



**Faculty of Engineering**

**Modeling and Analysis of Process Factors' Effect on Performance in  
Crude Palm Oil Processing Time: A Simulation-Based Approach**

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Modeling and Analysis of Process Factors' Effects on Performance in Crude  
Palm Oil Processing Time: A Simulation-Based Approach

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## DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Malaysia Sarawak. Except where due acknowledgements have been made, the work is that of the author alone. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.



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## ABSTRACT

Crude Palm Oil (CPO) industry has emerged as one of the main agricultural commodities and contributes significantly to the national economy. Studies showed process factors such as fresh fruit bunches (FFBs), workers, process, machines and components and working method affect the performance of a CPO production system. However, there is no study that investigate the performance of CPO production system considering these process factors and the possibility of interactions between these process factors. The first objective is to develop a simulation model of CPO production. Second, to analyse the process factors and simulated processing times using ANOVA to identify significant factors and interactions between factors. Third, to propose managerial strategies to reduce the processing time. The research tools used are discrete event simulation (DES), design of experiment (DOE) and analysis of variance (ANOVA). Four industrial cases are considered; for Case A & Case B the simulated operation time are 8 hours and 16 hours, respectively. While for Case C & D the simulated FFBs quantity are 250 metric tonnes and 1250 metric tonnes, respectively. For Case A & B findings showed process factors such as FFBs quantity, FFBs inter-arrival time and tipping machine repair time are significant. Also, for Case A & B, the interaction between FFBs quantity and inter-arrival time is significant. For Case C & D, tipping machine repair time and weighbridge machine repair time are significant. For Case C, there is no significant interaction between factors, while for Case D, the interaction between weighing time and weighbridge repair time is significant. In sum, availabilities of FFBs quantity and tipping machine are crucial to achieve short processing time. Thus, management of palm oil mill must implement strategies to sustain availabilities of FFBs and tipping machine.

**Keywords:** Simulation, fresh fruit bunches (FFBs), process factors, crude palm oil (CPO), processing time

***Pemodelan dan Analisis Kesan Faktor Proses Terhadap Prestasi Masa di dalam Pemrosesan Minyak Sawit Mentah: Kaedah Berasaskan Simulasi***

**ABSTRAK**

*Industri Minyak Sawit Mentah (CPO) telah menjadi salah satu komoditi pertanian utama yang memberikan sumbangan yang penting kepada ekonomi negara. Kajian telah menunjukkan bahawa faktor proses seperti kuantiti tandan buah segar (FFB), pekerja, proses, mesin dan komponen serta kaedah kerja yang mempengaruhi prestasi sistem pemrosesan minyak sawit mentah (CPO). Sehingga kini belum terdapat kajian tentang prestasi sistem pemrosesan (CPO) yang mengambikira pelbagai faktor proses dan kemungkinan interaksi antara faktor proses. Objektif kajian pertama adalah membangunkan satu model simulasi pengeluaran CPO. Objektif yang kedua, adalah menganalisa faktor-faktor proses dan masa pemrosesan yang disimulasikan dengan menggunakan “analysis of varian” (ANOVA) bagi mengenal pasti faktor-faktor proses yang signifikan dan interaksi antara faktor-faktor yang signifikan. Objektif kajian yang ketiga, ialah mencadangkan strategi pengurusan untuk mengurangkan masa pemrosesan minyak sawit mentah. Teknik kajian yang digunakan adalah “discrete event simulation” (DES), “design of experiment” (DOE) dan “analysis of variance” (ANOVA). Empat kes industri telah disimulasikan; untuk Kes A & Kes B, masa pemrosesan yang disimulasi adalah 8 jam dan 16 jam. Manakala untuk Kes C & D, kuantiti tandan buah segar (FFB) yang disimulasi adalah 250 tan metrik dan 1250 tan metrik. Hasil kajian adalah bagi Kes A & B, kuantiti tandan buah segar (FFBs), masa ketibaan buah tandan segar (FFBs), dan masa pembaikan mesin tuangan adalah signifikan. Bagi Kes C & D, masa pembaikan mesin tuangan dan masa pembaikan mesin jambatan timbang adalah signifikan. Secara ringkasnya, ketersediaan kuantiti tandan buah segar (FFBs) and mesin tuangan adalah penting untuk*

*mencapai masa pemrosesan yang singkat. Maka, pengurusan kilang sawit mesti melaksanakan strategi untuk mengekalkan ketersediaan tandan buah segar (FFBs) dan mesin tuangan.*

***Kata kunci:*** *Simulasi, tandan buah segar (FFB), faktor proses, minyak sawit mentah, masa pemrosesan*



## TABLE OF CONTENTS

	<b>Page</b>
<b>DECLARATION</b>	<b>i</b>
<b>ACKNOWLEDGEMENT</b>	<b>ii</b>
<b>ABSTRACT</b>	<b>iii</b>
<b>ABSTRAK</b>	<b>v</b>
<b>TABLE OF CONTENTS</b>	<b>vii</b>
<b>LIST OF TABLES</b>	<b>xii</b>
<b>LIST OF FIGURES</b>	<b>xiii</b>
<b>LIST OF ABBREVIATIONS</b>	<b>xvi</b>
<b>CHAPTER 1 INTRODUCTION</b>	<b>1</b>
1.1 Research Background	1
1.2 Problem Statement	2
1.3 Research Hypotheses and Questions	5
1.4 Research Objectives	6
1.5 Scope of Work	7
1.6 Research Contributions	8
1.7 Organization of Thesis	9
<b>CHAPTER 2 LITERATURE REVIEW</b>	<b>12</b>

2.1	Introduction	12
2.2	Performance Analysis and Evaluation of Manufacturing Systems	12
2.3	Related Literatures on Process Factors Affecting Manufacturing and Crude Palm Oil Production Systems	14
2.3.1	Process Factors Affecting Performance of Manufacturing/Production Systems	14
2.3.2	Process Factors Affecting Processing Performance of Crude Palm Oil Production Systems	24
2.3.3	Identification of Research Gap	38
2.4	Discrete Event Simulation (DES) Modelling	41
2.4.1	Application of Discrete Event Simulation (DES) Modelling in Various Industries	41
2.4.2	Fundamental of Discrete-event simulation (DES) modelling	42
2.4.3	Pieces of a simulation model	44
2.4.4	Verification, Validation, Warm Up Period and Number of Replications	46
2.4.5	Simulation Project Life Cycle	48
2.5	Statistical Design of Experiment (DOE), Factorial Experimental Design, Fractional Factorial Design and Analysis of Variance (ANOVA)	50
2.5.1	Statistical Design of Experiment (DOE)	50
2.5.2	Factorial Experimental Design	51
2.5.3	Analysis of Variance (ANOVA)	57
2.6	Summary of Literature Review	58

<b>CHAPTER 3 RESEARCH METHODOLOGY</b>	<b>60</b>
3.1 Introduction	60
3.2 Simulation Methodology	60
3.3 Definition, Validation and Architecture of Conceptual Model	63
3.4 Development of the Simulation Model	69
3.4.1 Basic Simulation Module of Arena Simulation Platform	69
3.4.2 Coding of the Simulation Module	72
3.4.3 Verification of the Simulation Logic	92
3.5 Design and Execution of the Simulation Experiments	98
3.5.1 Design of Simulation Experiment for Simulation Model Validation	98
3.5.2 Design of Simulation Experiment and Analysis of Variance (ANOVA) for Factors Screening	100
3.5.3 Design of Simulation Experiment and Analysis of Variance for Full Factorial Analysis	102
3.5.4 Determination of Number of Replications	103
3.6 Summary	103
<b>CHAPTER 4 DATA ANALYSIS, RESULTS AND DISCUSSION</b>	<b>105</b>
4.1 Introduction	105
4.2 Development and Validation of the Simulation Model of Crude Palm Oil Production System	105
4.2.1 Development of the Simulation Model	105

4.2.2	Validation of the Simulation Model Output Against Data from Case Study Company	110
4.2.3	Validation of the Simulation Model Output Against Production Theory	111
4.3	Analysis of Process Factors Affecting the Processing Time under Four Industrial settings	130
4.3.1	Case A: Crude Palm Oil Production System Operation Time-8 Hours per Day	130
4.3.2	Case B: Crude Palm Oil Production System Operation Time - 12 Hours per Day	138
4.3.3	Case C FFB Quantities at 250 Metric Tonne	145
4.3.4	Case D FFB Quantities at 1150 Metric Tonne	149
4.3.5	Combined Process Factor Analysis Under Assumed Four Industrial Settings	155
4.4	Proposal for Managerial Strategies/Actions that Reduces the Crude Palm Oil Processing Time	157
4.5	Summary	161
	<b>CHAPTER 5 CONCLUSIONS AND RECOMMENDATIONS</b>	<b>162</b>
5.1	Conclusions	162
5.1.1	Simulation Model Development, Verification and Validation	162
5.1.2	Factors Analysis Under Four Industrial Settings	163
5.1.3	Managerial Strategies	164
5.2	Limitation and Recommendations for Future Works	165
	<b>REFERENCES</b>	<b>166</b>

<b>APPENDIX: CONFERENCE AND JOURNAL PUBLICATIONS</b>	<b>184</b>
<b>APPENDIX: CHAPTER A</b>	<b>185</b>
<b>APPENDIX: CHAPTER B</b>	<b>189</b>
<b>APPENDIX: CHAPTER C</b>	<b>238</b>

## LIST OF TABLES

	<b>Page</b>
Table 2.1: A Factorial Experiment with Two Factors	52
Table 2.2: A Factorial Experiment with Interaction	55
Table 3.1: Process Factors and Levels for Validation of Simulation Model	100

## LIST OF FIGURES`

	<b>Page</b>
Figure 2.1: Conceptual Framework For Process Factors Affecting Performance Manufacturing System	23
Figure 2.2: Conceptual Framework For Process Factors Affecting Performance of Crude Palm Oil Production System	37
Figure 2.3: Framework for Identification of Research Gap	40
Figure 2.4: A single server system model	42
Figure 2.5: General methodology for simulation project life cycle	49
Figure 3.1: Simulation Methodology for Crude Palm Oil Processing System	61
Figure 3.2: Generic conceptual model of crude palm oil production	64
Figure 3.3: Generic conceptual model of crude palm oil production	65
Figure 3.4: Create Module	71
Figure 3.5: Dispose Module	71
Figure 3.6: Process Module	71
Figure 3.7: Decide Module	71
Figure 3.8: Assign Module	71
Figure 3.9: Record Module	71
Figure 3.10: FFB Arrival Module Dialog Box	72
Figure 3.11: Dialog Box for FFB Arrival Time Module	73
Figure 3.12: Dialog Box for Decide Number of Weighbridge Station Module	74
Figure 3.13: Dialog Box for Weighbridge Staion WB1 Module	75
Figure 3.14: Dialog Box for WB 1 Repair Module	76
Figure 3.15: Dialog Box for Decide Number of Grading Station Module	77
Figure 3.16: Dialog Box for Grading Station 1 Module	78

Figure 3.17: Dialog Box for Decide Number of Workers at Loading Ramp Modules	79
Figure 3.18: Dialog Box for Worker Loading Ramp 1 Module	80
Figure 3.19: Dialog Box for Decide Number of Sterilizing Station Module	81
Figure 3.20: Process Module Dialog Box for Sterilizer Station 1, 2 and 3	82
Figure 3.21: Dialog Box for Decide Number of Cages Module	83
Figure 3.22: Dialog Box for Cage 1 Module	84
Figure 3.23: Dialog Box for Tipping Machine Repair Module	85
Figure 3.24: Decide Module Dialog Box for Number of Digester Stations	86
Figure 3.25: Dialog Box for Digester Station 1 Module	87
Figure 3.26: Dialog Box for Decide Number of Pressing Station Module	88
Figure 3.27: Dialog Box for Pressing Station 1 Module	88
Figure 3.28: Downstream Process Modules	89
Figure 3.29: Dialog Box for Record Production Quantity Module	90
Figure 3.30: Dialog Box for Record Processing Time Module	90
Figure 3.31: Dialog Box for Dispose Crude Palm Oil Module	90
Figure 3.32: Dialog Box Replication Parameters Tab	91
Figure 3.33: Verification of FFBs exiting from the Assign Module	92
Figure 3.34: Verification of Weighbridge Repair and Weighing Process	93
Figure 3.35: Verification of Grading Process	93
Figure 3.36: Verification of Workers for Loading Process	94
Figure 3.37: Verification of Sterilisation Process	95
Figure 3.38: Verification of Cages and Tipping Machine Repair Process	95
Figure 3.39: Verification of digestion process	96
Figure 3.40: Verification of pressing process	97
Figure 3.41: Verification of Downstream Process Modules	98



Figure 3.42: Verification of Record and Dispose Modules	98
Figure 4.1: Simulation model of crude palm oil production system	107
Figure 4.2: Simulation model of crude palm oil production system (continued)	108
Figure 4.3: Simulated fresh fruit bunches (FFBs) quantity against simulated processing time at different value of simulated FFBs inter-arrival times	112
Figure 4.4: Simulated Fresh fruit bunches (FFBs) quantity against simulated processing time at different value of simulated weighbridge machine repair time	113
Figure 4.5: Simulated fresh fruit bunches (FFBs) quantity against simulated processing time at different value of simulated tipping repair time	114
Figure 4.6: Simulated fresh fruit bunches (FFBs) inter-arrival time against simulated processing time at different value of simulated FFBs quantity	116
Figure 4.7: Simulated fresh fruit bunches (FFBs) inter-arrival time against simulated processing time at different value of simulated weighbridge repair time	118
Figure 4.8: Simulated fresh fruit bunches (FFBs) inter-arrival time against simulated processing time at different value of simulated tipping repair time	119
Figure 4.9: Simulated weighbridge machine repair time against simulated processing time at different value of simulated fresh fruit bunches (FFBs) quantity	121
Figure 4.10: Simulated weighbridge machine repair time against simulated processing time at different value of simulated fresh fruit bunches (FFBs) inter-arrival time	123
Figure 4.11: Simulated weighbridge machine repair time against simulated processing time at different value of simulated tipping machine repair time	124
Figure 4.12: Simulated tipping repair time against simulated processing time at different value of simulated fresh fruit bunches (FFBs) quantity	126
Figure 4.13: Simulated tipping repair time against simulated processing time at different value of simulated fresh fruit bunches (FFBs) inter-arrival time	127
Figure 4.14: Simulated tipping repair time against simulated processing time at different value of simulated weighbridge repair time	129

## LIST OF ABBREVIATIONS

ANOVA	Analysis of Variance
CBC	Cake Breaker Conveyor
ConLOAD	Continuous CONstant LOAD
CPO	Crude Palm Oil
DES	Discrete Event Simulation
DOE	Design of Experiment
FFB	Fresh Fruit Bunch
FIFO	First In First Out
KER	Kernel Extraction Rate
KPI	Key Performance Indicator
LUMS OR	Lancaster University Management School order release
MPOB	Malaysian Palm Oil Board
MT	Metric Tonne
OEE	Overall Equipment Efficiency
SOP	Standard Operating Procedure
SPSS	Statistical Package for Social Science
TRIA	Triangular
WIP	Work in Progress

# CHAPTER 1

## INTRODUCTION

### 1.1 Research Background

Nowadays, manufacturing environment is characterized by globalization, increasing competition, accelerated adoption of technological innovation and growing customer demand for new, complex, and customizable products with shorter life cycles (Cristea & Cristea, 2021). Operating within this volatile environment companies need to properly implement and manage their operations strategies and improve actions to remain competitive and satisfy customers efficiently and effectively (Barbosa & Azevedo, 2018). As such, as emphasized by Neely et al. (1995), assessment of manufacturing systems' performance is important for reviewing objectives and maintaining competitiveness when manufacturing environment is constantly changing. Good performance of manufacturing companies depends on dimensions such as response time, cost, production time, efficiency, service levels, production throughput and quality of products and services (Hopp & Spearman, 2008; Kalita et al., 2019).

In a manufacturing system, the manufacturing processes are interconnected where the output from one process becomes the input to the next process, and in some cases where rework is necessary, the output becomes the input to the previous process. These interconnected manufacturing processes have resulted in many process factors that exist in the manufacturing system (Addo-Tenkorang & Helo, 2016). Battesini et al. (2021) established there are complex causal interrelations among key process factors that influence the performance of manufacturing system. Also, the performance is directly dependent on

the factors and mechanisms associated with the production flow that are present within the manufacturing system itself.

In Malaysia, crude palm oil (CPO) industry has grown rapidly and emerged as one of the main agricultural commodities and contributes significantly to the national economy (Nambiappan et al., 2018). Previous studies (Mohd-Lair et al., 2012; Kumaradevan et al., 2014; Junaidah, et al., 2015; Anyaoha et al., 2018; Sembiring et al., 2018, Susilawati et al., 2019; Ishak et al., 2019; Ishak, 2020; Lubis et al., 2020; Marimin and Zavira, 2020; Racedo-Gutiérrez et al., 2020; Sembiring Ramzani, 2020; Abdullah et al., 2021; Fadilla et al., 2021; Ojeda-Safra et al., 2021; Pakdeechot et al., 2021; Pratama & Susilawati, 2021; Ishak, 2020; Rizkya et al., 2020; Setiawan & Prasetya, 2020; Hermantoro et al., 2023; Minarni et al., 2023; Samri et al., 2023; and Fadhilah et al., 2024) have shown that the performance of CPO production system is affected by many process factors. These process factors are broadly categorised into raw materials (FFBs), machines and components, workers, process and working method/production strategy. Good performance of any crude palm oil (CPO) production is very important for maintaining competitiveness.

## **1.2 Problem Statement**

A crude palm oil (CPO) production system consists of several inter-connected process, with the output from one process becomes the input to the next process. As stated in subsection 1.1, process factors related to raw materials (FFBs), machines and components, workers, process and working method/production strategy do affect the performance of CPO production system. The process factors related to raw materials are arrival, fruit origin, mature fruit quality, grading methods, unloading procedures and processing routes. Process factors related to workers are skills, numbers of, motivation, working hours, work experience

and education & training. For process, factors related are critical or noncritical, FFB input and prediction of CPO based on fresh fruit bunches. As for processing machines and machine components related factors are critical machines, transportation, machine hours, type of technology used, processing time, optimum setting, to sorting, loading ramps, sterilizer station, purification stations and storage stations, maintenance schedule and component replacement. Finally, process factors related to work method are duration of repair process, duration of moving CPO input tank and usage of different machine settings and manual counting of oil palm fresh fruit bunches moving on a conveyor.

For example, studies by Kumaradevan et al. (2014), Susilawati et al. (2019), Sembiring and Ramzani (2020), Pratama and Susilawati (2021) and Ishak (2020) have established that process factors related to raw materials do affect the performance of CPO production system. For process factors related to machines and components, studies by Mohd-Lair et al. (2012), Sembiring et al. (2018), Susilawati et al. (2019), Marimin and Zavira (2020), Sembiring and Ramzani (2020), Abdullah et al. (2021), Pratama and Susilawati (2021) and Minarni et al., (2023) have established the effect on performance of CPO production system. For process factors related to workers, studies conducted by Susilawati et al. (2019), Ishak (2020) and Sembiring and Ramzani (2020) have established the effect on performance of CPO production system. Studies conducted by Ishak et al. (2019), Ishak (2020), Fadilla et al. (2021) and Samri et al. (2023) have established that process factors related to process do affect the performance of CPO production system. Finally, for process factors related to working method/production strategy, studies by Kumaradevan et al. (2014), Junaidah, et al. (2015), Anyaoha et al. (2018), Ishak et al. (2019), Ishak (2020), Lubis et al. (2020), Racedo-Gutiérrez et al. (2020), Rizkya et al. (2020), Setiawan and Prasetya (2020), Abdullah et al. (2021), Fadilla et al. (2021), Pratama and

Susilawati (2021), Ojeda-Safra et al. (2021), Pakdeechot et al. (2021), Hermantoro et al. (2023), Minarni et al. (2023), and Fadhilah et al. (2024) have established the effect on performance of CPO production system. Detail review of these studies is provided in subsection 2.3.2.

Thus, it can be emphasised that major problems faced by CPO production system are the presence of these process factors and corresponding effect on CPO production system's performance. However, most studies cited above have failed to consider the presence of many process factors and the possibility of interactions between these process factors which affect the performance of CPO production system. In addition, in most studies cited above the research tools used was adequate to address the requirements of their research work, which might not be adequate for modelling, experimenting, and analysing the presence and interactions of many process factors within the CPO production system. Given the problems of (i) many process factors and their effect on performance, (ii) possibility of interactions between these factors and their effect on performance, (iii) a unique research tool to solve problem (i) and (ii), then work reported in this thesis aims to study the performance of CPO production system considering many process factors using discrete event simulation (DES) combined with design of experiment (DOE) and analysis of variance (ANOVA). In this thesis, the CPO production system to be studied is in Belaga, Sarawak. Upon consultation with management team, it has been decided that processing time is crucial than other performance measures and is defined as the total time taken to process one batch of fresh fruit bunches (FFBs) to crude palm oil. Henceforth this will be known as CPO processing time and will be used in the thesis.

### 1.3 Research Hypotheses and Questions

The research hypotheses and questions are as follows.

Research hypotheses:

- i. There are process factors related to raw materials, workers, machines, process, and maintenance which affect the crude palm oil processing time.
- ii. There are two-way interactions between any two process factors (such as raw materials and workers, raw materials and machines, raw materials and process, raw materials and maintenance, workers and machines, workers and process, workers and maintenance, machines and process, machines and maintenance, process, and maintenance) which affect the crude palm oil processing time.
- iii. There are managerial strategies or actions related to raw materials, workers, machines, process, maintenance that could be used to reduce the crude palm oil processing time affected by process factors and interactions between process factors identified in (i) and (ii).

Research questions;

- i. What are the process factors that have main effect on the crude palm oil processing time for case A, B, C and D?
- ii. What are the interactions between process factors that have effect on the crude palm oil processing time for case A, B, C and D?
- iii. How are the managerial strategies or action implemented to manage the crude palm oil processing time affected by process factors and interaction between process factors identified in (i) and (ii) for Case A, B, C and D?

## 1.4 Research Objectives

The general objective of this research work is to apply discrete simulation, design of experiment (DOE) and analysis of variance (ANOVA) techniques to study the processing time of a crude palm oil (CPO) production system under the effect of many input process factors. The input process factors referred to in objectives (i) and (ii) are fresh fruit bunches (FFBs) quantity, FFBs inter-arrival time, number of weighbridge machine, weighing time, weighbridge machine repair time, number of grading machine, grading time, number of workers at loading station, loading time, number of steriliser machine, sterilising time, tipping machine repair time, number of digester machine and number of presser machine.

The main effect of input process factor stated in objective 2 (for example FFBs quantity) is defined as the change in response (CPO processing time) produced by a change in the level of FFBs quantity. For the interaction effect, this is defined as the effect of one independent variable (for example FFBs quantity) changes depending on the level of another independent variable (for example FFBs inter-arrival time). The main and interactions effect analyses of these input process factors were carried out under the assumptions of four industrial scenarios (Case A; 8 hours operation, Case B; 12 hours operations, Case C; 250 metric tonnes of FFBs, and Case D; 1150 metric tonness of FFBs). Data collection was carried out over a duration of 2.5 years (2019-2021) in a local case-study mill located in Belaga, Sarawak that has been operating for 20 years. Specifically, the objectives of this research work are to:

- i. To develop and validate a simulation model for crude palm oil production system considering many input process factors.