

# UNIVERSITI PUTRA MALAYSIA

DEVELOPMENT OF A MULTI-OBJECTIVE OPTIMIZATION MODEL FOR TRANSPORT AND ENVIRONMENT IN A CLOSED-LOOP AUTOMOTIVE SUPPLY CHAIN

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Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia, in Fulfillment of the Requirements for the Degree of Doctor of Philosophy

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With love and gratitude to my Parents , my wife, Marzieh and my children and.



Abstract of thesis to be presented to the Senate of Universiti Putra Malaysia in fulfillment of the requirements for the degree of Doctor of Philosophy

## DEVELOPMENT OF A MULTI-OBJECTIVE OPTIMIZATION MODEL FOR TRANSPORT AND ENVIRONMENT IN A CLOSED-LOOP AUTOMOTIVE SUPPLY CHAIN

By

#### ABDOLHOSSEIN SADRNIA

#### July 2014

#### Chairman: Professor Datin Napsiah Ismail, PhD Faculty: Engineering

Due to increasing severity of the environment such as limited raw materials, increasing pollutions, global warming and greenhouse gas (GHG) pollution, manufacturers have to design their supply chains to be green. For example, greening the automotive supply chain has become a major concern and car manufacturers have been obliged to recover at least 95% End-Of-Life vehicle (ELV) by 2015. Since closed-loop network make an infrastructure to collect and recover used products, developing an effective closed-loop network as a major greening tool in supply chains has been growing increasingly by researchers.

Most researchers have tried to minimize the total cost in logistics network and neglects environmental while the most important question in green supply chain is how to identify preferred solutions balancing environmental and business concerns. Since the logistics networks are known as complex models, exact methods could not find the optimum solution. Therefore, various meta-heuristic algorithms have been tried by researchers.

In this research, a new Multi-Objective Logistics Network Model for Automotive Closed-Loop Supply Chain (MOACLSC) for recovering ELVs was developed. After that a Meta-heuristic method is used for finding the global optimum solution. The methodology of this research includes three stages. The variable (such as truck type for transportation and the amount of material that should be transshipped between facilities) and parameters (such as transportation cost, facilities' capacity) are identified and then the conceptual model for MOACLSC was developed. In the second stage, the MOACLSC mathematical model was developed for recovering ELVs. In the last stage, an extended Gravitational Search Algorithm (GSA) as a parallel search algorithm and high convergence rate into high quality final solutions is used to solve the proposed mathematical model and to achieve the Pareto set of solution. The Multi-objective GSA (MOGSA) algorithm is adopted and then programmed using MATLAB software particularly to the MOACLSC.

To verify the model, four examples from literature were considered and compared the MOGSA's optimum solutions result by Genetic Algorithm's (GA) result. The results obtained from problem were analyzed based on the objective function (cost), and the design parameters of the network. Analysis of results expressed the acceptable

performance of MOACLSC and MOGSA compared to the proposed mathematical model in the example and GA. Comparing the total cost of the networks, revealed that the total closed-loop logistics network's cost for ELV recovering were reduced by 1.7%, 2.4%, 3.3% and 3.9% in four problems respectively. Finally to present the model validity of a real case study in automotive industrial was studied. The result shows if the proposed model implement to redesign forward logistics, 12.36% of the total cost can be decreased. Indeed, a Pareto set of solutions including, 15 solutions were found which they can be selected a preferred solution balancing environmental and business concerns. To know the proposed model's sensitivity, after model validation, sensitivity analysis has been done and the result has been interpreted to provide some interesting managerial insights.



Abstrk tesis dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Doktor Falsafah

### PEMBANGUNAN MODEL PENGOPTIMUMAN MULTI-OBJEKTIF UNTUK PENGANGKUTAN DAN PERSEKITARAN DALAM RANTAIAN TERTUTUP LOOP AUTOMOTIF BEKALAN

Oleh

#### ABDOLHOSSEEIN SADRNIA

#### Julai 2014

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Oleh kerana tahap peningkatan alam sekitar seperti bahan-bahan mentah dan sumber, meningkatkan pencemaran dan pelupusan yang melimpah, pemanasan global dan pencemaran gas rumah hijau (GHG), penghijauan rantaian bekalan automotif telah menjadi keperluaan utama supaya pengeluar kereta diwajibkan untuk mendapatkan semula sekurang-kurangnya 95% akhir hayat kenderaan (ELV) pada tahun 2015. Sejak infrastuktur suap-balik dan rangkaian logistik terbalik dalam memungut dan mendapat, menilai, mengilang semula dan mengitar semula produk yang digunakan untuk mencapai objektif, penyelidik dan pengamal pembangunkan suap-balik yang berkesan dan rangkaian logistik terbalik sebagai alat penghijauan utama dalam rantaian bekalan telah semakin berkembang. Kebanyakan kajian pada masa sekarang telah cuba untuk mengurangkan jumlah kos dalam rangkaian logistik dan ini bermakna model selalunya dianggap sebagai objektif tunggal dan mengabaikan persekitaran dan objektif sosial. Manakala "rekabentuk" dalam kes sebenar biasanya melibatkan percanggahan objektif yang memerlukan tolak ansur dan kesimbangan.

Rangkaian logistik dikenali sebagai model komplek, kaedah yang tepat tidak dapat mencari penyelesaian optimum, oleh itu masalah hijau begitu kompleks perlu pada pembangunan teknik-teknik moden dari pelbagai bidang saintifik. Salah satu kaedah pengoptimuman heuristik adalah *Gravity Search Algoritma (GSA)* yang dibina berdasarkan undang-undang graviti dan tanggapan interaksi massa.

Dalam kajian ini, model Multi-objektif Logistik Rangkaian baru telah dibangunkan untuk Rantaian Automotif Bekalan suap balik (MOACLSC) untuk pemulihan ELVs. Algoritma GSA multi-objektif (MOGSA) diterima pakai dan kemudian diprogramkan menggunakan perisian MATLAB untuk MOACLSC. Dalam perbandingan rangkaian jumlah kos, ia adalah jelas bahawa kos jumlah gelung tertutup rangkaian logistik untuk pemulihan ELV telah menurun sebanyak 1.7%, 2.4%, 3.3% dan 3.9% dalam empat masalah masing-masing. Akhir sekali untuk menentukan kesahihan model, kajian kes sebenar dalam industri automotif telah dilakukan. Hasilnya menunjukkan jika model yang dicadangkan itu dilaksanakan bagi reka bentuk semula logistik ke hadapan, 12.36% daripada jumlah kos boleh dikurangkan. Malah, satu set Pareto penyelesaian termasuk 15 penyelesaian ditemui. Set keputusan boleh digunakan oleh pembuat keputusan.

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I certify that a Thesis Examination Committee has met on 16 July 2014 to conduct the final examination of Abdolhossein Sadrnia on his thesis entitled "Development of A Multi-Objective Optimization Model for Transport And Environment in a Closed-Loop Automotive Supply Chain" in accordance with the Universities and University Colleges Act 1971 and the Constitution of the Universiti Putra Malaysia [P.U. (A) 106] 15 March 1998. The Committee recommends that the student be awarded the Doctor of Philosophy.

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Signature: Name of Member of Supervisory Committee: Norzima bt. Zulkifli, PhD

# **TABLE OF CONTENTS**

	Page
ABSTRACT	i
ABSTRAK	iii
ACKNOWLEDGEMENTS	iv
APPROVAL	V
DECLARATION	vii
LIST OF TABLES	xi
LIST OF FIGURES	xii
LIST OF ABBREVATIONS	xiv
CHAPTER	
1 INTRODUCTION	1

# CHAPTER

1	INT	RODUCTION	1
	1.1	Background	1
	1.2	Problem statement	2
	1.3	Research objectives – – – – – – – – – – – – – – – – – – –	4
	1.4	Scope of research	5
	1.5	Research contribution	5
	1.6	Research questions	6
	1.7	Organization of the thesis	6
	1.8	Summary	9
2	LIT	ERATURE REVIEW	10
	2.1	Introduction	10
	2.2	Supply chain management	10
	2.3	Supply chain networks design and optimization	10
	2.4	Green supply chain management	11
		2.4.1 Forward and reverse logistics	12
		2.4.2 Closed-loop supply chain	13
		2.4.3 Recovery option in closed-loop supply chain	14
		2.4.4 Categories of reverse logistics flows and processes	15
		2.4.5 Processes in reverse logistics	17
		2.4.6 Motivation drivers and barriers in reverse logistics	17
		2.4.7 Network designing and modeling in closed-loop supply chain	18
		2.4.8 Greenhouse gas and CO <sub>2</sub> emission	18
		2.4.9 CO <sub>2</sub> emission in supply chain	21
	2.5	2.5 Vehicle recycling	
	2.6	.6 Legislation directive on ELVs	
	2.7 Optimization methods and techniques		28
		2.7.1 Multi-objective optimization and Pareto optimal solution set	29
		2.7.2 Exact algorithm	30
		2.7.3 Heuristics algorithm and meta-heuristic methods algorithms	31
		2.7.4 Classical and meta-heuristic algorithms for solving MOO	34
	2.8	Gravitational Search Algorithm	34
		2.8.1 A simple frame work of GSA	35
		2.8.2 Multi-objective GSA (MOGSA)	38
	2.9	Recent researches on reverse and closed-loop supply chain	39
		2.9.1 Supply chain network optimization	40

		2.9.2	Reverse logistics and closed-loop network design	42
		2.9.3	Reverse supply chain in automotive industrial and ELVs re	cycling 45
		2.9.4	Meta-heuristic methods to solve closed-loop logistics probl	ems 49
	2.10	) Obser	vations and summary of literatures	50
3	RES	EARC	H APPROACH AND METHODOLOGY	55
	3.1	Introd	uction	55
	3.2	Metho	odology of study	55
	3.3	Devel	opment of conceptual closed-loop logistics network	58
	3.4	The p	roposed mathematical model for MOACLSC	59
		3.4.1	Limitation and assumptions in model	59
		3.4.2	Sets, parameters and decision variables	62
		3.4.3	Objective Functions	65
	3.5	Soluti	on procedure to solve to MOACLSC	68
		3.5.1	Check the model feasibility	68
		3.5.2	Adopted MOGSA for solving MOACLSC	69
	3.6	Valida	ation and verification of the developed MOACLSC	70
4	RES	ULT A	ND DISCUSSION	73
	4.1	Introd	uction	73
	4.1	A new	mathematical model for MOACLSC	73
		4.1.1	Constraints	75
	4.2	Verifi	cation	79
		4.2.1	Example 1	79
		4.2.2	Example 2	88
	4.3	Real c	case study	91
		4.1.2	Result on forward logistics	94
		4.3.1	MOGSA setting	97
		4.3.2	Run MOGSA on the case study mathematical model	97
		4.1.3	Sensitivity analysis	99
	4.4	Summ	nary of finding	101
5	CON	ICLUS	SIONS AND FUTURE WORK	103
	5.1	Introd	uction	103
	5.2	Concl	usions	103
	5.3	Recon	nmendation for future research	105
			_	

REFERENCES	107
APPENDICES	125
BIODATA OF STUDENT	142
LIST OF PUBLICATION	143