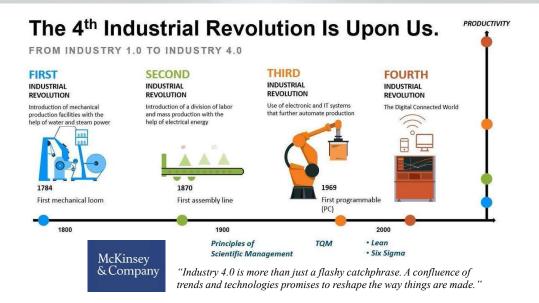


### Introduction

- Hong Kong government has initiated "re-industrialization" policy since 2016.
- HKPC industry 4.0 approach based on the Fraunhofer Institute for Production Technology (Fraunhofer IPT) in Germany.
- HKPC cooperates with Fraunhofer IPT to develop HK i4.0 maturity level from 0i, 1i to 4i.
- Quality shifts the control-oriented focus from process operators to process designers and considers to integrate cyber-physical interfaces and automated working environments.

# **Major Trends in Industrial Evolution**



# The Evolution of Quality and Innovation Management Tools during different Industrial Revolution Period

Time	Quality Evolution	Innovation Evolution	*Human Capability Extension
1800 – Industrial Revolution		Trial & Error	Power extension through Machine (Arm) (手的延伸)
1800 – 1900	Inspection		(Industry 1.0)
1900 – 1950	QC, SPC, QA	Creative problem-solving (1939) (Former name of Brainstorming)	Power extension through Car, Train, (Foot) (腿的延伸) Telephone (Ear) (耳朵的延伸)
1950 – 1970	Juran/Deming/ Crosby, TQC, TQM	Brainstorming (1953) TRIZ (1956) Creatology (Japan) NM Method (1970)	& TV (Eye) (眼的延伸) (Industry 2.0)
1970 – 2000	ISO 9000 series (1987) Six Sigma, Lean	Extenics (1983) Six Thinking Hats (1985) Design Thinking (1987) Thinkertoys (1991) USIT (1995)	Power of computer and network (Part of Brain Power) (大腦部分功能的延伸) (Information Society – 信息社會) (Industry 3.0)
2000 & after	Quality 4.0 -Digitization, self- induced correction, self-regulate		Power of AI (Human Intelligent Extension) (人類智力的延伸) (Intelligent Society – 智能社會) (Industry 4.0)

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#### 智能制造能力成熟度解释——标准研制历程

2015

2016

2017

2018~2019

2020

工信部智能制造专项 《智能制造能力成熟 度模型标准化与试验 验证系统》项目 《智能制造能力成 熟度模型白皮书》 (1.0版) 2项国标立项 《智能制造能力成熟度模型》 《智能制造能力成熟度评估方法》

中国智能制造评估公共 服务平台上线

www.c3mep.com

标准持续优化 诊断评估推广应用 平台数据5000以上 人才培养400+ 支撑标杆企业遴选 标准发布实施 持续推广应用 标准优化修订













# i4.0 In-house Training

- Fraunhofer Institute for Production Technology
- In-house 5 days Training
- 德国的弗劳恩霍夫 生产技术研究所
- •工业4.0的内部培训







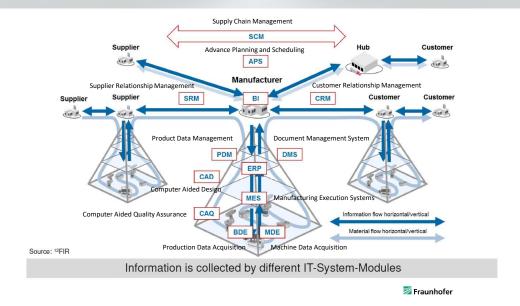


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### **Smart Device Characteristics**

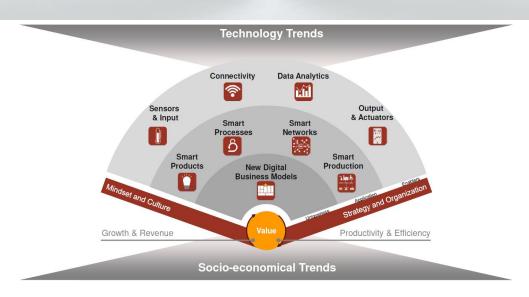


# Digital Horizontal and Vertical Integration

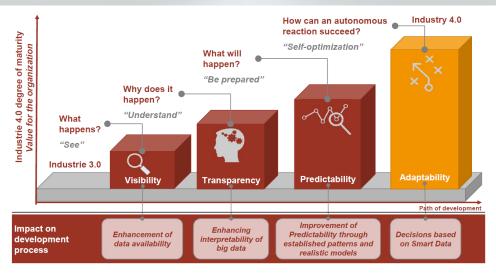


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# Smart i4.0 Navigator



# Smart Production (Improved Decision Making in Production)



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# i4.0 Maturity Level

		Level	Explanation	Characteristics
/ 12.0	-2	i2.x	Predomenientaly Industry 2.0 processes in the company	Devision of labor     No information technology/system
_	-1	i3.x	Predomenientaly Industry 3.0 processes in the company	Automation     IT System Application
	0i	Frame conditions	Organizational and infrastructural enablers for the implementation of Industry 4.0	Industry 4.0 awareness     IT-infrastructure and data security     Lean processes     Advanced tools adopted & mastered
ndustry 4.0	1i	Real-time Information generation	Generation and availability of data and information of all activities in real time.	Digital horizontal and vertical integration into the value chain     Single Source of Truth by sensor data     Sensor, feedback, machine control
5	2i	Real-time Information- processing and - integration	Development of knowledge and insights through the analysis and aggregation of all available information and data sources.	Aggregation of data     Big data analysis     Improving forecast ability
Maturity	3i	Integration of cyber-physical systems	Mobile assistance systems and human- machine/machine-machine collaboration for decentralized decision-making	Decentralizes decision-making     HMI/MMI, Industrial apps     Mobile assistance systems
	4i	Intelligent, autonomous & Self-organized processes	Self-optimizing processes and autonomous control of products in the value chain	High degree of automation     Self-learning and -optimization     of processes and products

Hong Kong SMEs were evaluated in the range of -1.7i to 0.7i

 $(\underline{https://qualityalchemist.blogspot.com/2019/09/hksq-agm-seminar-on-industry-40-in.html})$ 



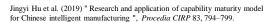
# **Background**

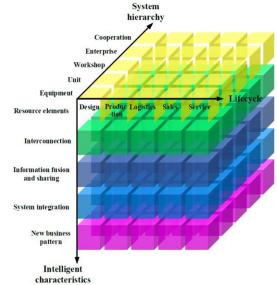
- China officially proposed the Smart Manufacturing 2025 Strategy in 2015 that aims to solve the problem of low manufacturing levels in China and help to accelerate the pace of innovation.
- Intelligent manufacturing is an approach that integrates intelligent decision making, processes, operations and resources based on emerging information technologies in the network, human factors and physical spaces to enhance their performance and technical capabilities.
- Scientific intelligent manufacturing evaluation models and methods can
  effectively guide the manufacturing industry to optimize the production
  structure and assist policy formulation.
- The core idea of the Capability Maturity Model is continuous process improvement.



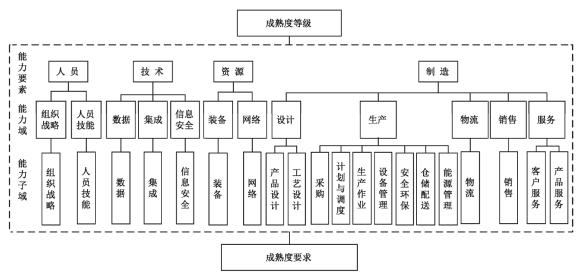
# China Intelligent Manufacturing Capability Maturity Model

- China intelligent manufacturing system architecture is built from three dimensions: life cycle, system level, and intelligent function.
- It can be summarized into two dimensions of "manufacturing + intelligence" with overall consideration from 3 dimensions of intelligent functions, life cycle and system level.



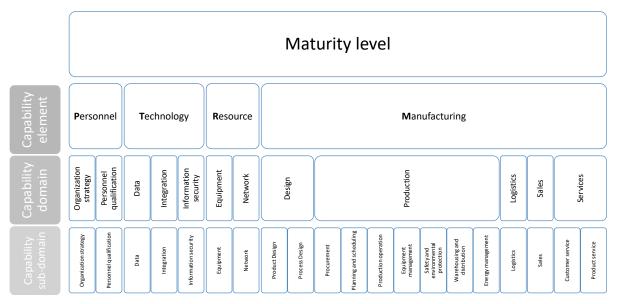


# PTRM Model composition

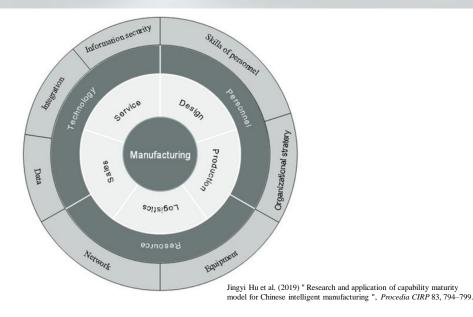


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# **PTRM Model composition**



# **Capability Elements**

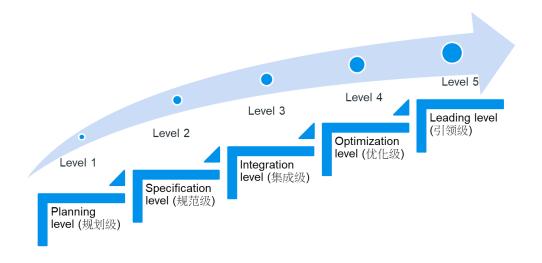


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# Maturity level

- There are five levels of maturity (from low to high):
  - Level I (planning level 规划级),
  - Level II (specification level 规范级),
  - Level III (integration level 集成级),
  - Level IV (optimization level 优化级), and
  - Level V (leading level 引领级)
- The higher maturity level requirements cover the requirements of the lower maturity levels.

# Maturity level



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### Maturity level

- First-level mainly means that the enterprise should start planning the basis and conditions for implementing intelligent manufacturing, as well as manage their core business in a streamlined manner.
- <u>Second-level</u> is that the enterprises should *adopt automation technology* and information technology to transform and standardize core equipment and services, which can help to *share the data* of a *single* service.
- **Third level** includes the integration of enterprise equipment and systems to achieve *data sharing between businesses*.
- Fourth level is refer to data mining of customers, resources and manufacturing, in order to form a certain knowledge and models, which can help to achieve accurate prediction and optimization of core business.
- Fifth level shows that enterprises should continue to drive business optimization and innovation based on the model, for realizing the synergy of the industry chain and deriving new manufacturing models and business models.

Jingyi Hu et al. (2019) "Research and application of capability maturity model for Chinese intelligent manufacturing", *Procedia CIRP* 83, 794–799.

# Maturity requirements

- Maturity requirements specify the specific conditions that capability element shall meet at different maturity levels, and the maturity assessment method is described in GB/T 39117 2020.
- Personnel
- Technology
- Resource
- Manufacturing

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Organization strategy so Strategy Strat

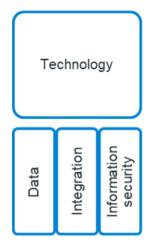
# Personnel

Levels	Organizational Strategy	Personnel Qualification
Level I	a) A <i>development planning</i> for intelligent manufacturing shall be developed; b) <i>Investment</i> shall be made in the resources required for development of intelligent manufacturing	a) The <i>importance</i> of intelligent manufacturing shall be <i>fully realized</i> ; b) Personnel required for development of intelligent manufacturing shall be <i>cultivated or introduced</i>
Level II	a) The <i>development strategy</i> of intelligent manufacturing shall be formulated, and the organizational structure, technical architecture, resource investment and personnel allocation of intelligent manufacturing shall be planned, with a <i>specific implementation plan</i> formed; b) The responsible intelligent manufacturing department and the responsible person of each <i>key post</i> , as well as the responsibilities of each post, shall be clearly defined	a) There shall be <i>individuals or teams</i> having the <i>ability to make overall planning</i> for intelligent manufacturing; b) There shall be personnel <i>mastering the skills</i> for IT fundamentals, data analysis, information security, system operation and maintenance, equipment maintenance, and programming and debugging. c) <i>Suitable intelligent manufacturing personnel training system</i> , performance assessment mechanism, etc. shall be developed to enable the employees to acquire new skills and qualifications in a timely and effective manner to meet the development needs of intelligent manufacturing of enterprises

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# Personnel

Levels	Organizational Strategy	Personnel Qualification
Level III	a) The implementation of the intelligent manufacturing strategy shall be monitored and evaluated, and the strategy shall be continuously optimized; b) A mechanism shall be established to optimize the post structure and regularly evaluate the suitability of the post structure and post duties, and post structure optimization and post adjustment shall be implemented based on the evaluation results	a) There shall be an <i>innovation management mechanism</i> to continuously carry out <i>technological innovation</i> and <i>management innovation</i> related to intelligent manufacturing; b) A <i>knowledge management system</i> shall be established to manage the knowledge and experience contributed by the personnel by means of information technology and analyze and apply such knowledge and experience in combination with the needs of intelligent manufacturing
Level IV		a) A <b>knowledge management platform</b> shall be established to realize the accumulation and dissemination of personnel knowledge, skills and
Level V		experience. b) The personnel knowledge, skills and experience shall be <i>digitized and software based</i>



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		עמטי

Levels	Data
Level I	<ul><li>a) Data required for business activities shall be <i>collected</i>;</li><li>b) <i>Data analysis</i> shall be conducted based on <i>experience</i></li></ul>
Level II	<ul> <li>a) Data shall be <i>collected</i> based on <i>QR codes, bar codes, RFID, PLC</i>, etc.;</li> <li>b) <i>Data analysis</i> shall be conducted based on <i>information system data and human experience</i> to meet the <i>datusage needs</i> within a specific range;</li> <li>c) Data and analysis results <i>sharing online within the departments</i> shall be realized</li> </ul>
Level III	a) Sensor technology shall be used to realize automatic data collection in key links of manufacturing; b) Uniform data coding and data exchange formats and rules, etc. shall be established to integrate data resource and support cross departmental business coordination; c) Data and analysis results sharing online across departments shall be realized
Level IV	a) An enterprise level unified data center shall be established; b) A normal data analysis model base shall be established to support business personnel in conducting data analysis rapidly; c) Big data technology shall be adopted and various types of algorithmic models applied to predict the state of manufacturing links so as to provide optimization recommendations and decision support for manufacturing activities
Level V	a) The data analysis model shall be optimized <i>in real time</i> to realize model based accurate execution

# Technology

Levels	Integration
Level I	a) The <i>sense of system integration</i> shall be possessed;
Level II	<ul> <li>a) System integration planning shall be carried out, including network, hardware, software, etc.;</li> <li>b) Integration between equipment and system for key business activities shall be realized</li> </ul>
Level III	a) A complete system integration architecture shall be formed; b) Technical specifications for integration between equipment, control system and software system shall be available, including integration specifications for heterogeneous protocols, interface specifications for industrial software, etc. c) Integration between equipment and system across business activities shall be realized through middleware tools, data interface integration platforms, etc.
Level IV	a) <i>Integration of all business activities</i> shall be realized by means of Enterprise Service Bus (ESB) and Operational Data Store (ODS)
Level V	

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# Technology

Levels	Information Security
Level I	<ul> <li>a) The specifications for information security management shall be formulated and effectively implemented;</li> <li>b) An information security coordination group shall be established</li> </ul>
Level II	<ul> <li>a) Information security risk assessment of critical industrial control systems shall be conducted on a regular basis;</li> <li>b) Regular industrial anti-virus software shall be installed on the industrial host.</li> <li>c) Security configuration and patch management shall be performed on the industrial host</li> </ul>
Level III	<ul><li>a) Industrial control network perimeter shall have <i>perimeter defense capabilities</i>;</li><li>b) <i>Remote access</i> to industrial control equipment shall be securely managed and reinforced</li></ul>
Level IV	a) Security devices with <i>deep packet parsing capabilities (深度包解析功能)</i> shall be deployed for the industrial networks;
Level V	b) Offline test environment shall be built for one own to test the security of device used in industrial sites; c) In the industrial enterprise management network, security protection measures with self-learning and self-optimizing functions shall be adopted



# Scope & Terms

- Specify the assessment *content, process and method* of the maturity of intelligent manufacturing capability.
- Apply to manufacturing enterprises, intelligent manufacturing system solution providers and *third parties* to conduct maturity assessment activities of intelligent manufacturing capability.
- Terms:
  - Assessment domain: the set of core clauses for maturity assessment of intelligent manufacturing capability
  - **Assessment criteria:** the set of policies, procedures or requirements used as a reference against which objective evidence is compared
  - Assessment findings: the results of assessment of the collected evidence against assessment criteria

### Assessment Domain of Repetitive Manufacturing Enterprises

表 1 流程型制造企业评估域

要素	人	员		技术		资	源	制造											
能力域	组织战略	人员 技能	数据	集成	信息安全	装备	网络	设计				生产				物流	销售	服务	
评估域	组织战略	人员技能	数据	集成	信息安全	装备	网络	工艺设计	采购	计划 与调	生产作业	设备管理	仓储送	安全环保	能源管理	物流	销售	客户服务	

Element	Person	nel		Technolo	ogy	Personnel Technology Resource							Manufacturing	1				$\neg$
Capability domain	Organizational strategy	Personnel skills	Data	Integration	Information security	Equipment	Network	Design	esign Production Lo							Logistics	Sales	Service
Assessment domain	Organizational strategy	Personnel skills	Data	Integration	Information security	Equipment	Network	Process design	Procurement	Planning and schedulin g	Productio	Equipment management	Warehousing and distribution	Safety and environmental protection	Energy management	Logistics	Customer service	

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### Assessment Domain of Discrete Manufacturing Enterprises

表 2 离散型制造企业评估域

要素	索 人员 技术 资源												制造							
能力域	组织 战略		数据	集成	信息 安全	装备	网络	设	计	生产物流销								销售	服	务
评估域	组织战略		数据	集成	信息安全	装备	网络	产品设计	工艺设计	采购	计划 与调	生产作业	设备管理	仓储配送	安全环保	能源管理	物流	销售	客户服务	产品服务

Elemen	Person	nnel		Technolo	ogy	Resou	urce						N	/lanufacturing	ı					
Capabilit			Data	Integration	Information	Equipment	Network	De:	Design Production								Logistics	Sales	Sen	ice
domain	strategy	skills		•	security															
Assessme domain	nt Organizational strategy	Personnel skills	Data	Integration	Information security	Equipment	Network	Product design	Process design	Procurement	Planning and schedulin g	Productio n operation	Equipment management	Warehousing and distribution	Safety and environmental protection	Energy management	Logistics	Sales	Customer service	Product service

# The weight of Assessment Domain (Repetitive Manufacturing Enterprises)

#### **Repetitive Manufacturing**

Repetitive manufacturing is a *period-based production* and not an order or lot based.

The same product will be manufactured over specific periods of time, and they might not change frequently.

The product is processed at a constant flow, and interim products are not stocked. Order confirmation is done from backflushing, and the settlement is carried through the product cost collector. Planned orders are sufficient to carry out the shop floor activity.

Examples of production companies utilizing a repetitive manufacturing process would be *durable goods*, *cars, and electronic products*.

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#### 表 4 流程型制造企业主要评估域及权重

能力要素	能力要素权重	能力域	能力域权重	能力子域	能力子域权重
人员	6 %	组织战略	50%	组织战略	100%
		人员技能	50%	人员技能	100%
技术	11%	数据应用	46%	数据应用	100%
		集成	27%	集成	100%
		信息安全	27%	信息安全	100%
资源	15%	装备	67%	装备	100%
		网络	33%	网络	100%
制造	68%	设计	4%	工艺设计	100%
		生产	63%	采购	12 %
				计划与调度	14 %
				生产作业	23 %
				设备管理	15%
				安全环保	12 %
				仓储配送	12 %
				能源管理	12 %
		物流	15%	物流	100%
		销售	15%	销售	100%
		服务	3%	客户服务	100%

# The weight of Assessment Domain (Discrete Manufacturing Enterprises)

#### **Discrete Manufacturing**

Discrete Manufacturing is about the manufacture of a product based on production orders and is characterized by requirements that do not occur on a regular basis.

The Discrete Manufacturing scenario can be used in different variants, in production by *lot size, make-to-order production*, and *assembly processing*.

The variants differ mainly in the planning conducted before-hand and about the sales order.

Confirmation and costs will be settled order wise.

Examples of discrete manufacturing could include: *vehicles, aircraft, smartphones, computers*, etc.

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#### 表 5 离散型制造企业主要评估域及权重

能力要素	能力要素权重	能力域	能力域权重	能力子域	能力子城权重
人员	6 %	组织战略	50%	组织战略	100%
		人员技能	50%	人员技能	100%
技术	11%	数据应用	46%	数据应用	100%
		集成	27 %	集成	100%
		信息安全	27 %	信息安全	100%
资源	6%	装备	50 %	装备	100%
質課		网络	50%	网络	100%
制造	77%	设计	13%	产品设计	50%
				工艺设计	50%
		生产	48%	采购	14%
				计划与调度	16%
				生产作业	16%
				设备管理	14%
				仓储配送	14%
				安全环保	13%
				能源管理	13%
		物流	13%	物流	100%
		销售	13%	销售	100%
		服务	13%	产品服务	50%
				客户服务	50%

#### **Assessment Procedure**

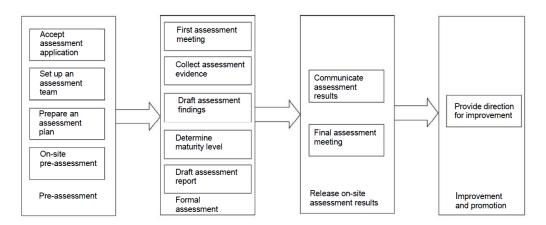


Figure 1 Maturity assessment procedure of intelligent manufacturing capability

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# Determination method for maturity level

- When the score of the assessed object at a certain maturity level is higher than the lowest score of the scoring interval, it is deemed to satisfy the requirements of the level; otherwise, it is deemed to be dissatisfied.
- When calculating the overall score, the maturity score of the satisfied level shall be 1, while the maturity score of the dissatisfied level shall be the actual score of the level.
- The overall maturity score of intelligent manufacturing capability is the cumulative sum of the scores of each maturity level.

Satisfaction of maturity requirements	Score
All satisfied	1
Mostly satisfied	0.8
Partially satisfied	0.5
Dissatisfied	0

#### Scoring method

Satisfaction of maturity requirements and corresponding scores

Maturity level	Corresponding scoring interval
Level 5 (leading level)	4.8 ≤ S ≤ 5
Level 4 (optimized level)	3.8 ≤ S < 4.8
Level 3 (integrated level)	2.8 ≤ S < 3.8
Level 2 (specified level)	1.8 ≤ S < 2.8
Level 1 (planning level)	0.8 ≤ S < 1.8

### Determination method for maturity level

- The self-evaluation results are divided into 1-5 grades from low to high according to the requirements of the standard.
- Maturity level 1: Enterprises should begin to plan for the implementation of intelligent
  manufacturing, and can carry out process management of core business such as design,
  production, logistics, sales and service;
- Maturity level 2: Enterprises should use digital equipment and information technology methods
  to digitally transform core business to realize data sharing within a single business;
- Maturity level 3: The company has formed an integrated solution, and networked integration of
  equipment and systems to achieve data sharing between businesses;
- Maturity level 4: The enterprise mines data such as personnel, equipment, products, environment and production process, and realizes accurate prediction of core business and optimization control of some businesses through knowledge and models;
- Maturity level 5: Enterprises should drive business optimization and continuous innovation
  based on models to achieve synergy in the industry chain and derive new manufacturing models
  and business models.

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Jingyi Hu et al. (2019) "Research and application of capability maturity model for Chinese intelligent manufacturing ", *Procedia CIRP* 83, 794–799.

# Case Study - Intelligent Manufacturing Development Index Report (2021)

In December 2021, eight departments including the Ministry of Industry and Information Technology jointly issued the "14th Five-Year Plan for the Development of Intelligent Manufacturing", which clearly put forward the transformation and upgrading goal of industry by 2025, so the maturity level of intelligent manufacturing capabilities will be significantly improved.

It is pointed out to establish a long-term evaluation mechanism.

"Intelligent Manufacturing Capability Maturity Model" (GB/T 39116-2020) officially released and implemented in May 2021.



The report reflects the development process of intelligent manufacturing in the manufacturing industry in 2021. <u>https://www.eet-china.com/mp/a117969.html</u>

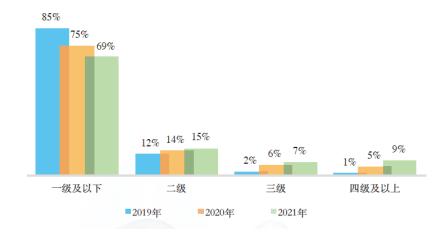
# Development Status of Intelligent Manufacturing

- As of December 2021, more than 20,000 enterprises across the country have carried out selfdiagnosis of intelligent manufacturing capability maturity through service platforms.
- Jiangsu (江苏), Shandong (山东), Beijing (北京), Ningxia (宁夏), Shanxi (陕西), Jiangxi (江西) and other industries participated.



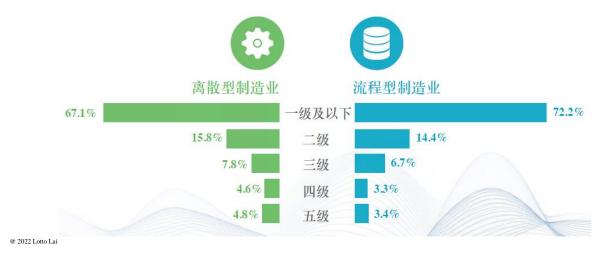
### **Development Status of Intelligent Manufacturing**

 At present, 69% of China's manufacturing enterprises are at the first-level or lower level, the second-level and third-level manufacturing enterprises account for 15% and 7% respectively, and the fourth-level and above manufacturing enterprises account for 9%.

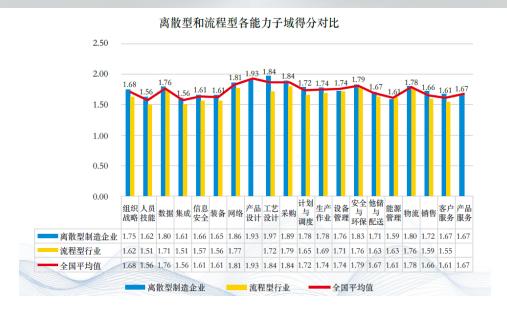


# Maturity Level between Discrete Manufacturing and Repetitive Manufacturing Enterprises

 From an industry perspective, the maturity level of discrete manufacturing is generally higher than that of process manufacturing.



# Sub-domain Score Comparison between Discrete Manufacturing and Repetitive Manufacturing Enterprises



# TOP 10 Industries' Intelligent Manufacturing Capability Maturity Level Distribution

 The results show that the maturity level of intelligent manufacturing capabilities in industries such as computer electronic equipment, automobiles, electrical appliances, food, medicine, special equipment manufacturing, chemical raw materials and products, and non-ferrous metal smelting ranks among the top domestically.



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# China intelligent manufacturing evaluation public service platform (中国智能制造评估评价公共服务平台)

智能制造评估评价公共服务平台作用——企业自诊断



https://www.c3mep.cn/home?subPlatformId=1

# Platform Self-diagnostic Process

#### 平台流程



智能制造是IT与OT的融合,是庞大的、复杂的系统工程;

- 填报人员应为:
  - 1. 对标准内容有了解
  - 能协调智能制造能力提升涉及部门的一名或多名人员,部门至少应包括:业务部门、设备、人力、信息系统运维、信息技术、网络等部门;
- 全条款填报时长大约为: 2个小时左右;
- 填报方式: 多部门人员采用会议等形式一起作答, 或同一账号分别作答;
- 填报须知: 客观真实, 切勿盲目的追求高分

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# Report

#### 报告解读





### Conclusion

- Introduction of HKPC industry 4.0 approach (Fraunhofer IPT) and China standards "Made in China 2025" approach.
- China Capability Maturity Model of Intelligent Manufacturing (CMMM) background and PTRM model (GB/T 39116-2020)
- CMMM Assessment Method (GB/T 39117-2020)
- Intelligent Manufacturing Development Index Report (2021)
- China Intelligent Manufacturing Evaluation Public Service Platform

Understand details before selfdiagnostic on Intelligent Manufacturing!



