

Potential application of industry 4.0 with lean six sigma in Indonesia's defense industry: A Comprehensive Study

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Abstract

Amidst a rapidly evolving global landscape and ever-advancing technology, Indonesia's defense industry, as a vital strategic sector, must foster innovation to enhance its potential and competitiveness. An effective approach is the amalgamation of Industry 4.0 with Lean Six Sigma. Industry 4.0 encompasses technology-driven industrial advancements, including IoT, big data, AI, robotics, and integrated automation. In contrast, Lean Six Sigma focuses on elevating process quality and efficiency. This study explores the applicability of integrating Industry 4.0 with Lean Six Sigma in Indonesia's defense industry, aiming to expedite production, optimize resource utilization, and elevate operational efficiency. Lean Six Sigma aids in reducing error rates and production costs. The research employs a literature study method with comprehensive analysis of the implementation of Industry 4.0 technology and Lean Six Sigma methodology. The findings reveal that this integration holds immense potential for the defense industry. Nevertheless, it encounters challenges such as technology and infrastructure limitations, cybersecurity concerns, financial investments, human resource readiness, regulatory compliance, and system integration complexities. Recommended solutions comprise infrastructure and technology enhancements, bolstering cybersecurity measures, government financing and support, human resource development, research and development initiatives, and robust project management and system integration. In conclusion, adopting Industry 4.0 with Lean Six Sigma promises strategic advantages for Indonesia's defense industry. Collaborative efforts and government backing shall steer the defense industry towards an innovative and fiercely competitive future. Future researchers can broaden the scope, delve into obstacle analysis, and assess the impact to foster the defense industry's optimal growth.

Keywords: *Defense industry, Indonesia, Industry 4.0, Lean Six Sigma, Production efficiency, Product quality, System integration, Human resource development, Research and development.*

INTRODUCTION

The defense industry is one of the strategic sectors for a country in maintaining the sovereignty and security of its territory. In the midst of the dynamics of global change and increasingly advanced technology, Indonesia as a country that has a wealth of natural and human resources needs to continue to innovate to increase the potential and competitiveness of its defense industry. One approach that has been recognized as effective in improving industrial performance is the combination of Industry 4.0 and Lean Six Sigma concepts. Industry 4.0 is a technology-based industrial revolution that includes various aspects such as the internet of things (IoT), big data, artificial intelligence (AI), robotics, and automation that connects systems in an integrated manner. Meanwhile, Lean Six Sigma is a methodology that focuses on improving the quality and efficiency of processes through the identification and elimination of defects and the reduction of variability. The implementation of Industry 4.0 in the defense industry in Indonesia has the potential to increase production performance. The defense industry is a strategic industry that is vital to national security and requires attention to adapt to the era of Industry 4.0 (Farhan MF. 2022).

The transformation towards Industry 4.0 is important for Indonesia to achieve its vision of becoming a prosperous, sovereign, democratic, fair, and distinctive country by 2045 (Agustian et al., 2023)

The potential application of Industry 4.0 with the Lean Six Sigma approach in Indonesia's defense industry promises significant benefits. By adopting advanced technology, the defense industry can increase production speed, optimize resource use, and improve operational efficiency. Meanwhile, Lean Six Sigma will assist in reducing error rates, improving product quality and reducing production costs. A comprehensive study of the potential application of Industry 4.0 with the Lean Six Sigma approach to the Indonesian defense industry is highly relevant, given the challenges and opportunities faced in facing global dynamics. In this study, an in-depth analysis of the application of Industry 4.0 technology, the application of Lean Six Sigma methodology, and an evaluation of its impact on the defense industry as a whole will be conducted.

Through this journal, readers are expected to understand the importance of integrating the concept of Industry 4.0 with Lean Six Sigma in improving the efficiency, productivity, and competitiveness of the Indonesian defense industry. The results of this study are expected to guide stakeholders in making the right strategic and policy decisions to face future challenges and strengthen the country's defense industry.

RESEARCH METHODS

This research was conducted using the literature study method. The literature study method is a research approach that focuses on analyzing and synthesizing various references, scientific publications, articles, journals, books, and other sources relevant to the research topic to be studied. the literature study method is the right choice to collect the necessary data and information.

The steps to be followed in this literature study research method are as follows:

1. Topic Identification: Determining a specific and clear research topic is the first step in the literature study method. The research topic in this journal is "Potential Implementation of Industry 4.0 with Lean Six Sigma in the Indonesian Defense Industry."
2. Source Search: After the topic is determined, the next step is to search for sources that are relevant to the research topic. The source search was conducted through academic databases, digital libraries, official websites, and other reliable sources.
3. Source Selection: After the sources were collected, a selection was made of the sources to be used in the research. Sources were selected based on the criteria of accuracy, novelty, relevance, and quality of the information produced.
4. 4. Analysis and Evaluation: Once the sources were selected, the information contained in the sources was analyzed and evaluated. Data and information relevant to the research topic were comprehensively analyzed to support the research objectives.
5. 5. Synthesis and Interpretation: The information that has been analyzed is then synthesized and interpreted to produce an in-depth understanding of the potential application of Industry 4.0 with Lean Six Sigma in the Indonesian defense industry.
6. 6. Journal Article Writing: The results of the analysis and synthesis are then outlined in the form of systematic and accurate journal writing. The journal structure includes an introduction, literature review, research methods, analysis results, and conclusions.

This literature study research method will provide a comprehensive insight into the potential application of Industry 4.0 with Lean Six Sigma in the Indonesian defense industry. In addition, through reliable sources, this research is expected to make a meaningful contribution to the further development and understanding of the topic under study.

RESULT AND DISCUSSION

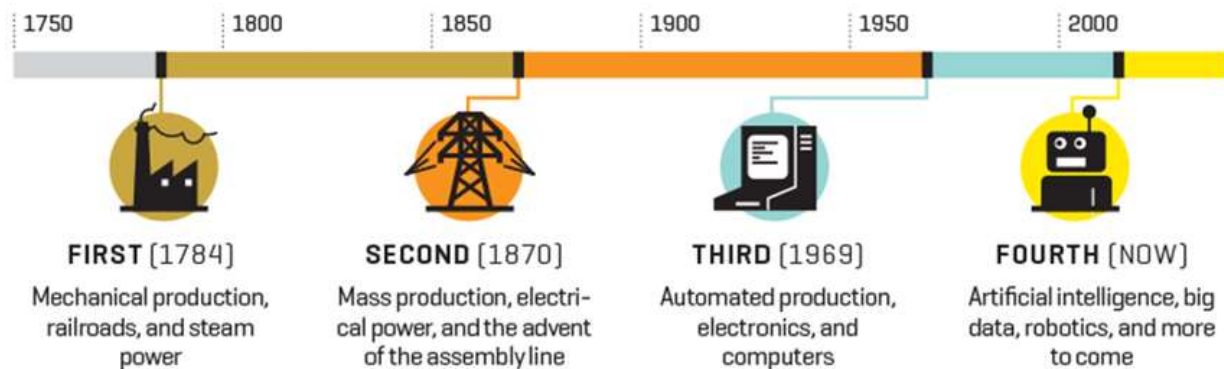


Figure 1: Four stages of the industrial revolution **Source:** Horváth, B. (2018).

Industry 4.0: This conceptual framework encompasses the fundamental principles and ideas of Industry 4.0. Industry 4.0 represents a revolutionary phase in industry, emphasizing the utilization of digital technology, connectivity, and system integration to enhance efficiency and productivity throughout the production process. Key components of Industry 4.0 include the Internet of Things (IoT), big data, artificial intelligence (AI), robotics, and automation.

Lean Manufacturing: This theory delves into the core principles of Lean Manufacturing, an approach that strives to identify and eliminate waste within the production process. Lean Manufacturing is dedicated to enhancing efficiency, reducing production costs, and elevating product quality.

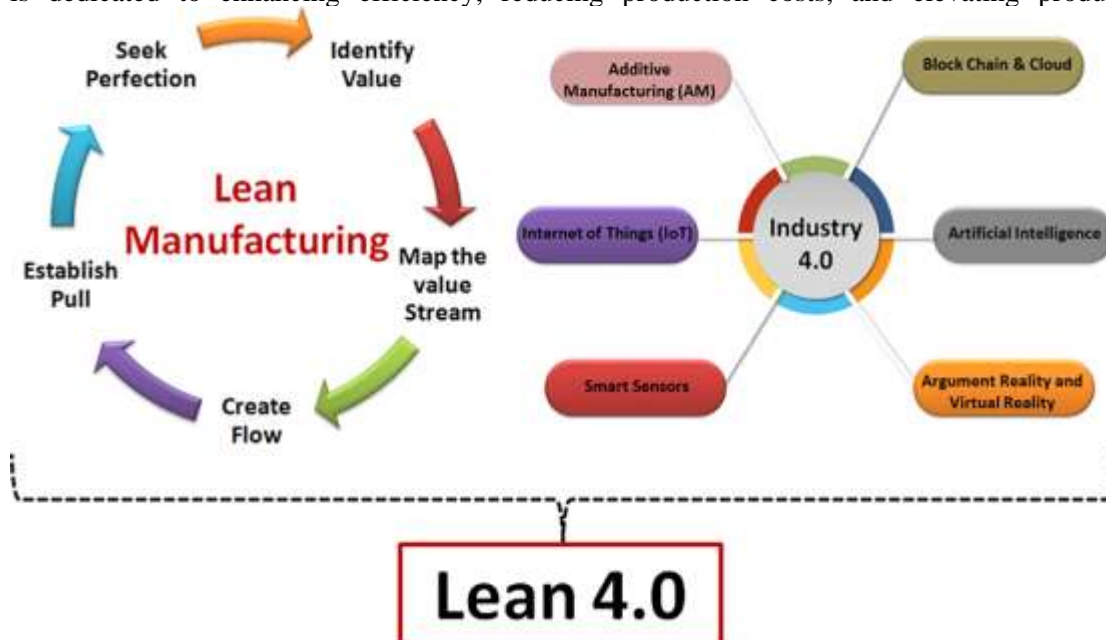


Figure 2. From Lean Manufacturing to Smart Manufacturing: The Evolution of Manufacturing Processes. **Source:** Gohil, Dhruvan. (2023).

Six Sigma: This theoretical foundation covers the concept of Six Sigma, which is a methodology that focuses on measuring and controlling quality with the goal of reducing defects and variations in the production process. Six Sigma uses statistical tools and a data-driven approach to achieve high levels of quality.



Figure 3. The Lean Six Sigma Source: Lean Six Sigma Groep. (n.d.).

Integration of Industry 4.0 with Lean Six Sigma: This theory discusses the potential synergies between the Industry 4.0 concept and the Lean Six Sigma approach. It combines the advantages of Industry 4.0's advanced technology with Lean Six Sigma's focus on reducing waste and improving processes to achieve optimal performance.

Indonesia's Defense Industry: This theoretical foundation includes an overview of the defense industry in Indonesia, including its challenges, potential and development. An understanding of the specific needs and characteristics of the defense industry is important to understand how the application of Industry 4.0 with Lean Six Sigma can contribute to this sector.

The potential application of industry 4.0 with Lean Six Sigma in the defense industry in Indonesia can provide several benefits and improvements in the production process and product quality. The following are some of the potential applications of industry 4.0 with Lean Six Sigma in the defense industry in Indonesia:

1. **Production Process Optimization:** With the application of industry 4.0, technologies such as the Internet of Things (IoT), big data, and artificial intelligence (AI) can be used to optimize the production process. Data collected from various sensors and devices can be used to analyze and improve production efficiency, reduce cycle times, and identify areas that require improvement.
2. **Product Quality Improvement:** Lean Six Sigma methods can be used to identify and reduce defects in the production process. By adopting the DMAIC (Define, Measure, Analyze, Improve, Control) approach, companies can identify the causes of defects and implement continuous improvement to improve product quality.
3. **Efficiency and Cost Savings:** By optimizing production processes and reducing defects, companies can achieve higher efficiency and save on production costs. The use of technologies such as automation and robotics in Industry 4.0 can increase productivity and reduce labor costs.
4. **Prediction and Maintenance:** Using data analysis and AI, companies can perform more effective prediction and maintenance treatments on defense equipment and systems. This can reduce production downtime due to equipment failure and increase system availability.
5. **More Efficient Supply Chain Management:** With the implementation of Industry 4.0, companies can use technologies such as blockchain to increase transparency and efficiency in supply chain management. This can help in inventory tracking and control, faster delivery, and better risk management.

By combining industry 4.0 and Lean Six Sigma concepts, the defense industry in Indonesia can achieve significant improvements in efficiency, product quality and cost savings. However, keep in mind that this implementation requires investment in technological infrastructure and employee training to adopt the changes.

Problem Analysis

With a solid theoretical foundation, this journal will provide analysis and research results based on an in-depth understanding of the concepts relevant to the implementation of Industry 4.0 with Lean Six Sigma in the Indonesian defense industry. This theoretical foundation will also assist in formulating recommendations and practical implications for the development of a more competitive and innovative defense industry in an era of increasingly advanced technological developments.

- **Technology and Infrastructure Limitations:** The defense industry in Indonesia may face limitations in the adoption of Industry 4.0 technologies due to the lack of adequate infrastructure, stable internet connection, and availability of human resources skilled in advanced technologies. These issues may hinder the process of implementing and utilizing more efficient and innovative technologies.
- **Cyber Security:** The use of advanced technologies in Industry 4.0 brings higher cyber security risks. Defense industries involving sensitive information and data require strong protection from cyber threats such as hacking and data theft. Weak cyber security can threaten sustainability and trust in the implementation of Industry 4.0.
- **High Financial Investment:** Implementation of Industry 4.0 with Lean Six Sigma requires significant financial investment in equipment purchase, technology development, human resource training and appropriate infrastructure. For defense industries with limited budgets, this issue can be a barrier to adopting advanced technologies.
- **Human Resource Readiness:** The use of advanced technology in Industry 4.0 requires skilled and trained human resources to operate, maintain and manage the technology. These issues include the readiness of human resources to understand and implement Lean Six Sigma, as well as the difficulty in finding a workforce with the appropriate skills.
- **Regulations and Policies:** Problems can arise from the lack of regulations and policies that support the implementation of Industry 4.0 and Lean Six Sigma in Indonesia's defense industry. Unclear regulations or bureaucratic obstacles can hinder innovation and the development of new technologies in the defense industry.
- **Complex System Integration:** The implementation of Industry 4.0 which involves many technologies and integrated systems can be complex and requires good coordination between various departments and units within the defense industry. Problems in system integration can affect operational performance and efficiency.

Examining these issues holds significant value as it allows us to grasp the hurdles and complexities that arise when integrating the Industry 4.0 concept with Lean Six Sigma in the Indonesian defense sector. This comprehension becomes crucial in discerning strategic measures and viable remedies to surmount barriers and harness untapped opportunities, thereby enhancing the competitiveness and performance of the nation's defense industry.

Analysis Results

To surmount the challenges highlighted in the earlier analysis, there are several proposed solutions for implementing Industry 4.0 with Lean Six Sigma in the Indonesian defense industry:

- **Infrastructure and Technology Improvement:** The government and related parties can work together to improve the infrastructure and access to technology needed to implement Industry 4.0. Investments in faster and more stable internet networks and improved technology facilities in various regions will facilitate the adoption of advanced technologies in the defense industry.
- **Strengthening Cyber Security:** Relevant parties, including defense industry companies, can focus on strengthening cyber security by engaging cyber security experts and adopting the latest security technologies. Training employees in recognizing cybersecurity threats and taking appropriate precautions is also crucial.

- **Financing and Policy Support:** The government can provide financial support through incentives or subsidy programs to encourage defense industry companies to adopt Industry 4.0 and Lean Six Sigma technologies. In addition, the implementation of regulations and policies that support and facilitate technological innovation can increase the certainty and interest of companies to invest.
- **Human Resource Development:** This includes training and development of human resources by adopting intensive training programs to improve skills and understanding of Industry 4.0 technologies and Lean Six Sigma methodologies. Collaboration with technical education and training institutions can also ensure the availability of a skilled workforce.
- **Research and Development:** The defense industry needs to support research and technology development to create new innovations relevant to the country's defense needs. Collaboration with research and development institutions and academia will accelerate the development of appropriate technologies and solutions.
- **Project Management and System Integration:** The implementation of Industry 4.0 with Lean Six Sigma needs to be supported by efficient project management and good system integration. Coordination between departments and units within the defense industry will help ensure successful and optimal implementation.

Through the implementation of the aforementioned resolution measures, it is anticipated that the Indonesian defense industry will be able to harness the full potential of effectively and efficiently adopting Industry 4.0 with Lean Six Sigma. As a result, this will lead to heightened competitiveness within the defense sector, reduced wastage, enhanced product and service quality, and a more significant contribution to safeguarding the nation's sovereignty and security.

CONCLUSION

The prospect of enhancing Efficiency and Competitiveness: Combining Industry 4.0 with Lean Six Sigma presents a tremendous opportunity to elevate production efficiency, streamline resource utilization, and boost the competitive edge of Indonesia's defense industry. Leveraging advanced technologies like the Internet of Things (IoT) and big data enables accelerated production processes and facilitates more precise decision-making.

Technology and Infrastructure Challenges: The implementation of Industry 4.0 requires adequate infrastructure and technology support. The problem of limited technology and uneven internet access is a challenge that needs to be overcome so that the defense industry can adopt advanced technology evenly.

Cyber Security as a Priority: With the implementation of advanced technology, cyber security protection should be a top priority in the defense industry. Efforts to strengthen cyber security and protect sensitive data are essential to prevent cyber threats that can damage operations and trust.

Investment and Government Support: Implementing Industry 4.0 with Lean Six Sigma requires significant financial investment. Government support in the form of incentives and policies that support innovation and technological improvement will encourage the development of a more advanced defense industry.

Importance of Human Resource Development: The availability of skilled and trained human resources in Industry 4.0 technology and Lean Six Sigma methodology is key to success. Training and development of human resources need to be improved to face the challenges of evolving technology.

Research and Development as the Foundation of Innovation: Continuous research and technology development efforts will spur innovation in the defense industry. Collaboration between industry, academia and research institutions will create new solutions relevant to the country's defense needs.

In conclusion, the application of Industry 4.0 with Lean Six Sigma to the Indonesian defense industry promises various strategic benefits. However, challenges in infrastructure, cyber security and human resource availability must be addressed with concrete actions. Government support, investment, and cross-sector cooperation will lead Indonesia's defense industry to a more innovative and highly competitive future.

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