Quality / Quantity Interactions Lecturer: Stanley B. Gershwin

Goals of Talk

- To show that there is great advantage in treating quality and quantity *simultaneously* in the design and operation of manufacturing systems.
- To report on MIT research. *Collaborators:* Irvin C. Schick, Jongyoon Kim.
- To enlist additional industry assistance. General Motors R & D has generously contributed to the support of this work.

Introduction

In manufacturing,

- Quantity is about how much is produced, when it is produced, and what resources are required to produce it.
- *Quality* is about how well it is made, and how much of it is made well. Production quality is about not giving customers what they do not want.

Introduction

- *Quantity measures* include production rate, lead time, inventory, utilization.
- *Quality measures* include yield and output defect rate.

Introduction

- *Quantity strategies* include optimizing local inventories, optimizing global inventory, other release/dispatch policies, make-to-order, etc.
- *Quality strategies* include inspection, statistical process control, etc.

The Problem

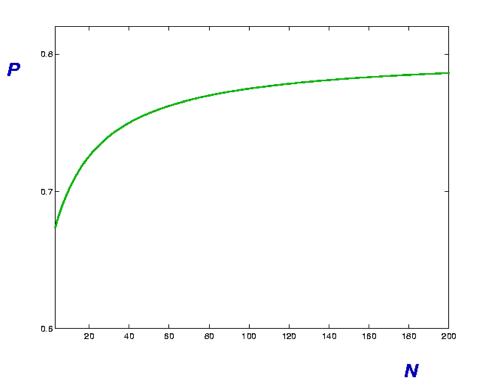
The problem is that, conventionally, ...

Introduction

- Quantity strategies are selected according to how they affect quantity measures, and
- Quality strategies are selected according to how they quality measures, but ...
- in reality, both affect both .

Quantity

- Two-machine, one-buffer production line.
- All production is perfect quality.
- The machines are unreliable they fail at random times and are repaired at random times.
- 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.

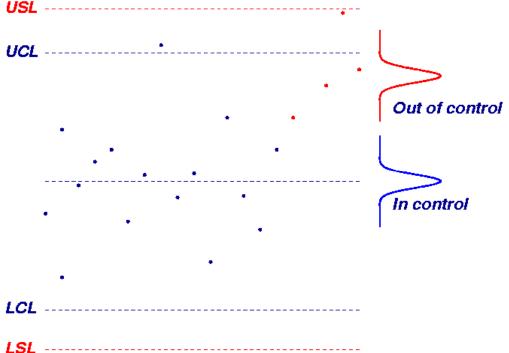


Machine Reliability Dynamics Quantity **Simplest model** UP DOWN

Statistical Process Control

Quality

- Goal is to determine when a process has gone *out of control*.
- Upper and lower control limits (UCL, LCL) usually chosen to be 6σ apart.
- Basic idea: which is the most likely distribution that sample comes from?



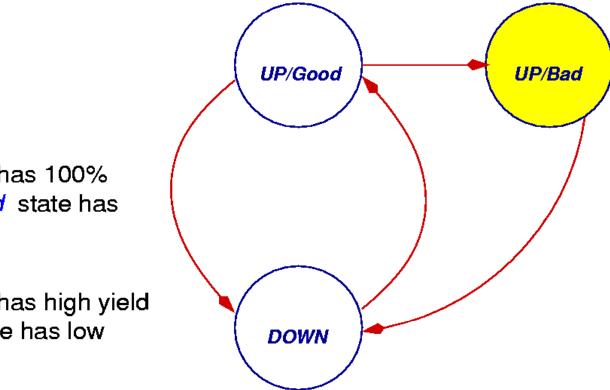
- Motivation why inspect?
 - * To take action on parts (accept, rework, or scrap).
 - * To take action on machines (leave alone or repair).
- Effects of perfect inspection:
 - * Bad parts rejected or reworked.
 - * Machine maintained when necessary.
- Effects of inspection errors:
 - * Some good parts rejected or reworked; some bad parts accepted.
 - + Unnecessary downtime and/or more bad parts.

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.)
- We use this concept to extend quantity models.

Machine Quality Dynamics

Simplest model



Quality Dynamics

Versions:

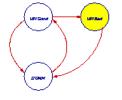
- The Good state has 100% yield and the Bad state has 0% yield.
- The Good state has high yield and the Bad state has low yield.

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.

$$\rightarrow M_1 \rightarrow B \rightarrow M_2 \rightarrow$$

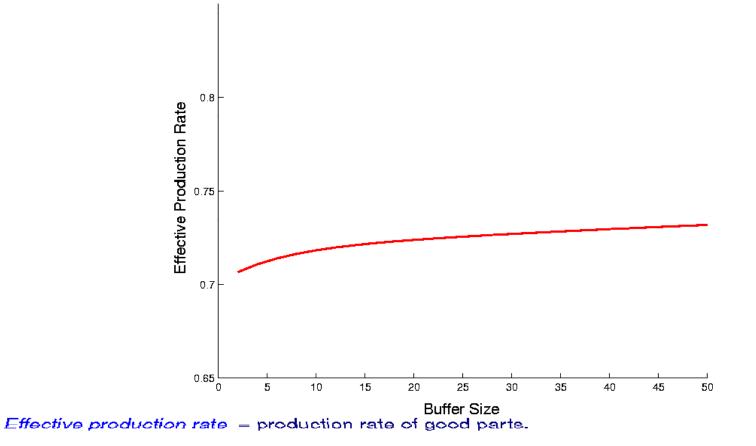
- Two-machine lines.
- The first machine sometimes does bad operations.
- The second machine does inspection. (



- We look at three cases ie, three sets of machines.
- We vary *N* and plot *effective production rate* the production rate of good parts.

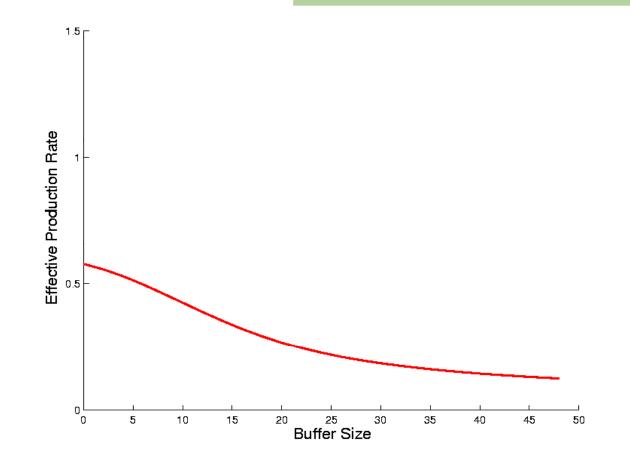


Beneficial Buffer



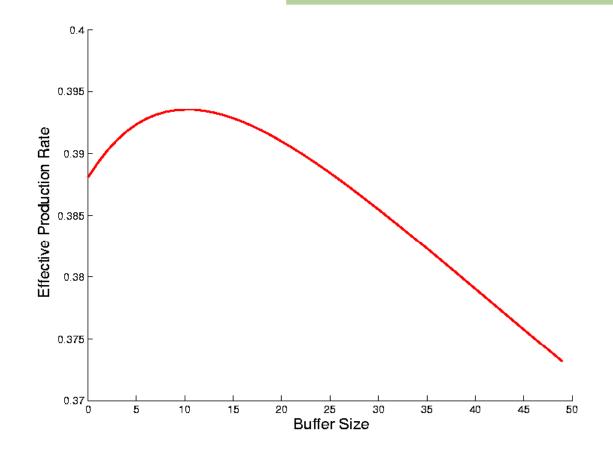
 M_1 M_2 В

Harmful Buffer



$\rightarrow M_1 \rightarrow B \rightarrow M_2 \rightarrow$

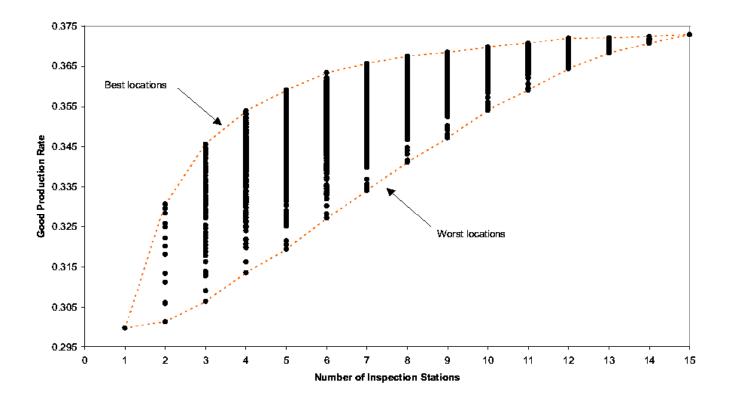
Mixed-Benefit Buffer



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 intelligently.

- 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 2¹⁴=16,384 cases were simulated.



Observations

- Choosing the optimal set of locations for 3 inspection stations is better than the worst set of locations for 9 stations.
- Having 15 stations is only marginally better than having 8 stations, if the 8 stations are located well.

Conclusions

- Combining Q/Q produces unexpected behavior.
- Yield is a function of the system (including the sizes of buffers) and not just of the machines.
- System yield is not a simple function of machine yields.
- This is an important area with many kinds of problems to be studied.

Inspection Strategy

Current Work

- When should we maintain a machine?
- If we repair a machine immediately after seeing one bad part, we may repair machines when they are good.
- If we wait until we see *n* bad parts, we may make unnecessary bad parts.
- Common ad hoc methods:
 - \star Repair for some fixed n.
 - ★ Repair after inspection measurement has k successive increases or decreases.

Current Work

Inspection Strategy

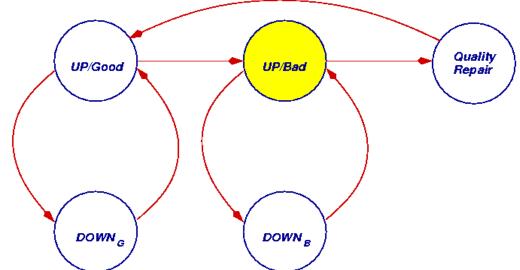
Bayes risk methods

- *Bayesian statistics* allows us to update the probability of each machine state after each inspection.
- Bayes risk methods use Bayesian statistics to determine the best time to take an action — such as starting a repair — after obtaining measurement information.
- This leads to a *closed-loop* strategy.

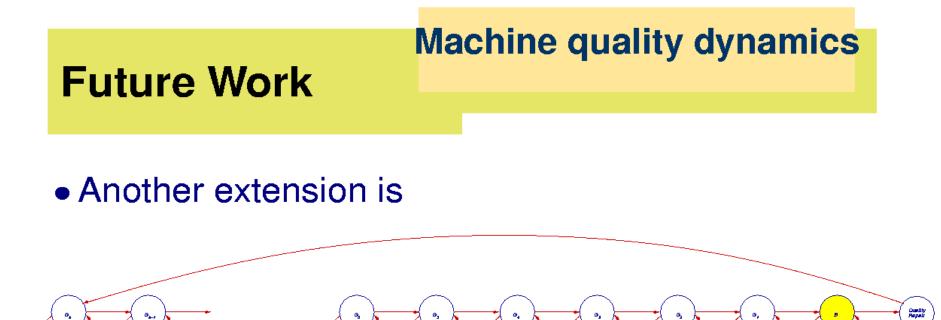
Machine quality dynamics

Future Work

- The three-state machine model is much too simple.
- One extension is



• ... but even this leaves out important features.



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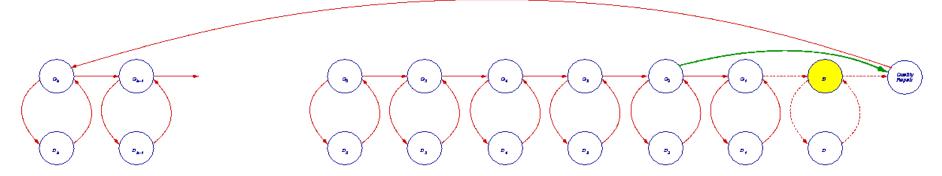
• This allows more general wear or aging models.

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Machine quality dynamics Future Work

• A maintenance strategy could be modeled as



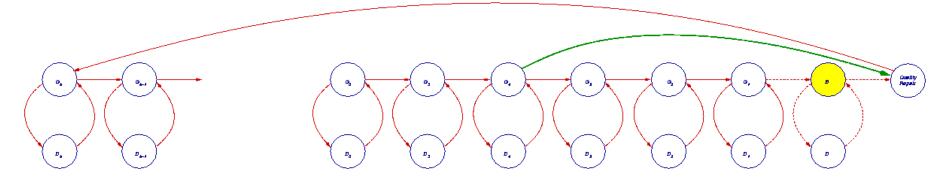
if we have perfect knowledge of the machine state.

Machine quality dynamics

Future Work

Bayesian statistics

 If the machine state is not known perfectly, a better strategy might be:



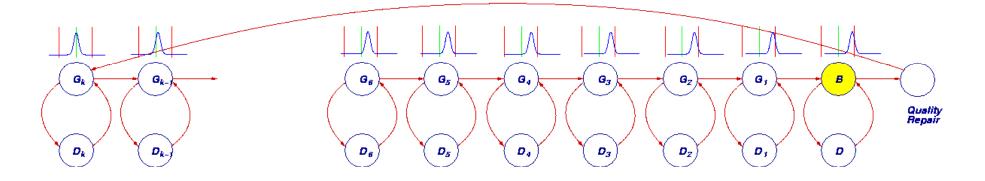
 Here, the machine quality state might be estimated according to the time since the last maintenance, and/or according to measurement data.

Machine quality dynamics

Future Work

Bayesian statistics

 Model with a parameter (eg, tool diameter) that varies with the time since the last maintenance (tool change).



Validation and application

Future Work

- Collect data from factories to assess the realism of our models and methods.
- Apply our results to factory design.
- This activity is already under way with GM.

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