Suppose we have a variables-scale measure that we want to control. We can control the mean using a Shewhart Xbar chart of rational groups of size $n$. But we could also go for a cruder measure and classify each sampled unit by whether or not it exceeds some threshold. To set the scene, suppose we want to control the fill of 50 lb bags of corn. One way to do this is to take samples of size $n$, measure the weight of each sampled bag and plot the resulting data on an Xbar chart. Or we could set up a simple balance beam with a weight of $W$ on one end. Putting a sampled bag of corn on the other end and seeing which end goes up will tell you whether that bag weighs more or less than $W$. As doing this is much simpler, needing no special equipment or skills, you may be able to use much bigger samples for the same effort.

To illustrate, suppose that in control $X \sim N(50,5^2)$ and we set up rational groups of size 10 for variables control using an Xbar chart.

For the attributes approach, no-one said what $W$ we need to use for the counterweight. One possibility is the mean, 50. Another is some value offset from the mean. If we want to keep the sample size small, we want a fairly even split between the two categories, so I suggest trying $W=48$, about half a standard deviation below the mean. Montgomery discusses this approach, but using a much more extreme cutoff.

Here are the ARLs for two interesting schemes. Both use probability limits, aiming for a probability of 1/740 in each tail:

$$W = 50, \quad n = 20, \quad LCL = 3, \quad UCL = 17$$
$$W = 48, \quad n = 23, \quad LCL = 1, \quad UCL = 15.$$

The ARL of the Shewhart Xbar chart using rational groups of size 10 is shown in the following two figures, with the ARL of the attributes chart dotted in.

The attributes chart with rational group size 20 and reference weight 50 lbs pretty much matches the Xbar chart with rational group size 10. So if getting 20 readings with the balance beam is easier and cheaper than getting 10 readings with the accurate scale, the attribute approach is better; otherwise the variables approach is better.

Using an off-center reference weight of 48 lbs gives a richer picture. The attributes chart signals decreases in mean faster than the Xbar chart, but is slower for detecting increases in the mean. If we are more worried about decreases (which could put us in legal trouble) than increases (which maybe mean we give away some free corn), then this feature might be attractive.
You can check scale by an attributes chart as well. For example counting the number of sampled bags between the quartiles of the in-control distribution will give the same performance as the attributes chart for location. For this you’d use two balance beams, one with a counterweight of $\mu-0.67*\sigma = 46.5$ and one with a weight of $\mu+0.67*\sigma = 53.4$.

The attributes approach is not bullet-proof – it assumes that OOC the measure X is still normal but maybe with a different $\mu$ and/or $\sigma$. It would not react, for example, to a sudden completely empty bag, but the Xbar and S chart would.