

The Production Game

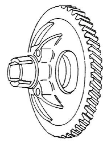
- *Session 2* -

Company

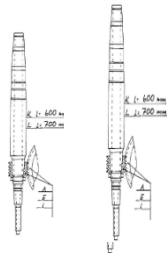
AKAB

AKAB

Year 0



A

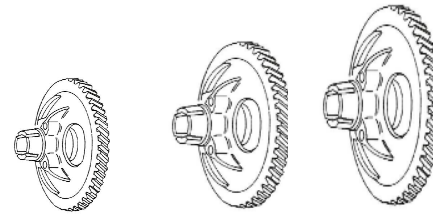


K L

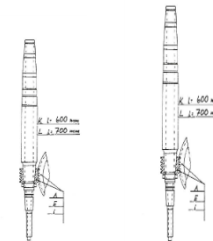
AK-AL

2 variants

Year 1



A E I



K L

AK-AL-EK-EL-IK-IL

6 variants

AKAB

YEAR	ROI (%)
0	10.3
1	5.8

AKAB

Game 2:

Manufacturing controlled by OP (Order point)
Assembly controlled by make to order



Increasing ROI...

Owner



Reduce inventory assets!
High delivery capacity!
(Forget about "Lean thinking")

Production manager

Keep in Mind

New rule no.1

If an order is not fully fulfilled, the whole order is lost!

We do not play with backlogs, a missed order is forever missed income.

New rule no.2

End game cash Max

All extra the Owner takes in his pocket ;)



Owner



Important!

Figure out and **calculate** optimal OP at month 3.

From now on calculate OP EVERY round.

The EOQ remain the same.

You can discuss ordering multiple EOQs, when NEEDED!



Initial game setup (round 2)

Manufacturing planning (Detaljplaneringen):
Orders: 2 E (2 empty tubes)

Workshop 2 (Funktionell verkstad 2):
Gear I: 2 (2 tubes, 3M in each)

Component store 1 (Komponentförråd 1):
Gear A: 5 (5 tubes, 3M in each)
Gear E: 2 (2 tubes, 3M in each)
Gear I: 4 (4 tubes, 3M in each)

Component storage 2 (Komponentförråd 2):
Shaft K: 8 (8M)
Shaft L: 8 (8M)

Raw materials store (Råmaterialförrådet):
Blanks: 7 (7M)

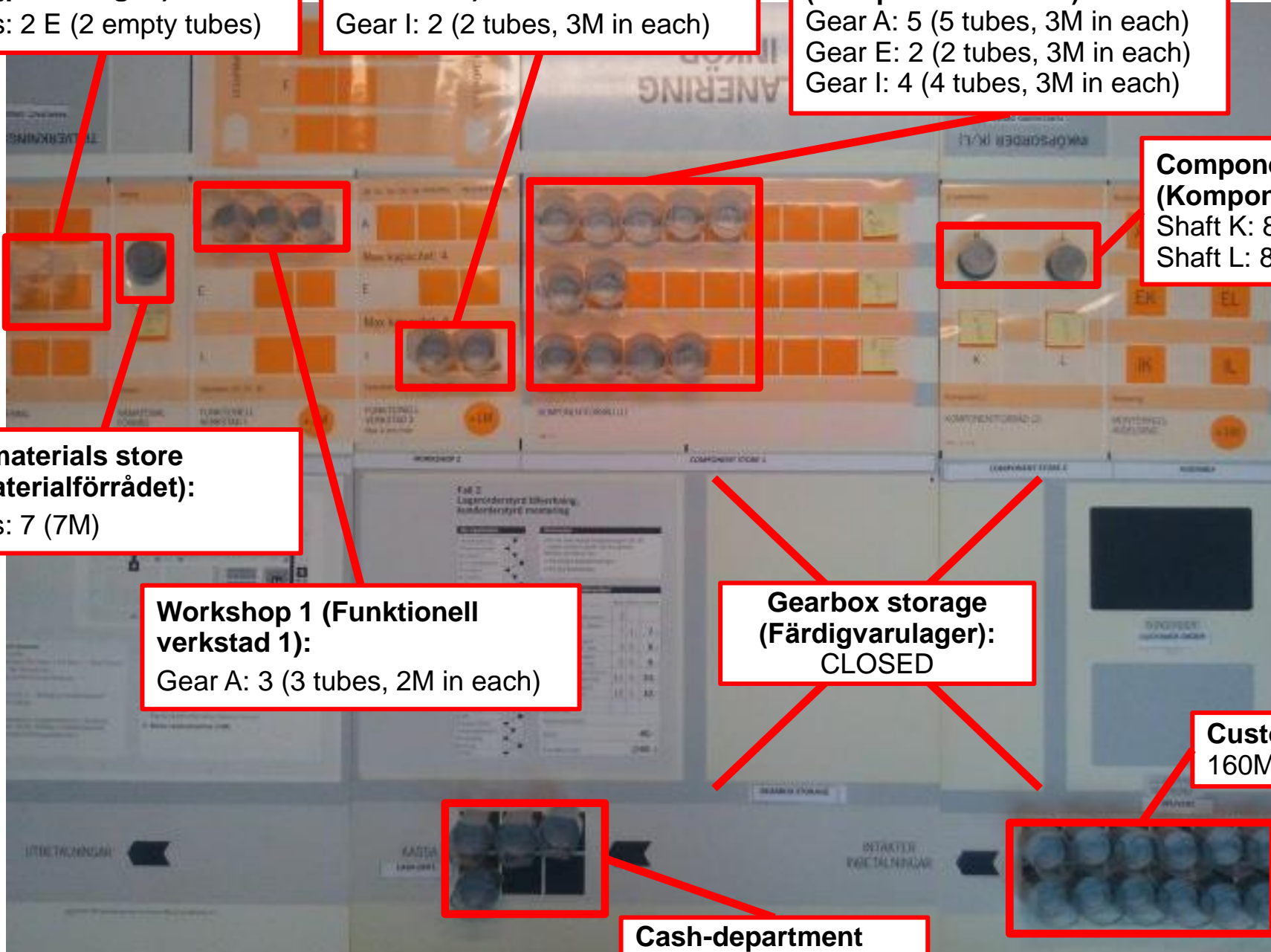
Workshop 1 (Funktionell verkstad 1):
Gear A: 3 (3 tubes, 2M in each)

Gearbox storage (Färdigvarulager):
CLOSED

Customer (Kund):
160M (ALL EXTRA)

Cash-department (Kassa):
40M

→ Add order points (post-its)



In your group appoint:

*Who is in charge of **raw material** inventory, **buffer 2** and **purchasing** activities*

*Who is in charge of **production**, **assembly**, **deliveries** and **payments***

*Who will ensure what you stick to your **plans***

*Who is responsible for the **cash**.*