

# CHANGING THE CULTURE

## **The Biggest Task Ahead in Integrated Product/Process Development**

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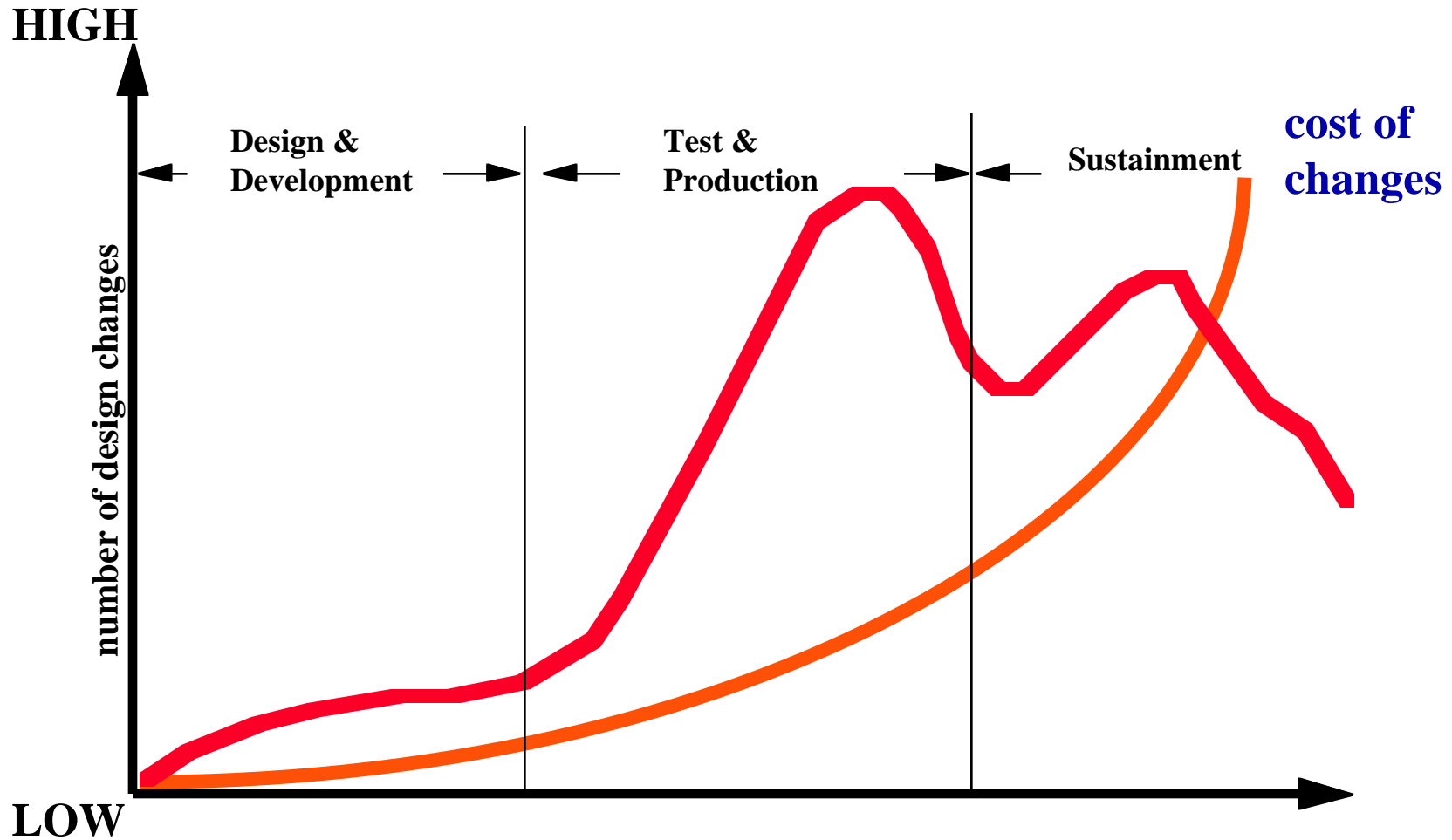
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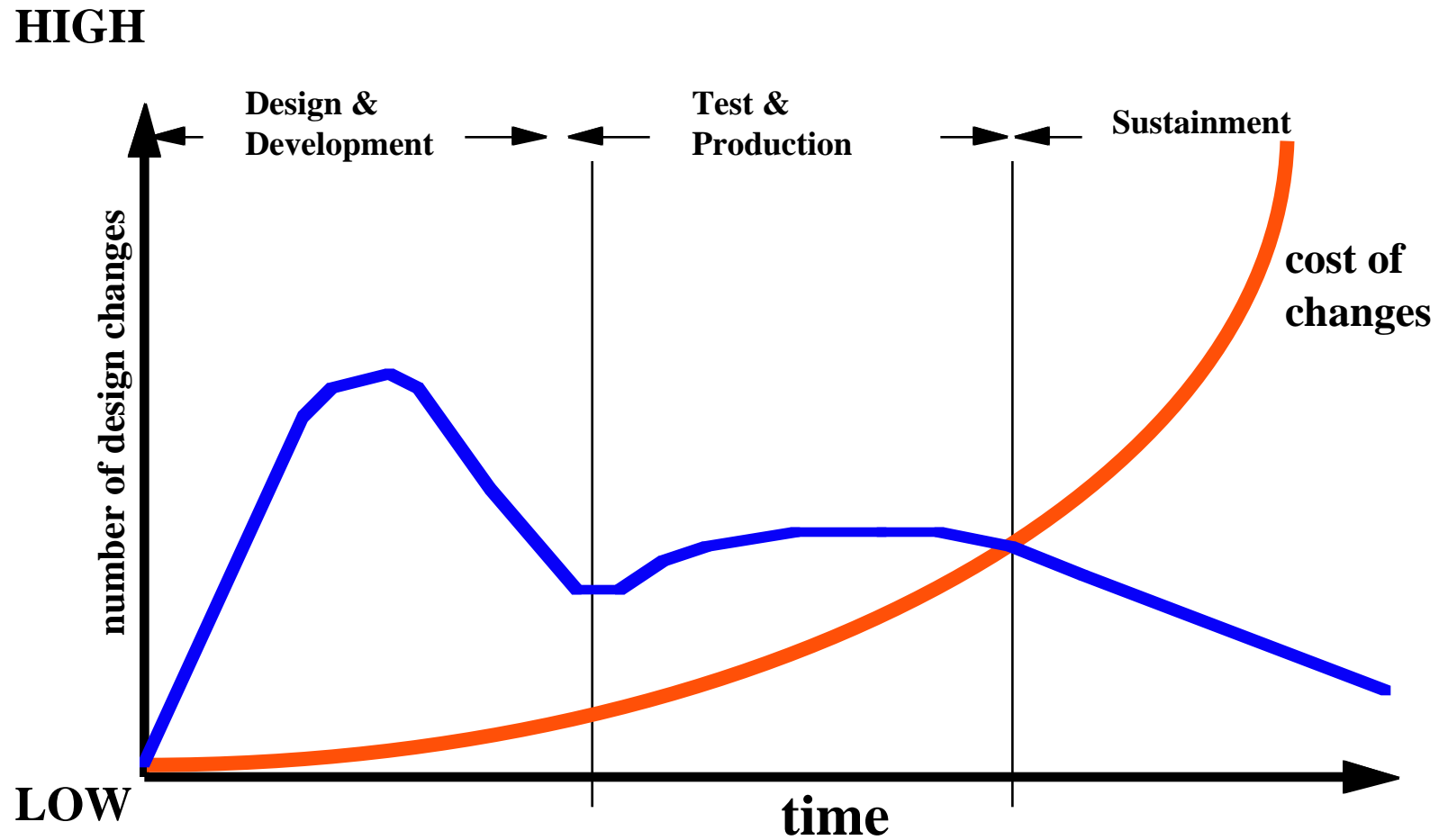
# WHY IPPD

- **IPPD IS KEY to:**
  - U.S. Industrial Competitiveness
  - coupling Information Technology & Manufacturing
- **IPPD IS CRITICAL to:**
  - DoD systems where S&T transitions to new systems
  - the Next Step in World Class Quality Evolution

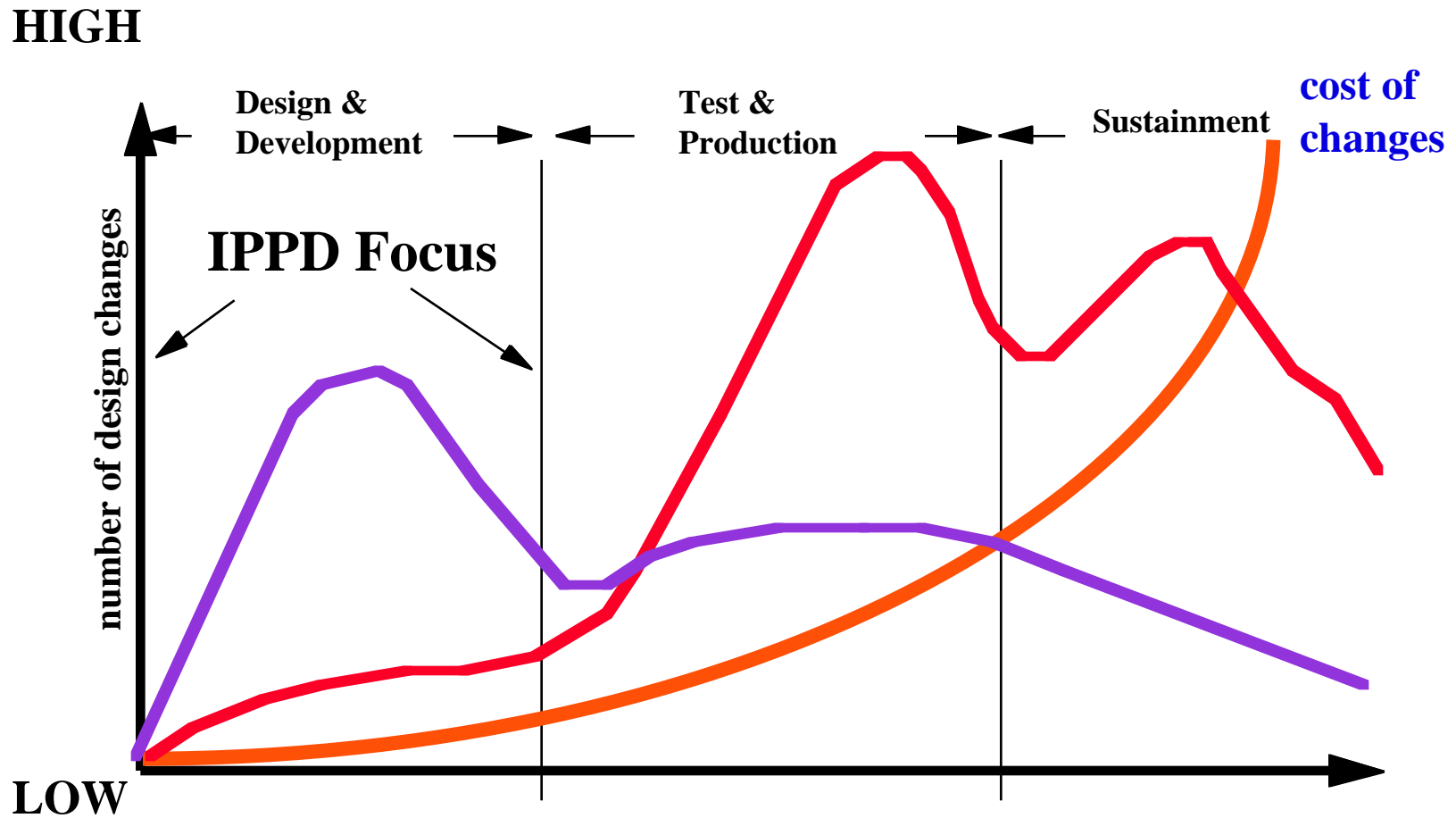
# Traditional Serial Approach vs Concurrent Approach



# Traditional Serial Approach vs Concurrent Approach



# Traditional Serial Approach vs Concurrent Approach



## TRANSITIONS REQUIRED for “WORLD CLASS”

### PRIOR

- **Design for Performance** →
- **Individual Innovation** →
- **Min. Customer Involvement** →
- **Serial Development** →
- **Hardware Prototypes** →
- **Paper Documents** →
- **Incoming Inspections** →
- **Lowest Cost Supplier** →
- **DTUPC Evolution** →
- **Design Review** →
- **Product Inspection** →
- **New Technology** →
- **Operational Testing** →
- **Single Program Focus** →

### FUTURE

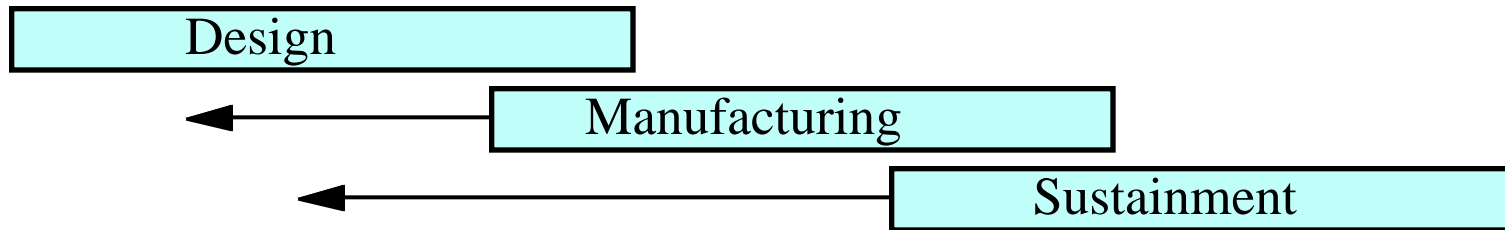
- Design for Affordability**
- Teaming/Workgroup**
- Customer Team Member**
- Concurrent Development**
- Digital Simulation**
- Electronic Database**
- Supplier Certification**
- Strategic Partnerships**
- Product/Process Cost Model**
- “Six Sigma”**
- Process Control**
- Dual Use**
- Simulation/Modeling**
- Multi/Dual Use**

# WHAT IS IPPD?

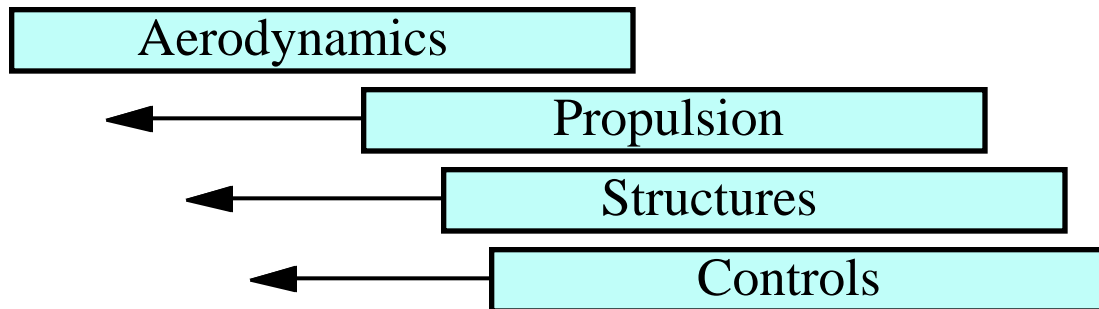
- “...**management methodology** that incorporates a systematic approach to the *early integration and concurrent application of all the disciplines* that play a part **throughout a system’s life cycle.**”  
Industry Task Force, 1992
- “...**a management technique** that simultaneously integrates *all essential acquisition activities* through the use of **multidisciplinary teams to optimize the design, manufacturing, business and supportability processes**”  
DoD Guide to IPPD, 1996

# Concurrent Engineering & Multi Disciplinary Optimization

- **Life Cycle Emphasis (Concurrent Engineering)**



- **Systems Design Emphasis (MDO)**



**REDUCE  
CYCLE TIME**

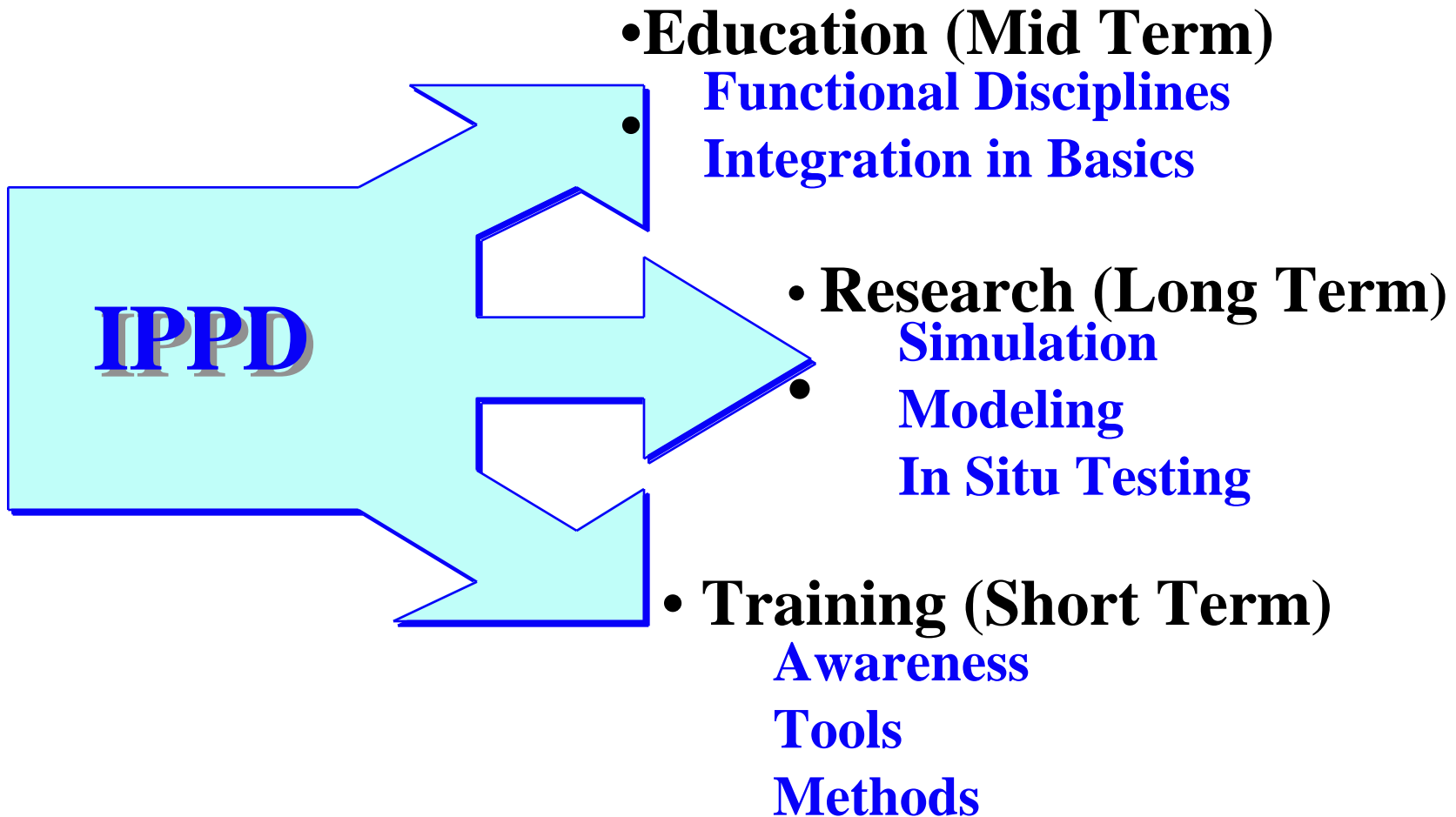


# Unlearning the Past

Learning Curve vs Forgetting Curve

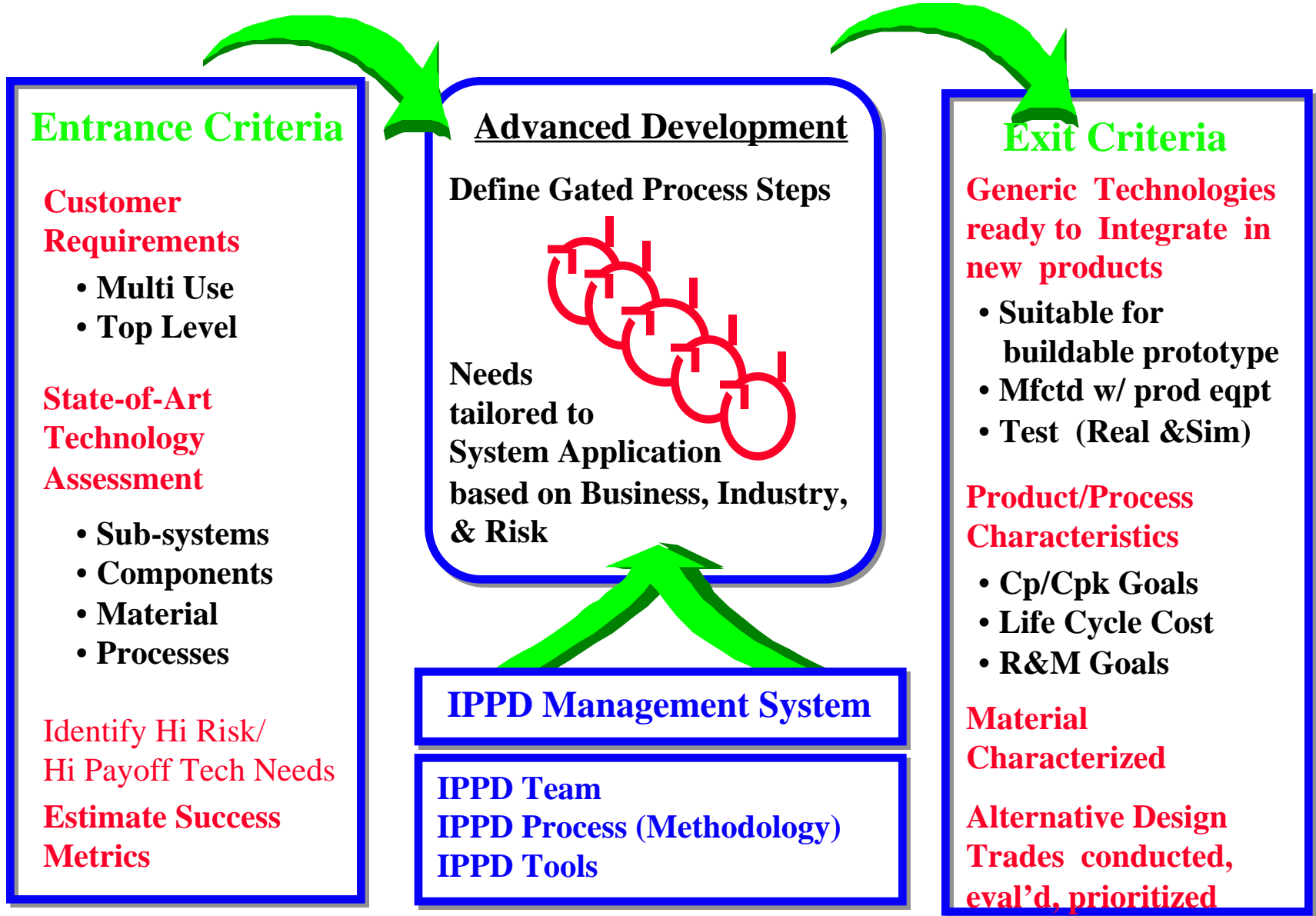
- What New Warfighter Benefit To Provide
- What New Competencies Will We Need
- How to Reconfigure

# Culture Change Formula



# Awareness & Training

- **All Senior Leadership on Same Wavelength**
  - Policy Continuously Reinforced
  - Trickle-Down Time Recognized
  - No “Reactive Policy” to Mistakes
- **All Workforce on Same Wavelength**
  - Toolkit Training
  - “Who Did It Well - Where are the Blind Alleys”
  - Methodology



# Where Competition is Determined Today

## Cost Advantage

Cheap Labor  
Hi Volume, Lo Mix production

## Quality

Statistical Process Control  
Variability Reduction  
Customer Satisfaction

## Time to Market

Cycle Time Comparison (JIT)  
IPPD  
Product/Process Simulation  
Hi Skill/Adaptable Workforce

## Product Variety

Cost Independent of Volume  
Agility  
Commercial/Military Integration  
Virtual Companies

## Manufacturing Enterprise Flexibility

## Company Goodness

Environment

'60

'70

'80

'90

'00

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# An Integrated Strategy for Cost Reduction

ACQUISITION REFORM

- MilSpec Relief
- Reduced Oversight
- New DAB Process
- Streamlined Procurement
- Reqmt & Resources
- Training & Education



AFFORDABLE SUPPORTABLE DEFENSE SYSTEMS

S&T

- Process Maturity
- New "M" Mantech
- New Acq Interface
- IPPD



INDUSTRIAL BASE

- Dual Use Suppliers
- Defense Essential
- Commercial Characteristics

# Introduction to an IPPD Methodology

Dr. Daniel P. Schrage

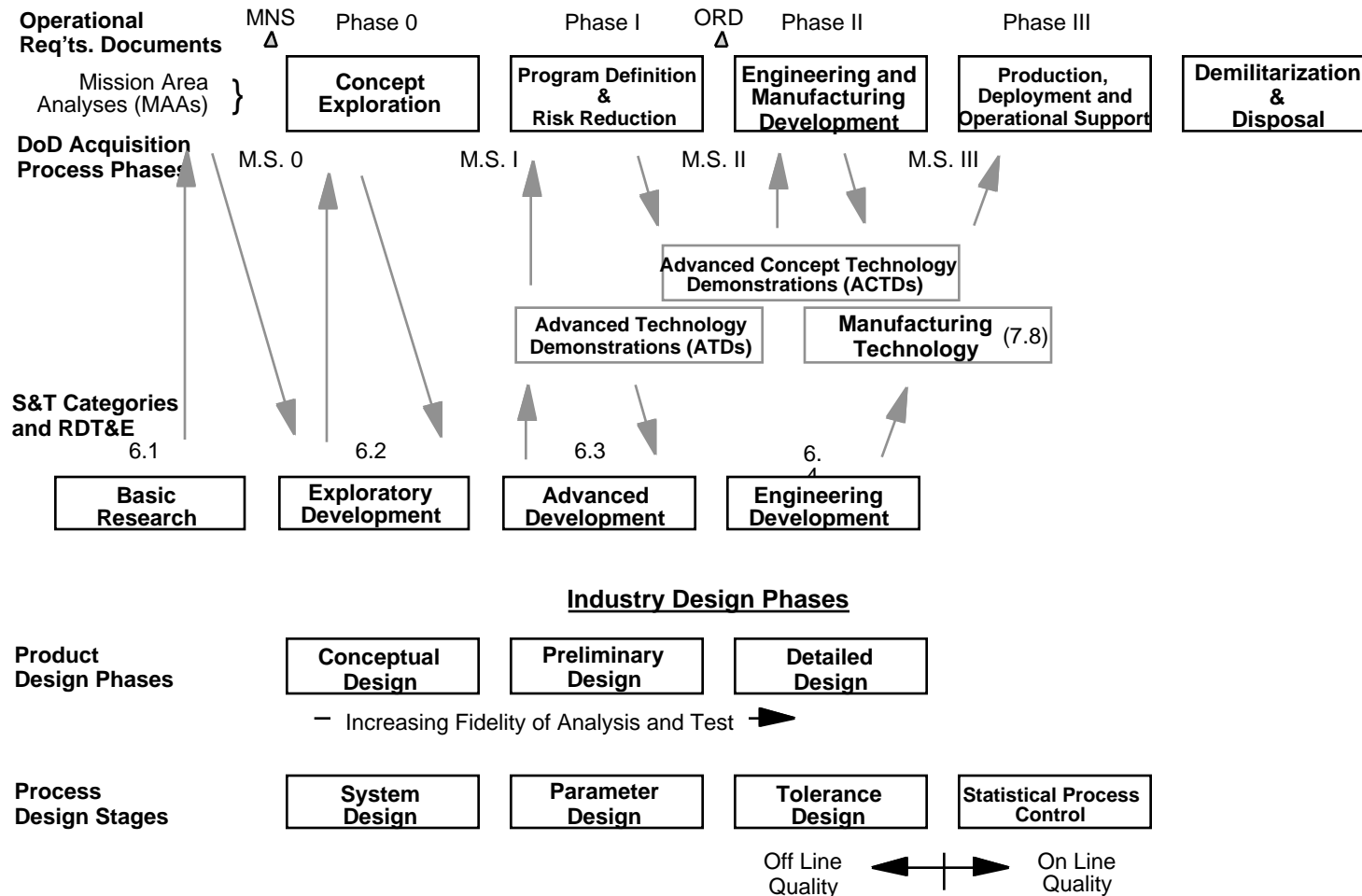
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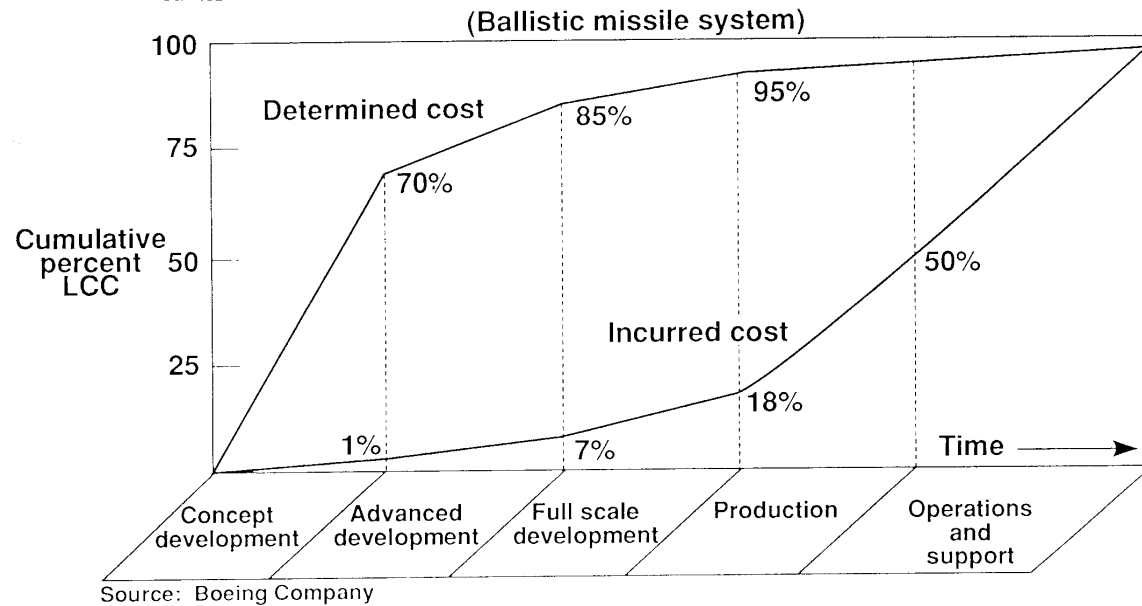
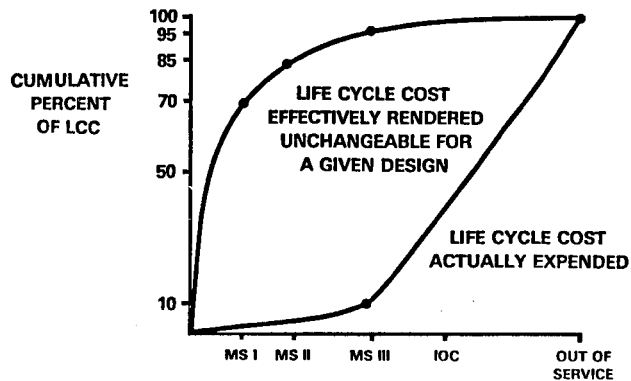
[daniel.schrage@aerospace.gatech.edu](mailto:daniel.schrage@aerospace.gatech.edu)

# The DoD Acquisition Process and Its Interfaces

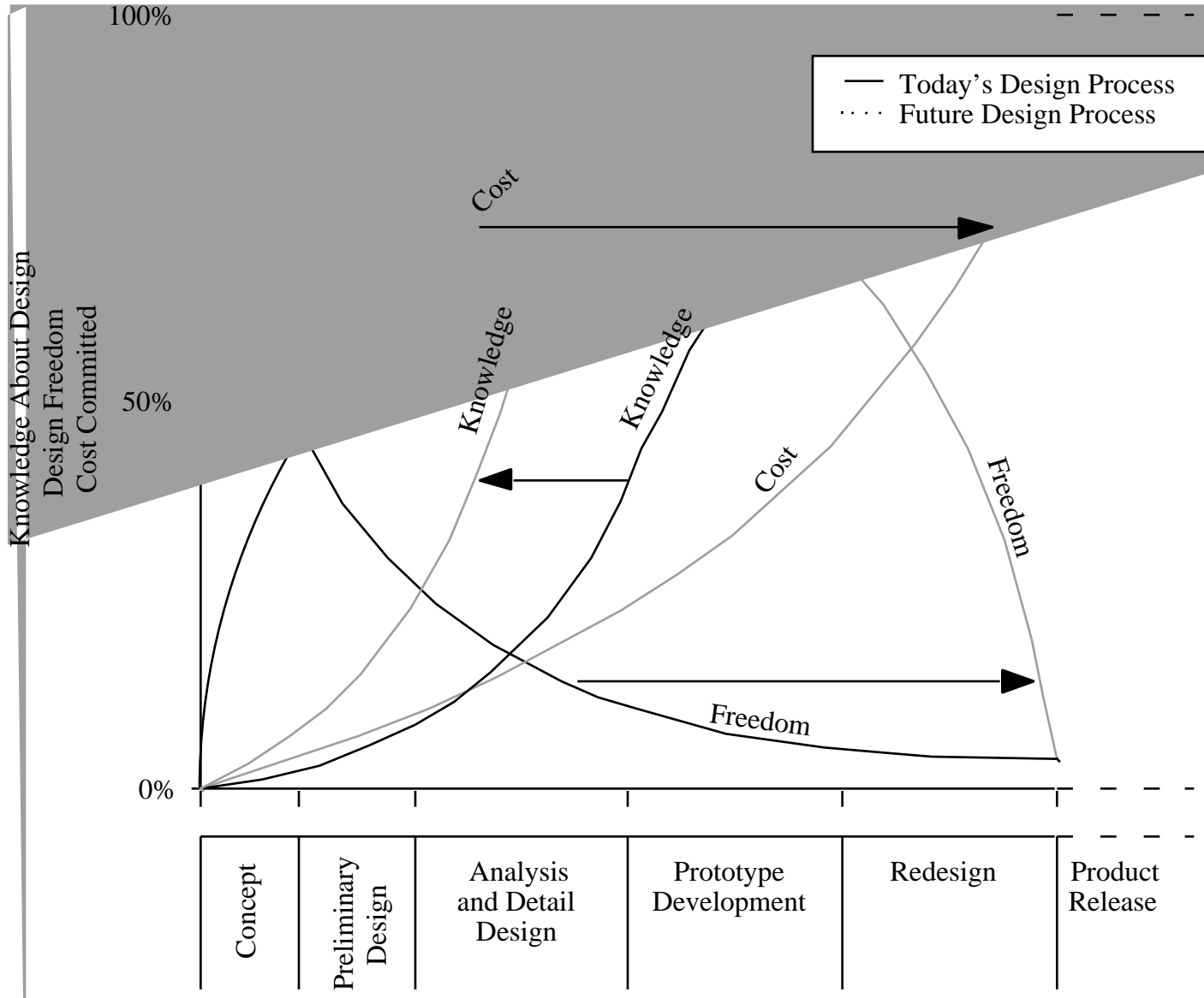




# Life Cycle Costs Get Locked in Early for Complex Systems



# Desired Paradigm Shift From IPPD



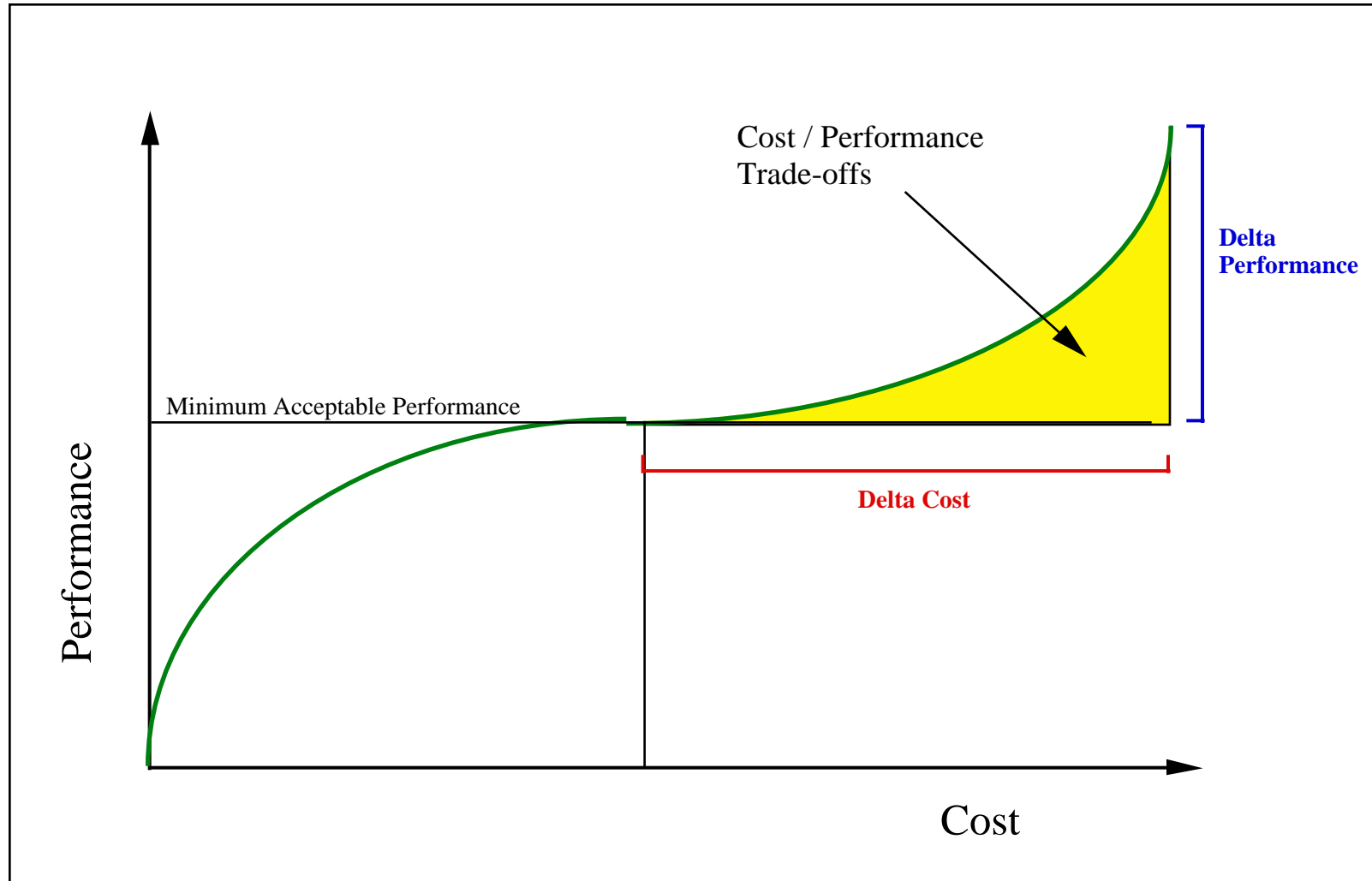
## Cost As an Independent Variable (CAIV)

- An acquisition management concept wherein cost goals are achieved through tradeoffs between cost, schedule, and performance. Cost, as an independent parameter, is addressed as part of the acquisition process. Sample CAIV goals are:
  - Design to Unit Production Cost (DTUPC) goal:  
Achieve the delivered unit production cost goal.
  - Life Cycle Cost (LCC) goal:  
Minimize the total cost for the customer to acquire, operate, support, and dispose of the system.
- Making design converge on cost rather than allowing cost to converge on design; and, ...where cost is elevated to the same level of concern as performance and schedule.
- (Albert, N., 18th ISPA Conf.)

# Cost As an Independent Variable (CAIV) Government Perspective

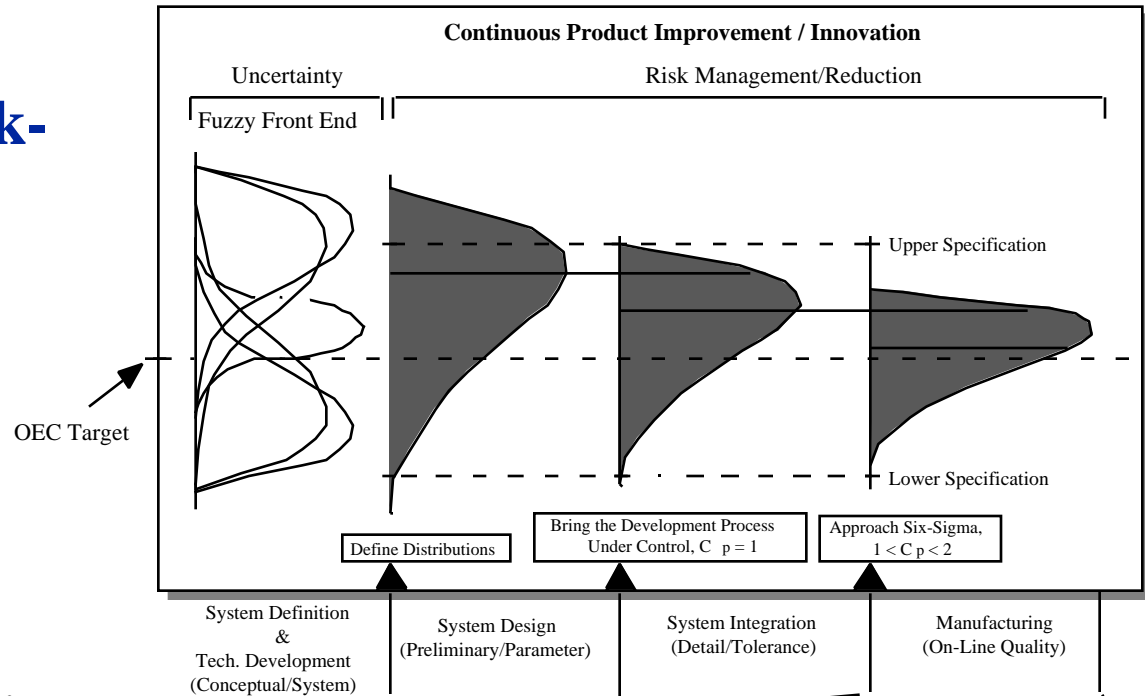
- **Guidance**
  - USD(A) policy memo requires that the acquisition process must consider both performance requirements and fiscal constraints
  - Cost must be an independent variable in programmatic decisions, with responsible cost objectives set for each program phase
- **Considerations**
  - System performance and objective cost are decided on basis of cost-performance trade-offs.
  - Cost performance trade-offs and requirements trade-offs will impact operational capability requirements documents.
  - Cost performance trade-offs and requirements trade-offs will impact analysis of alternatives.

# Affordability is Benefit-Cost Tradeoff, *Not Just Cost Reduction*



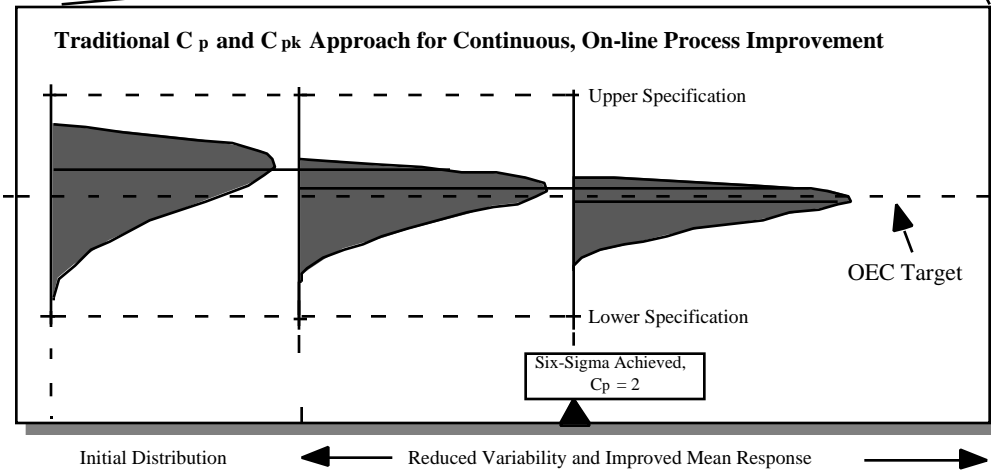
# Uncertainty and Risk-

## Variation Reduction along the Design Timeline



$C_p$  = ratio of product capability / process capability

(e.g. Six-Sigma indicates  $C_p = 2$ )



## Robust Design

*A robust design is capable of operating efficiently in a wide variety of environments, not just a single design-point situation.*

- A robust design is a design with minimal variance due to external noise factors that are beyond the designer's control
- A robust design is one that is well balanced and capable of performing well in all environments.
- For one example, a robust airliner design is insensitive to changes in economic noise parameters such as the cost of fuel.

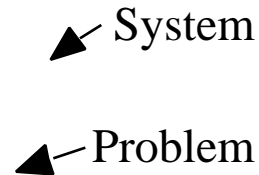
## Open Systems

- Keeping a system open so that it can be **flexibly manufactured and upgraded** for a variety of customers requires direct involvement of the early RD&A community.
- Instead of designing point optimal solutions, **satisficing solutions** are sought which are easily tailored for a variety of products with different levels of technology.
- Open systems require **robust design techniques** where designers and technologists set specification limits and technology goals that allow variability when uncertainty and risk are highest. This keeps the design freedom open.



# Solution Strategies

*Traditional Approach:*



Optimal  
Solution

Problem  
Deviation

Solution  
Becomes Invalid

*Satisficing Approach:*



Satisficing  
Solution

Problem  
Deviation

Solution  
Remains Valid

# Solutions Along a Timeline

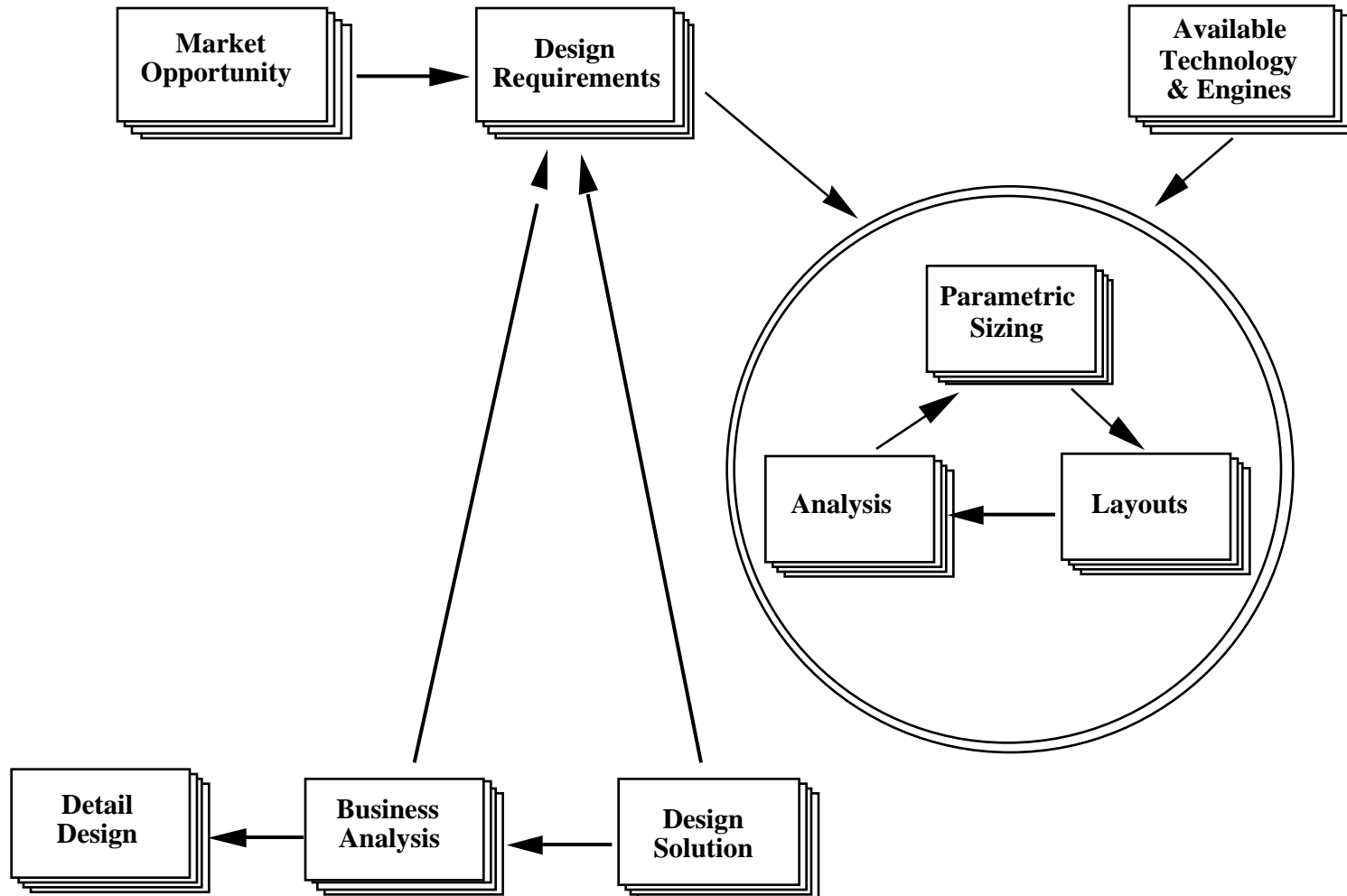
*Satisficing Approach Earlier...*



*..becomes Traditional Approach Later.*

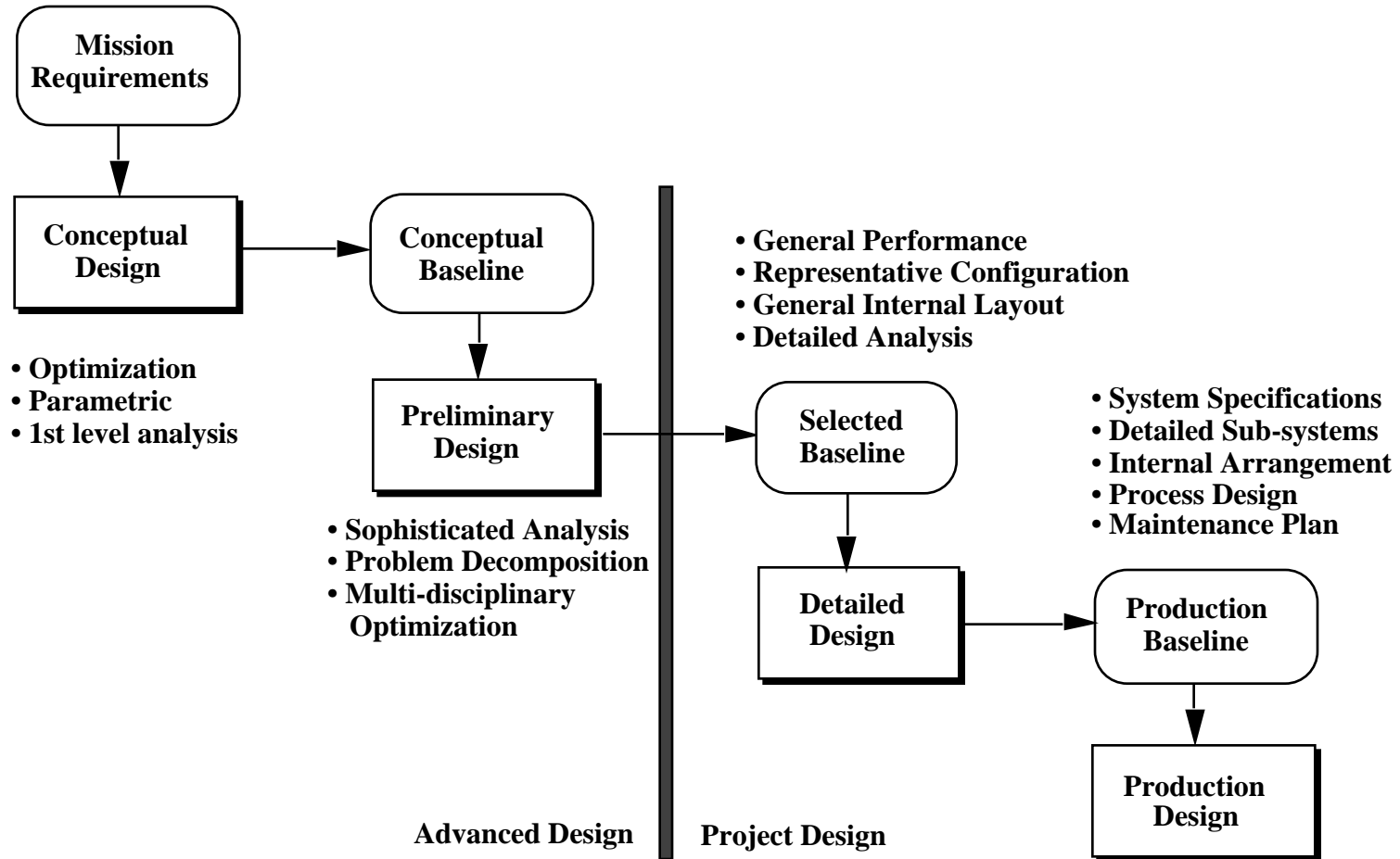


# Commercial System Conceptual and Preliminary Design Process



# Traditional Development Process

## Using Systems Engineering *Only*



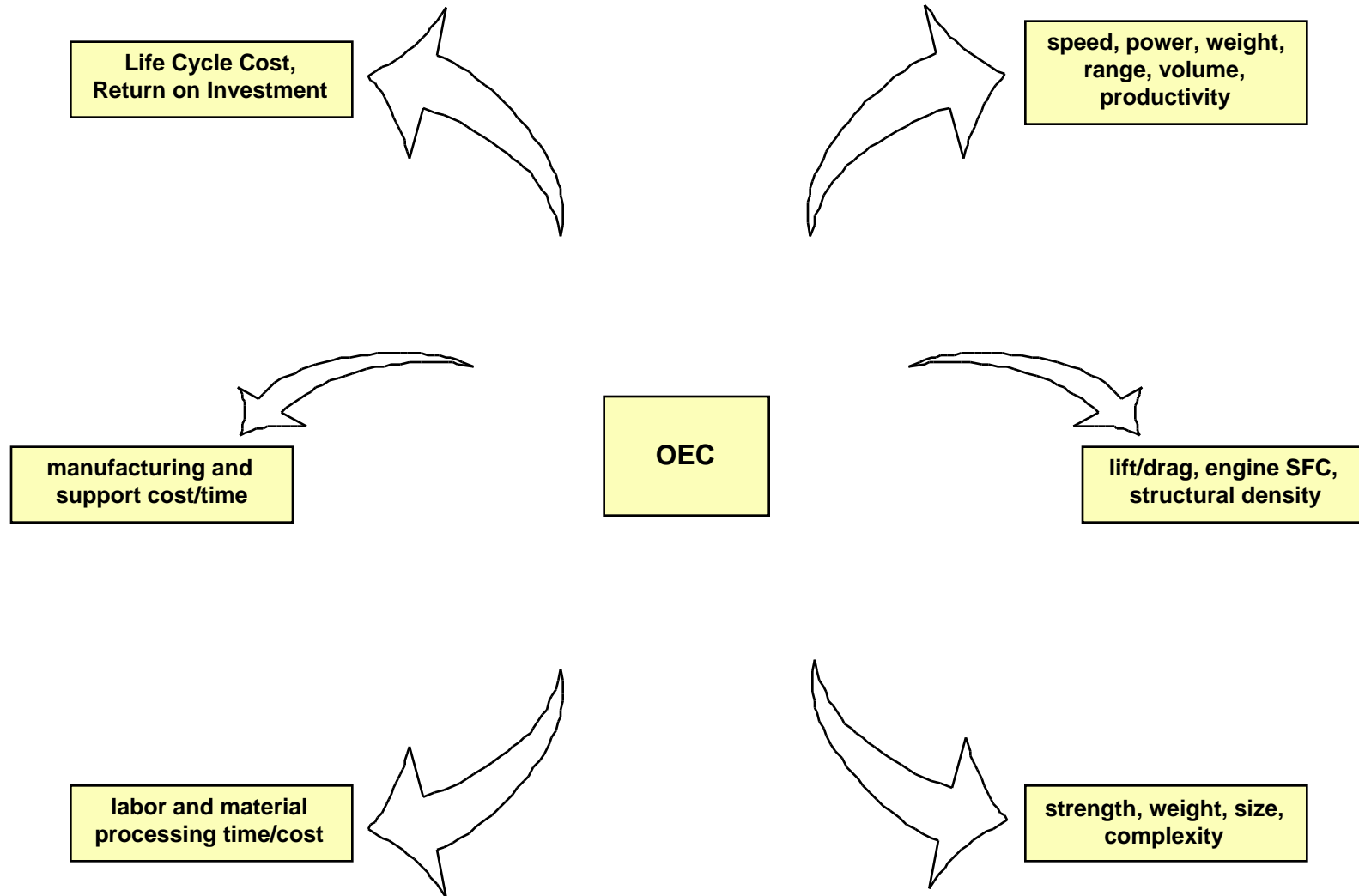
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# IPPD As the Integrating Function during Decomposition and Recomposition

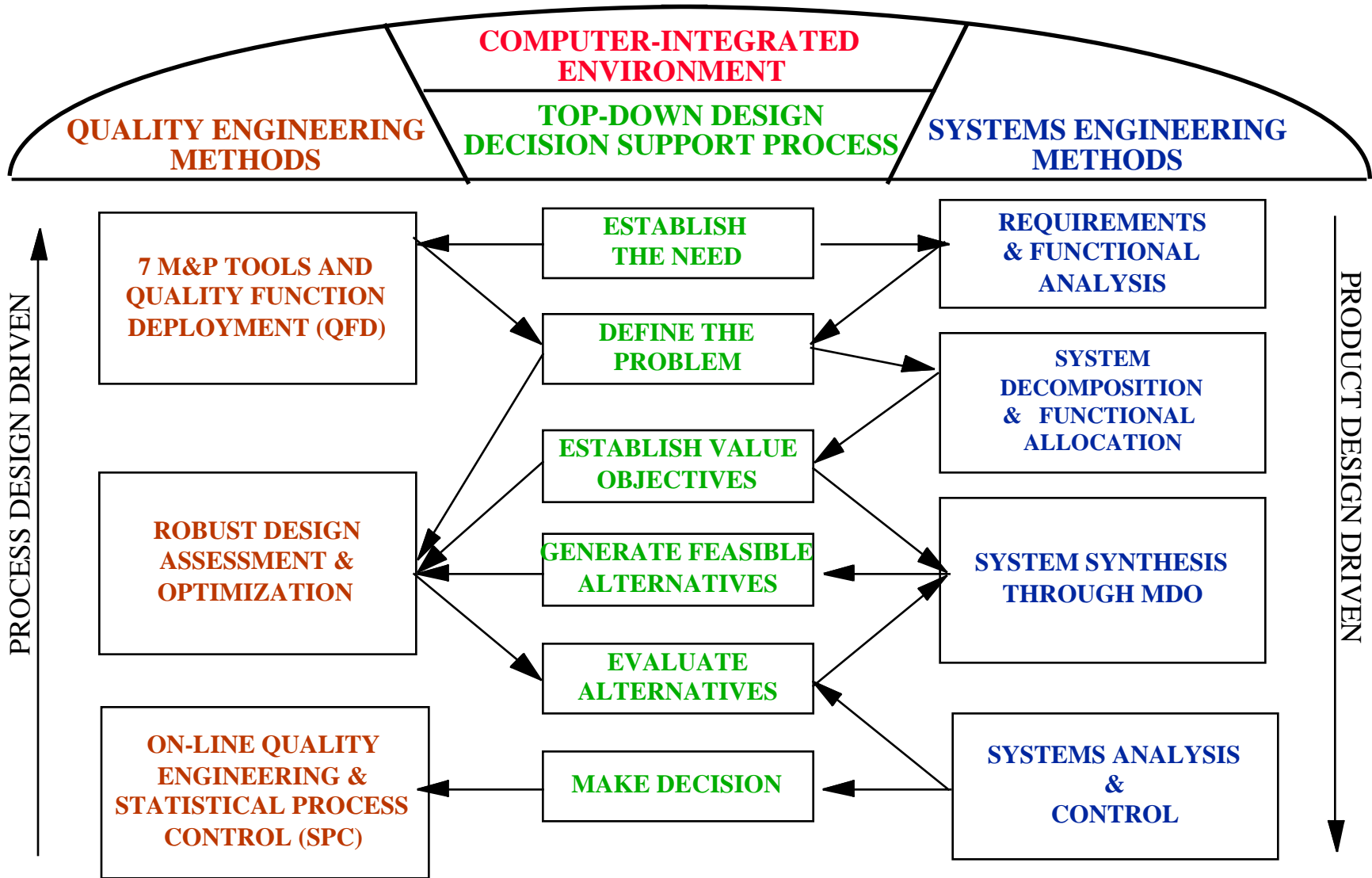
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# Product/Process Metrics for Design Trade-Offs at Various Levels of Decomposition and Recomposition



# A Generic IPPD Methodology

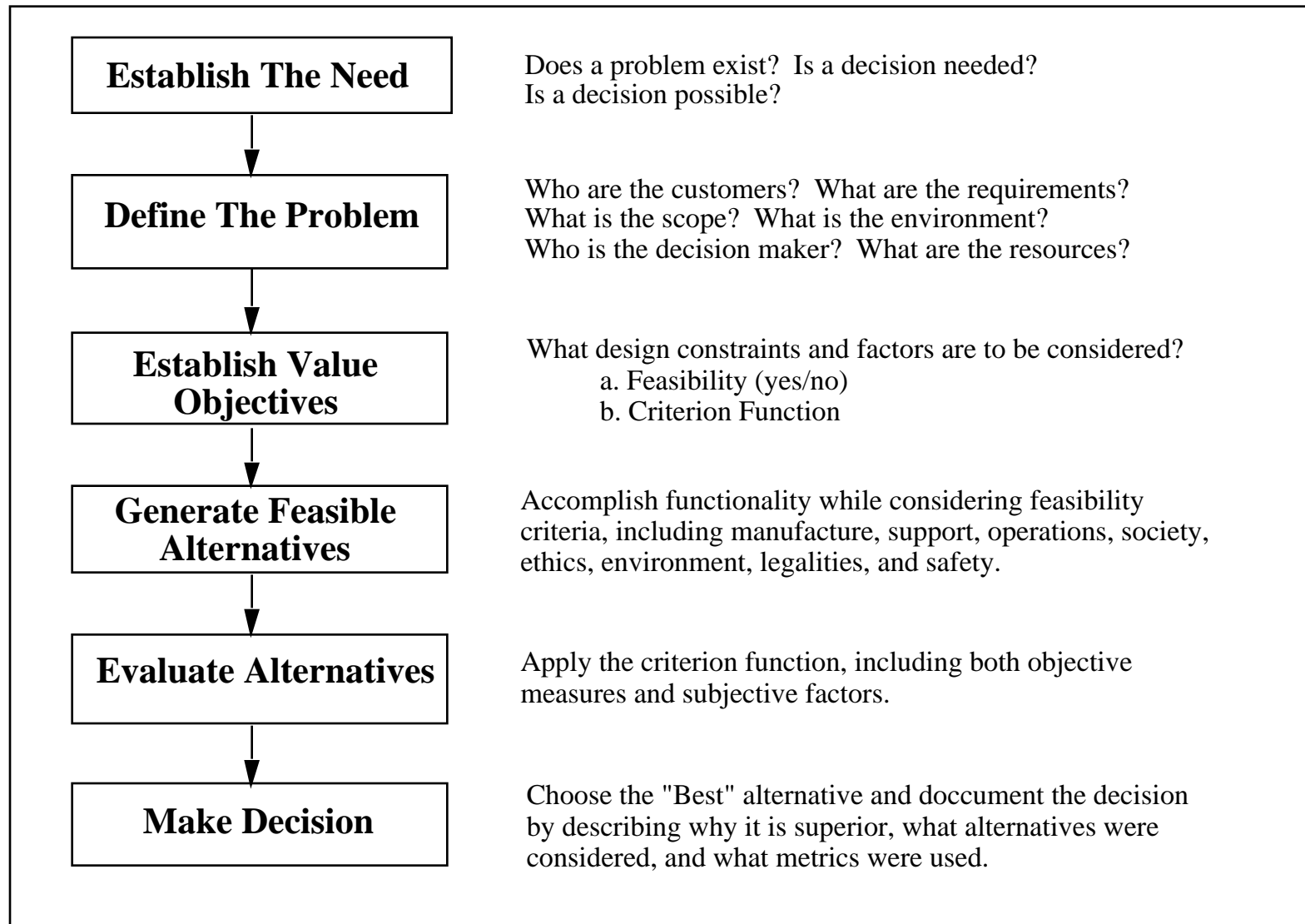


## What Methods and Tools are Required for Use in an IPPD Methodology ?

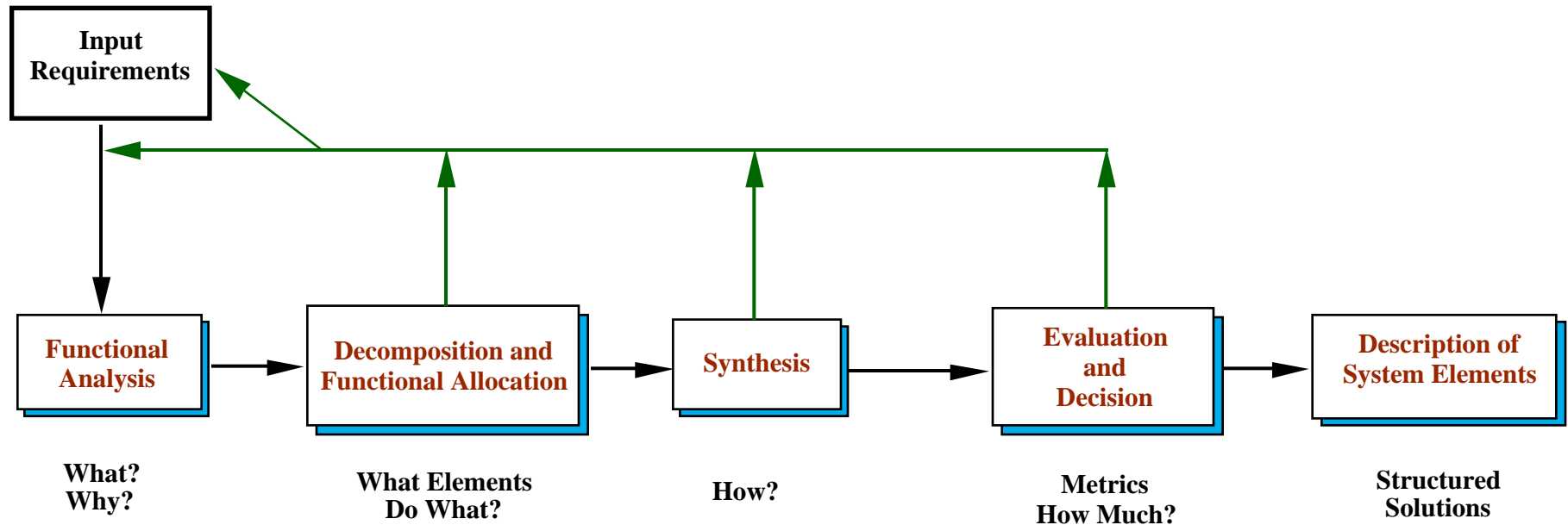
- **Systems Engineering** methods and tools because they provide *system decomposition* through functional analysis and synthesis, along with system analysis and control
- **Quality Engineering** methods and tools because they provide *system recomposition* through statistical process control, robust design assessment & optimization, and adherence to the “voice of the customer”
- **Top Down Design Decision Support** methods and tools because they provide a *flow path for cost-performance trades*, the heart of what IPPD is meant to accomplish
- **Computer Integrated Environment** to provide the *framework for integration* of the other methods and tools in a timely manner through the use of advances in information-based technologies



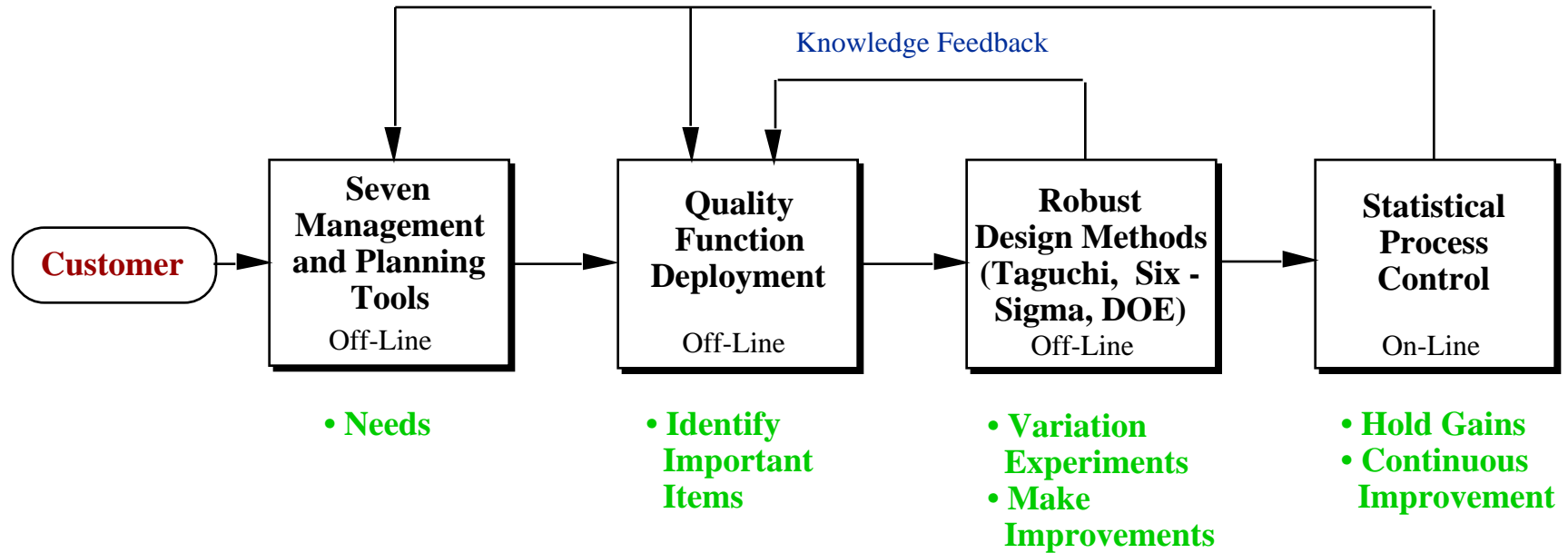
## The Decision Support Process



# The Systems Engineering Process



# The Quality Engineering Process

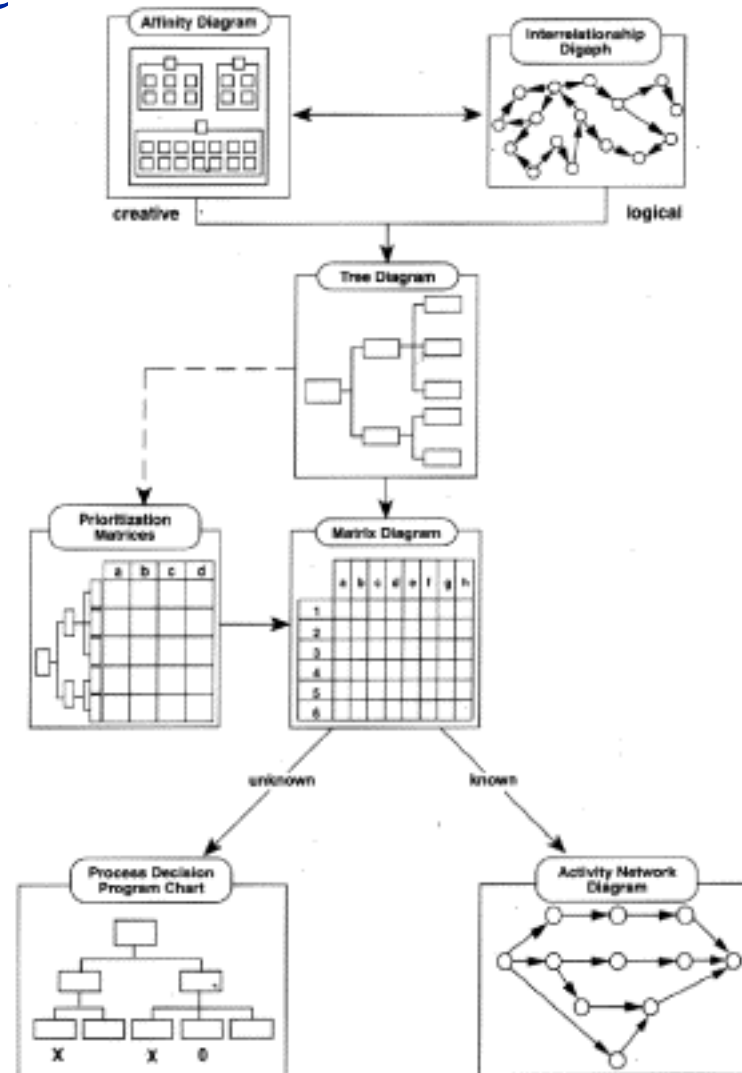


# Flow Of the Seven Management And Planning Tools.

Brainstorming →

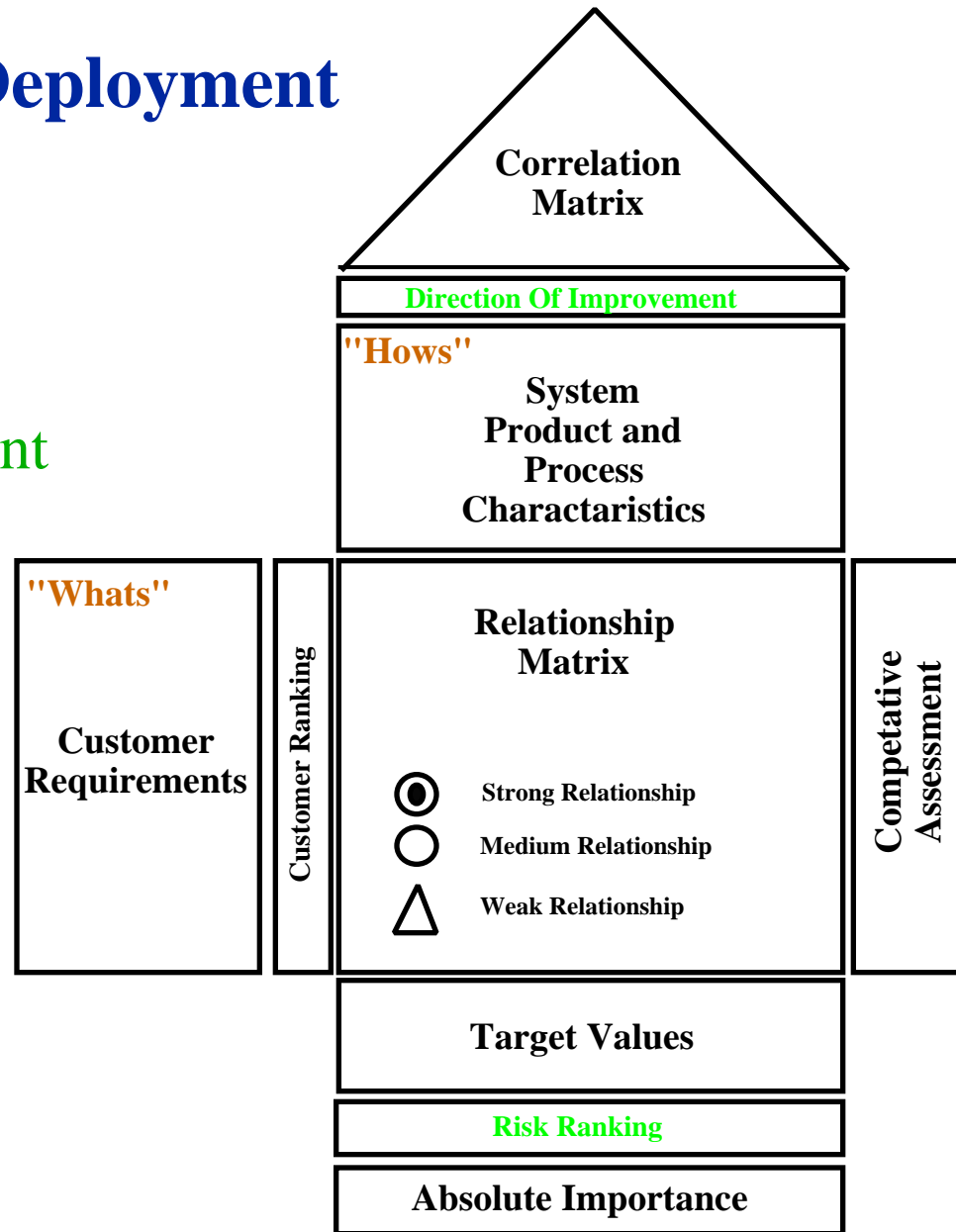
Organization & Ranking →

Implementation & Process →



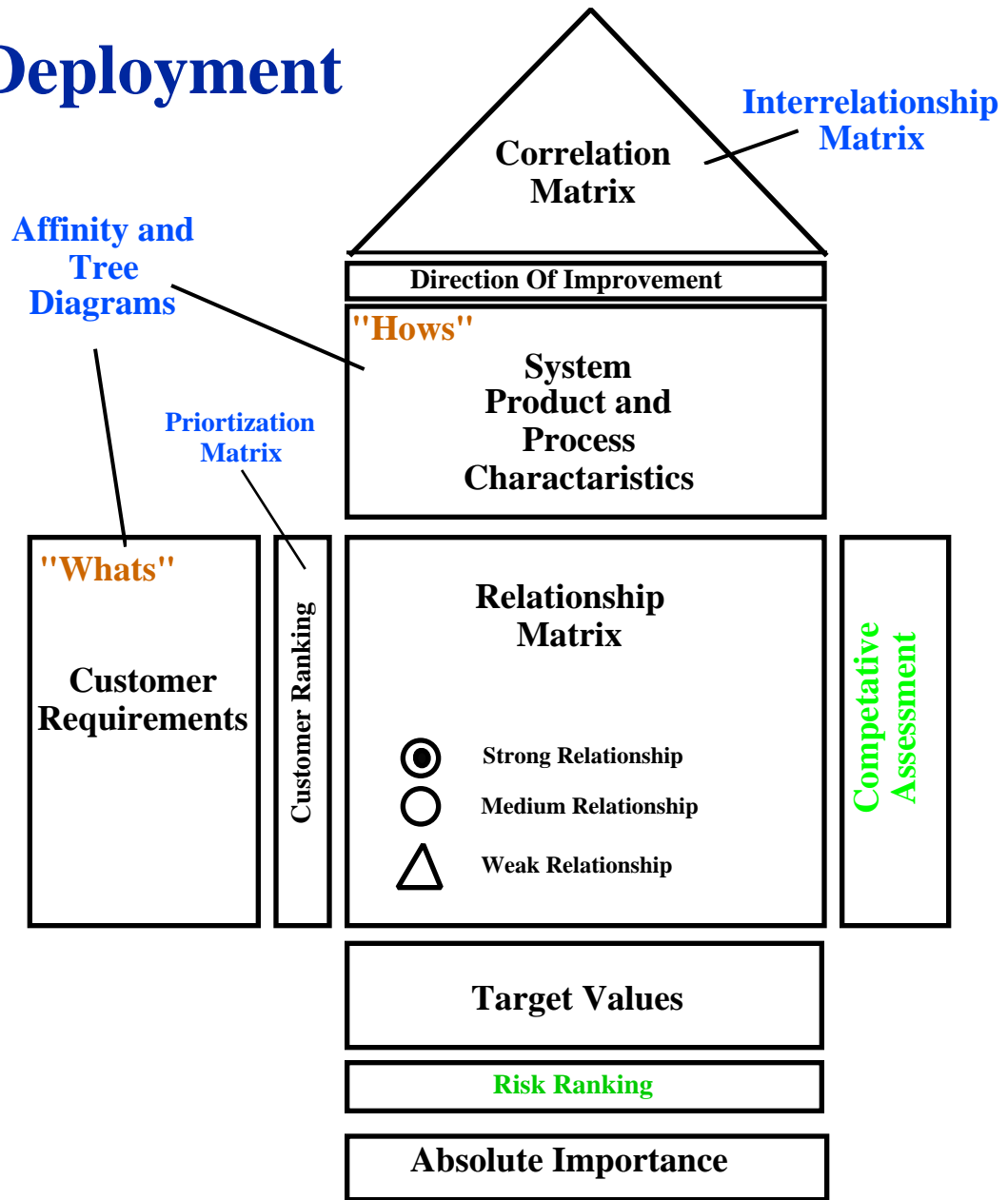
# Quality Function Deployment

## The Elements Of A Quality Function Deployment Matrix

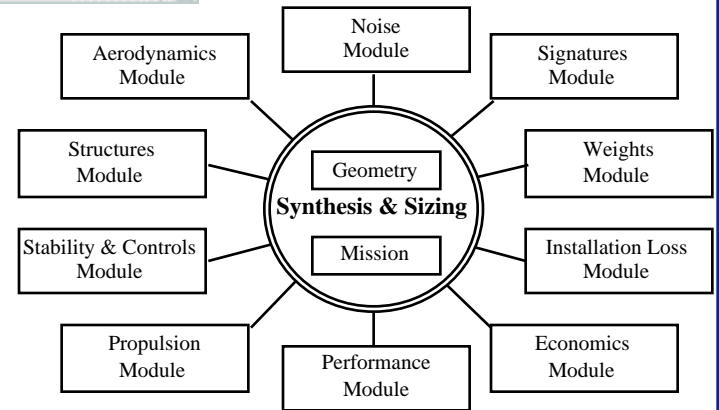
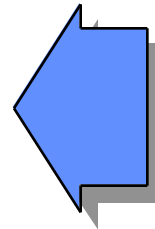
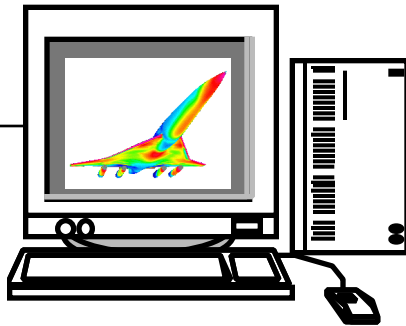
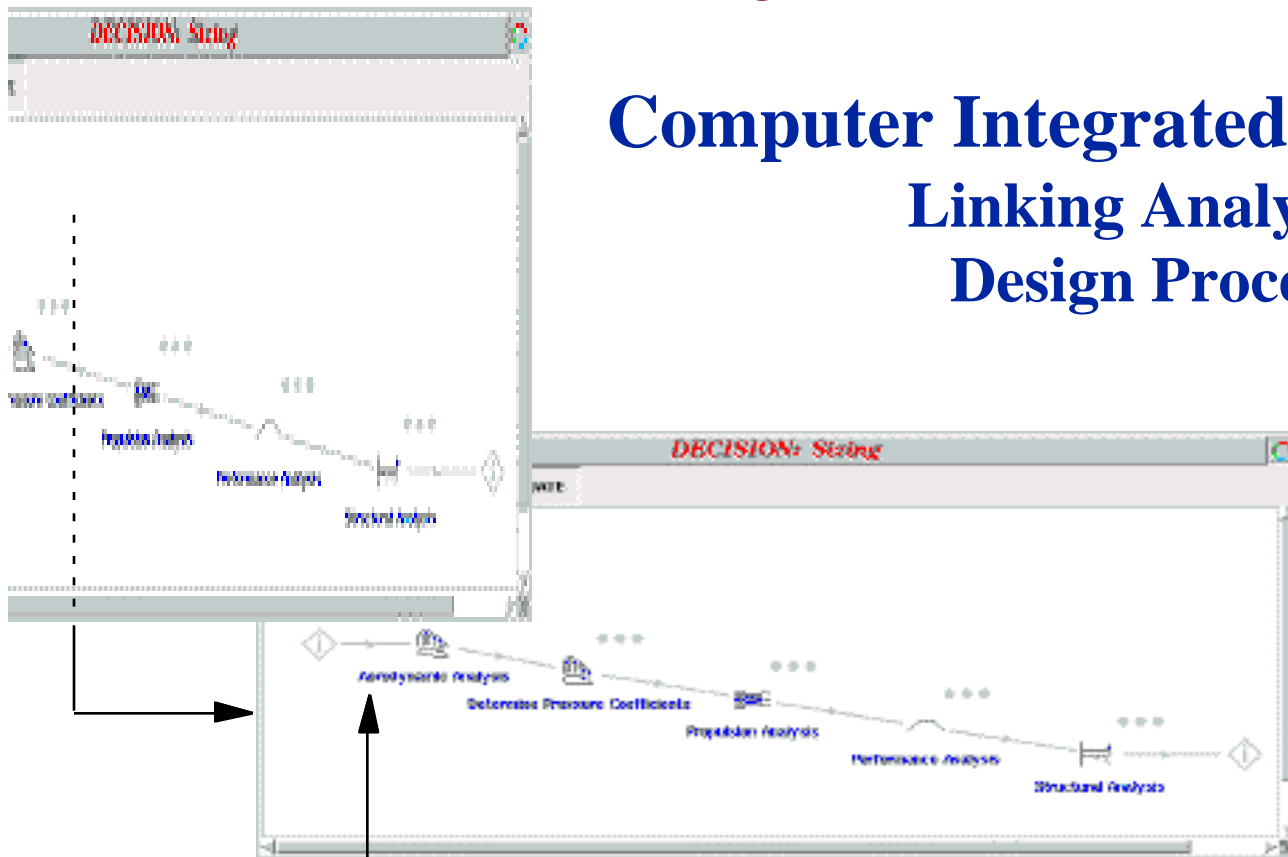


# Quality Function Deployment

The Flow Of The  
7 M & P Tools  
Into a QFD matrix



# Computer Integrated Environment: Linking Analyses to Design Processes



## Conclusions and Summary

- **Reinvention of the DoD Acquisition Process**
  - DoD 5000.1 and DoD 5000.2
  - rewritten to provide **flexibility** for implementation
- **IPTs practicing an IPPD Methodology**
  - major document themes such as Teamwork, Tailoring, Empowerment, Commercial Products and Best Practices
- **IPPD as the “integrating function”**
  - required for successful execution with inclusion of various engineering and management initiatives (Six Sigma, CAIV,...)
  - must be implemented as early as possible in the acquisition process.



# Six Sigma

A Design Method for  
Integrated Product and Process  
Development

**Mr. Ron Randall**  
Texas Instruments, Inc.  
The Six Sigma Academy

## Acknowledgment:

This presentation applies *Six Sigma* concepts developed by Motorola, Inc. These concepts include associating an equivalent *sigma* with a given defect level, a measurement of customer perceived quality using defects per unit (DPU), and the Six Steps to Six Sigma.

# What is Six Sigma?

Six Sigma is a:

- **method**
- **metric**
- **benchmark**
- **stretch goal**

Six Sigma has become a metaphor for

*World-class Quality*

## Definitions for Six Sigma

- Six Sigma is a way to measure the probability that a product being developed will have almost no risk.
- The probability of success is  $> 99.99966\%$  for each six sigma product characteristic.

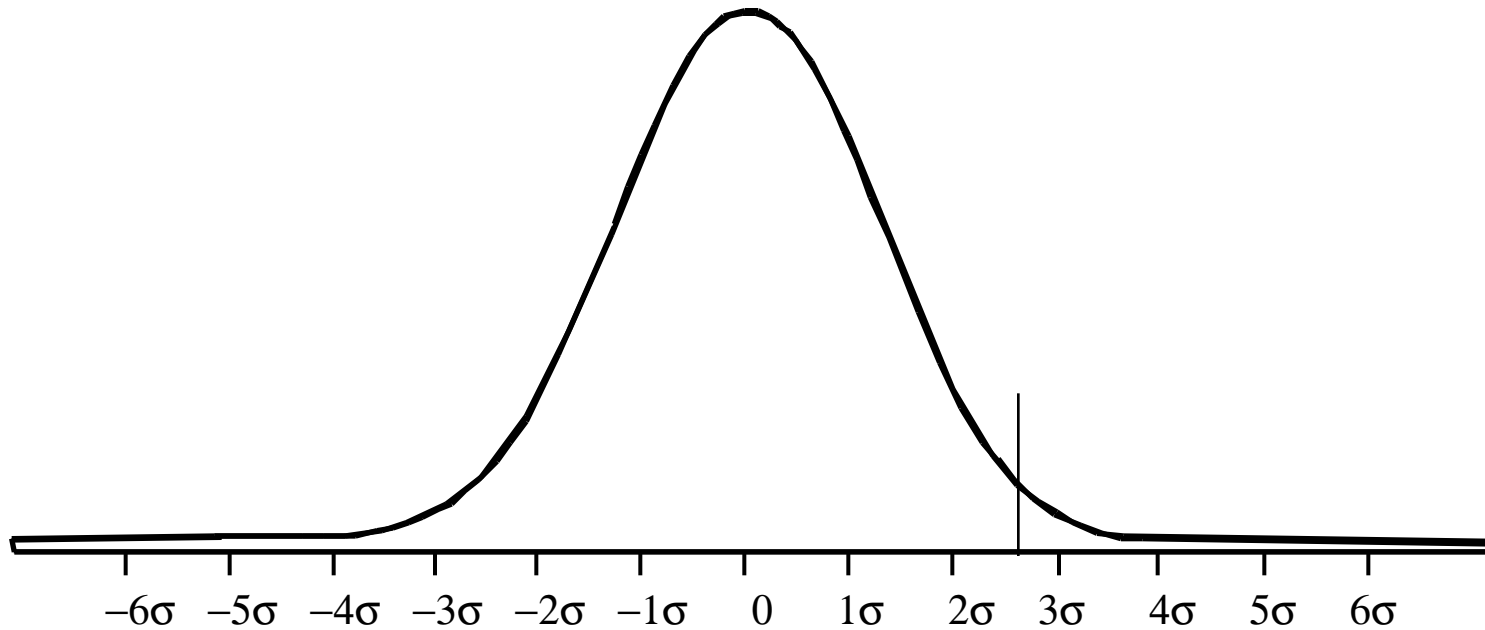
## Definitions for Six Sigma

- Six Sigma is a way to measure the chance that a unit of product or a work process can be manufactured or performed with virtually zero defects.
- For variables, Six Sigma is  $C_p \geq 2$  AND  $C_{pk} \geq 1.5$
- For attributes, Six Sigma is no more than **3.4 defects per million.**

## Why Six Sigma?

- The application of Six Sigma concepts to advanced technology projects increases the predictability of the result.
- The Six Sigma metrics allow us to assess the risk associated with prototype development and with production based on that prototype.
- Risk reduction helps us more effectively invest increasingly scarce development resources in a rapidly changing and competitive environment.

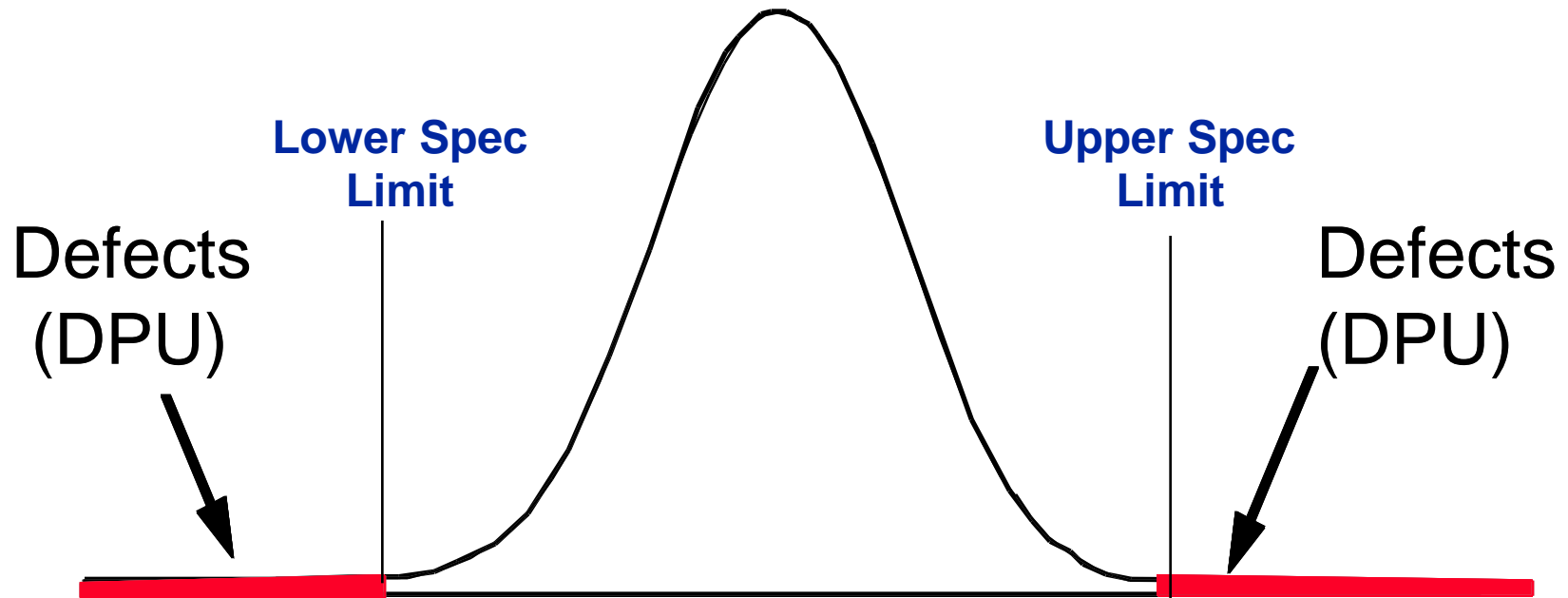
**The normal distribution  
is used to estimate the probability of  
exceeding a value.**



Probabilities for the normal distribution are found in Z tables.

# What Causes Defects ?

## The Capability does not meet the Requirement !





# Process Capability Index

**C<sub>p</sub>**

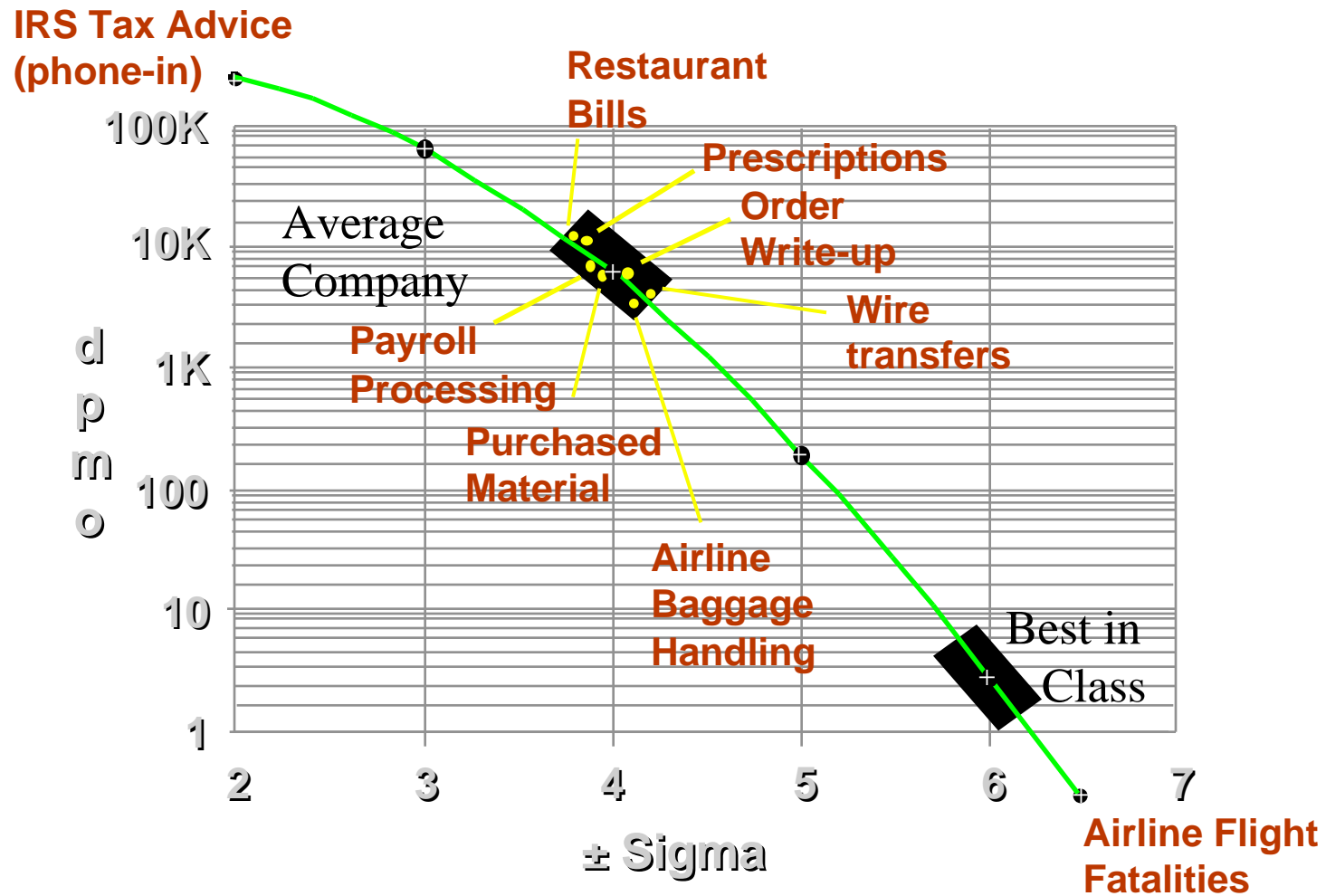
**By Definition:**

$$C_p = \frac{\text{Spec Width (road)}}{\text{Mfg Capability (car)}} = \frac{USL - LSL}{\pm 3\sigma}$$

*Concurrent Engineering Index*

*Design / Manufacturing*

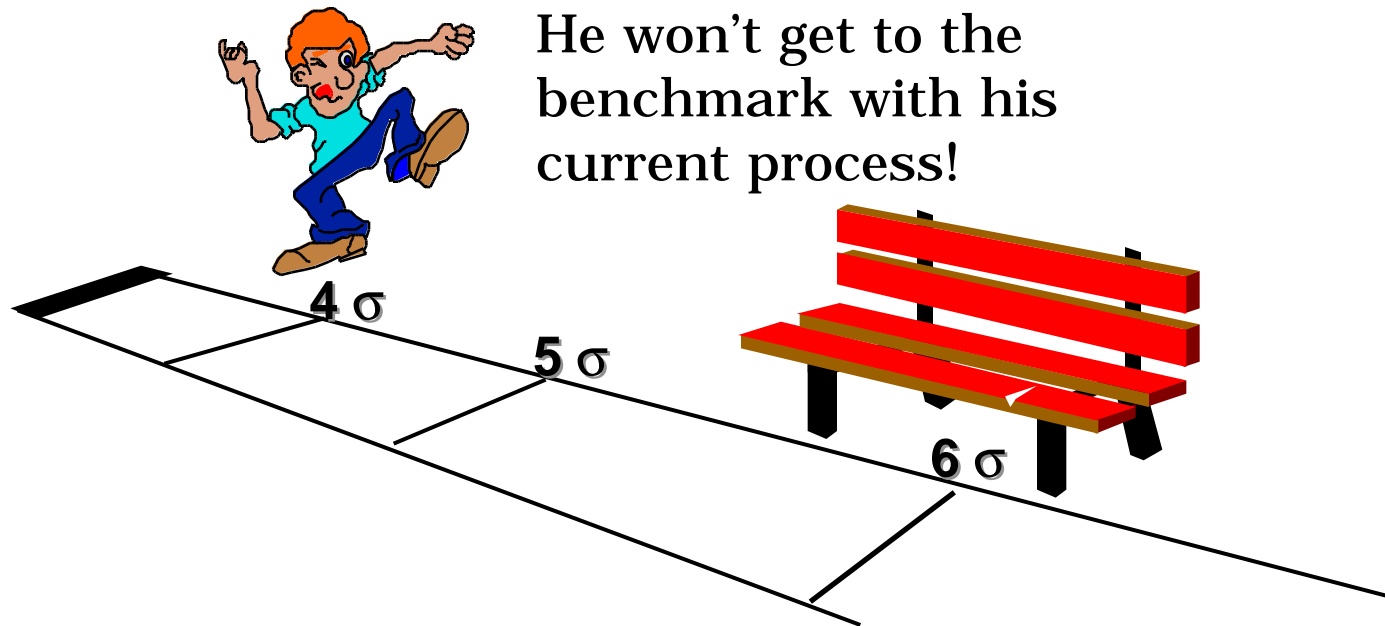
# Benchmarking Different Services



Acknowledgement: Motorola

## A Stretch Goal

- **Six Sigma, the metric, quantifies the benchmark: “world class” quality**
- **Six Sigma, the method, is a set of principles to get to “world class”**



## Six Steps

### For Integrated Product/Process Development Teams

1. Identify the customer's physical and functional requirements.
2. Determine the product characteristics critical to each requirement.
3. Determine if the characteristic is controlled by the part, the process, or both.
4. Determine the target nominal and maximum tolerance allowable for each characteristic.
5. Determine the process capability for each critical characteristic.
6. If  $C_p < 2$  OR  $C_{pk} < 1.5$ , redesign the product or process as required.

# ± 6 Sigma Spec Width

Shifted Mean

**Cp = 2**

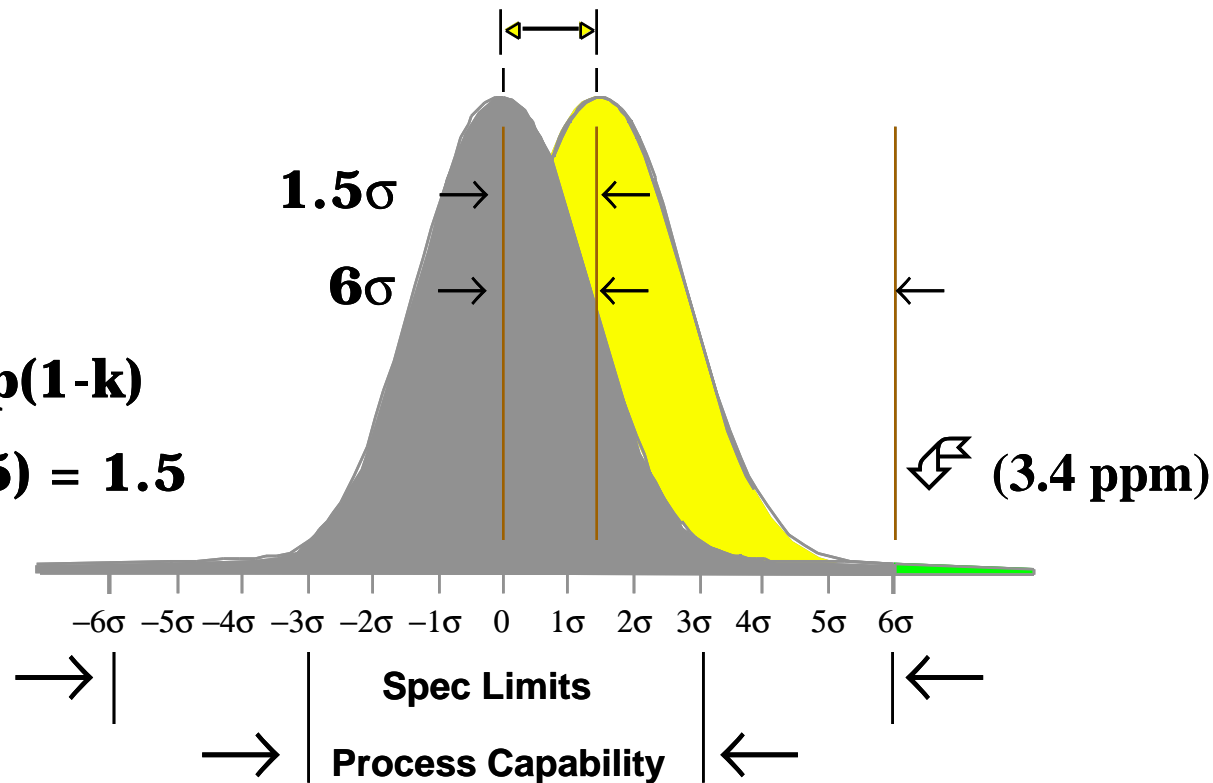
**k = a/b**

**a =**

**b =**

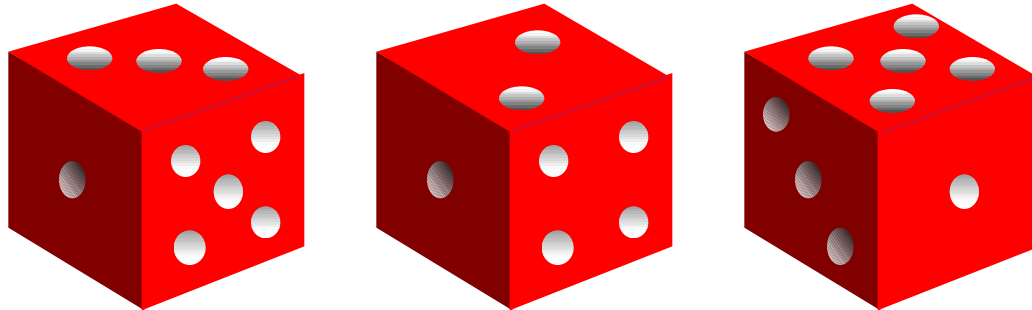
**Cpk = Cp(1-k)**

**= 2(1-.25) = 1.5**



# Combined Probability of Independent Events

Probability of not throwing a 1 on any of 3 die:




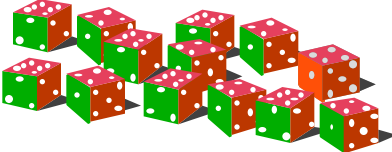


$$\frac{5}{6} \times \frac{5}{6} \times \frac{5}{6} =$$

$$57.87\% =$$

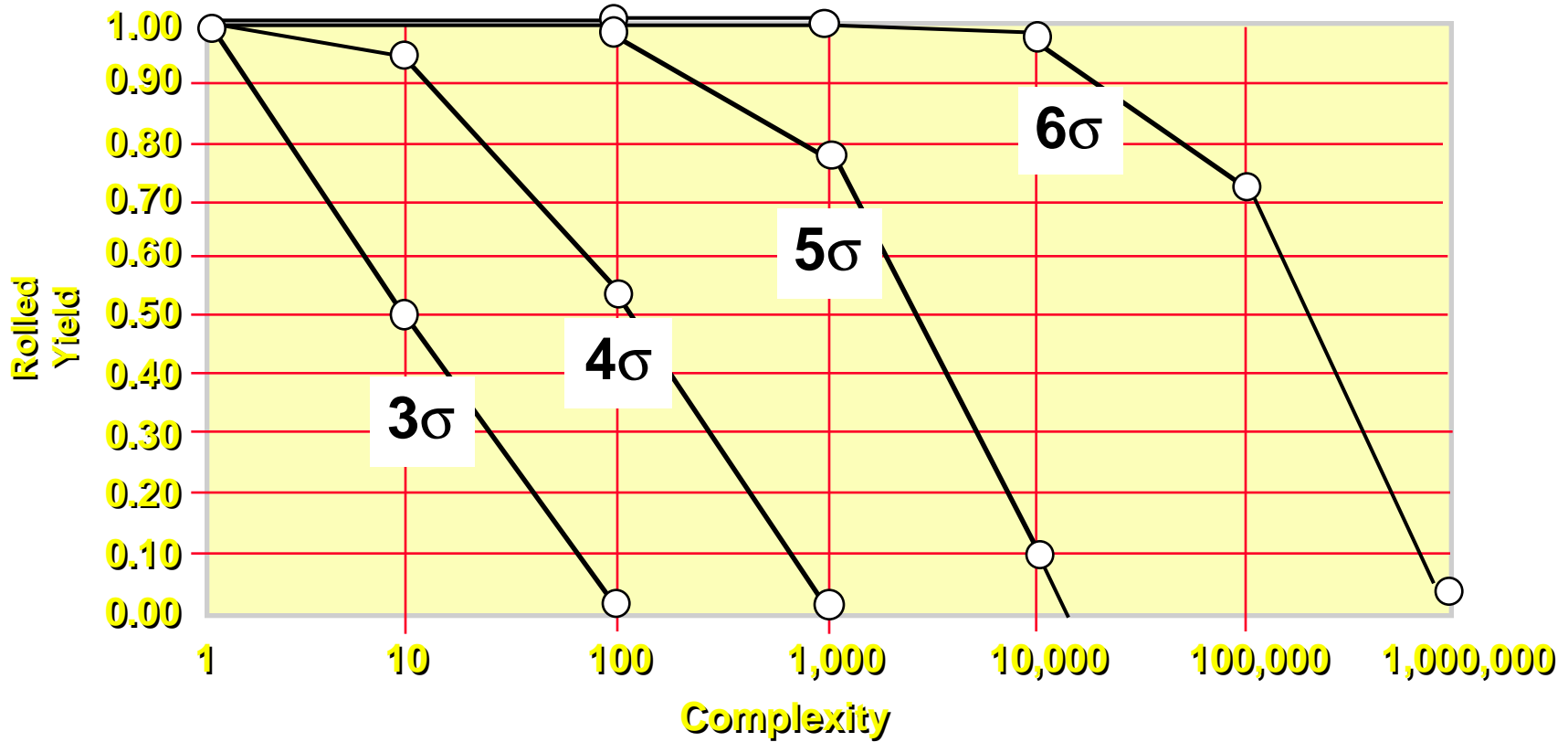
Rolled Yield

# Probability of Not Rolling a One

	# of dice (x)	$RY = Y_1^x$
	1	83.33%
	3	57.87%
	10	16.15%
	30	.42%
	50	.01%
	100	--

# Yield and Complexity

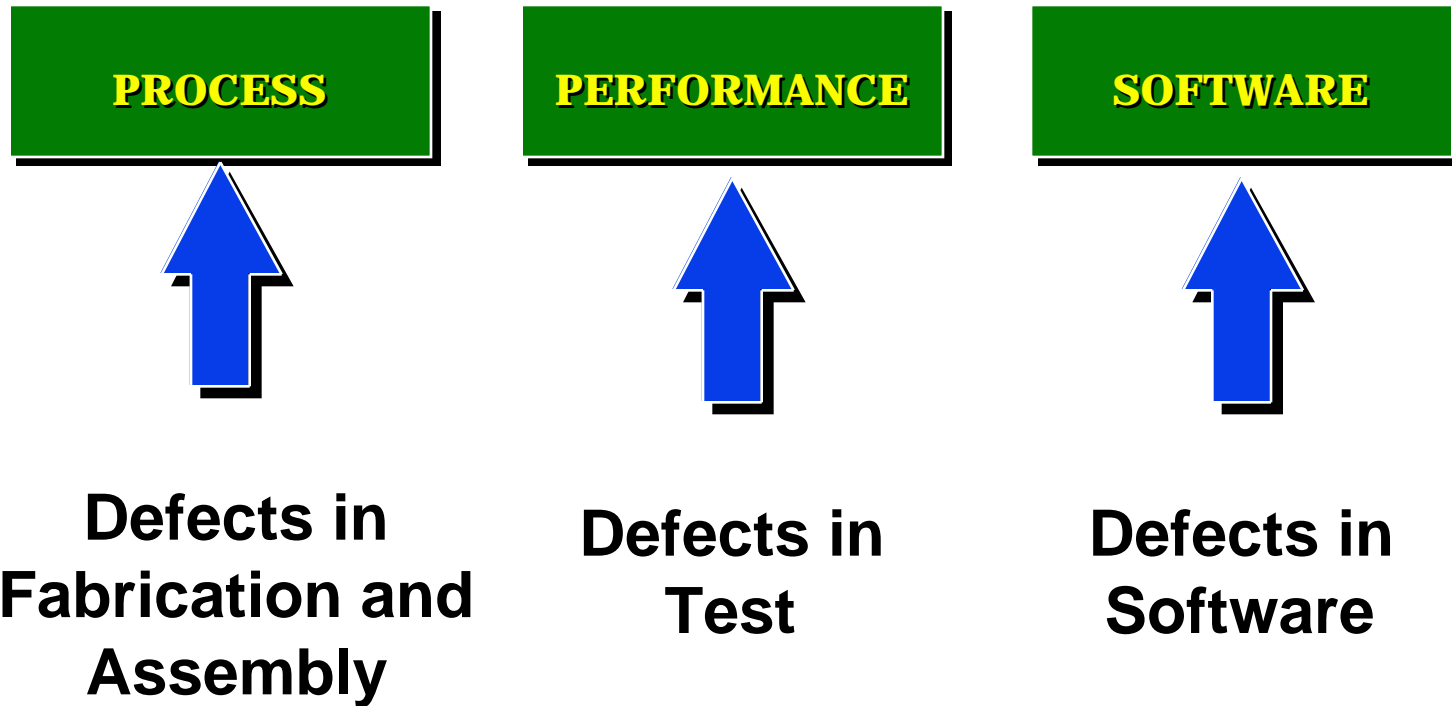
(Distribution Shifted  $\pm 1.5 \sigma$ )



Long-Term Performance

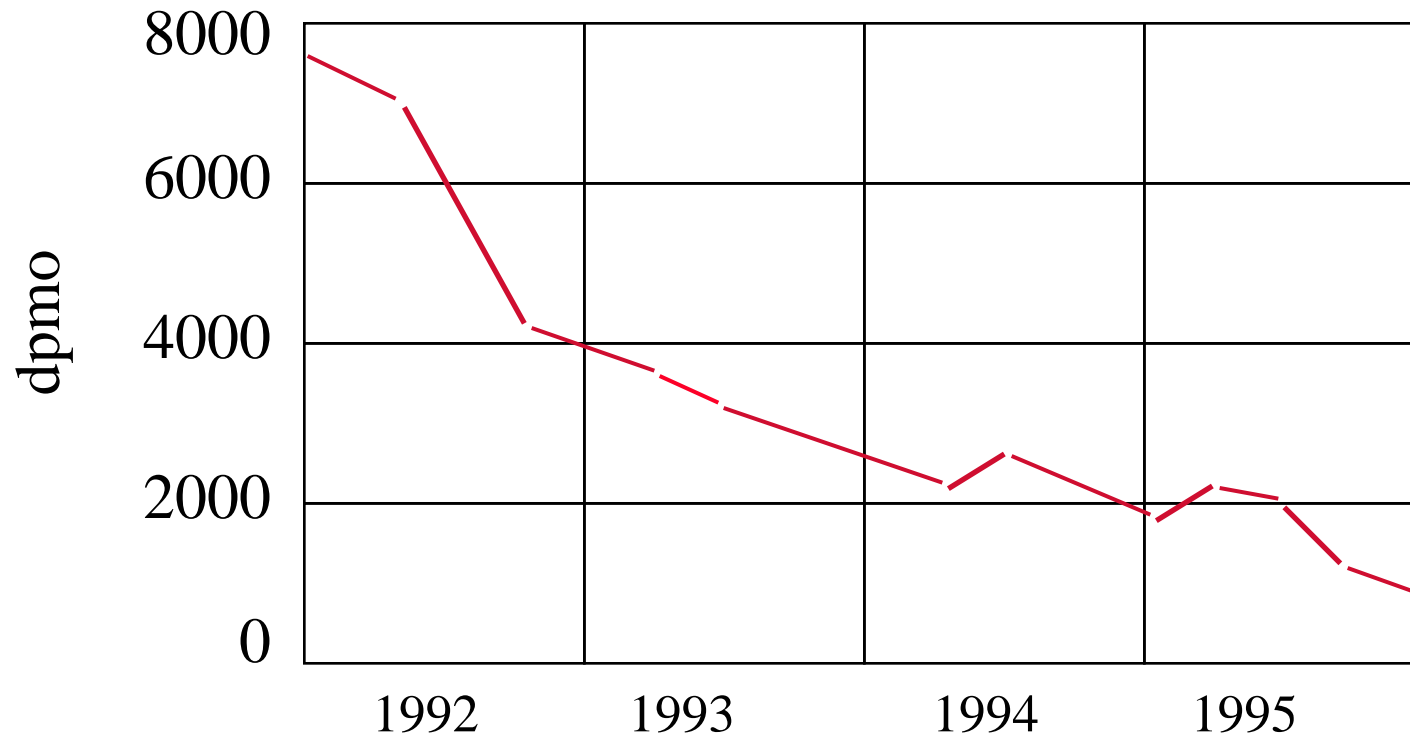


# Scorecard Concept



# The Results

Process Total dpmo



## Why Six Sigma?

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- The Six Sigma metrics allow us to assess the risk associated with prototype development and with production based on that prototype.
- Risk reduction helps us more effectively invest increasingly scarce development resources in a rapidly changing and competitive environment.

# *IPPD Case Studies*

*A Collection Of Lessons-Learned From  
Defense Programs Utilizing IPPD*

Mark A. Gordon

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## *Case Studies For IPPD*

- The objective of this presentation is to present *Lessons Learned* from several defense programs that have utilized IPPD in the design and development of a complex system.
- For each program, the use of one or more IPPD tools will be focused upon.
- The following are Case Studies for the implementation of IPPD Principles and IPPD Tools:
  - Next Generation Soldier (ATD)
  - New Attack Submarine
  - Low Cost Interferometric Fiber Optic Gyro
  - Tier II UAV (Global Hawk)
  - Autonomous Scout Rotorcraft Testbed (TD)

## IPPD Principles Used

- **Next Generation Soldier**
  - Excellent Implementation of **Integrated Product Teams**
- **New Attack Submarine**
  - Seamless application of **Modeling and Simulation**, including Manufacture and Support
- **Low Cost IFOG**
  - Continuous Improvement of Process Using **Six Sigma** Process Capability Characteristics.
- **Global Hawk**
  - Streamlined the **contracting process** using *Other Transaction Authority* to reduce cost and time.

## Conclusions

- An IPPD methodology creates an early attention to process design, and an evaluation of the capability to manufacture and support a particular design, *before it's finished*.
- Pulling the integration efforts forward into the design stage allows incremental development and thus *evaluation by the user, before it's too costly to change*.
- Customization of the IPPD process with methods and tools to attain a central decision flow supports different program goals for affordability. **IPPD is Descriptive not Prescriptive!**
- Creating a team structure with distributed responsibility but effective leadership is still an art. **Build On Success!**

## Recommendations

- Universal recommendations include:
  - Train as a team in all IPPD tools.
  - Build trust between government and contractor teams, so that innovative contracting mechanisms can be used smoothly.
  - Use process metrics such as Cp in the design stage.
  - Simulation can significantly lower cost and time, by reducing reliance on hardware prototypes.
  - Allow more time early in the program for IPTs and support system development.
  - Electronic connectivity and data sharing will become **THE enabling technology** for integrated development.