



Supply Chain Simulation

A Seminar providing a realistic,
interactive simulation
of business processes



! Highest learning success
by interactive collaboration!

Starting Point

- Many businesses are recognizing the fact that logistics are becoming increasingly important in influencing customers motivation when making buying decisions. The future will see customers judging the competitive advantage of a supplier according to the following criteria:
 - the supplier can beat the competition in offering greater satisfaction of the customer's needs (external performance) as well as
 - being able to continually improve productivity at a greater speed than the competition (internal performance).

Logistical performance will take its place as a key buying factor next to price and quality. The future belongs to those businesses able and willing to take on this challenge and anticipate their customers future needs. Thus, it will be vital to ensure that all parties involved in a process chain work well together over the whole process and avoid unnecessary friction. Only then will it be possible to achieve a total optimum made up of higher performance and competitive costs.

This logistics training program bases its profile on this challenge, ensuring that the trainees can be successfully integrated in a customer centered business culture. They are taught to embrace the ever-changing challenges relating to customers needs and understand the weighty consequences of each individual action on the whole process chain.

This simulation is designed for advanced students and young professionals with a logistical background. It is also aimed to all employees and managers who need to get to grips with the cycles and processes along the whole business chain and who need to understand how decisions and their own activities affect the entire process. The seminar has been particularly successful in the business and logistics departments of universities and colleges. The number of participants should be at least 7.



Targets of the training program

The participants:

- understand all important logistical functions,
- recognize the significance of the factors „cost“ and „time“,
- are aware of cause and effects on stocks,
- recognize the sequences necessary for introducing logistical measures and their effects on the main processes,
- are acquainted with business planning cycles,
- Understand the necessity of orientating all activities around the market and of elevating the focus of their individual activity onto the whole process, together with all other parties involved,
- recognize all tasks and measures on real-life Situations. The participants gain an intense awareness of the necessity to identify and implement potential improvements in their practical work as well as guiding their behavior according to the overall optimum,
- experience in group adds to the success of the learning process as the participants become more open in dealing with the issue and problems at hand.
- realize that this seminar goes even further. Whereas other simulation programs merely concentrate on reaching decisions here all decisions have to be **realized** and business transactions **settled**.

The Learning Success

- The participants witness, feel and are thus acutely aware of the importance of the entire process of collaboration along the process chain. In working, analyzing, playing and discussing together for 2 to 3 exciting, intensive and stimulating days, the whole group is open to maximal learning success. This ensures the long term transfer of the skills learned in the seminar, so that the participants will quickly be able to apply their knowledge to a broad range of future problem situations.

Contact me for more information!

This and other simulations are build to enrich your learning environment! Please get in contact and ask for conditions and recommendations. Just give me a call or send me an email!



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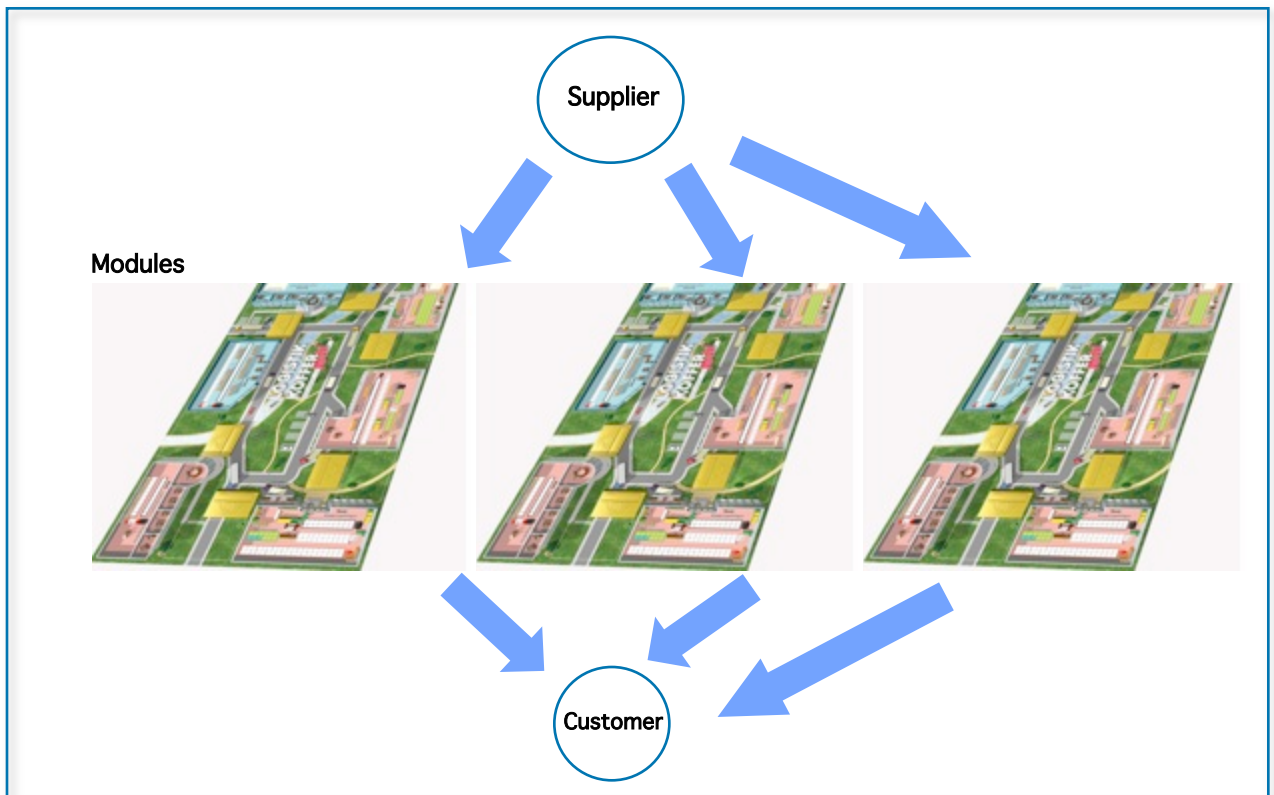
The Simulation

- It is a well-known fact that participants learn more if they are allowed to get their hands dirty, try out new knowledge and make mistakes! The seminar is therefore dedicated to enabling the participants to personally take on the most important functions within a company's process chain and optimize them.
- The participants take their places as customers, suppliers, manufacturer controller and requirement planner at the board, run as a profit center. Two types of board architecture guarantees various industry standards. The build module (construction) or the recycle module (deconstruction) can be stuck together as a supply-chain and work out independent closings. This allows competitive analysis among the groups.

- The participants use job rotation to experience the business from all manner of different perspectives and are confronted with the various problems facing their colleagues in decision-making or liquidation along the process chain. The process is thus made transparent for all participants, enabling them to watch and reflect the effects and consequences of their actions on the process and on other functions. This may of course mean they will fall victim to negative consequences – a valuable learning factory!



The modular structure enables the facilitator to play with a user-defined number of participants



The Business Model

- The process simulation portrays business processes from the moment a customer sends in an order to the settlement of that order (order cycle), and from booking the material to paying the bill (cash to cash cycle) in a simplified form.
- The process starts with customer orders that must be confirmed. The order data flows via internal order to a national operation site with a two stage production line. The production is buffered with stock levels and triggers its products by a make to stock production.

The Participants

- run the operative business,
- analyze the business processes according to constant performance indexes,
- reorganize the business processes,
- implement the results of the planning,
- plan turnover quantities, capacity and quantity of supplies and
- recognize the effects of the realized measures on all business operations.

The Simulated Business

- The business activity is cut into time units (cycles and periods). Detailed analyses aided by data supplied at the seminar wrap up each period. These analyses relate to the performance (e.g. ability to deliver, punctuality and quality of delivery) and the costs (costs of storage and supplies, transport costs, management costs).
- It is always possible to discuss problems that occur when they occur. In addition, a discussion will follow each period, so that all participants can have a hand in creating solutions.
- This provides experienced trainers with an ideal way of demonstrating the use and sense of the theory taught. The participants develop measures throughout the seminar to improve customer satisfaction and productivity. They also work on strategies to get a product on the market, are involved in implementing the measures and recognize the effects



The Schedule

The seminar usually runs over a 3-day period. It should run en bloc, following a daily schedule from 8.00 am to 5 pm..

schedule			
time	Monday	Tuesday	Wednesday
09.00-10.30	Check in introduction Supply Chain Management	analyzing periode1, discussing measures	analyzing period 2, discussing measures
coffee break			
10.45 -12.15	Introduction rules of the game	Planning period 2	Planning period 3
lunch break			
14.00 -15.30	simulation period 1	simulation period 2	Simulation period 3
coffee break			
15.45 -17.00	Closing period 1	Closing period 2	Closing period 3, check out

Realizable Measures

- Supply of parts in „kits“
- Reduction of delivery time
- supplier audit
- frame contract with supplier
- rush order for supplier
- minimize setup costs in production
- consignment stock with min/max control
- VMI – stock management
- JIT agreement
- introducing transport-KANBAN
- Outsourcing parts
- introduction general-purpose machinery
- reducing minimum lot size
- develop setup technology
- long range capacity extension
- introducing additional shifts
- chaotic stock management
- KANBAN – control in production line
- unit load transport system
- additional transport capacity
- taxi transport for urgent deliveries
- replenishment control of stocks
- „optimized inventory“ adjustment
- reduction of stock levels
- JIT – delivery to customer

The first day begins with an introduction in logistics.

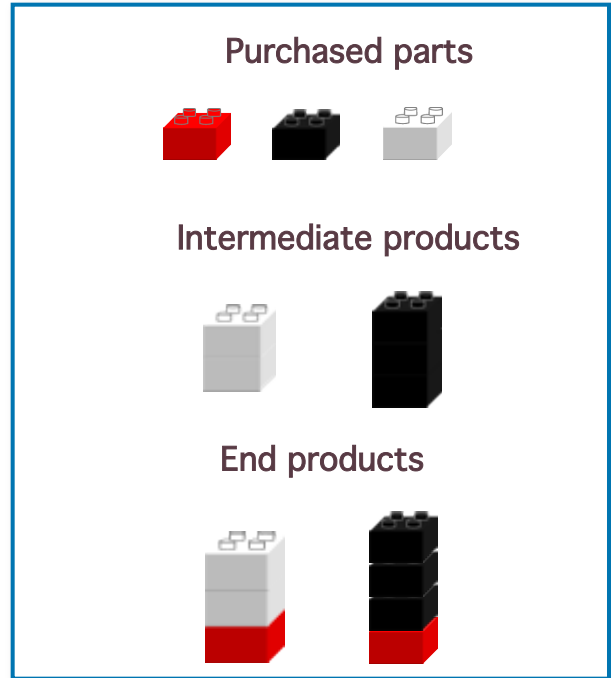
The participants also get to know the simulated company and its business processes. This usually entails playing through 3 business periods, interrupted by frequent discussions and relevant teaching inputs according to problems faced in the simulation.

The seminar continues with an interactive program, involving carrying out performance and cost analyses at the end of the business periods, dealing with problems and planning measures whilst also concentrating on quantity and capacity planning.

Relevant lectures or video presentations can be introduced at all times. The seminar usually takes place at the training center or work place of the participants. This ensures that all participants are able to attend the whole course.

Products and Information

- The simulation uses LEGO®-bricks to symbolize the purchased parts as well as the intermediate and end products.
- Stickers stand for any fitters required by the customers. Structured information and content of IT processes is depicted in forms. Informal information is passed on by word of mouth. The adjacent diagram shows the product structure of the build board 2 different products are produced, made up of 3 different single parts. The purchasing logistics representative is responsible for ensuring there is always enough material available in the initial supply section.
- Role descriptions are provided for all participants. They describe in detail the processing and the responsibilities of the job.



Value Chain

- Self-explanatory symbols and icons on the printed board explain the information- and material flow within the supply chain. The successful construction of the intermediate and end products is symbolized by sticking the LEGO®-pieces together. The following diagram shows the finishing process from the deliverer to the Customer (e.g. order for 2 appliances B).
- The different products are created in several production stages and with different working capital. Production characteristics, such as size of lots, quality, use of capacity, preparation time etc. are taken into account. The end products are delivered to your door without any surplus charges. We are also happy to provide full installation if required.

