

INTEGRATED MODELING OF ECONOMICAL, ENVIRONMENTAL AND SOCIAL ASPECTS FOR MANUFACTURING FACILITY

SIDDHARTH SHANKAR DWIVEDI^{a1} AND NEHA VERMA^b

^{ab}SSIPMT, Raipur, Chhattisgarh, India

ABSTRACT

Increasing concerns regarding environment has made sustainable development essential factor and not the optional one. Any manufacturing operation is considered to have some negative impact on the environment. Hence it is essential to have sustainable operations on manufacturing facilities to minimize the environmental damage if not completely stop it. The aim of this paper is to reduce the impacts due to manufacturing facilities on environment by modifying certain parameters of social and economic factors. A hierarchical structure is developed consisting all the three aspects of sustainability i.e. social, environmental and economic. Further each of the aspect is sub divided into manufacturing terminology i.e. energy, material, emissions, profit, defective products, training budget, overtime, etc.

KEYWORDS: Sustainability, Social, Economic, Environmental.

Production is an essential part of today's world as well as nation for its economic welfare. The manufacturing facility while producing a product requires raw materials as its input and releases a finished product as output or result, while in this process it also generates emissions and waste, due to poor efficiency.

Hence, to reduce or minimize this adverse effect on environment and for an increased efficiency of the whole system sustainable manufacturing has been developed and promoted throughout the world these days.

The purpose of this paper is to maximize the sustainability index so as to minimize the damages caused by production process.

LITERATURE REVIEW

Letmathe and Balakrishnan [1] have incorporated environmental constraints with other traditional production planning constraints. In this paper the objective was to maximize profit under carbon emission trading policy.

Tsai et al. [2] objective was to maximize profit, considering the following cost elements: machine cost, direct labor cost, direct material cost, environmental pollution and product level cost.

Glavič, P., Lukman, R. [3] They have defined the problems of clarifying ambiguity and classifying terms used in the sustainability field. This paper provides results of the literature survey and summarizes the definitions of the terms, focusing on the environmental engineering field.

Jovane, F. et al. [4] in their work they have shown the major global challenges that we are facing today are needed to be addressed in the multifaceted context of economy, society, environment and technology i.e. ESET

Joung et al. [5] conducted a review on indicators for sustainable manufacturing encompassing a set of 11 indicators. They presented a classification covering five dimensions of sustainability: environmental stewardship, economic growth, social well-being, technological advancement and performance management.

Chen et al. [6] conducted a literature review to assess a set of twelve sustainability tools used at the factory level. The investigated tools were evaluated against four criteria: rapid assessment, application at the factory level, generic applicability and holistic view of sustainability. They concluded that the existing tools fail to satisfy all four criteria.

MATHEMATICAL MODEL DEVELOPMENT

Sustainability consists of three pillars i.e. Environmental, economical and social, hence, any production process involves these three aspects and all its effects can be classified in these three pillars of sustainability. In fig.1 is shown the outline of any production process which requires input as raw material, man power and capital and as an output we get the desired finished product with some waste due to inefficiency of the system and some reusable or recycleable energy or product.

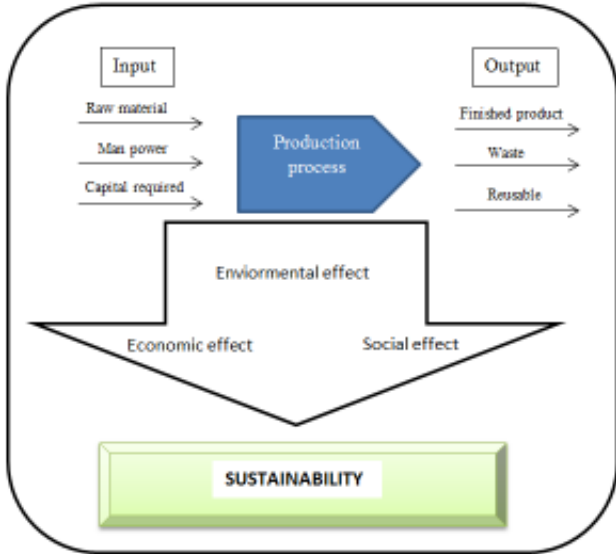
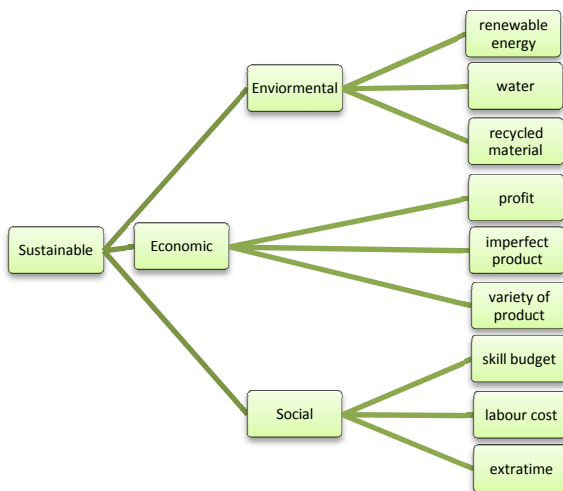


Figure 1: Outline of a production process and its 3 effects

The aim of our paper is to derive a mathematical model so as to find optimal sustainability index and maximize sustainability. Hence in this process three pillars of sustainability are taken i.e. Environmental, social and economic.

MATHEMATICAL MODEL GENERATION

This model of sustainability with all the 3 aspects of sustainability unlike other models which deals basically with economic and environmental aspects of sustainability. Here, sustainability and its three aspects are sub classified.



For each sub classification a equation is developed [7] for finding the optimum sustainability index.

Parameters:

u	Elements of the first hierarchy level of environmental indicators
v	Elements of the second hierarchy level in environmental indicators
w	Product type, $k = 1, \dots, N$
x	Elements of the first hierarchy level in economic and social indicators
y	Input type
z	Hazardous material type
MH _w	Man-hours/unit weight of product w
P	Number of products
Φ_w	Ratio of recyclable products
ϵ_{zw}	Amount of hazardous material z in product w (kg)
AT	Available regular time (h)
G _w	Amount of water consumed per unit weight of product w (m^3/kg)
WG _w	Amount of waste water per unit weight of product w (m^3/kg)
DE _w	Amount of CO ₂ generated in the production of the unit weight of product w
ey1	Amount of emissions resulting from one kWh of electricity generated from conventional generation (kg CO ₂ /kWh)
ey2	Amount of emissions resulting from the transportation of the unit weight per unit distance (kg CO ₂ /tkm)
α_w	Percentage of defects of product w
J _w	Demand for product w (kg)
hw	Amount of energy consumed in producing a unit weight of product w (kWh/kg)
R _{min}	Minimum allowable percentage of renewable energy used (%)
R _{max}	Maximum percentage of renewable energy used (%)
I	Available working capital (Egyptian Pound (EGP); 1EGP=0.13 USD)
E _h	Cost of 1 kWh of electricity via renewable resources (EGP/kWh)
E _e	Price of electricity purchased from the grid (EGP/kWh)
ry _w	Quantity of input type y in product k (kg/kg)
ey	Unit cost of input type y (EGP/kg)
y _w	Selling price of the unit weight of product w (EGP/kg)
g _w	Transportation distance of product w (km)
D	The maximum possible number of diversified products in the considered industry
M	Total manpower
l _w	Product fraction
R _x	Labor rate for regular time (EGP/worker hour)

Ro	Labor rate for over time (EGP/worker hour)
H _z	Maximum permissible amount of hazardous material of type <i>z</i> to include (kg)
L _{βmax}	Maximum allowed overtime expressed as a percentage of regular time (%)
I _{jmin}	Minimum training budget (EGP)
W _{7uv}	Weight of sub-indicator <i>u</i> of the <i>v</i> -th element in first hierarchy level of the environmental indicators
W _{8x}	Weight of the <i>x</i> -th element of economic indicators
W _{9x}	Weight of the <i>x</i> -th element of social indicators

Decision Variables:

I _j	Training budget (EGP)
sw	Amount produced from product <i>w</i> (kg)
ht	Renewable energy used expressed as the percentage of total energy necessary to produce a unit weight of product (%)
tw	Amount of product <i>w</i> to be recycled (kg)
qw	Amount of product <i>w</i> to be scrapped (kg)
La	Amount of overtime needed (h)

Equations:

$$I_{11} = \frac{ht \sum_w swhw}{\sum_w swhw}$$

$$I_{12} = 1 - \frac{\sum_w WGsw}{\sum_w swGw}$$

$$I_{13} = \frac{\sum_w tw}{\sum_y \sum_w rywsw}$$

$$I_{21} = \frac{\sum_w swyw - \sum_y \sum_w rywsw ey [Ehht + Ee(1 - ht)] + ATMRx + Ro(\max(\sum_w MHwsw - ATM, L)) + I_j}{\sum_w swyw}$$

$$I_{22} = 1 - \frac{\sum_w \alpha wsw}{\sum_w sw}$$

$$I_{23} = \frac{\sum_{k=1}^N fk \ln(fk)}{\ln(1/D)}$$

$$I_{31} = \frac{I_j}{\sum_y \sum_w rywsw ey + \sum_w swhw [Ehht + Ee(1 - ht)] + ATMRx + Ro(\max(\sum_w MHwsw - ATM, L)) + I_j}$$

$$I_{32} = 1 - \frac{\max(\sum_w MHwsw - ATM, L)}{ATM}$$

$$I_{33} = \frac{ATMRx + Ro(\max(\sum_w MHwsw - ATM, L))}{\sum_y \sum_w rywsw ey + ATMRx + Ro(\max(\sum_w MHwsw - ATM, L)) + \sum_w swhw [Ehht + Ee(1 - ht)] + I_j}$$

CONCLUSION

This work has introduced a integrated modeling of sustainable manufacturing using the three pillars of sustainability i.e. social, economic, environmental. Waste reduction, labour, renewable energy each aspect of a manufacturing firm has been taken into consideration and necessary formulation has been developed. This formulation can be used by manufacturing facilities for applying sustainable concepts in there firm.

REFERENCES

- Chen, D.; Schudeleit, T.; Posselt, G.; Thiede, S. A state-of-the-art review and evaluation of tools for factory sustainability assessment. *Procedia CIRP* 2013, 9, 85–90.
- Joung, C.B.; Carrell, J.; Sarkar, P.; Feng, S.C. Categorization of indicators for sustainable manufacturing. *Ecol. Indic.* 2013, 24, 148–157.
- Jovane, F.; Yoshikawa, H.; Alting, L.; Boër, C.R.; Westkamper, E.; Williams, D.; Tseng, M.;

Seliger, G.; Paci, A.M. The incoming global technological and industrial revolution towards competitive sustainable manufacturing. *CIRP Ann. Manuf. Technol.* 2008, 57, 641–659.

Glavič, P.; Lukman, R. Review of sustainability terms and their definitions. *J. Clean. Prod.* 2007, 15, 1875–1885.

Tsai, W.-H.; Lin, W.-R.; Fan, Y.-W.; Lee, P.-L.; Lin, S.-J.; Hsu, J.-L. Applying a mathematical programming approach for a green product mix decision. *Int. J. Prod. Res.* 2012, 50, 1171–1184.

Letmathe, P.; Balakrishnan, N. Environmental considerations on the optimal product mix. *Eur. J. Oper. Res.* 2005, 167, 398–412.

Galal, Noha M., and Ahmed F. Abdul Moneim. "A mathematical programming approach to the optimal sustainable product mix for the process industry." *Sustainability* 7, no. 10 (2015): 13085-13103.