

EASTERN MEDITERRANEAN UNIVERSITY DEPARTMENT OF INDUSTRIAL ENGINEERING IENG332/MANE332 PRODUCTION PLANNING I COURSE OUTLINE



| COURSE CODE | IENG332/MANE332 | COURSE LEVEL | Third Year |
|------------------|-------------------------------|--------------------------|----------------|
| COURSE TITLE | Production Planning I | COURSE TYPE | Area Core |
| CREDIT VALUE | (4, 0, 1) 4 | ECTS Credit Value | 8 |
| PRE-REQUISITE(S) | IENG212/MANE212, MATH322 | CO-REQUISITE(S) | NONE |
| PREPARED BY | Assoc. Prof. Dr. Orhan KORHAN | SEMESTER / ACADEMIC YEAR | SPRING 2019-20 |

| | Name(s) | E-mail | Office | Telephone |
|-----------------|--|------------------------------|---------|------------------|
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| COURSE SCHEDULE | Lectures: Tuesday 10:30-12:20 (IE-D203); Thursday 12:30-14:20 (IE-D203) Tutorial: Friday 14:30-15:20 (IE-D203) Office Hour: Monday 14:30-15:20 | | | |
| COURSE WEB LINK | https://staff.emu.edu.tr/orhankorhan/en | | | |

COURSE DESCRIPTION

Two sequel courses are designed together to provide the basics of production planning and control with the need of modern manufacturing organizations in mind. The topics covered in the first course are production and operations strategy, subjective and objective forecasting (i.e. Delphi method, trend-based methods, and methods for seasonal series), deterministic inventory planning and control (i.e. Economic Order Quantity model and its extensions to several environments), stochastic inventory planning and control, aggregate production planning, and master production scheduling.

COURSE OBJECTIVES

The main objectives of this course are:

- 1. Significance of production planning and control concepts (history, management theories, competitiveness, flow process, layout arrangements, organizational arrangements, supply chain management, product life cycle, decisions in production systems) (Contributing Student Outcomes 1, 2, 7)
- 2. Market-driven systems (wheel of competitiveness, integrated production systems, CMS, FMS, CIM, world class manufacturing, lean production, agile manufacturing) (Contributing Student Outcome 1)
- 3. Problem solving (identification, understanding, developing, solving, interpretation, implementation) (Contributing Student Outcomes 1, 6)
- 4. Fundamental concepts of Forecasting (judgmental / qualitative, causal, time series) (Contributing Student Outcome 1)
- 5. Regression method for qualitative forecasting (Contributing Student Outcome 1, 6)
- 6. Constant process (LDP, overall average, moving average, Simple Exponential Smoothing) (Contributing Student Outcomes 1, 6)
- 7. Trend process (Double Exponential Smoothing) (Contributing Student Outcomes 1, 6)
- 8. Seasonal process (Winter's method) (Contributing Student Outcomes 1, 6)
- 9. Forecast errors, tracking signals (Contributing Student Outcomes 1, 6)
- 10. Fundamental concepts of Inventory control (terminology, costs, periodic review, continuous review) (Contributing Student Outcome 1)
- 11. Lot sizing models (EOQ, EPQ) (Contributing Student Outcomes 1, 6)
- 12. Quantity discounts (all units, incremental) (Contributing Student Outcomes 1, 6)
- 13. Inventory control decisions (ABC analysis) (Contributing Student Outcomes 1, 6)
- 14. Working effectively in multidisciplinary teams, making an independent research for real life cases, and writing a technical report on the results (Contributing Student Outcomes 1, 3, 5, 6)

COURSE LEARNING OUTCOMES

On successful completion of this course, students are expected to develop knowledge and understanding of:

- 1. Production management basics and its history
- 2. Key issues on market-driven systems and global competition
- 3. Classification of production systems, and their definitions
- 4. Classification of planning and control problems, and their definitions
- 5. Problem solving procedure
- 6. Demand forecasting and market analysis
- 7. Qualitative approaches to forecasting
- 8. A variety of quantitative forecasting techniques including the use of computer tools
- 9. Decomposition of data into its components
- 10. Classification of inventory models
- 11. The systems perspective to production planning problems and to integrate different production planning activities
- 12. Formulation of aggregate planning problems; their objectives, constraints and applicable solution techniques
- On successful completion of this course, students are expected to develop their skills in:
 - 13. Having competence over the analytical background of basic mathematical models
 - 14. Surveying, gathering and analysis of data for planning purposes

- 15. Forecasting demand using qualitative techniques
- 16. Forecasting demand using regression
- 17. Forecasting demand using time-series methods
- 18. Evaluation of forecasts error for various forecasting methods
- 19. Solving basic production planning problems
- 20. Solving basic inventory management problems
- 21. Formulating aggregate production planning problems

On successful completion of this course, students are expected to develop their appreciation of and respect for values and attitudes regarding the issues of:

22. Role of Industrial Engineering in Production Planning and Control

- 23. Acting in a team for the team's objectives
- 24. Importance of forecasting in production planning
- 25. Necessity for formulating viable alternatives to aggregate planning
- 26. Importance of accuracy in estimating market share, demand, relevant costs and all requirements and the sensitivity of results to these values

CONTRIBUTION OF THE COURSE TO MEETING THE REQUIREMENTS OF CRITERION 5

| Mathematics and Basic Sciences | : 25 % |
|--------------------------------|--------|
| Engineering Science | : 50 % |
| Engineering Design | : 0 % |
| General Education | : 25 % |

RELATIONSHIP OF COURSE TO STUDENT OUTCOMES

| | | Level of Contribution | | |
|---|----------|-----------------------|----|--|
| Student Outcomes | Moderate | High | NO | |
| 1. an ability to identify, formulate, and solve complex engineering problems by applying principles of engineering, science, and mathematics | | Ŋ | | |
| 2. an ability to apply engineering design to produce solutions that meet specified needs with consideration of public health, safety, and welfare, as well as global, cultural, social, environmental, and economic factors | Ŋ | | | |
| 3. an ability to communicate effectively with a range of audiences | V | | | |
| 4. an ability to recognize ethical and professional responsibilities in engineering situations and make informed judgments, which must consider the impact of engineering solutions in global, economic, environmental, and societal contexts | | | V | |
| 5. an ability to function effectively on a team whose members together provide leadership, create a collaborative and inclusive environment, establish goals, plan tasks, and meet objectives | V | | | |
| 6. an ability to develop and conduct appropriate experimentation, analyze and interpret data, and use engineering judgment to draw conclusions | | Ŋ | | |
| 7. an ability to acquire and apply new knowledge as needed, using appropriate learning strategies. | V | | | |

GRADING CRITERIA

Exams: All examinations will be based on lectures, tutorials, labs, assigned readings, project study or other work. To pass these exams students will need to have studied the material well in advance in order to understand the concepts, procedures and techniques. To discourage last minute cramming, the instructor and the assistants will <u>not</u> answer any questions from students on the day of an examination. Exam results will be announced on the notice boards as soon as the exam papers have been evaluated. Descriptions of these examinations are as follows:

| Quizzes: | There will be three quizzes that will be announced in advance. They will be of <u>closed-book/closed-notes</u> type but |
|---------------|---|
| | all required material will be supplied. |
| Midterm Exam: | There will be one <u>closed-book/closed-notes</u> midterm examination that covers all the material up to the date of the |
| | examination. The midterm exam may consist of two sections: discussion questions and problems. It will be |
| | scheduled for a day in the designated mid-term exams week. |
| Final Exam: | The final examination will be an open-book exam which will cover all the material studied throughout the semester |
| | and has the same structure as in the midterm examination. It will also be used to determine letter grades. Like the |
| | midterm exam, the final exam will be scheduled for a day in the designated final exams week. |
| Make-up Exam: | No make-up examination will be given to students who miss quizzes, and whose attendance is below 70%. |
| | Make-up examination will only be offered (at the end of the semester) to students who missed the final or midterm |
| | exam and provided adequate documentations for the reason for their absence within three working days at the latest |
| | after the examination date. A student's illness will only be accepted as a valid excuse if it is supported by a written |
| | report of a physician from the Health Center of the EMU. |
| Re-sit Exam: | Re-sit examination is considered as Final Exam and will include Final Exam topics. Re-sit examination will be offered |
| | to the students who fall into the following categories: students who have gained letter grades D - or F (but <u>not NG</u>), |
| | and the students who received an academic warning or who are on unsatisfactory or probational status. |
| Term Project: | Students should form groups of <u>3 students</u> (exactly, otherwise you should submit a valid excuse in written form) who may |
| | be in different class groups, should submit a single project report. The topic for the project will be selected by the project |
| | group among the list of topics provided by the instructor. Unfortunately, a penalty for late submissions will be applied if |
| | the project report is not submitted on the due date. |
| | |

Note: The students need a calculator so they should bring their calculators to all lecture/tutorial/lab/exam hours.

RELATIONSHIP WITH OTHER COURSES

It is the first course in a series of production planning and control courses. It will also prepare the students for facilities planning and design and the graduation project courses (IENG441/MANE441 Facilities Planning and Design & IENG492/MANE492 Manufacturing and Service Systems Design).

LEARNING / TEACHING METHOD

Teaching will be based on enabling the students to understand the concepts and procedures in each topic section and to be able to apply them. To do this the course will be organized into two modules: Lectures and Tutorials/Laboratory sessions. Sometimes four hours of class in a week will be used for lectures according to the perceived need. On the other hand, sometimes 2 hours of class in a week will be organized for lectures, 1 or 2 hours for Tutorials and/or Laboratory sessions.

- Lectures: In lectures the instructor will attempt to summarize and explain only selected important concepts and points as clearly as possible. To be familiar with the material presented in lectures and participate in class discussions, students are expected to read the material covered in the previous lectures prior to the class meeting. Students will then find the lectures more interesting, and will benefit from the discussion if they come well prepared.
- **Tutorials:** In addition to the regular lectures, there will be tutorial sessions conducted in the classroom by the assistants, according to the perceived need. In these hours the assistants will do extra example problems. Obviously, the best tutorials are those that meet the learning needs of students. The people who best understand your learning needs are <u>you</u>. Please contact the assistants regarding what you would like to see in the tutorials. Tutorial content will then be determined, and the tutorial date will be announced accordingly.
- Laboratory Work: Throughout the semester, there will be several laboratory sessions, which will be conducted by the assistants, to do various computer exercises that require the use of Word, Excel, together with general IE/OR Software available in the laboratory. Laboratory sessions will always be held in the Department's PC Labs and their dates announced in advance. If you have any problem in these sessions please try to resolve your problem with the assistants first.
- **Office Hours:** The students' timetables will be a base for determining appropriate time slots with zero clash (or minimum number of clashes) as much as possible. If students have difficulty in understanding any material after they have tried their best, they should consult their assistants and instructor during their office hours only. However, if you wish to meet the instructor outside of their office hours, please call him by phone or send an e-mail first to make an appointment.

ASSIGNMENTS

Besides the textbook material, there will be some reading assignments, which will support the lectures. For any type of examination, students are also responsible from studying all assigned readings, even if they might not be discussed in class.

METHOD OF ASSESSMENT

Although the student's overall grade will be based on the general assessment of the instructor, the following percentages may give an idea about the relative importance of various assessment tools.

| Attendance and Participation | 5 % |
|------------------------------|--------------------------------|
| Project Study | 20 % (3 Phases, (6% + 7% + 7%) |
| Quizzes | 15 % |
| Mid-term Exam | 25 % |
| <u>Final Exam</u> | 35 % |
| TOTAL | 100 points |

Note that the instructor reserves the right to modify these percentages in case he finds it necessary. Letter grade equivalents of numerical performances will be announced by the Registrar's Office after the last day for the submission of letter grades.

NG (Nil-grade): Conditions that lead to NG (Nil-grade):

- 1. Not attending the **Final Exam** or its **Make-up Exam** without a valid excuse.
- 2. Not attending the Mid-term Exam without a valid excuse.
- 3. Not submitting the **<u>Term Project</u>**.
- 4. Not attending the **<u>Project Presentation.</u>**
- 5. Not attending any one of the <u>Lab Exams</u> without a valid excuse.
- 6. Having an attendance to lectures/tutorials/labs less than 70%.
- **Objections:** Any form of document concerning work that is to be used by the instructor as the basis of grading will be shown to the student upon request, within a week following the announcement of the grade. The objection to any grade must be made to the assistants within that period. If, after an exam has been graded, you think an error was made in grading or you have questions about the grading of the material, please examine the exam solutions first, and then write your questions or comments on a separate sheet of paper and turn this paper to the assistants.

ATTENDANCE AND NG GRADE

Attendance will be taken every Lecture/Tutorial/Lab session. Note that EMU regulations allow instructors to give a grade of NG (Nil Grade) to a student whose absenteeism is more than 30% of the Lecture/Tutorial/Lab hours and/or who do not complete sufficient work that are included in the assessment of the course.

TEXTBOOK/S

Students must have the following textbook:

- Sipper, D., and Bulfin, R.D., "Production Planning, Control, and Integration", McGraw Hill, (1997). ISBN 0-07-115843-X.
- Lecture Notes: Students are expected to make their own notes. Lecture notes and/or overheads used in class will not be made available for copying. Material presented in class taken from other than the textbook will be made available on the web page of the course (refer to http://www.ie.emu.edu.tr).

INDICATIVE BASIC READING LIST

- Nahmias, S., "Production and Operations Analysis", 5th edition, Irwin, (1997). ISBN 0-07-286538-5,
- Silver, E.A., Pyke, D., and Peterson, R., "Inventory Management and Production Planning and Control", 3rd Edition, John Wiley, (1998). ISBN 0-471-11947-4,
- Vollmann, T.E., Berry, W.L., and Whybark, D.C., "Manufacturing Planning and Control Systems", 4th Edition, McGraw Hill, (1997). ISBN 0-7863-1209-2.

EXTENDED READING LIST

Note that aside from these books, EMU Library has quite a good collection of books on the intermediate and advanced levels in the related fields of industrial engineering discipline.

TOPICS COVERED and COURSE SCHEDULE

| WEEK | TOPICS |
|------|--|
| 1 | Overview of Production Planning and Control Concepts |
| 2 | Problem Solving |
| 3 | Market Driven Systems |
| 4 | Forecasting System and Forecast Control |
| 5 | Qualitative Forecasting |
| 6 | Causal Forecasting with Regression |
| 7 | Time Series Models: Constant Process |
| 8 | MIDTERM EXAM WEEK |
| 9 | Time Series Models: Trend Process, Seasonal Process |
| 10 | Forecast Control |
| 11 | Inventory Control: Independent Demand Systems |
| 12 | Inventory Control: Quantity Decisions (EOQ, EOQ with backlog) |
| 13 | Inventory Control: Quantity Decisions (EPQ, EPQ with extensions) |
| 14 | Inventory Control: Quantity Discounts |
| 15 | Inventory Control: Control Decisions (ABC Analysis) |
| 16 | FINAL EXAM WEEKS |

| Class Schedule | Tutorial Schedule | Laboratory Schedule | Presentation |
|--------------------------------|--------------------------------|-------------------------------|-----------------------|
| 4 hours of lecture per week by | 1 hour of tutorial per week by | 1 hour lab towards the mid of | There will not be any |
| the instructor | the course assistant | the semester for introducing | presentation |
| | | Computer Integrated | _ |
| | | Manufacturing Lab | |

ACADEMIC HONESTY, PLAGIARISM & CHEATING

This is intentionally failing to give credit to sources used in writing regardless of whether they are published or unpublished. Plagiarism (which also includes any kind of cheating in exams) is a disciplinary offence and will be dealt with accordingly. According to university by laws cheating and plagiarism are serious offences punishable with disciplinary action ranging from simple failure from the exam or project/report, to more serious action (suspension from the university for up to one semester). Disciplinary action is written in student records and may appear in student transcripts. Any act not suitable for a university student will not be tolerated and may lead to formal disciplinary action. Example of this are: getting someone else to take the examinations for you, misrepresentation of your own answer sheet as another's work, cheating, knowingly assisting other students to cheat, abusing the tolerance or breaking the discipline of the class.

PLEASE KEEP THIS COURSE OUTLINE FOR FUTURE REFERENCE AS IT CONTAINS IMPORTANT INFORMATION !!!