mimic the events in the system to be analyzed. They are widely used in industry. Generating numbers is easy, but generating meaningful numbers is not so easy.



# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.

# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.
- Developing good — useful — models requires judgment and intuition. The modeler must decide what is important and what is not.

# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.
- Developing good — useful — models requires judgment and intuition. The modeler must decide what is important and what is not.
- It is *essential* to define the purpose and scope of a model before trying to create it.

# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.
- Developing good — useful — models requires judgment and intuition. The modeler must decide what is important and what is not.
- It is *essential* to define the purpose and scope of a model before trying to create it.
- Scope = boundary. The world is divided into two parts:

# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.
- Developing good — useful — models requires judgment and intuition. The modeler must decide what is important and what is not.
- It is *essential* to define the purpose and scope of a model before trying to create it.
- Scope = boundary. The world is divided into two parts:
  - ★ the part you are studying, which is modeled in depth;

# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.
- Developing good — useful — models requires judgment and intuition. The modeler must decide what is important and what is not.
- It is *essential* to define the purpose and scope of a model before trying to create it.
- Scope = boundary. The world is divided into two parts:
  - ★ the part you are studying, which is modeled in depth;
  - ★ the part you are not studying, which is approximated crudely.

# Models

- Models are always approximate. The world has infinite complexity, but we can only deal with finite complexity.
- Developing good — useful — models requires judgment and intuition. The modeler must decide what is important and what is not.
- It is *essential* to define the purpose and scope of a model before trying to create it.
- Scope = boundary. The world is divided into two parts:
  - ★ the part you are studying, which is modeled in depth;
  - ★ the part you are not studying, which is approximated crudely.
- Most of our models will be mathematical, but this is not a math course!!

# Engineering Intuition

1. Engineering intuition includes the ability to distinguish between what is quantitatively important from what is not.



# Engineering Intuition

1. Engineering intuition includes the ability to distinguish between what is quantitatively important from what is not.

When simulation builders lack this kind of intuition, simulation projects can fail because:

# Engineering Intuition

1. Engineering intuition includes the ability to distinguish between what is quantitatively important from what is not.

When simulation builders lack this kind of intuition, simulation projects can fail because:

- ★ they include irrelevant detail which can cause errors, can cause the simulation to run very slowly, or require parameters which cannot be obtained accurately, or

# Engineering Intuition

1. Engineering intuition includes the ability to distinguish between what is quantitatively important from what is not.

When simulation builders lack this kind of intuition, simulation projects can fail because:

- ★ they include irrelevant detail which can cause errors, can cause the simulation to run very slowly, or require parameters which cannot be obtained accurately, or
- ★ they leave out important mechanisms.

# Engineering Intuition

1. Engineering intuition includes the ability to distinguish between what is quantitatively important from what is not.

When simulation builders lack this kind of intuition, simulation projects can fail because:

- ★ they include irrelevant detail which can cause errors, can cause the simulation to run very slowly, or require parameters which cannot be obtained accurately, or
  - ★ they leave out important mechanisms.
2. Good intuition provides a good starting point for design. It can then be refined by computational tools.

# Engineering Intuition

3. Developing mathematical models helps generate intuition. Numerical experiments with such models also generates intuition.

# Engineering Intuition

3. Developing mathematical models helps generate intuition. Numerical experiments with such models also generates intuition.
4. Intuition can be learned and taught. It is based on logic and experience. It can be explained. Its claims can be tested.

# Engineering Intuition

3. Developing mathematical models helps generate intuition. Numerical experiments with such models also generates intuition.
4. Intuition can be learned and taught. It is based on logic and experience. It can be explained. Its claims can be tested.
5. Simulation does not replace intuition or make intuition unnecessary. Intuition does not replace precise computational tools or make them unnecessary.

# Engineering Intuition

3. Developing mathematical models helps generate intuition. Numerical experiments with such models also generates intuition.
4. Intuition can be learned and taught. It is based on logic and experience. It can be explained. Its claims can be tested.
5. Simulation does not replace intuition or make intuition unnecessary. Intuition does not replace precise computational tools or make them unnecessary.
6. Intuition must initially be built with models of simple systems. Once they are understood, more complex systems can help further develop intuition.



# Engineering Intuition

3. Developing mathematical models helps generate intuition. Numerical experiments with such models also generates intuition.
4. Intuition can be learned and taught. It is based on logic and experience. It can be explained. Its claims can be tested.
5. Simulation does not replace intuition or make intuition unnecessary. Intuition does not replace precise computational tools or make them unnecessary.
6. Intuition must initially be built with models of simple systems. Once they are understood, more complex systems can help further develop intuition.
7. *Manufacturing systems intuition must include intuition about variability, uncertainty, and randomness.*