Agile Manufacturing and Customer-Supplier Relations in the Auto and Aircraft Industries

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LAI Talk Oct 16, 1996

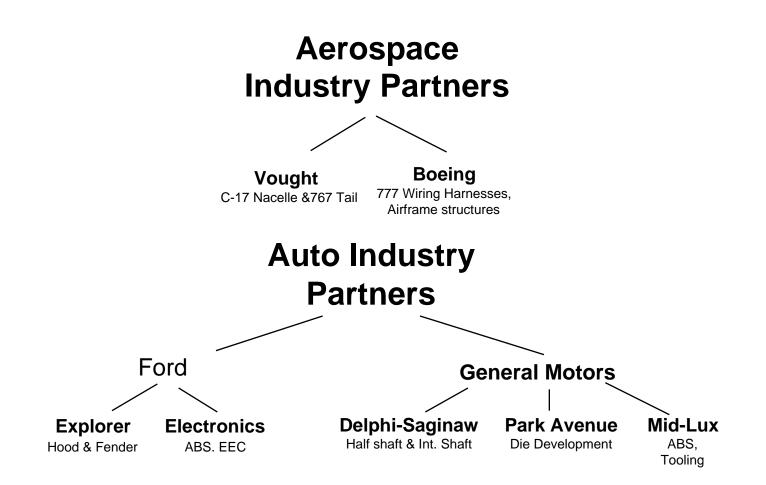
Objectives

- Understand how to improve complex customersupplier relationships, using assemblies as an example
- Compare methods and performance of auto and aircraft industries
- Develop new methods and tools
- Develop metrics
- Test tools and metrics in partner companies

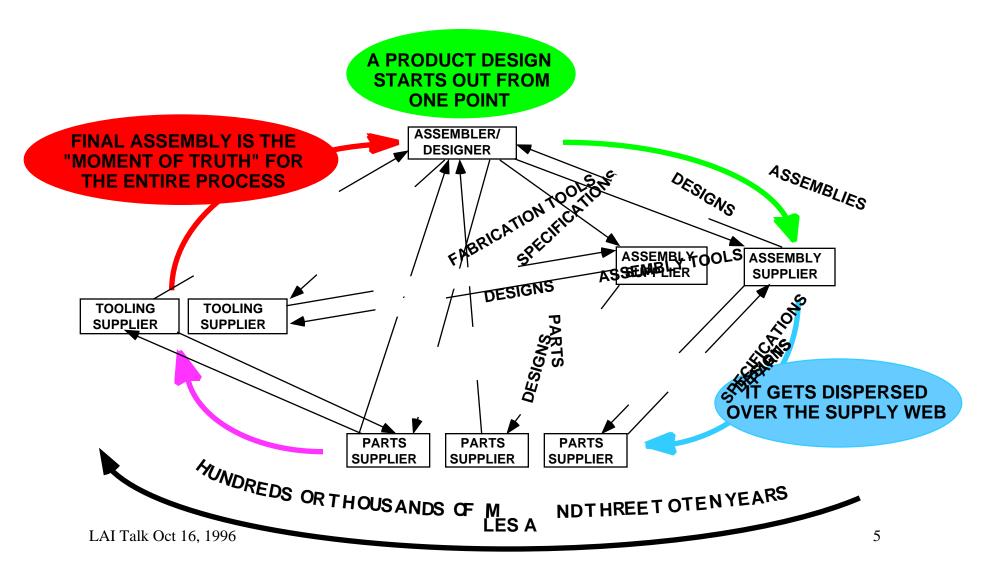
Methods

- Use a set of lenses to draw out different issues
- Combine technical and organizational solutions
- Develop tools that improve communication
- •Perform case studies at partner companies to test tools
- Emphasize full cycle from product design to organizational learning for next product

Research Partners



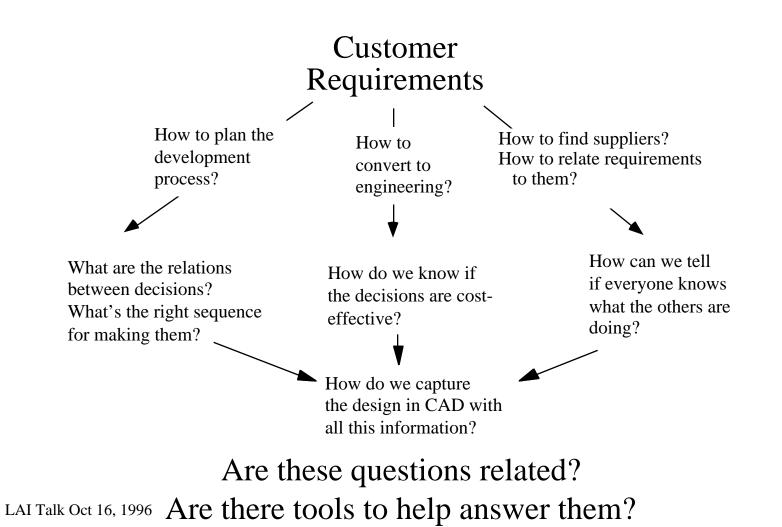
Make-Buy Complexity: Product Development on a Web



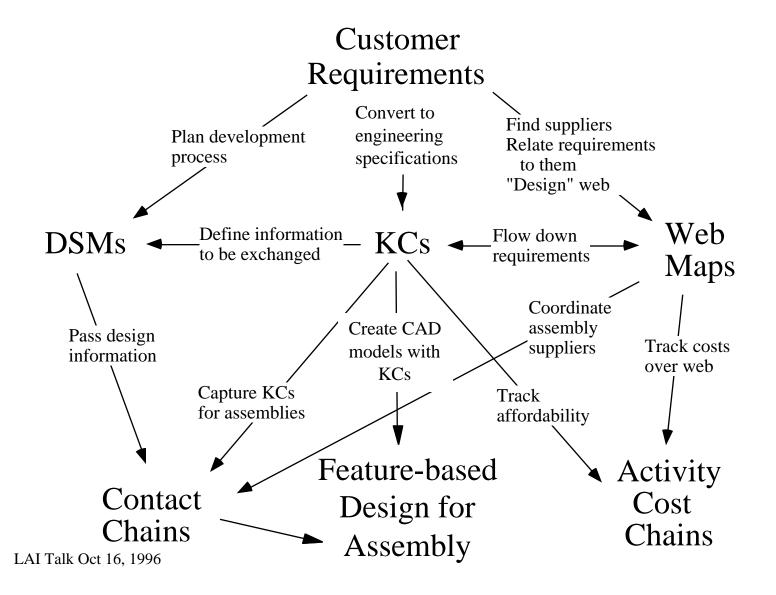
PDP Complexity: Focus on Assemblies

- Product development for complex assembled products involves many participants in a web
- Defining and managing the interfaces among parts and tools and the corresponding web participants is a key element in fast/flexible product development
- The assembly process is inherently integrative and reveals web problems vividly

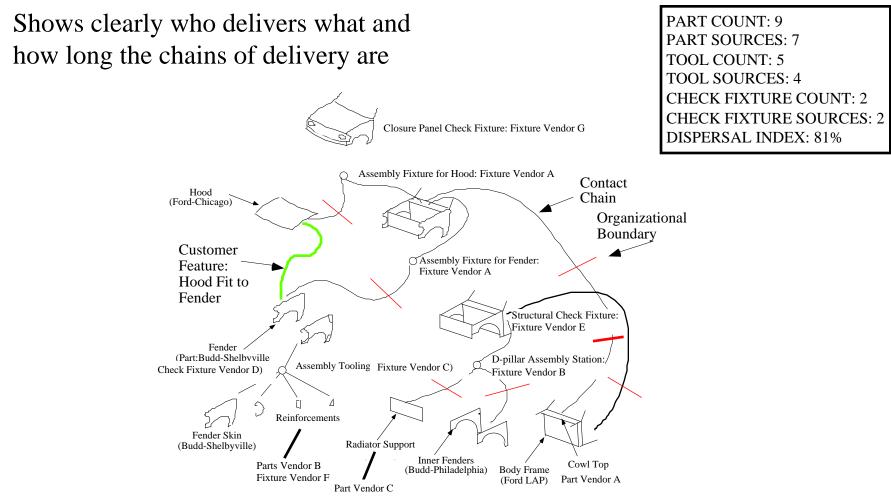
Planning and Coordinating Shared Distributed Product Development



Tools and Their Relationships



Manufacturing Example: Supplier Web Superimposed on Contact Chain



N. Soman, M. Chang

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Key Characteristics

Product Key Characteristics (PKC)

What is important?

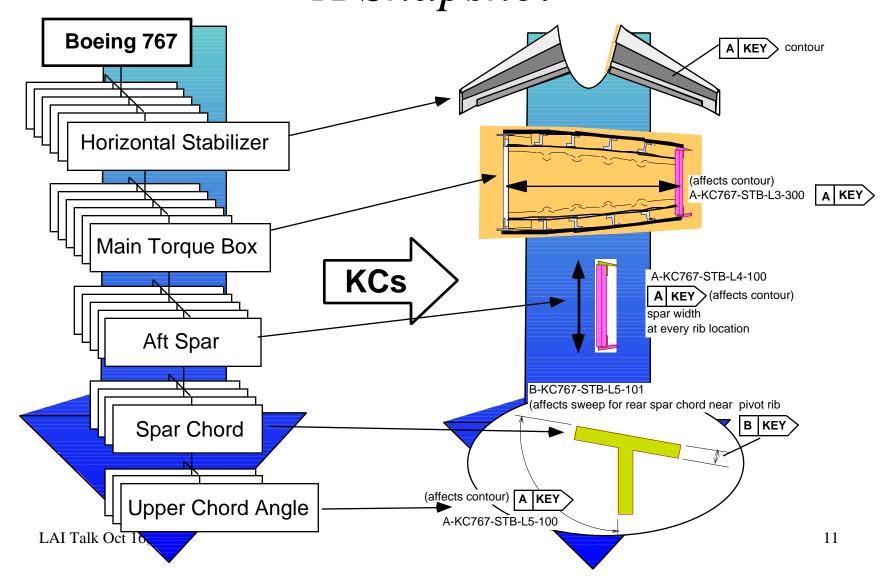
Assembly Key Characteristics (AKC)

How is it delivered ?

Manufacturing Key Characteristic (MKC)

How is it realized ?

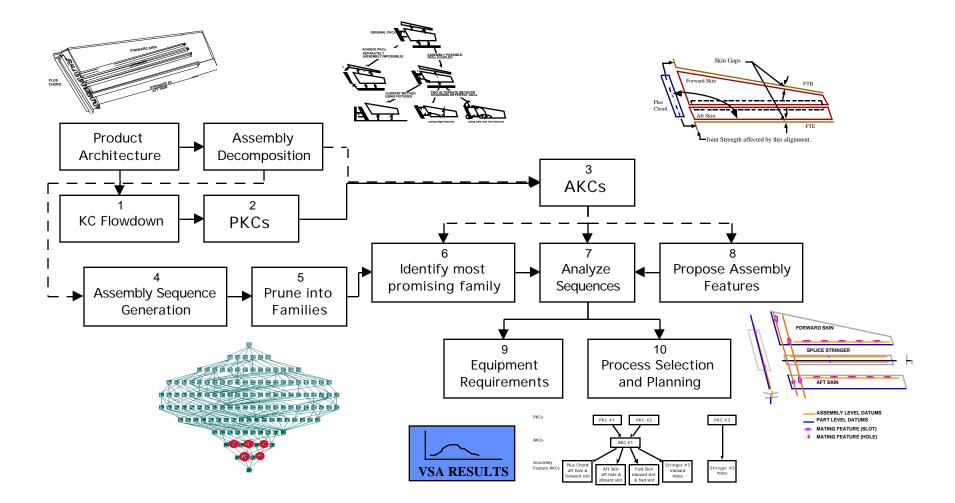
Boeing 767 KC Flowdown: A Snapshot



Projects with Companies

- Corrective Action at Ford and Vought N-G (2)
- Precision Assembly of 767 Horiz Stab Skin (2)
- KC process capability formulation at GM (1)
- Org learning for precision assembly (1)
- Modeling of assembly layouts for top-down design and process planning (2)
- Strategies for long term outsourcing, supply chain design, and product module definition (2)

Precision Assembly Project



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Findings

- Auto and aircraft industries have similar problems
- Supply chains are large and complex
- Products are outsourced down to the last part and tool
- There is too much rework and too little up-front work
 This is much less a problem for cars
- People and companies have trouble thinking about complete systems like assemblies

Findings, continued

- Product design repeats past thinking
 - same subassemblies, module breaks, priorities
- Corrective action focuses on parts
 - little knoweldge of "other" areas or why they are important
- The procurement process still delays consideration of basic producibility issues

"Connectivity" is Missing

- People think of assembly as <u>fastening</u>
- Assembly is really <u>chaining</u>
- Assembly is in fact a classic systems problem:
 - problems show up "here"
 - causes are "over there"
 - "over there" means another part, another work area, another department, another company

Complex Problems Require New Solutions and Communication Tools

- Relationships between design, manufacturing, and supply chain design are extremely complex
- Consequently they are hard to explain
- Few people are accustomed to thinking in multidimensional ways about organizations or geometry
- Solutions to these problems involve a combination of technical and organizational changes
- *3D CAD will not do it alone*

New Design Tools Must Have a New Level of Communicative Power

- Design teams are multi-functional and multicultural
- Getting everyone to understand the other person's problem may be more important than getting every detail right the first time
- Communicative power may have to be gained at the temporary expense of technical accuracy

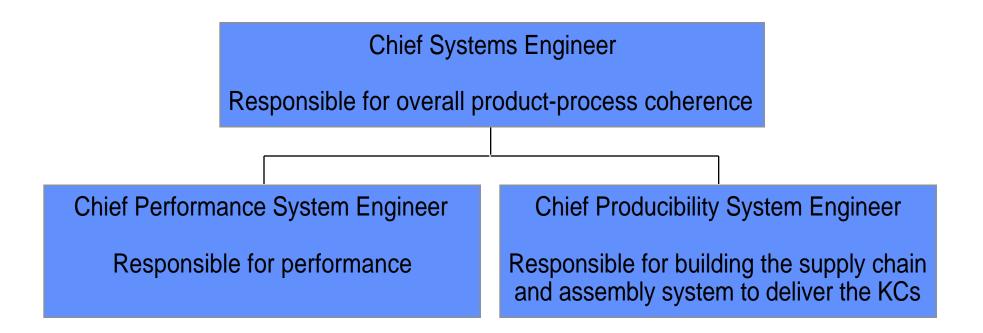
We Need to Focus on Chains

- Product quality increasingly is delivered by systems
- Key characteristics are delivered by chains of parts that are designed and produced by chains of companies
- We need better design methods, data models, and customer-supplier practices that encourage product development that focuses on these chains

A Vision for Chain-driven Product Development

- Top-down design defines KCs and relates them to modules and parts
 - KC deliverability and cost criteria applied
- Product design and producibility system design have equal status
- Vendor system is designed to deliver these KCs
- Everyone in the chain knows their contribution
- CAD/CAM/CAE/PIM capable of supporting integrative data, queries, calculations

A Vision for Chain-Driven Product Development



Information on the Web

Fast and Flexible Communication Projects at MIT

http://web.mit.edu/ctpid/www/agile/index.html

follow the links to other related MIT pages

look for papers about flexible assembly, make/buy decisions, descriptions of the fast/flexible project, supply chain dynamics, and assembly modeling