



# IfM Briefing Day

**Industrial Resilience & Automation**

Distributed Information and Automation

# Industrial Resilience & Automation Enhancing Factory Operations

## *Working with Industrial Partners*

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May 2016

# Agenda

- DIAL introduction
- Industrial Resilience
- Automation Assessment
- Information Quality
- Big Data and the Supply Chain
- Working with us

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- DIAL introduction
  - Industrial Resilience
  - Automation Assessment
  - Information Quality
  - Big Data and the Supply Chain
  - Working with us
- *Who we are*
  - *Tools / approaches successfully applied in industry*
  - *Overview + case studies*
  - *In development – with partner*

# Agenda

- DIAL introduction
- Industrial Resilience
- Automation Assessment
- Information Quality
- Big Data and the Supply Chain
- Working with us

# Introduction - About DIAL (Distributed Information & Automation Lab)

- One of 9 Research Groups within the IfM
- Key DIAL Missions:
  - Smarter, distributed ways of **automating** systems
  - Managing systems subject to **disruption** and **change**
  - Getting better value from **operational information** and quantifying it



Airport Information & Performance



Resilient, Reconfigurable Manufacturing Systems



Information Requirements for Engineering Services



Information & Smart Infrastructure



Supply Chain Tracking & Tracing

# Distributed & Automated Intelligence

## What is the challenge?

*Development of appropriate solutions for embedding intelligence into industrial products and resources to allow them to interact & steer / influence their own operations*



## Benefits?

- **Adaptability of resources**
- **Resilience to disruptions**
- **Easy to reconfigure control systems**

## What have we done?

- **Disruption tolerant lean production system**
- **Flexible packaging operation**
- **Customer driven logistics solutions**
- **Car paint plant control**

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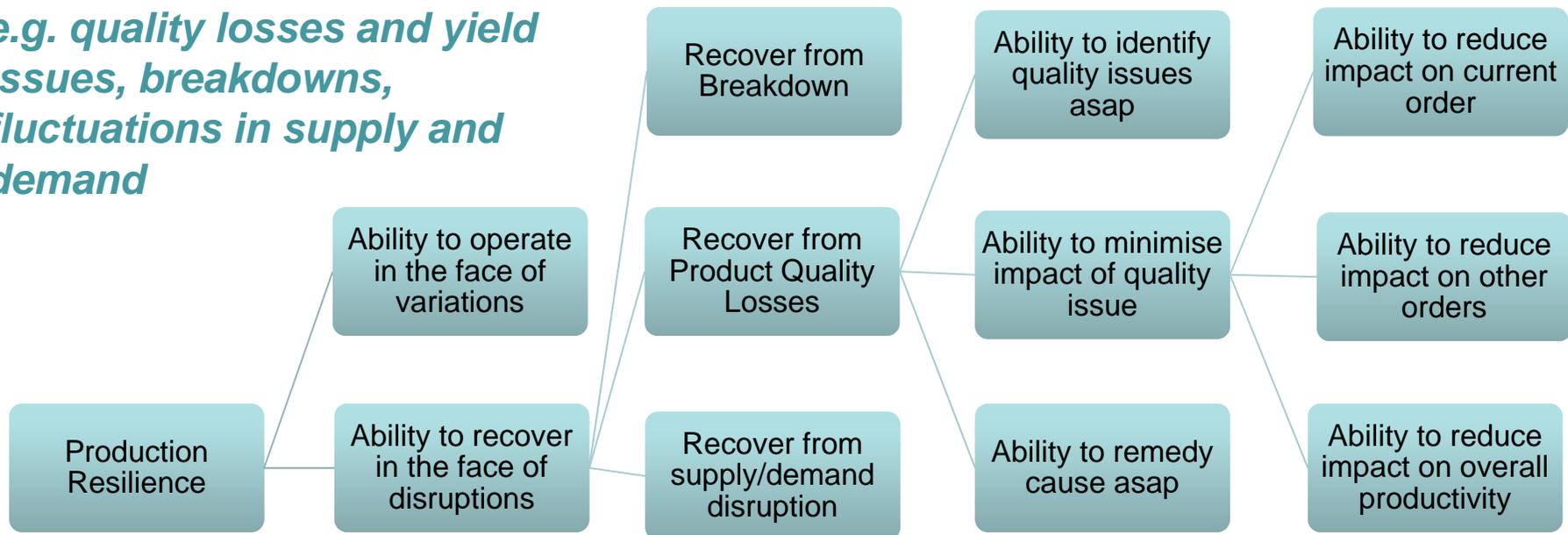
# Industrial Resilience

## What is the challenge?

*To develop systems that have both proactive and reactive tolerance to production disruptions?*



*e.g. quality losses and yield issues, breakdowns, fluctuations in supply and demand*



# Why Analyse Resilience?

**Affected by operational disruptions?  
Unclear exactly why / when things go wrong?**

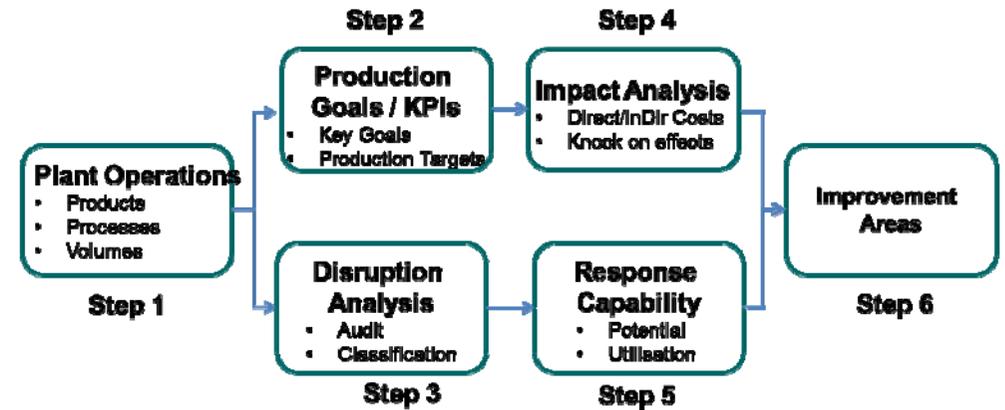
What are the real problems?  
What can be done to fix them?  
How can operations be more robust?

**The resilience audit helps to answer these questions  
and guides the development of more robust operations.**

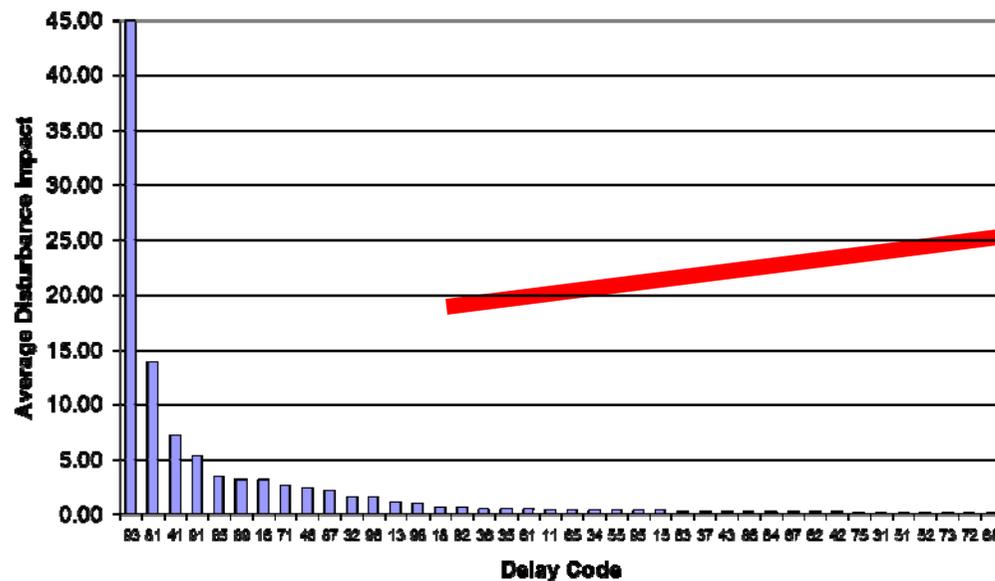
# Industrial Resilience

## How do we tackle the challenge?

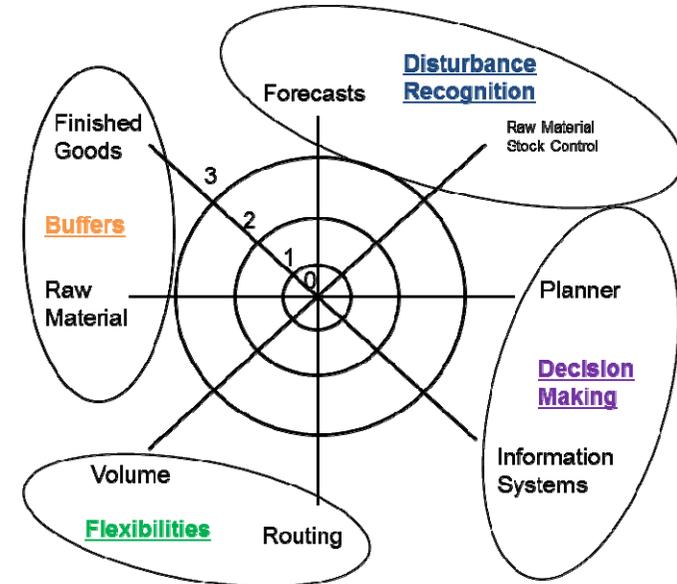
- By measuring and quantifying the tolerance to disruption
- By identifying the capabilities for detecting, managing and responding to disruption



Average Disturbance Impact on Short Haul



Delay codes used by Airlines, Airports and Handling organisations. (IATA Standards)



- Potential Capability
- Utilisation

# Resilience Audit

The Resilience Audit identifies:

- Problems or disruptions that cause processes to underperform
  - e.g. supply chain delays leading to reschedule requirements
- How frequently processes suffer from the identified disruptions
- The effect or impact of the disruptions on process performance
  - e.g. efficiency losses, time delays, yield reduction
- The capabilities of processes to recognise and handling the disruptions

# Resilience Audit

The output of the Resilience Audit can help:

- Prioritise improvements to current processes  
(Process Capabilities, Operational Adherence & Stability, Material Specifications.)
- Identify the requirement for new process capabilities to better cater for disruptions.
- Focus the development of next generation processes.  
Providing flexible production capabilities for new products, using new technologies and with changing business demands.

Internal  
Actions

Longer  
Term  
Actions

# Resilience Audit Case Studies

## Summary of Approaches

	<b>Automotive Manufacture</b>	<b>Aerospace Manufacture</b>	<b>Airport Operations</b>	<b>Agriculture</b>
<b>Aims</b>	Understand the impact of typical order changes. Assess existing response capabilities. Identify opportunities for improved response.	Improve disruption tolerance of loosely coupled manufacturing job shops implementing lean philosophies. Identify the type and scale of disturbances impacting production operations.	Identify disruptions impacting turn-around. Evaluate ability to handle disturbances. Examine how enhanced data sharing between turn-around partners could help.	Use production responsiveness tool to assess the resilience of a supply chain to disruption.
<b>Overview</b>	Operation & process review	Factory review + workshop	Operation review	Operation & process review
<b>Disruption Analysis</b>	Operation & process review	Data analysis	Data analysis	Operation & process review
<b>Impact Analysis</b>	Data analysis	Data analysis + workshop	Data analysis + workshop	Data analysis + workshop
<b>Capability Analysis</b>	Data analysis	Workshop	Workshop	Discussions + workshop

# Previous Work

Resilience analysis tool has been applied to a range of operations:

Manufacturing Processes

*Britvic, Alcatel, Unipart, ASW, Henkel*



Airport Operations

*EasyJet, Luton Airport*



Agriculture:

*G's Growers*

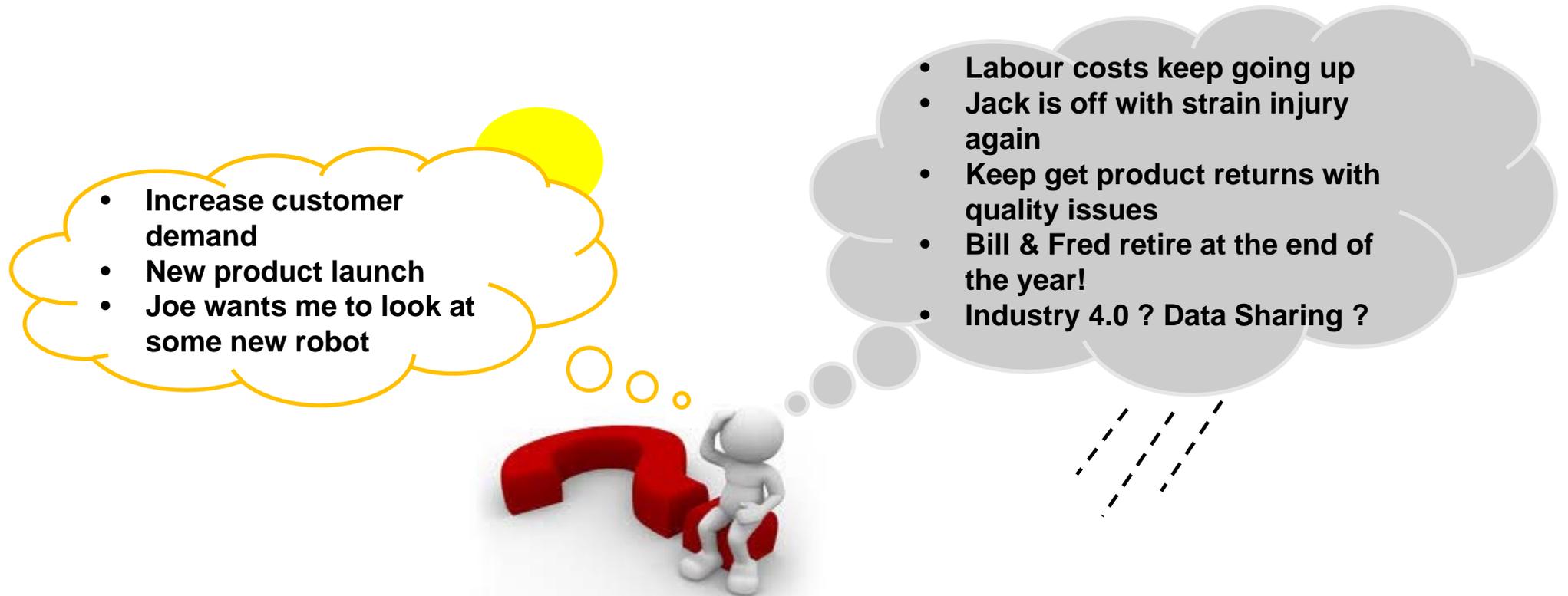
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- **Automation Assessment**
- Information Quality
- Big Data and the Supply Chain
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# Automation Assessment

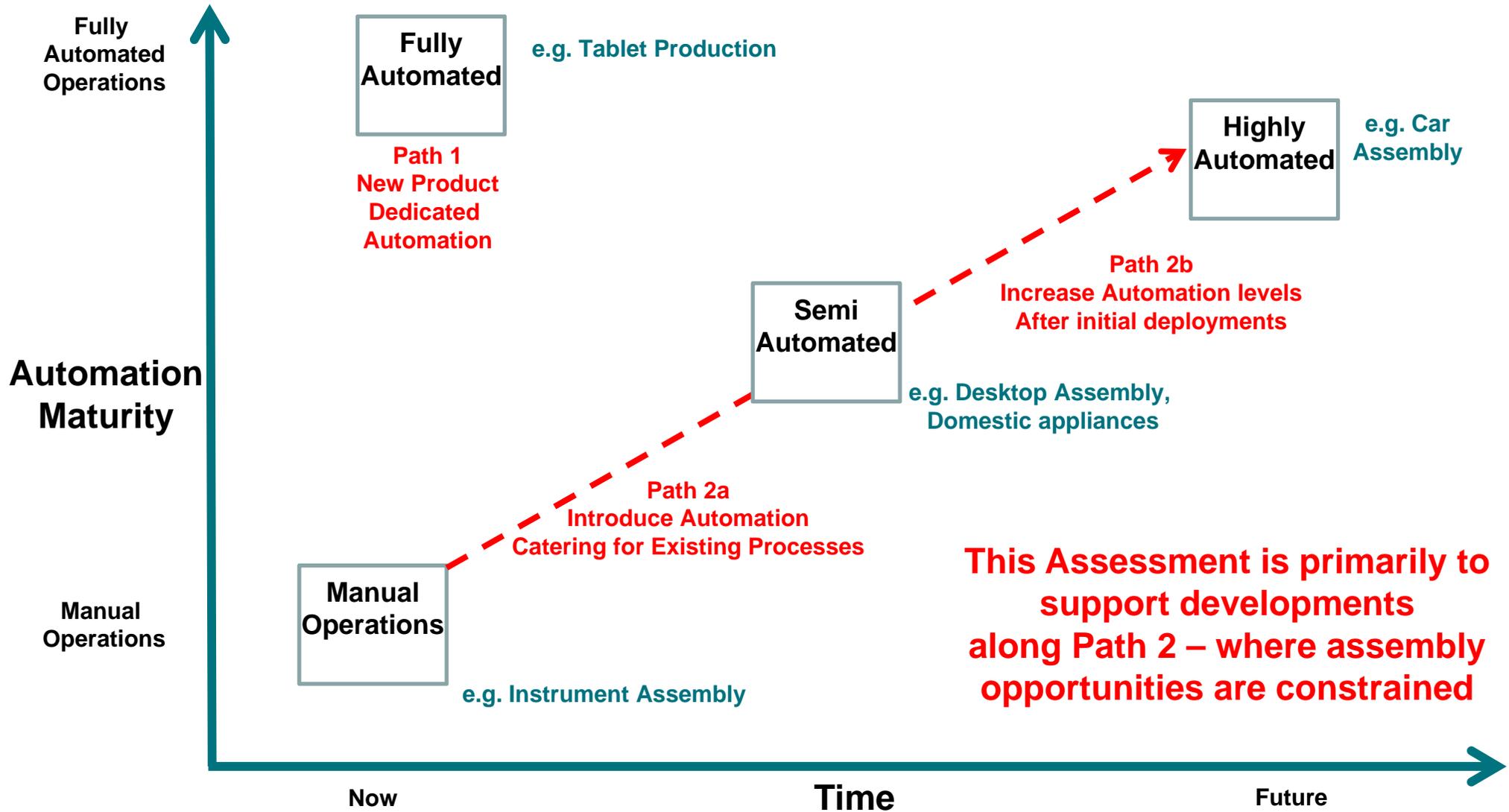
- Overview of Approach
- Case Studies
  - Foxconn
  - Jaguar Land Rover
  - Schlumberger

# Motivation



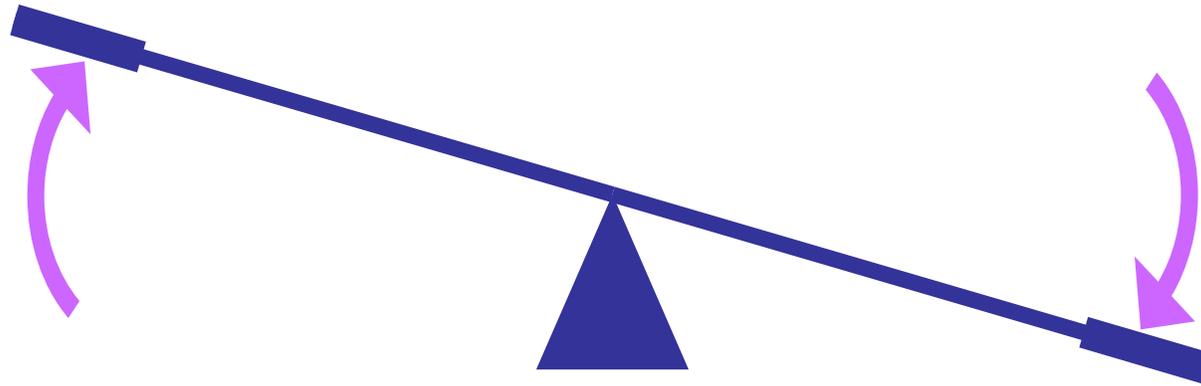
- Develop / Support a company's automation strategy
- Identify Automation Opportunities & Feasibility Challenges
  - Tailored to enhance existing production capabilities
- Collaborative approach with in-house production engineers
- Deliver a structured and prioritised implementation pathway

# Automation Maturity Approaches



# The Automation Challenge

## Opportunity Balance



### **Automation Opportunities**

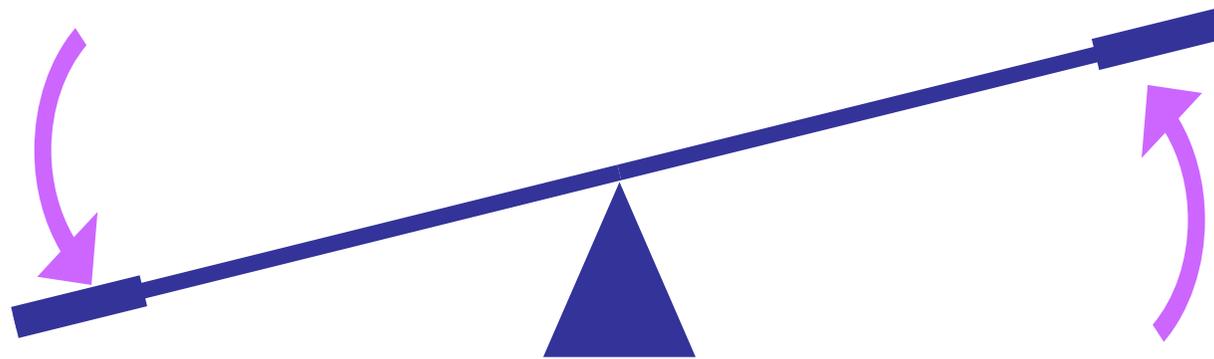
Many benefits of automation

### **Automation downsides**

These benefits may come at a price....

# The Automation Challenge

## Feasibility Balance



### Implementation Issues

Other factors may make automation hard or impossible

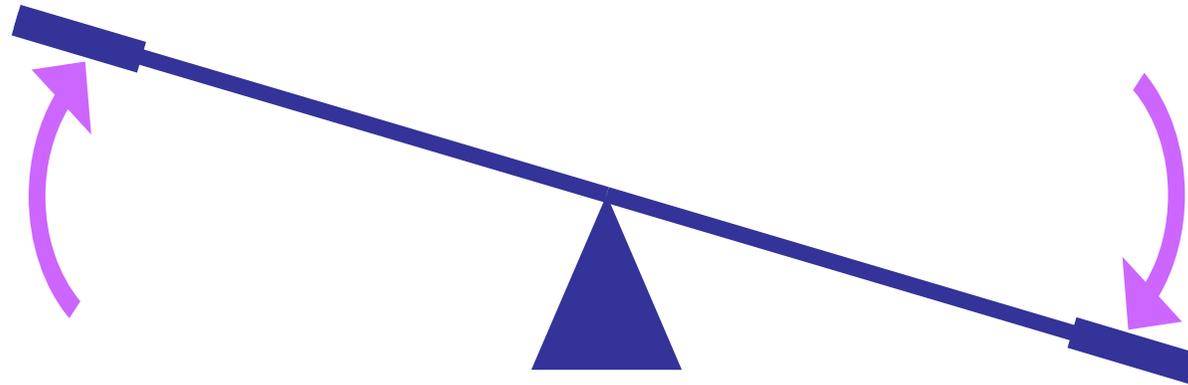
### Feasibility Easy

Solutions exist

Processes are “automatable”

# The Automation Challenge

## Opportunity / Feasibility Balance



### Automation Opportunities

- Improve operator safety
- Reduce labour cost
- Increase production rate
- Reduce floor space requirement
- Improve product quality

...

### Feasibility Issues

- Number of assembly operations
- Complexity of assembly operations
- Ease of Automation
- Material delivery (logistics)
- Ease of integration

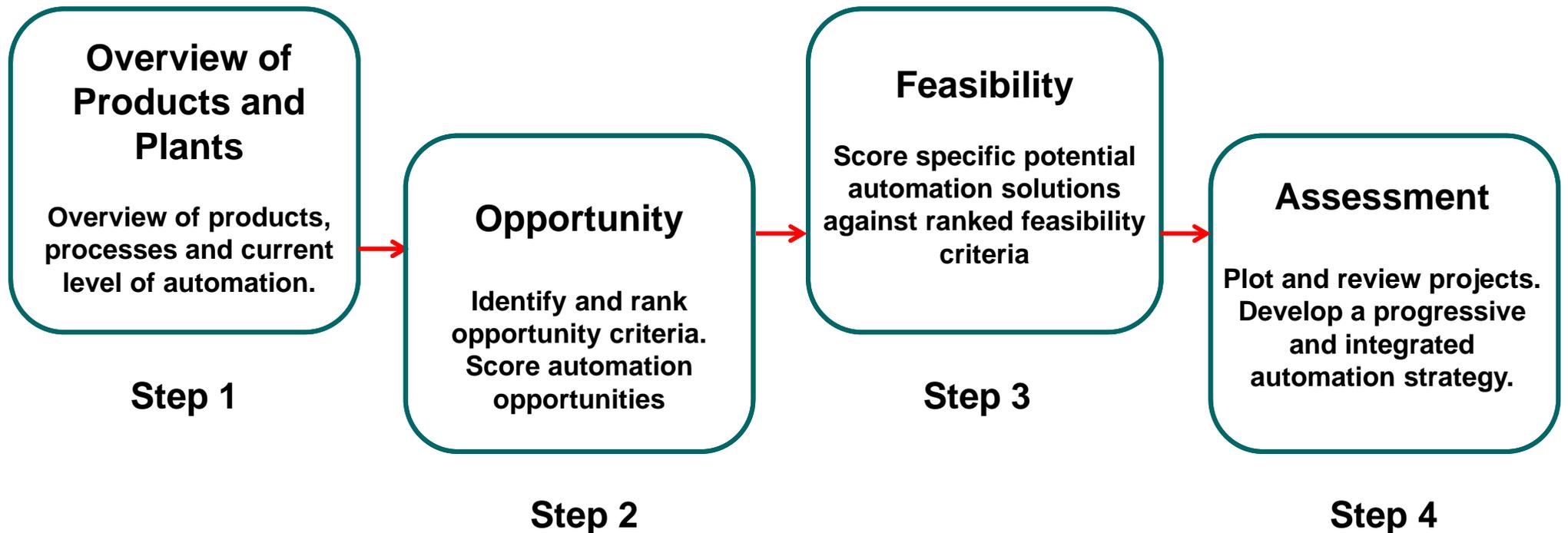
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# Automation Assessment

- Building a model so that projects can be plotted and compared



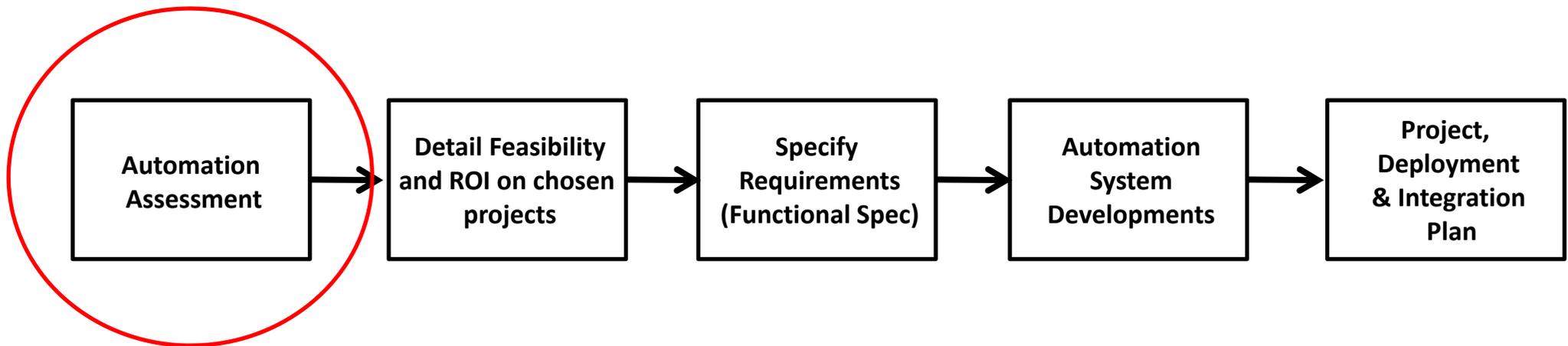
# Automation Assessment Methodology



# Overview of Automation Assessment Tool

## Top Level Business Aim:

To identify, develop and implement appropriate automation solutions across the business.



# Foxconn Automation Project



- Foxconn aspiration to improve operations and reduce head count
- Context of:
  - Rising labour costs
  - More automation capability (external)
  - Demanding customers
  - Limited design input
  - Multi-site manufacture – flexible and changing footprint
- External facilitation
  - Step back / overview
  - Stimulate higher level view of automation benefits and issues
  - Structured assessment



# Foxconn Automation Project



*“set up an effective platform among Foxconn GFO facilities to evaluate Automation potential”*

*“a guiding path for further steps of the project”*

- Clarified automation objectives and gave focus and direction to the international automation team
- Stimulated higher level discussion of automation benefits and issues
- Structured assessment approach adopted across global operations
- Highlighted important differences between sites and products
- Company-wide picture enabling consistent analysis for multi-site manufacture
- Foxconn now rolling out assessment approach across 6 plants



# Jaguar Land Rover Automation Project

- Experienced and expert automation team

*“Which project should we do?”*

- 3 material handling projects
- Each with some different solution possibilities



*What does the tool do?*

- Identifies the best fit solutions
- Prioritises the work



# Jaguar Land Rover Automation Project

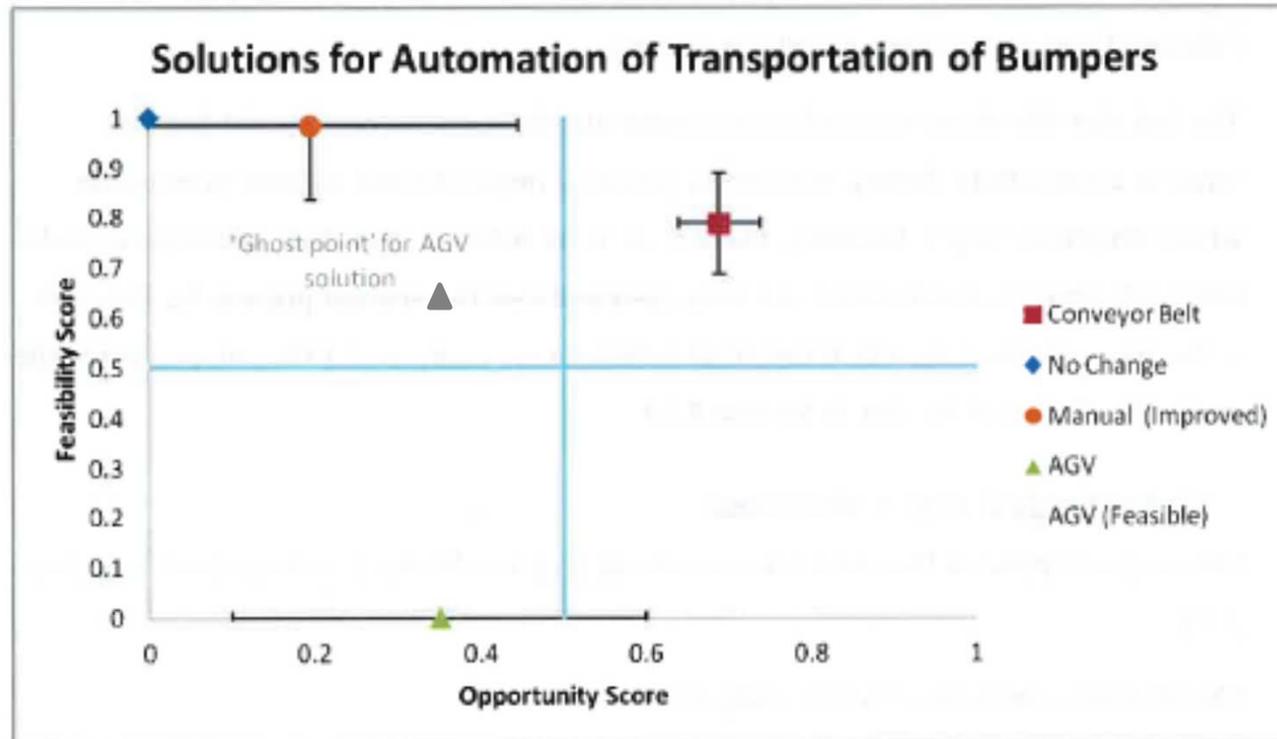


Figure 3.2 - %Opportunity v. %Feasibility for each automation 'solution'

# Jaguar Land Rover Automation Project

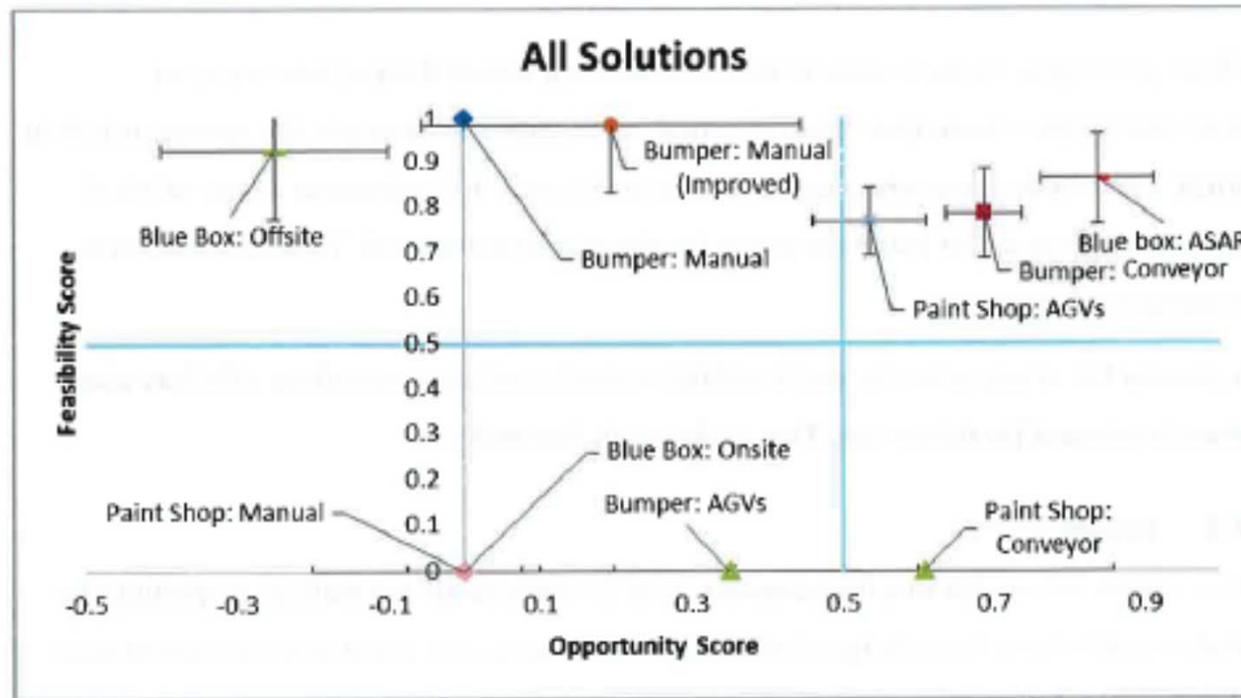


Figure 3.5 - %Opportunity v. %Feasibility for all solutions from all studies

# Jaguar Land Rover Automation Project



- Managers' view of the Automation Assessment:
  - useful resource for JLR
  - first step when considering the implementation of automation
  - logical and structured way of considering automation opportunities
  - highlights benefits and drawbacks that were previously unconsidered
- Final graphical presentation of data *“a good visual method of summarising the findings of the study”*



# Schlumberger Automation Assessment Project



- Schlumberger automation aims:
  - Modernise manufacturing and identify automation opportunities
  - “too many opportunities” – need a method to categorise and prioritise
- Key business drivers:
  - Cost reduction
  - Geographical expansion
  - Demand for refurbishment close to drilling activity
  - Mobility of manufacturing / refurbishment activity
- External facilitation
  - Step back / overview
  - Stimulate higher level view of automation benefits and issues
  - Structured assessment
- Company-wide picture and consistent approach
  - Share experience and knowledge gained



# Automation Assessment output

## Key points from Schlumberger



- Center & Product Line Overview
  - Provides plant structure and context
- Opportunity and Feasibility criteria and rankings
  - Highlights center-level priorities
- Opportunity / Feasibility Plots
  - Key output
- Decision Support
  - Understand individual project positioning
  - Understand project interdependencies & benefits of combining projects
  - Compare different centers

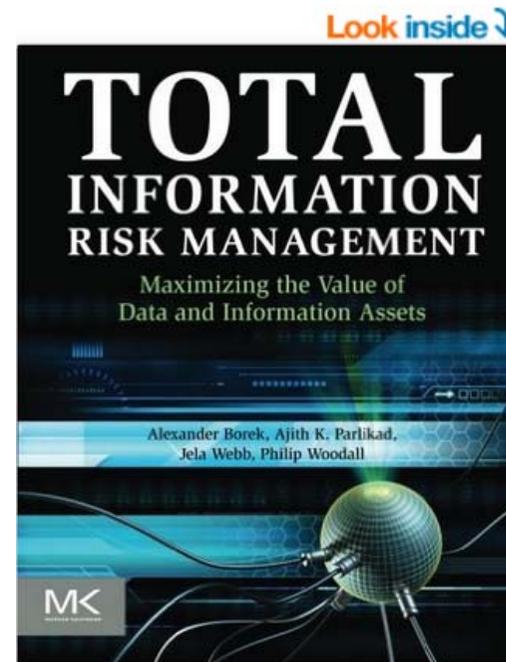


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- **Information Quality**
- Big Data and the Supply Chain
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# Information quality risk assessment tool

- Introduction to the problem
- The Total Information Risk Management (TIRM) process
  - Including the supporting software tool



# Motivation

Information provides competitive advantage ... digital age ... Big Data ...

**Utility company:** *“errors in meter readings ... errors in customer database ... incorrect bills ... overcharged customers ... loss of customer confidence ... regulator fines ... customers leave to competitor”*

**A major UK supermarket:** *“incorrect inventory data ... errors in supplier database ... stock-outs ... lost sales ... dissatisfied customers ... customers leave to competitor”*

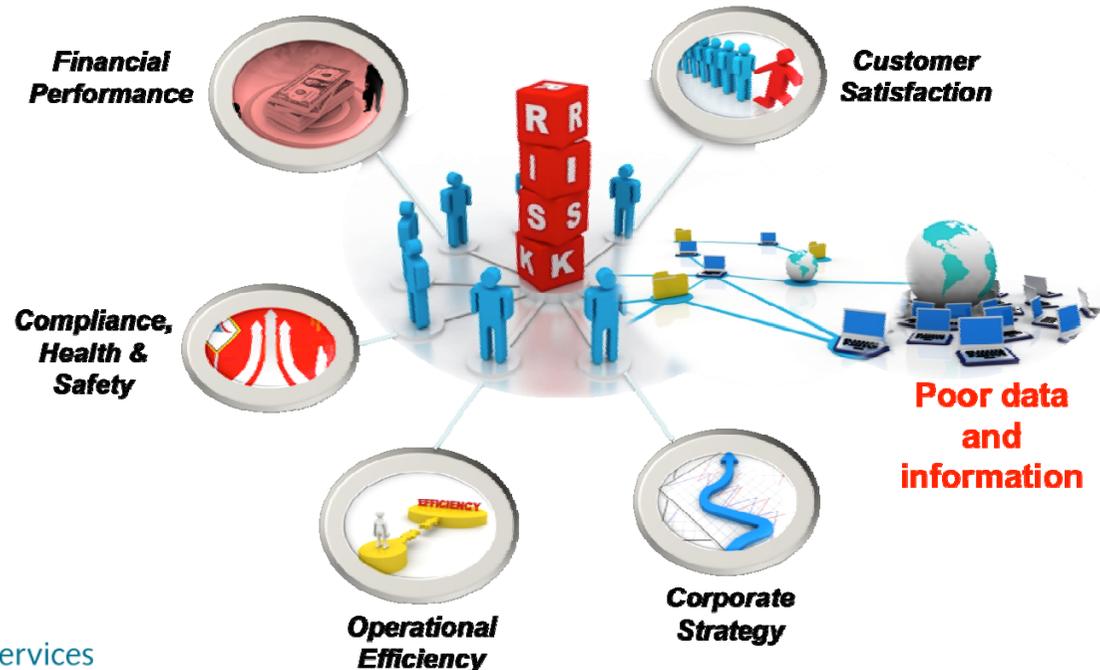
Poor quality information has a direct adverse impact on business performance

# Key questions for industry

*“... what is the impact of poor quality data on my business?”*

*“... I have lots of problems with my databases... how can I prioritise my improvement projects?”*

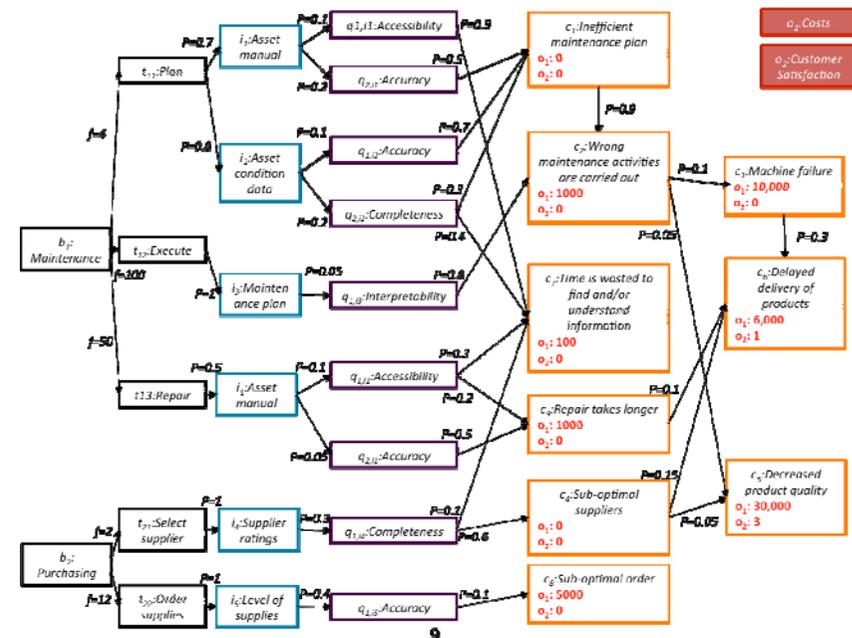
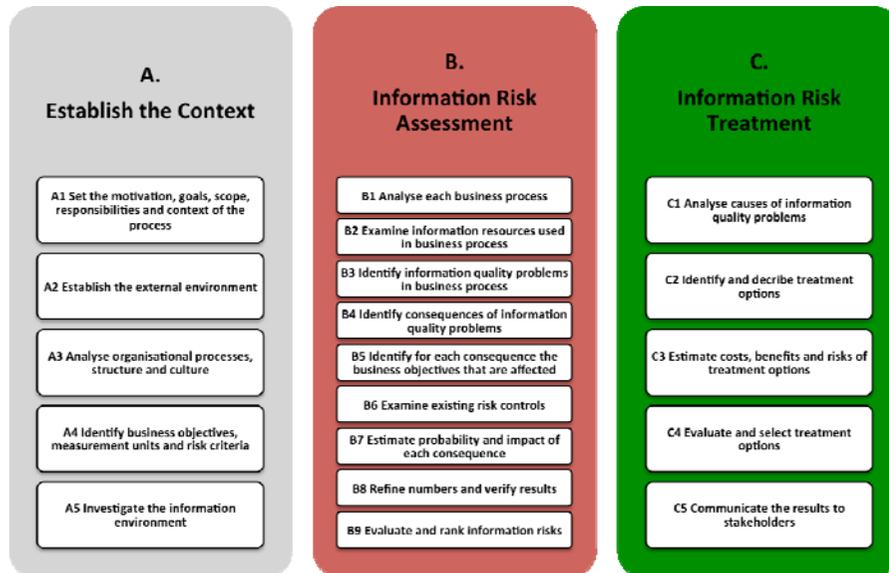
*“... is it worth investing in new IS/IT?”*



# Total Information Risk Management

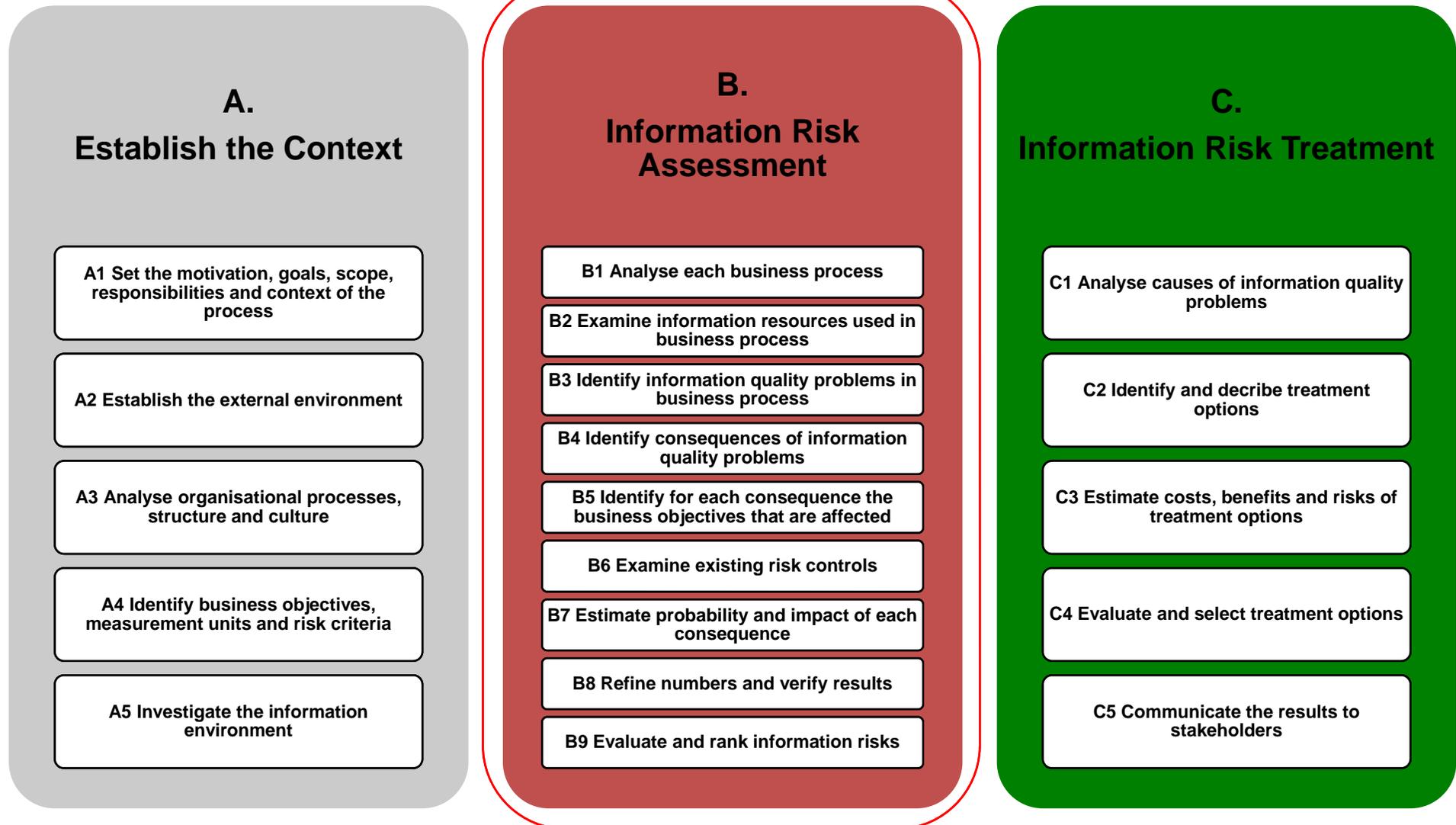
A structured process...

... supported by a rigorous model

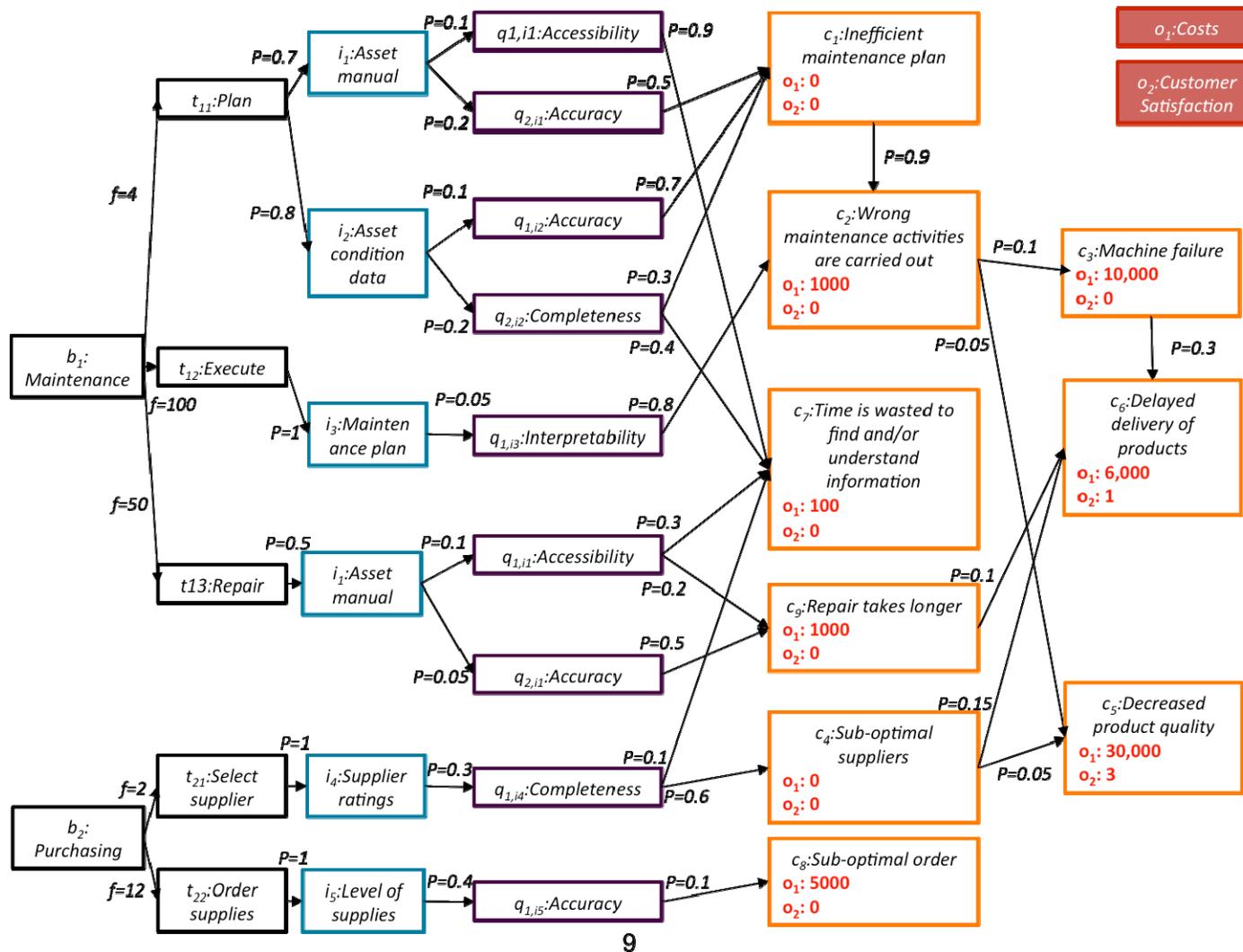


# The TIRM Process

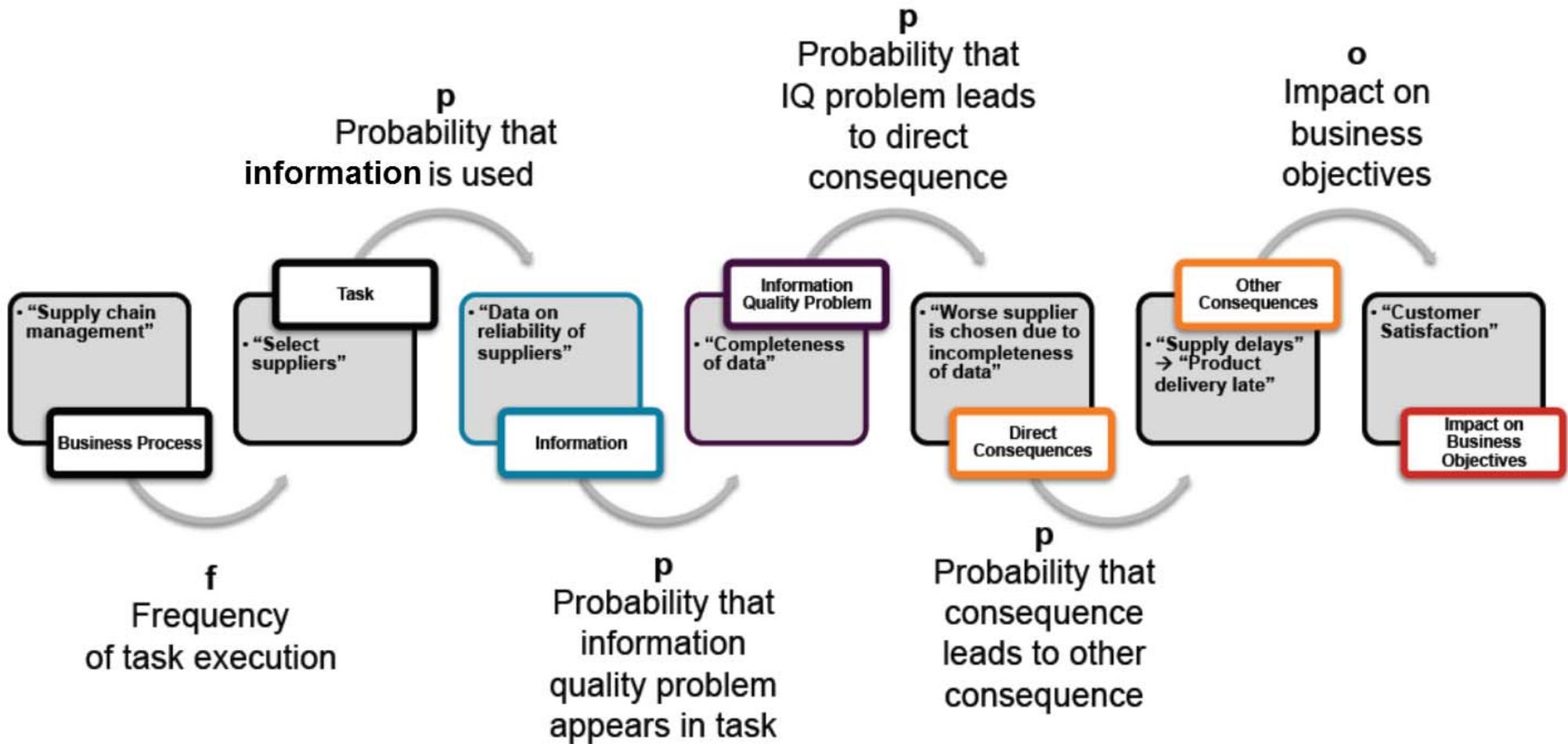
Software tool



# Information Risk Model



# Information risk model



# Supporting software tool

File Edit View Insert Format Navigate Risk Tools Maps Help

100% SansSerif 12

ECSDemoExtended.mm\*

Network recovery process

<b>Total Yearly Risk</b>	<b>284281 (£)</b>
Confidence Interval 95%	283490.0 - 285072.0
St.Deviation	127660
operational efficiency	14759.2 (£)
customer impact	269522.18 (£)
<b>asset register</b>	<b>15805 (£)</b>
operational efficiency	14759.2 (£)
customer impact	1046.79 (£)
<b>accuracy</b>	<b>15805 (£)</b>
operational efficiency	14759.2 (£)
customer impact	1046.79 (£)
<b>maintenance</b>	<b>268475 (£)</b>
customer impact	268475.39 (£)
<b>completeness</b>	<b>268475 (£)</b>
customer impact	268475.39 (£)

Water response fixes and repairs problem

Node type	Task
User Group:	water operations
Business Process:	supply recovery
Criticality:	4-High
Time Unit:	Year
Frequ-Low:	1000
Frequ-Mode:	1200
Frequ-High:	1500
Confidence:	3-Medium
<b>Risk p.a.</b>	<b>284281 (£)</b>
Confidence Interval 95%	283490.0 - 285072.0
St.Deviation	127660
operational efficiency	14759.2 (£)
customer impact	269522.18 (£)

Asset location

Node type	Information
Information Resource:	asset register
Source:	asset register
% -Low:	
% -Mode:	100
% -High:	
Confidence:	5-Very high
<b>Risk p.a.</b>	<b>15805 (£)</b>
Confidence Interval 95%	15750.0 - 15861.0
St.Deviation	9015
operational efficiency	14759.2 (£)
customer impact	1046.79 (£)

Asset is shown in GIS but is not the

Node type	
Problem ID:	
Asset type:	
% -Low:	
% -Mode:	
% -High:	
Confidence:	
Risk control	
<b>Risk p.a.</b>	
Confidence Interval 95%	
St.Deviation	
operational efficiency	
customer impact	

Asset maintenance

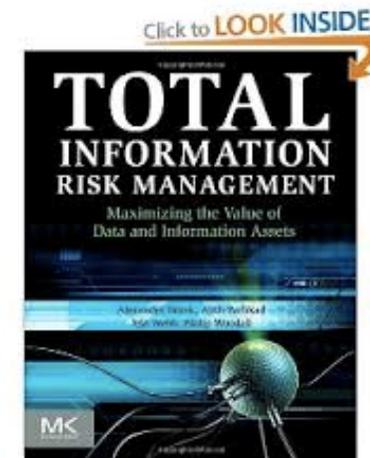
Node type	Information
Information Resource:	maintenance data
Source:	
% -Low:	
% -Mode:	50
% -High:	
Confidence:	4-High
<b>Risk p.a.</b>	<b>268475 (£)</b>
Confidence Interval 95%	267687.0 - 269263.0
St.Deviation	127118
operational efficiency	0 (£)
customer impact	268475.39 (£)

missing maintenance record

Node type	IQ Problem
Problem ID:	completeness
Asset type:	water pipes
% -Low:	
% -Mode:	100
% -High:	
Confidence:	3-Medium
Risk control	
<b>Risk p.a.</b>	<b>268475 (£)</b>
Confidence Interval 95%	267687.0 - 269263.0
St.Deviation	127118
operational efficiency	0 (£)
customer impact	268475.39 (£)

# Total Information Risk Management

- Based on ISO 31000:2009 – Risk Management
- Adapted to suit “information risks”
- Process follows well established techniques such as FMECA, RCA, etc.
- Tested and refined in industry
- More information in our book (available via Amazon)



# Agenda

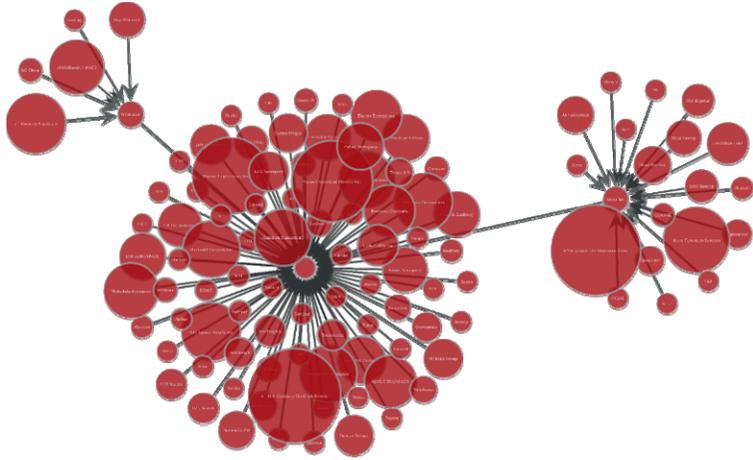
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# Big Data to Enhance Supply Chain Operations

## Aim:

To develop a system to make predictive interpretations about potential supplier operational non-performance.



## Challenges for manufacturers

Large manufacturers can have enormous numbers of parts shortages per day, for a variety of reasons:

1. suppliers being overloaded by orders from other customers,
2. day-to-day delays during transportation of goods,
3. suppliers not being able to satisfy manufacturing demand.

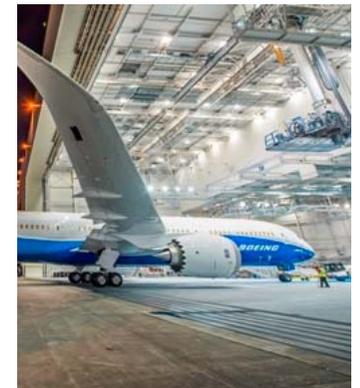
These can result in significant production delays.

## Addressing the Challenges

The Virtual Intelligent Production, Procurement and Prediction (VIPr) project aims to address these issues by:

- Using public data to model the supply chain
- Utilising data analytics to make predictive interpretations about potential supplier operational disruptions.

**Project collaborator:**



# ITALI - IT Architectures for Logistics Integration

## ITALI aims to...

...investigate how existing logistics-related information systems must evolve to address future logistics needs



*Project sponsor*



## ...by exploring three logistics themes

**A:** Mismatches between physical operations and data

**B:** Difficulty in offering integrated logistic services to clients.

**C:** Dealing with differing B2C and B2B commerce requirements.

## Potential outputs

**A:** An IT architecture for next generation warehousing and logistics

**B:** An automated approach to keep the data aligned with the physical process

**C:** A framework illustrating how to transition from B2B to B2C-like commerce.



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# Introduction - About IfM ECS

IfM Education and Consultancy Services Ltd (IfM ECS) provides a rapid dissemination route for research and education outputs developed at the Cambridge University Institute for Manufacturing (IfM).

- Industrial practitioners help companies of all sizes in all industries to apply research-based improvement techniques.
  - Practical solutions based on the latest applied research
  - Live feedback to help set the agenda for new research
  - An income stream to support future research activities
- 
- Single point of access to relevant expertise from the University of Cambridge
  - Education programmes configured to client company needs and context

IfM ECS is a wholly owned subsidiary of the University of Cambridge



# Mechanisms for Engagement

## DIAL / IfM ECS

Engagement methods are always tailored to meet your needs:

1. Consulting to meet current needs  
(Direct Impact to Operations)
2. Confidential industrial research for future operational needs  
(3-5 Yr Horizon)
3. Consortium based research for collaborative needs  
(3 Yr Horizon)
4. Direct sponsorship of PhD. Research positions  
(3-4 Yr Programme)
5. Placements for short term Student Projects  
(PhD. / MPhil level)

# Working with IfM

- Scoping is key (every company is different!)
- Work with engineers
- Tailor the tool / approach
- Work with available data
- Run workshops
- Equip team for deployment

# Typical Project Flow

