Universität Potsdam
Univ.-Prof. Dr.-Ing. habil. Norbert Gronau
Lehrstuhl für Wirtschaftsinformatik
und Electronic Government
Universität Potsdam
August-Bebel-Str. 89; 14482 Potsdam
Tel. ++49 331/ 977-3322, Fax -3406
http://wi.uni-potsdam.de
E-Mail: ngronau@wi.uni-potsdam.de

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Theuer, Hanna

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Analysis of Correlation of Lean and Autonomous Production Processes

Hanna Theuer[1*]

[1]Chair of Business Information
Systems and Electronic Government
University of Potsdam
Potsdam, 14482, Germany

Abstract

Nowadays many producing companies are confronted with the aim of a high flexibility and adaptability. To handle these demands it is necessary to rethink the processes. Initial stages for a solution might have organizational or technological character. Lean Production helps companies to reduce non-value-adding times in production and thereby improve it. Autonomous technologies enable a company to shift the decision making from a central to a decentral stage. This may cause a faster and more flexible decision making. This article presents an approach to analyze the correlation of lean and autonomous production processes. Therefore the Value Stream Design method is extended by autonomous needs. This includes a graphical adjustment as well as the usage of a data dictionary. Additionally the key figure „Autonomy Index" is introduced. This enables a analysis and evaluation of processes towards their suitability of an autonomous design. The correlation Lean and Autonomy Index is examined.

1. Introduction

In recent years the market more and more shifted from a sellers' towards a customers' market. Reasons for this are among others the globalisation and the associated possibility for all customers (end customers as well as companies) to order the same products at many companies all over the world. For that reason customers increase their bargaining power. Producing companies are forced to fulfil the customer requirements on a high level. They have to be able to adjust the production in a fast and adequate manner.

Lean Production - the minimisation of non-value-adding processes - as well as decentralisation of production control is a chance for production companies to deal with these increasing requirements. The question is how to combine this two approaches.

The article presents an approach to analyse the correlation of lean and autonomous production processes. Therefore the Value Stream Design method is extended by autonomous needs. This includes a graphical adjustment as well as the usage of a data dictionary. Additionally the key figure „Autonomy Index" is introduced. This enables a analysis and evaluation of processes towards their suitability of an autonomous design. The correlation Lean and Autonomy Index is examined.

Chapter 2 gives an introduction into the principles of lean production. It describes the method of Value Stream Design (VSD) öand the belonging key figure Lean Index. The flowing chapter shortly presents decentralized production control and represents its advantages and requirements. The adjustment of Value Stream Design to the specific requirement of autonomous control is shown in chapter 4. The case study in chapter 5 clarifies the usage of Extended Value Stream Design in an exemplary production.

* Corresponding author: Tel.: (+49) 331-977 33 55; Fax: (+49) 4331-977 34 06; E-mail: theuer@wi.uni-potsdam.de

2. LEAN PRODUCTION

Originally designed for mass production in automotive industry at Toyota, Lean Production took on in significance even for small batch production during the last years. One of the main reasons for this is caused by the globalisation and the hereby linked changing market conditions. For many companies Lean Production becomes the focus of attention. After World War II engineers reconsidered all production processes with the aim of strengthen them. The principle objective was the minimization of all waste - a term used in the lean philosophy for all parts of the production process that does not add a customer value to the work piece - in order to streamline the processes.

Lean Production is rather a concept that includes several methods than a single method. Corresponding methods are e.g. 5S, Kanban, Poka Yoke and Heijunka. 5S (the „S“ stand for Seiri (Sorting), Seiton (Straightening), Seiso (Sweeping), Seiketsu (Standardizing) and Shitsuke (Self-Discipline)) is a method for the optimization of the work place. Workflows can be fastened - time for e.g. searching of material and tools is reduced. Kanban is a common method that enables the decentralized production control due to the usage of cards (kanban is the Japanese word for card). By the help of kanban stock between processes is minimized. The objective of Poka Yoke (Japanese for „fail-saving“) is the avoidance of fails especially in product and process development. This methods minimizes the waste due to a reduction of error count. Heijunka is a method for leveling and smoothing the production by different criteria, e. g. volume or product. [1]

2.1 VALUE STREAM DESIGN

For the analysis and continuous improvement of supply chains it is necessary to create a holistic view of all current processes as well as the information flow. One suitable method for this is Value Stream Design, which originally was designed by Rother and Shook for analyzing the value stream of Toyota's mass production. Due to the differentiation of value-adding and non-value-adding times it is a good approach to find potentials for a Lean Production without 'waste'. [2]

The main goal of this approach is to identify non-value-adding processes in production. By distinction of value-adding (non waste) and non-value-adding (waste) processes it is a good way to analyze the current situation of the production with regards to lean aspects. Sources of waste can be discovered – the basis for improvements is given. Based on the findings gained, different production scenarios can be compared and analyzed. Therefore VSD and Lean Production are a good combination for long lasting improvements [3].

VSD consists of several steps: the creation of the Value Stream Mapping (VSM) that illustrates the current production process, the analysis of the VSM and the Value Stream Planning (VSP) that illustrates a new and leaner production process, which is based on the potentials developed in the previous step. For modeling, the method offers a clearly arranged set of symbols that considers different properties of a supply chain such as production processes, inventory, customer, supplier and material flow. Furthermore relevant key data (e. g. lead times, waiting times, set-up times, number of persons at one process, stock) are mapped. Information flow is also of interest but the focus of this method is on material flow [2][4].

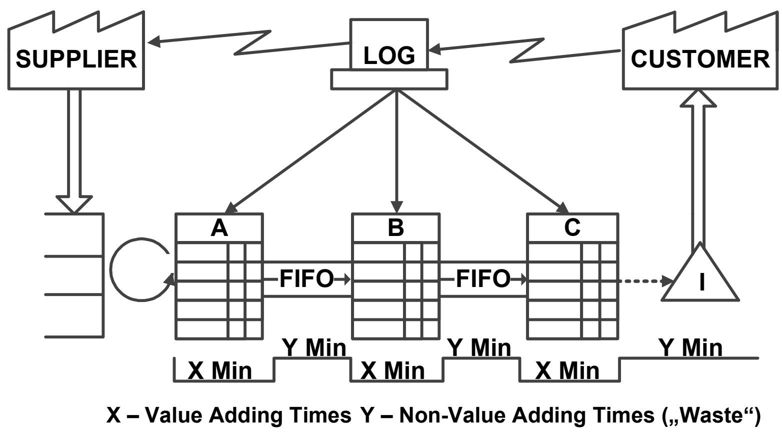

Figure 1: Example of a Value Stream Design Map

The procedure for VSM is easy but effective. In multiple passes a team of several people from different departments walks through the shop floor. Beginning with the last production process, they map all relevant data directly in a diagram. To gather a good quality of the data it is absolutely necessary to ask those workers who are directly in contact with their processes. This participation enables the team to gain information which is not visible for them. Additionally it is advisable that one of the team members is external and not blinded by routine. This will also help to make these facts more obvious for those who are in daily contact with this specific production line [2][4].

One of the most important figures in Value Stream Design is the customer tact. It specifies in which period the products have to be produced to fulfil the customer demands. As lean manufacturing is a customer driven approach, all processes have to be aligned to this tact [5]. In most productions the customer has one or more customer with own tact times himself. And this customer has some of his own as well. But all these downstream information is known by the other companies. This may cause information delay and waste due to security stocks [2][4].

All processes of customers and suppliers are like a black box. They exist but no further information is known. External processes are similar. The only figure that is known is the total process time [2][4].

Figure 1 shows an example of a Value Stream Map of a production site with three processes. The supplier delivers the goods to a supermarket. From there Process A takes them. After finishing the procedures at Process A the goods are given into a FIFO line to Process B. Process B and Process C are connected by a FIFO line as well. After finishing Process C all goods are put into inventory where they have to wait for a certain time. From there the products are delivered to the customer. There is an electronic data exchange from customer to the central IT system of the analyzed company and from the company to the supplier. The data exchange from IT to the certain processes is done manually.

2.2 Lean Index

After all relevant data are recorded, the analysis starts. Value-adding and non-value-adding times are separated and its total amount is calculated. The quotient of value-adding and total process time is called Lean Index. It is expressed in x : y (x= value-adding times, y=total process time). The more both numbers are equal, the less (time) waste can be found in the production. A Lean Index of 1:1 presents a perfect one piece flow with no waiting times for the products and complete adjusted cycle times. Nowadays the Lean Index in many companies is at 1 : y>100 [2][4].

3. Decentralized Production Control With Autonomous Technologies

Another approach for handling the demands named in the introduction is the decentralization of production control by means of autonomous technologies (e.g. RFID or barcode). By the decentralization of decision making the power of decision making is shifted from a central unit towards the single production object such as machine tool, work piece or tool. Hereby a direct consideration of current production states is possible. It enables companies to have a fast and simple adjustment towards the company's objectives like short throughput times, lower stocks or a high adherence to delivery schedules. Adjustments especially in detailed production planning can be done quickly and target-oriented [6] [7].

While the common production control uses centralized decision processes, autonomous technologies allow storing relevant data on the product itself. The current separation of the physical product and its belonging information flow is removed. Software systems, like Manufacturing Execution Systems (MES), help to realize the decentralized analysis, decision-making and basing control [10]. Requirements for Autonomous Control are differentiated in information processing, decision-making and decision-execution [8]. Information processing includes data input, data storage and data aggregation. Relevant data has to be tagged to the production object. Therefore special technology is necessary [8] [9].

Examples for autonomous technologies are Radio Frequently Identification (RFID), barcode and sensor networks. autonomous technologies can be separated into centralized and decentralized data storage. In the former case a simple numeric code is tagged on the production objects (data-on-tag). The belonging object oriented data are stored on a central database (data-on-network). At every process, data have to be recalled and updated submitted. In contrast, additionally to the numeric code all object oriented data are tagged directly to the object within the decentralized data storage. Thus, data volume and reaction time are reduced [11].

In the retail market, logistics- and automotive-industries the first RFID applications are tested and committed; in mechanical and plant engineering industries they are only introduced within singular parts of applications [13][14]. In general, attempts to first adopt RFID in sub processes, as a means to verify the benefits and profitability, and then to extend the RFID support to the entire process has been made.

There are noticeable differences in the distribution of RFID in small and medium sized enterprises in comparison to major enterprises. While almost 50% of the major enterprises used RFID in 2008, it was only 22% in SME. 22% of SME marked RFID as unsuitable for their company (major companies: 8%) [12]. Reasons for limited distribution of RFID in SME are above all high initial costs for the technology as well as uncertainty regarding the fulfillment of the objectives [13]. A market survey questioning manufacturers and system integrators of RFID solutions identifies the lack of global standards and some technical shortcomings in addition to the currently high cost of the systems as weaknesses of the RFID technology. The lack of knowledge of potential users in terms of possibilities and limitations of the technology leads to false expectations and disappointments [15].

4. EXTENSION OF VALUE STREAM DESIGN

While in Value Stream Design information flow plays a minor role in contrast to material flow it is of major significance in terms of autonomous production control. Therefore it is of high importance to extend the Value Stream Design by further facts about the information flow. The following chapter presents an approach for the extension of Value Stream Design including a adjustment of the set of symbls as well as the introduction of a data dictionary and the key figure Lean Index [16].

4.1 SET OF SYMBOLS

For creating an easy overview whether a process acts autonomous or not the symbolism of processes has to be extended. The extension has to be that easy that it can be made without a great additional effort directly during the mapping of the value stream on shop floor level.

Figure 2 shows the documentation of two processes with some exemplary characteristics. While Process A is non-autonomous Process B is marked as autonomous.

The process is able to make objective decisions on its own. The marked top right corner indicated the autonomous character of the process. During Value Stream Mapping the author of the diagram can decide whether a process is autonomous or not and mark the process, if necessary.

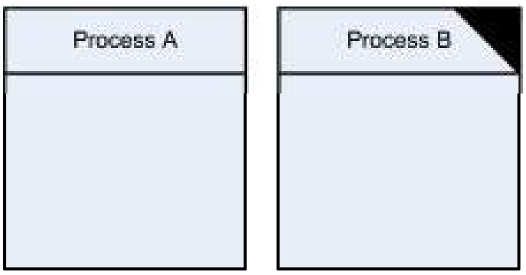

Figure 2: Example for an non-autonomous and autonomous process

4.2 DATA DICTIONARY

For the reproducibility of the autonomous process it is necessary to document all data that are relevant for process execution. This includes all data that are exchanged between those production objects that are involved in the process as well as those data the process needs to decide how to act. The relevant data can be divided into the three super classes: process data, information flow data and product data. Process data are specific for the process. They include all information that is necessary to enable the process to make decisions on its own. Information flow data specify the data exchange of the production objects at the process (e. g. process and product). They are necessary to rebuild the technological settings of the process. Product data specify the product that is worked on in the process. Process data and information flow data require particular values. As there may be various products in one specific process product data are of type Boolean. It is necessary to know what product data are exchanged without a concrete definition. Relevant data may be (but are not limited) as in table 1:

Table 1: Relevant data for data dictionary

Process Data	Information Flow Data	Product Data
• Predefined rules stored • Set-up time matrix • Amount of different products being worked on the specific process • Process times for different products being worked on the process	• Data-on-Tag or Data-On-Network • Used technology for date exchange • Frequency of data exchange • Amount of data per exchange • Mission critical index – what happens in case where the data needed is not available	• Type of product • Relevance (express or not) • Planned completion date • Additional information

4.3 AUTONOMY INDEX

For the evaluation of value streams with autonomous technologies the introduction of a key figure is necessary. To underline the interest it is named "Autonomy Index" (AI). It specifies the degree of used autonomy at the value stream. In coherence with the Lean Index that conciliates the value-adding-time to the total cycle time, the Autonomy Index should clarify the amount of autonomy in comparison to the whole value stream.

When defining the index the basis for the comparison has to be specified. There are a number of possibilities.

- Number of autonomous processes : number of all processes
- Autonomous controlled process time : total cycle time
- Autonomous quantity of data : total quantity of data

Due to the high importance of data exchange in autonomous production control the decision was made in favor to the third possibility. It must be taken into account that the data exchange considers the relevant content of data and not the transmitted volume of data. E.g. not the volume of a transmitted picture but the volume of the data that are important for the decision (e.g. color) are counted.

The Autonomy Index AI is calculated as followed:

$$AI = \frac{\sum_{i=1}^{n} F_i * A_i}{\sum_{j=1}^{m} F_j * A_j} = \frac{DE_{aut}}{DE_{all}} \qquad (1)$$

with:

AI:	Autonomy Index
DE_{aut}:	total amount of autonomous data exchange
DE_{all}:	total amount of data exchange
F:	frequency of data exchange
A:	average amount of data volume per exchange
$i \varepsilon I$:	autonomous data exchanges
$j \varepsilon J$:	all data exchanges
$I \subset J$	

4.4 EVALUATION

The calculation of AI enables an evaluation of the correlation of the Lean Index and autonomy control in a specific value stream. The analysis will provide information on the best degree of autonomous control towards the overall objective of a lean production. The graphical representation results in a scatter plot since there are different ways to achieve the same value of DE_{aut} . Additionally same values of DE_{aut} can result in different grades of Lean Index. The plot may indicate the best degree of autonomous control for the considered value stream. Potential correlations of both key figures can be detected. It is possible to analyze whether there are processes having major or minor impact on the decision towards an autonomous control. Based on this information a cost-benefit analysis can be indicated.

It also may be important to analyse the correlation of three key figures. The graphical representation results in an area. This enables the determination of the effects of the modification of one value regarding the both others.

5. CASE STUDY

This section provides an example for the usage of extended Value Stream Mapping. The analyzed production consists of five processes (process A to E). The production sequence is predefined and identical for all products produced. The process can be classified into two sections that are linked by an interim storage. This storage is the point of individualization. The first section consists of process A and B. Both produce non-individual products. Products handled at process B are put in an interim storage. There are two variants produced in this section. Processes C to E produce customer individual products. Intermediate products are taken from the storage and then handled in process C. There are three variation possibilities in process C and D, two in process E. All of those possibilities are combinable, so that there are 2x3x3x2=36 variations of the end product.

For the change from one to another variation on one process setups are necessary. As set up times vary from initial state to target state, there are setup matrixes for all five processes. Process times differentiate from process to process as well as from variant to variant. For satisfaction of the customer requirements it is of major importance that the right product is manufactured at the right time. Recently the delivery performance deteriorated and stock rose. It is for this reason that all processes should be reconsidered. Additionally to the mentioned problems it should be analyzed how to deal with express orders, that ensure a highly shortened delivery time to customers.

At the current state all five processes are central controlled. While there is a push control at the first section there is a pull control at the second section. The produced amount of both basic variants in the first section is planned due to a sales forecast that is based on past experience. The production program for the next week of the second section is planned due to concrete customer orders. Difficulties arose due to missing intermediate products. All five processes with their relevant characteristics are recreated and simulated at LUPO laboratory. After the validation of simulation results with the existing processes variations towards the type of control are made. In addition to a complete centralized and decentralized control mixed control concepts are analyzed. Therefore the first section is set decentralized controlled while the second is central controlled and the other way around. Substance differences are perceived at lead times and stock building.

For each set-up a value stream map is created and a value stream analysis performed. The Lean Index is calculated by dividing value adding process time by total process time. For the evaluation of the processes by means of the Autonomous Index it is necessary to determine the average amount of data volume per exchange and the frequency of data exchange at all process – for both central and decentral controlled ones. On the basis of these values the Autonomy Index is calculated. Assuming that as well the average amount of data volume per exchange as the frequency of data exchange are identical in all scenarios the relevant data for the scatter plot can be determined with table 2 and 3.

Table 2: Data exchange information for case study

Process	**Average amount of data volume per exchange**	**Frequency of data exchange**
A	1	3
B	2	3
C	3	3
D	3	3
E	2	3

Table 3: Comparision of case study szenarios

Scenario	**AI**	**LI**
1 (complete decentral controlled)	1:1	1:50
2 (complete central controlled)	1:∞	1:45
3 (first section decentral, second section central controlled)	1:3,67	1:70
4 (first section central, second section decentral controlled)	1:1,5	01:10

The reciprocals of both data are put into a scatter plot. The evaluation of the correlation between Autonomous and Lean Index is shown in the scatter plot Figure 3. The scatter plot indicates that there is no correlation between Autonomous and Lean Index in the specific production analyzed in the LUPO laboratory.

It is obvious that the best Lean Index is realized with AI = 1:10. This situation occurs if the first section is controlled central and the section decentralized controlled. The worst Lean Index is achieved by a decentral controlled first section and a central controlled second section (AI= 1:3,67). The change of a complete central production (AI=1:∞) to a complete decentralized production (AI=1:1) only causes marginal differences in consideration of the Lean Index.

For all decentral controlled processes a supplementary analysis is realized. Its results are recorded at the data dictionary. This enables a later reproduction of the process and therefore the usage of identified advantages in the real production. Additionally the extended value stream maps enable a well-founded discussion with company internal and external persons.

The best mix of central and decentral controlled production has been determined. The problems of the original process mentioned above were reduced to a minimum. Due to a well arranged and completely documentation regarding lean production aspects, a successful implementation of simulation results in real production processes is provided.

Figure 3: Scatter plot for the evaluation of correlation of Lean and Autonomy Index

6. Conclusion

This paper presents an extension of Value Stream Design for its usage for autonomous and decentralized production processes. Because of this extension it is possible to transfer the advantages this method provides to autonomous processes without a negligence of the special characteristics decentralized processes entail. The documentation and evaluation of data with the help of scatter plots enable a clear and meaningful representation of the correlation between Lean and Autonomous Index.

Advanced tasks result after the creation of the described method for the documentation and analysis of autonomous production processes their suitability for a lean value stream. It is necessary to ascertain the occurring data volumes with the least necessary effort in a high quality. For this purpose the software used in the hybrid simulation environment has to be extended. The aim is to achieve the possibility for a completely automated enquiry of all data volumes during the simulation process. In a second step these data are assigned to extended Value Stream Design.

Besides this, a template for the data dictionary is necessary. On this account a number of different autonomous processes have to be analyzed firstly. All relevant information of those processes are extracted and documented separately. A comparison allows the recognition and filtering of recurring data.

Moreover, with the creation and comparison of numerous scatter plots regularities are worked out. It is examined whether it is possible to define rules regarding specific industries or manufacturing techniques.

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