



# System Dynamics modeling



## Variables in system dynamics





Input variables U(t) Output variables Y(t) State variables X(t) ("Memory" variables)

State variables are a record of the history of the system.

$$\mathbf{x}_{t} = \int (\mathbf{u}_{t} - \mathbf{y}_{t}) \cdot dt + C$$



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#### Causal Loops



- Provide insight into a system's structure
- It's difficult to deduce the behawior of the system from its casual loops representation
- Need to use computer simulations
- Simulation model:
  - flow diagrams
  - eqations
  - simulation environment



# Flow Diagram Symbols Level Rate Source/Sink Cause-and-effect arrow

Erasmus+





# Flow diagram building blocks



LEVEL:

- AKA stock, accumulation, or state variable
- A quantity that accumulates over time
- Change its value by accumulating or integrating rates
- Change continuously over time

RATE:

- AKA flow, activity, movement
- Change the values of levels

SOURCE/SINK:

- Source represents environment outside of the model
- Sink is where flows terminate outside the system











# Equations in System Dynamics

- Levels are described with integral equations
- Rates are given with algebraic equations

For example:

Ut = Z - Xt



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$$\mathbf{x}_{t} = \int (\mathbf{u}_{t} - \mathbf{y}_{t}) \cdot dt + C$$



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## Model of a bank account





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Vensim is a product of Ventana Systems inc. It's industrial strength simulation software for improving the performance of real systems. Vensim PLE (Personal Learning Edition) is fully functional system dynamics software that is **free for personal and educational use**, and comes complete with sample models, help engine, and Adobe Acrobat format User's Guide. You can download Vensim PLE from vensim.com.



# How to build a Vensim model? Crasmus+

Vensim:No Model Open Var:FINAL TIME

File Edit View Insert Model Options Windows Help

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## Thank You!

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