

Computer Simulation of Logistics Processes

Methodology of the simulation project





Aim of the lecture

To define methodically discrete computer simulation.



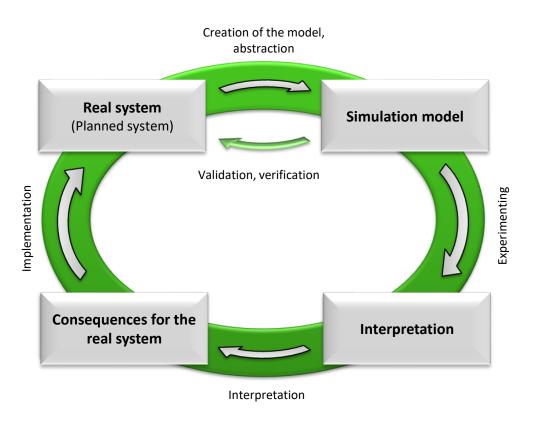
Structure of the lecture

- What is a discrete simulation?
- Reasons for using the simulation.
- Simulation vs. optimization.
- Phase model of simulation project.
- Advantages and disadvantages of discrete simulation.
- Difficulties of simulation.
 - Time.
 - Costs.
- Share of individual activities on the project.



Simulation

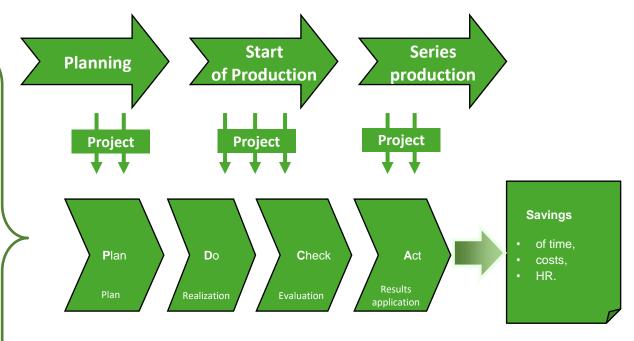
- The simulation is a representation of a planned or real system with its dynamic processes via model. We try to collect experiences by experimenting with simulation model. Gained information can be used in the production.
- The simulation combines the preparation, realization and evaluation of specific experiments using simulation model.





Reasons for using simulations

- Identification of bottleneck spots in the production.
- Shortening of average production time.
- Production batches optimization.
- Capacity planning.
- Implementation of the Just-in-Time method.
- Designing of production units, reengineering.
- Requirements optimization of the labour.
- Logistics analysis, production costs analysis.
- Support during development and test of control software.
- Personnel education.
- Capital investment planning, etc.



SIMULATION

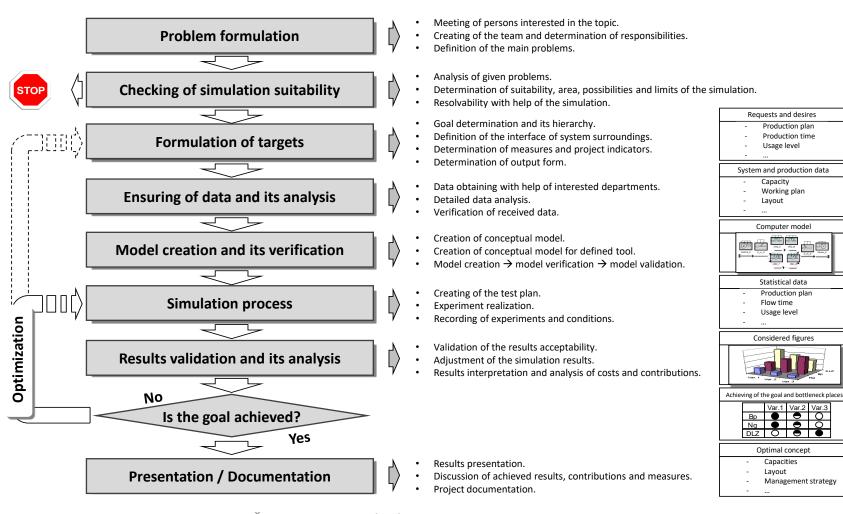
- Testing of the solution in a risk-free environment.
- Visualization of the consequences of planned changes.
- Early response to criticism, easier acceptance of changes.
- Visions of the future in the virtual world.



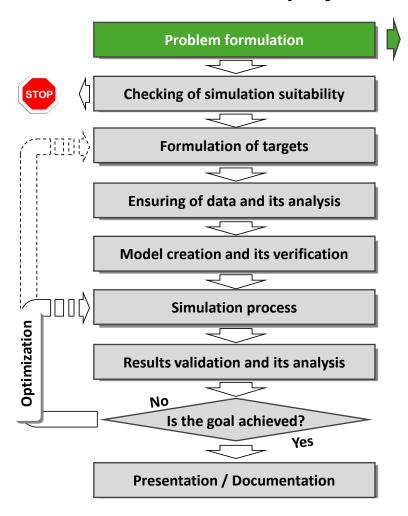
Simulation vs. optimization

- Simulation ≠ Optimization.
- Simulation is considered as a tool for specific process modelling.
 - Simulation as the tool itself does not guarantee the optimal solution.
 - Key feature is ability to work with random influences.
- Optimization is considered as a mean of improvement of parameters of current processes (according to the select criteria).
- Optimization is based on experimenting.
- It is called a conditional optimum.

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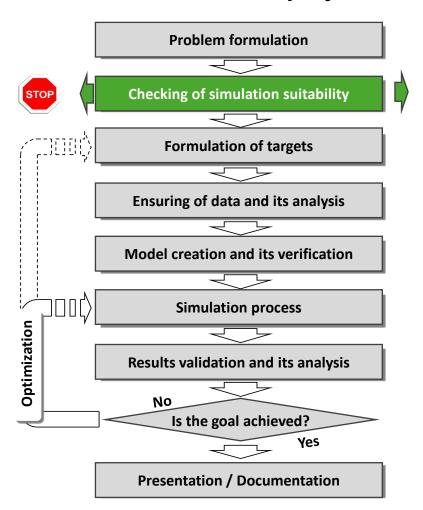






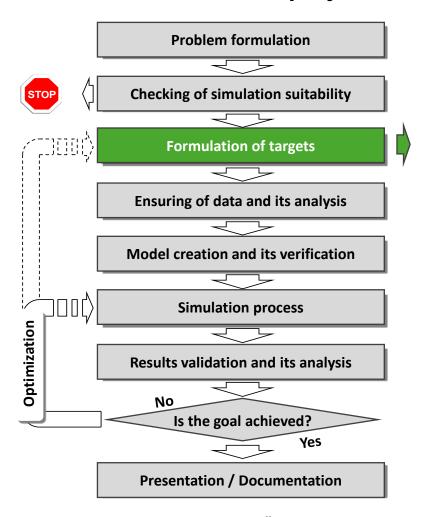
- 1) Creating of the team, getting know with production, process and system structure understanding.
- 2) Determination of all interested persons' responsibilities .
- 3) Problem definition.
- 4) Define problems, which need to be solved.
- 5) Verification, whether the defined steps lead towards defining of the problem
- 6) Write down defined problem, consider and approve it with the team.

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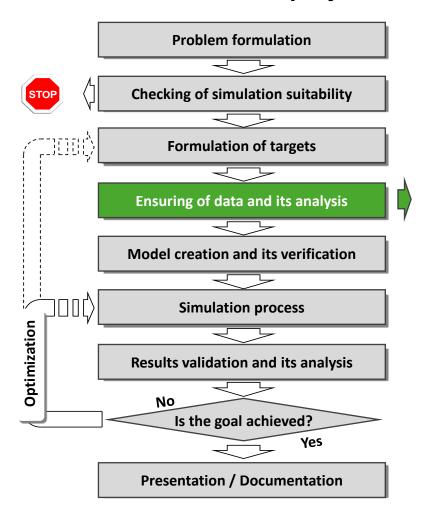
- 1) Analyze the defined problem with all participants.
- 2) Verify, what is necessary to simulate (scope simulation required).
- 3) Defining of possibilities and limits of the simulation.
- 4) Verify, whether it is possible to solve the problem with help of the simulation.





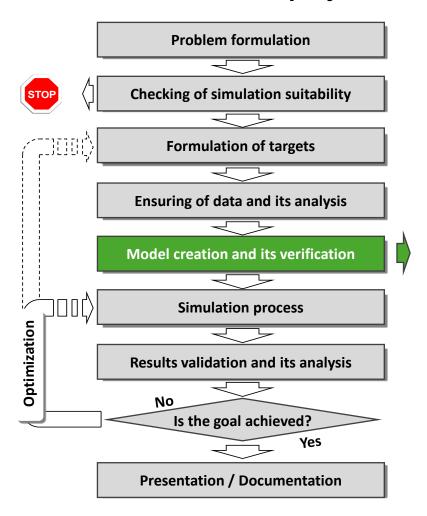
- 1) Set the superior targets.
- 2) Set sub-option tasks (define clear and simple tasks).
- 3) Set the superior targets.
- 4) Set system boundary and interface of system surroundings.
- 5) Set measures and indicators.
- 6) Is it single or repeated simulation?
- 7) Estimate the possibility of simulation implementation, done by supplier.
- 3) Written agreement regarding the lead time of simulation project. Must be confirmed by all participants.
- Accepted agreement by all participants with defined plan and process of the project.
- 10) Approved agreement by all participants about the purpose and aim of the project.
- Approved agreement by all participants with defined costs of the project.
- 12) Set the documents, which have to be elaborated.





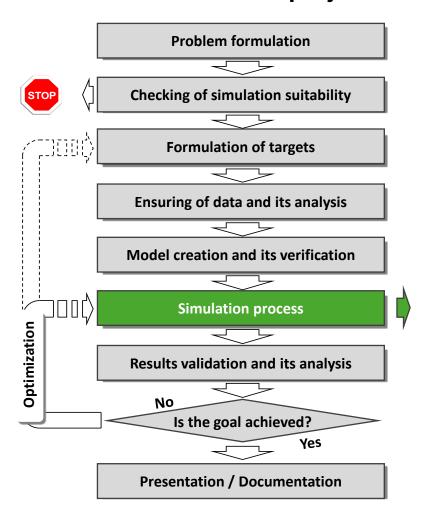
- 1) Departments of organization.
- 2) Personnel.
- 3) Product.
- 4) Set of products / Set of goods.
- 5) Working plan.
- 6) Workplace.
- ') Purchase order.
- 8) Goods acceptance.
- 9) Buffer(s).
- 10) Warehouses.
- 11) Means of transport.





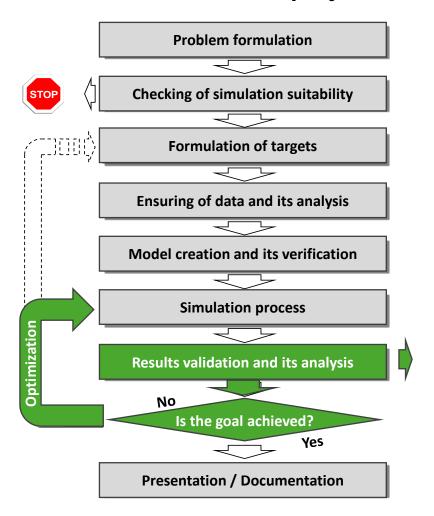
- 1) Elaboration of the conceptual model.
- 2) Start of the simulation model realization.
- 3) Consultation with the customer regarding the confirmation of solved problem.
- 4) Other data collection.
- 5) Elaboration of detailed conceptual model.
- Partial presentation of the model to verify the model with the rest of the team.
- 7) Finishing of the draft version of the simulation model.
- Implementation of the model.
- Confirmation validation and verification of the model.
- 10) Corrections of the model.
- 11) Finishing of the model, prepared to experiments.





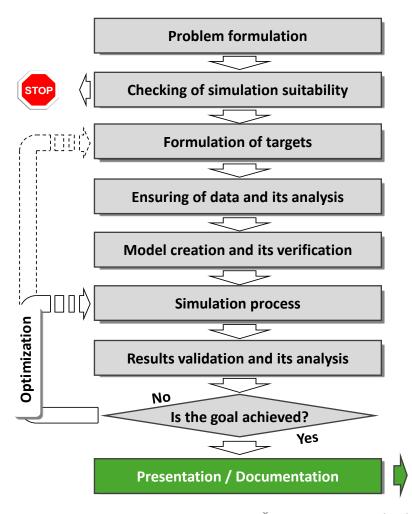
- 1) Creating of a test plan.
- 2) Consultation of the test plan with the customer.
- 3) Experiments realization.
- 4) Recording of experiments.





- 1) Results validation.
- 2) Discussion with customer regarding the next steps of the simulation.
- Repeating of necessary steps until the full result validation.
- 4) Selection and classification of documents.
- Simulation's results modification.
- 6) Results interpretation.
- 7) Costs & benefits analysis.





- Presentation of the results to the customer, incl. illustrative demonstration of the simulation processes.
- 2) Comparing of the situation "before" and "after".
- 3) Discussion about reached targets.
- 4) Discussion about next steps.
- 5) Project documentation. Are all the results and solutions documented?
- 6) Documentation handover.



Advantages of discrete simulations

- Created simulation model leads to easier understanding of the real system behavior.
- Years of experiences with a real system can be reduced on minutes or hours.
- Simulation does not interrupt processes in a real system.
- Simulation is more general than mathematical models.
- Simulation can be used as a game for obtaining of experiences.
- Simulation can be use for analysis of transients and boundary conditions (not always possible at mathematical models).
- Simulation often uses "what if" questions for an answer searching.

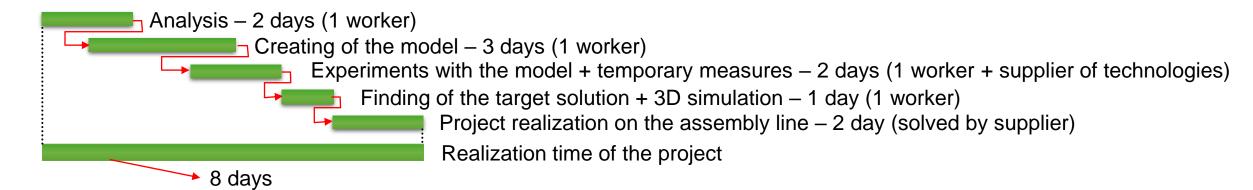


Disadvantages of discrete simulations

- There is not guarantee that the model will give correct results.
- Sometimes, there is no way to determine authenticity of a model.
- Creation of a simulation model can take a lot of time.
- Simulation run of more complex models need higher computer performance.
- Simulation techniques still suffer from an insufficiently standardize approach.
- In case of complex models, larger team of specialists could be needed.



Project timeline – project example



Solution benefits:

- Reduction of main line blocking from 40 minutes per shift to 3 minutes.
- With additional investments, the possibility to reduce blocking to less than 1 minute.

Costs:

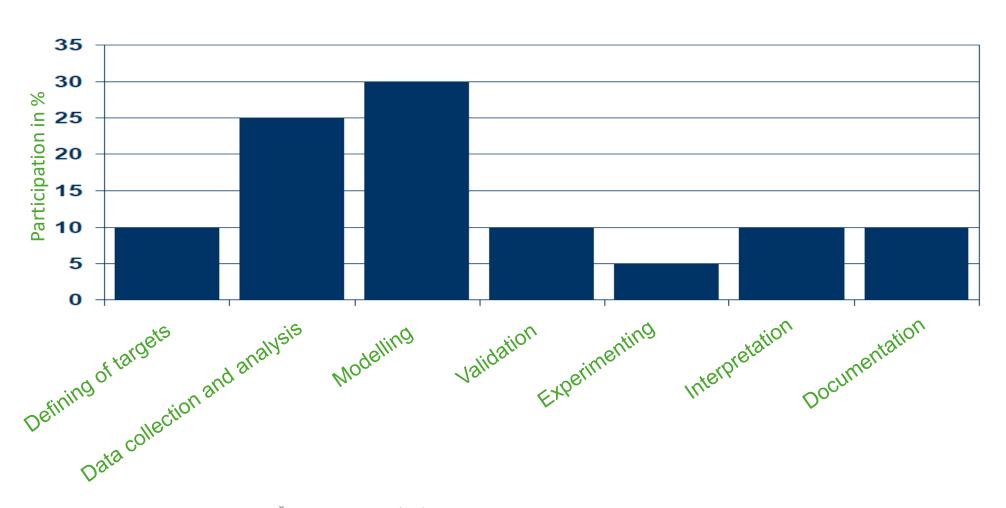
- Work of two simulations specialists.
- Software license.
- Programming of control logic on the assembly line (solved by supplier).

10:1

(typical benefit & cost ratio)

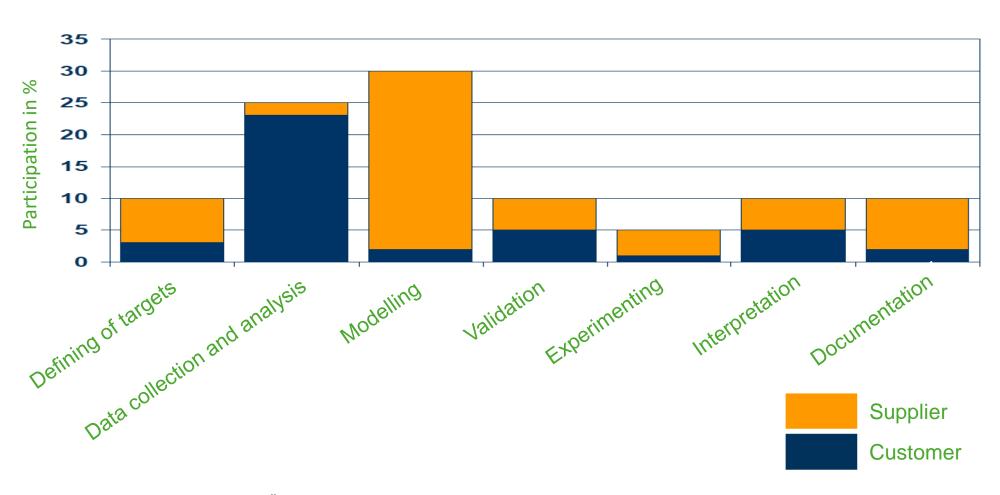


Participation of individual activities on the whole project





Participation of individual activities – customer vs. supplier





Thank you for attention

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