Industrial Engineering Letters ISSN 2224-6096 (Paper) ISSN 2225-0581 (online) Vol.4, No.8, 2014



New Mixed Integer Programming for Facility Layout Design without Loss of Department Area

Songwut Deechongkit Rawinkhan Srinon^{*} School of Engineering, the University of the Thai Chamber of Commerce 126/1 Vibhavadee-Rangsit Rd., Dindaeng, Bangkok 10400 Thailand * E-mail of the corresponding author: <u>Rawinkhan sri@utcc.ac.th</u>

Abstract

This paper proposes a New Mixed Integer Programming (NMIP) for solving facility layout problem (FLP). The formulation is extensively tested on problems from literature to minimize material handling cost when addresses on the shop floor. Every department and shop floor in tested problem were fixed dimension of length and width. Classic Mixed Integer Programming (MIP) solves FLP with fixed layout area and preset each department's lower-upper limit of length and width. As a result, there might be some departments with 5-10% area less than initial layout design requirements which leads to problem in design and construction process. It is infeasible to address the department on the actual shop floor thus adjustment of result from MIP is required. The main purpose of NMIP is to eliminate such infeasibility and show the efficiency of this model.

Keywords: mixed integer programing, facility layout design, facility layout problem, heuristics

1. Introduction

FLP is one of classical facility problems. One of the reasons is due to its contribution to saving 20–50% of the total operating cost and 15–70% of the total manufacturing cost when shop floor is well designed (Tompkins 2010; Sims 1991). In the real world environment, common framework for facility layout design starts from formulating each department then addressing all departments on the shop floor by taking smooth flow network into account to optimize material handling cost (Ioannou 2007).

To solve FLP, quadratic assignment problem (QAP) was introduced (Koopmans & Beckman 1957) to model the placement of departments to minimize material handling cost. The QAP is shown in equation (1).

$$\operatorname{Min} \sum_{i} \sum_{j} (f_{ij} c_{ij}) d_{ij} \tag{1}$$

Where f_{ij} is flow frequency from department i to department j. c_{ij} is the cost to move one unit per one distance unit from i to j and d_{ij} is the distance from i to j.

Additionally, researchers proposed various heuristics model approaches to solve FLP's objective functions (Ramkumar *et al.* 2009). In nature FLP is NP-complete problem so a variety of methodologies were introduced to deal with these complexities to find practical solution (See & Wong 2008).

MIP is one of the key methods to solve FLP. MIP solves FLP with fixed layout area and preset each department's lower-upper limit of length and width. However, this formulation does not comply with practice. Naturally, manufacturing facilities' dimensions are not equal. In this paper, NMIP formulation is proposed to solve FLP with unequal departmental dimension of length and width. The remainder of this paper is organized as follows. In Section2, review of related works and current MIP mathematical model is presented. The NMIP mathematical model is presented in Section 3. In Section 4, the result of FLP solved by NMIP is shown. Section 5 demonstrates conclusion and suggestion of future work.

2. Literature Review

2.1 Related Works

Many FLP solvers have focused on a single objective (Kazi *et al.* 2013), either quantitative (distance-based) or qualitative (adjacency-based) for efficient design of the facility layout. FLP approaches can be classified into exact approaches, heuristics approaches, and meta-heuristics approaches. The common limitation of FLP approaches is that they cannot solve FLPs with more than 20 facilities in reasonable time (Singh 2009). Many different FLP research directions have been published (Kundu & Dan 2012) such as

- Computerised technique focus; CRAFT (Armour & Buffa 1963), CORELAP (Sepponen 1969), COFAD (Tompkins & Reed 1976), ALDEP (Seehof & Evans 1967) and PLANET (Konz 1985)
- Specific characteristics study; Dynamic Layout Design (Balakrishnan & Cheng 1998), Loop Layout Design (Asef-Vaziri & Laporte 2005) and evolutionary algorithms in FLP (Pierreval *et al.* 2003)
- Meta-heuristic methods/techniques; Simulation Anneal (Coello Coello *et al.* 2007), Tabu Search (Glover & Laguna 1997), Genetic Algorithm (Goldberg 1989; Gen & Cheng 2000), ACO and PSO-based method (Ramkumar *et al.* 2008)

In the recent years, unequal area-multi-objective FLP solving is gaining interest in research world. Researchers have been trying to develop algorithms/models to find the optimal layout that is possible for practical use.

2.2 Mixed-Integer Programming (MIP)

Last two decades, MIP formulation was presented (Montreuil 1990). This model used a distance-based algorithm. The advantages of MIP are as follows; all departments are rectangular in shape, no need to enter an initial layout, Inter-department is guaranteed non-overlapping and high reliability by computerized simulation. Konak *et al.* (2006) developed MIP formulation to solve unequal area FLPs based on the flexible bay structure (FBS), which can solve FLP with upto14 facilities only. MIP utilized mathematic formulation to find decision variables that can minimize objective function as shown below;

Parameter, let:

 B_x be the shop floor length (x-axis),

 B_y be the shop floor width (y-axis),

 A_i be the area of department *i*,

 Ll_i be the lower limit on the length of department *i*,

 Lu_i be the upper limit on the length of department *i*,

 Wl_i be the lower limit on the width of department *i*,

 Wu_i be the upper limit on the width of department *i*,

 f_{ii} be the flow frequency from department *i* to department *j*,

 c_{ij} be the cost to move one unit per one distance unit from department *i* to department *j*,

M is a large number.

Decision variable, let:

 α_i be the *x*-coordinate of the centroid of department *i*,

 β_i be the *y*-coordinate of the centroid of department *i*,

 x'_i be the x-coordinate of the left (west) side of department i,

 x''_i be the x-coordinate of the right (east) side of department i,

 y'_i be the y-coordinate of the bottom (south) side of department i,

 y''_i be the y-coordinate of the top (north) side of department *i*.

Binary variable, let:

 zx_{ij} be equal 1 if department *i* positions strictly to the east of department *j*, otherwise 0,

 zy_{ij} be equal 1 if department *i* positions strictly to the north of department *j*, otherwise 0.

Non-negative variable, let: α_{ij}^+ , $\bar{\alpha_{ij}}$, β_{ij}^+ , $\bar{\beta_{ij}}$.

Objective function:

$$\operatorname{Min} \sum_{i} \sum_{j} f_{ij} c_{ij} \left(\alpha_{ij}^{+} + \alpha_{j}^{-} + \beta_{ij}^{+} + \beta_{j}^{-} \right)$$
(2)

Subject to:

$Ll_i \leq (x''_i - x'_i) \leq Lu_i$	for all <i>i</i>	(3)
$Wl_i \leq (y''_i - y'_i) \leq Wu_i$	for all <i>i</i>	(4)
$(x''_i - x'_i) * (y''_i - y'_i) = A_i$	for all <i>i</i>	(5)
$0 \le x''_i \le x'_i \le B_x$	for all <i>i</i>	(6)
$0 \le y''_i \le y'_i \le B_y$	for all <i>i</i>	(7)
$\alpha_i = 0.5 x'_i + 0.5 x''_i$	for all <i>i</i>	(8)
$\beta_i = 0.5 y'_i + 0.5 y''_i$	for all <i>i</i>	(9)
$\alpha_i - \alpha_j = \alpha_{ij}^+ - \alpha_{ij}^-$	for all <i>i</i> and <i>j</i> , $i \neq j$	(10)

$eta_i - eta_j = eta_{ij}^+ - eta_{ij}^-$	for all <i>i</i> and <i>j</i> , $i \neq j$	(11)
$x''_{i} \leq x'_{i} + M(1 - zx_{ii})$	for all <i>i</i> and <i>j</i> , $i \neq j$	(12)
$y''_{i} \leq y'_{i} + M(1 - zy_{i})$	for all <i>i</i> and <i>j</i> , $i \neq j$	(13)
$zx_{ij} + zx_{ji} + zy_{ij} + zy_{ji} \ge 1$	for all <i>i</i> and <i>j</i> , $i < j$	(14)
$\alpha_i, \beta_i, x'_i, x''_i, y'_i, y''_i \geq 0$	for all <i>i</i>	(15)
$\alpha_{ij}^{\dagger}, \alpha_{ij}^{\dagger}, \beta_{ij}^{\dagger}, \beta_{ij}^{-} \geq 0$	for all <i>i</i> and <i>j</i> , $i \neq j$	(16)

 zx_{ii} , zy_{ii} 0/1 integer

for all *i* and *j*, $i \neq j$

(17)

The objective function given by equation (2) is the distance-based algorithm's objective shown earlier as equation (1). Constraint (3) and (4) ensure that each department's length-width is within specified bounds. Equation (5) expresses each department's area. Constraint (6) and (7) ensure that each department locates within shop floor's bound. Constraint (8) and (9) define coordinate (x, y) of each department's centroid. Constraint (10) and (11) help for linearization to avoid absolute value operator in objective function (2). Constraint (12), (13) and (14) ensure that each department is non-overlap by forcing a separation at least in the east-west or north-south direction. Equation (15) and (16) ensure the non-negative constraints. Lastly constraint (17) designates binary variables.

3. New Mixed-integer programming (NMIP)

This paper proposes NMIP which a few parameters in classic MIP are ignored. In order to solve unequal departmental dimension of length and width, NMIP ignores parameters A_i , Ll_i , Lu_i , Wl_i and Wu_i while adds Sh_i and Lng_i (the shorter and longer side length of department *i*). Moreover NMIP adds one more binary variable Hor_{ij} (equal 1 if department *i* strictly to the longer side of department *j* on x-axis, otherwise 0). (-) indicates the parameters that are ignored parameters while (+) indicates the parameters and variable that are added. The proposed model is shown as follows:

Parameter, let:

- B_x be the shop floor length (x-axis),
- B_y be the shop floor width (y-axis),
- (-) A_i be the area of department i,
- (-) Ll_i be the lower limit on the length of department *i*,
- (-) Lu_i be the upper limit on the length of department *i*,
- (-) Wl_i be the lower limit on the width of department i,
- (-) Wu_i be the upper limit on the width of department *i*,
- (+) Sh_i be the shorter side length of department i,
- (+) Lng_i be the longer side length of department i,
 - f_{ij} be the flow frequency from department *i* to department *j*,
 - c_{ij} be the cost to move one unit per one distance unit from department *i* to department *j*,

 \dot{M} is a large number.

Decision variable, let:

 α_i be the *x*-coordinate of the centroid of department *i*,

 β_i be the *y*-coordinate of the centroid of department *i*,

 x'_i be the x-coordinate of the left (west) side of department i,

 x''_i be the x-coordinate of the right (east) side of department i,

 y'_i be the y-coordinate of the bottom (south) side of department i,

 y''_i be the *y*-coordinate of the top (north) side of department *i*.

Binary variable, let:

 zx_{ij} be equal 1 if department *i* positions strictly to the east of department *j*, otherwise 0,

 zy_{ij} be equal 1 if department *i* positions strictly to the north of department *j*, otherwise 0.

(+) Hor_{ij} be equal 1 if department *i* positions strictly to the longer side of department *j* on x-axis, otherwise 0.

Non-negative variable, let:
$$\alpha_{ij}^+$$
, α_{ij}^- , β_{ij}^+ , β_{ij}^- .

Objective function:

$$\operatorname{Min} \sum_{i} \sum_{j} f_{ij} c_{ij} \left(\alpha_{ij}^{+} + \alpha_{ij}^{-} + \beta_{ij}^{+} + \beta_{ij}^{-} \right)$$
(2)

Subject to:

······		
$x''_i - x'_i \ge Hor_i$ * $Lng_i + (1 - Hor_i) * Sh_i$	for all <i>i</i>	(18)
$y''_i - y'_i \ge Hor_i *Sh_i + (1 - Hor_i) *Lng_i$	for all <i>i</i>	(19)
$(x''_{i} - x'_{i}) + (y''_{i} - y'_{i}) = Lng_{i} + Sh_{i}$	for all <i>i</i>	(20)
$0 \leq x''_i \leq x'_i \leq B_x$	for all <i>i</i>	(6)
$0 \leq y''_i \leq y'_i \leq B_v$	for all <i>i</i>	(7)
$\alpha_i = 0.5 x'_i + 0.5 x''_i$	for all <i>i</i>	(8)
$\beta_i = 0.5 y'_i + 0.5 y''_i$	for all <i>i</i>	(9)

$\alpha_i - \alpha_j = \alpha_{ij}^+ - \alpha_{ij}^-$	for all i and j , $i \neq j$	(10)
$eta_i - eta_j = eta_{ij}^+ - eta_{ij}^-$	for all <i>i</i> and <i>j</i> , $i \neq j$	(11)
$ \begin{array}{l} x''_{j} \leq x'_{i} + M(1 - zx_{ij}) \\ y''_{j} \leq y'_{i} + M(1 - zy_{ij}) \\ zx_{ij} + zx_{ji} + zy_{ij} + zy_{ji} \geq 1 \\ a_{i}, \beta_{i}, x'_{i}, x''_{i}, y'_{i}, y''_{i} \geq 0 \end{array} $	for all <i>i</i> and <i>j</i> , $i \neq j$ for all <i>i</i> and <i>j</i> , $i \neq j$ for all <i>i</i> and <i>j</i> , $i < j$ for all <i>i</i>	(12) (13) (14) (15)
$oldsymbol{lpha}^+_{ij}, oldsymbol{lpha}^{ij}, oldsymbol{eta}^+_{ij} \geq 0$	for all <i>i</i> and <i>j</i> , $i \neq j$	(16)
zx_{ij} , zy_{ij} 0/1 integer	for all <i>i</i> and <i>j</i> , $i \neq j$	(17)
<i>Hor</i> _i 0/1 integer	for all <i>i</i>	(21)

The objective function shown in equation (2) is the distance-based algorithm's objective shown earlier as equation (1). Constraint (3), (4) and (5) were not used in this NMIP. Constraint (18) and (19) define the shape of each department that is horizontal oriented or vertical oriented shape. Equation (20) ensures each department's perimeter is not over than fixed dimension. Constraint (6) and (7) ensure that each department locates within shop floor's boundary. Constraint (8) and (9) define coordinate (x, y) of each department's centroid. Constraint (10) and (11) ensure linearization to avoid absolute value operator in objective function (2). Constraint (12), (13) and (14) ensure that each department is non-overlap by forcing a separation at least in the east-west or north-south direction. Equation (15) and (16) ensure the non-negative constraints. Lastly, constraint (17) and (21) designate binary variables.

4. FLP Solved by NMIP

Shown in Table 1, FLP data sheet from (Tompkins 2010) is to be solved by NMIP; however, two parameters – shorter and longer side of each department – are added. We run this NMIP model by A Modelling Language for Mathematical Programming (AMPL/CPLEX) version 12.2. The problem is to address the department A to H on the shop floor with objective to minimize material handling cost. The department is 240 meters in x-axis and 320 meters in y-axis. We assume the cost to move one unit per one distance unit (c_{ij}) from department i to j is equal to US\$1.

					Flow frequency (trips per day)							
		short	long									
Department	no.	side	side	Area	Α	В	С	D	E	F	G	Н
А	1	100	120	12,000	0	45	15	25	10	5	0	0
В	2	80	100	8,000	0	0	0	30	25	15	0	0
С	3	60	100	6,000	0	0	0	0	5	10	0	0
D	4	100	120	12,000	0	20	0	0	35	0	0	0
Е	5	80	100	8,000	0	0	0	0	0	65	35	0
F	6	60	200	12,000	0	5	0	0	25	0	65	0
G	7	60	200	12,000	0	0	0	0	0	0	0	0
Н	8	40	50	2,000	0	0	0	0	0	0	0	0

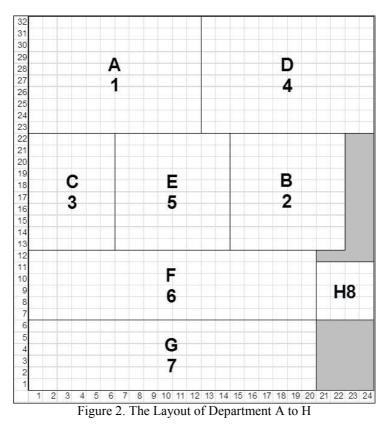
The result of AMPL/CPLEX is shown in Figure 1. The material handling cost (objective function) is \$51,700.

www.iiste.org

F:\AMPL_UTCC20140107\ampl.exe				
ampl: model MIP_5.mod; CPLEX 12.6.0.0: optimal in 112283 MIP simplex iterat;	ions	lution; o	bjective 517	200
5922 branch-and-bound node ampl: display CTX, CTY, x		y_B, y_T;		
		y_T := 320		-
$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	120	320		
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	120 220	220 320		
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	120	220		
6 100 90 0 200 7 100 30 0 200	60 Ø	120 60		
CIX CIY X_L X_R 1 60 270 0 120 2 180 170 140 220 3 30 170 0 60 4 180 270 120 240 5 100 170 60 140 6 100 90 9 200 7 100 30 0 200 8 220 85 200 240	6 0	110		
, ampl: display Bx, By;				
$B_{X} = 240$				
ampl:				
< [
				E⊀

Figure 1. Result from AMPL/CPLEX

From the result of Figure 1, we can draw the facility layout of department A to H on the shop floor as shown in Figure 2.



5. Conclusion

Result from using NMIP has revealed the significance of the merit of this model; it eliminates a weak point of the classic MIP. NMIP can solve the FLP to minimize material handling cost and design the layout of department A to H without any loss of any department's required area within the boundary of the shop floor's dimension.

Suggested future works are to vary shop floor's area (B_x and B_y) by using heuristics algorithm to reduce the total area requirement, finding the relationship between shop floor's area and material handling cost, and limitation of number of departments that can be solved by this model.

References

Armour, G.C. & Buffa, E.S. (1963), "A Heuristic Algorithm and Simulation Approach to Relative Allocation of Facilities", *Management Science* 9, 294–309.

Asef-Vaziri, A. and Laporte, G. (2005), "Loop Based Facility Planning and Material Handling", *European Journal of Operational Research* **164**(1), 1–11.

Balakrishnan, J. & Cheng, C.H. (1998), "Dynamic Layout Algorithms: A State of-the-art Survey", *Omega* 26(4), 507–521.

Coello Coello, C.A., Lamont, G.B. & Van Veldhuizen, D.A. (2007), "Evolutionary Algorithms for

Solving Multi-Objective Problems", Springer, New York.

Gen, M. & Cheng, R. (2000), "Genetic Algorithms and Engineering Optimization", John Wiley & Sons, Inc., New York.

Glover, F. & Laguna, M. (1997), "Tabu Search", Kluwer Academic Publishers, USA.

Goldberg, D.E. (1989), "Genetic Algorithms in Search, Optimization and Machine Learning", Pearson Education, Inc., India.

Ioannou, G. (2007), "An Integrated Model and a Decomposition-Based Approach for Concurrent Layout and Material Handling System Design", *Computers and Industrial Engineering* **52**, 459–485.

Kazi, S.N.R., Kyrre, G., Kashif, N.K., Mats, H. & Jim, T (2013), "Adaptive Variable Neighborhood Search for Solving Multi-objective Facility Layout Problems with Unequal Area Facilities", *Swarm and Evolutionary Computation* **8**, 1-12.

Koopmans, T.C. & Beckman, M. (1957), "Assignment Problems and the Location of Economic Activities", *Econometrica* **25**, 53-76.

Konak, A., Kulturel-Konak, S., Norman, B.A. & Smith, A.E. (2006), "A New Mixed Integer Programming Formulation for Facility Layout Design Using Flexible Bays", *Operations Research Letters* **35**(6), 660–672.

Konz, S. (1985), "Facility Design", Wiley, NY.

Kundu, A. & Dan, P.K. (2012), "Metaheuristic in Facility Layout Problems: Current Trend and Future Direction", *Int. J. Industrial and Systems Engineering* **10**(2), 238–253.

Montreuil, B. (1990), "A Modeling Framework for Integrating Layout Design and Flow Network Design", Material Handling Research Colloquium. Hebron, K.Y.

Pierreval, H., Caux, C., Paris, J.L. & Viguier, F. (2003), "Evolutionary Approaches to the Design and Organization of Manufacturing Systems", *Computers and Industrial Engineering* 44, 339–364.

Ramkumar, A.S., Ponnambalam, S.G. & Jawahar, N. (2008), "A Population-based Hybrid Ant System for Quadratic Assignment Formulations in Facility Layout Design", *Int. J. Advanced Manufacturing Technology*, DOI 10.1007/s00170-008-1849-y.

Ramkumar, A.S., Ponnambalam, S.G. & Jawahar, N. (2009), "A New Iterated Fast Local Search Heuristic for Solving QAP Formulation in Facility Layout Design", *Robotics and Computer-Integrated Manufacturing* **25**, 620-629.

See, P.C. & Wong, K.Y. (2008), "Application of Ant Colony Optimisation Algorithms in Solving Facility Layout Problems Formulated as Quadratic Assignment Problems: a Review", *Int. J. Industrial and Systems Engineering* **3**(6), 644–672.

Seehof, J.M. & Evans, W.O. (1967), "Automated Layout Design Program", *The Journal of Industrial Engineering* **18**(12), 690–695.

Sepponen, R. (1969), "CORELAP8 User Manual", Department of Industrial Engineering, Northeastern University, Boston.

Sims, E.R. (1991), "Planning and Managing Industrial Logistics Systems", *Advances in Industrial Engineering* **12**, 1991.

Singh, S.P. (2009), "Solving Facility Layout Problem: Three-level Tabu Search Meta-heuristic Approach", *International Journal of Recent Trends in Engineering* 1(1), 73–77.

Tompkins, J.A. & Reed Jr., R. (1976), "An Applied Model for the Facilities Design Problem", *Int. J. Production Research* 14(5), 583–595.

Tompkins, J.A. (2010), "Facilities Planning", 4th edition, John Wiley, New York.

Songwut Deechongkit is a PhD Student in Logistics at Graduate School of Engineering, the University of the Thai Chamber of Commerce, Thailand. He also works as deputy general manager of Production Planning and Plant Operation Support at Toyota Motor Asia Pacific Co. Ltd. His research interests include Supply Chain and Logistics Management, Optimization, Systems Modeling, Simulation, and Operations Management. His email addresses are <songwut_dee@tmap-em.toyota-asia.com>.

Rawinkhan Srinon is a Lecturer, Department of Logistics Engineering, School of Engineering, and also serves as a Co-director of BBA in Logistics Management (International Program) at the University of the Thai

Chamber of Commerce, Thailand. She received her Doctoral Degree from School of Engineering at Missouri University of Science and Technology (formerly University of Missouri-Rolla), USA. Her teaching and research interests include Logistics and Supply Chain Management, System of Systems Engineering, Inventory Management, Decision Support Systems, and Operations Management and Strategy. Her email address is < Rawinkhan_sri@utcc.ac.th, rawinkhan@gmail.com >.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage: <u>http://www.iiste.org</u>

CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: <u>http://www.iiste.org/journals/</u> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

MORE RESOURCES

Book publication information: <u>http://www.iiste.org/book/</u>

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digtial Library, NewJour, Google Scholar

