

Beer game analysis essay

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**ASSIGN
BUSTER**

Name: Shabei Qian Team #: 15 Position: Retailor Beer Game Report 1. For the first 3 weeks I just ordered the weekly demand because the demand was low and we had enough inventory. When there was a spike and we had potential stock out, I realized that I needed to hold more safety stock, I just ordered 2*weekly demand for each week. When there was a back order, I ordered the # of back order plus weekly demand. For the first 3 weeks I just ordered the weekly demand because the demand was low and we had enough inventory.

When there was a spike and we had potential stock out, I realized that I needed to hold more safety stock, I just ordered 2*weekly demand for each week. When there was a back order, I ordered the # of back order plus weekly demand. Describe how you made the decision each week of how much to order. 2. I was panic when I had back order because the back order cost is high. I kept ordering the amount of back order but actually the income shipment was very low. Eg. The back order was 43, I ordered 50 but there was only 3 inbound. I know the wholesaler had oos too.

Start from wk18, the entire supply chain realized that we needed more products so they ordered more and I relieved a little from back order. After 3 weeks I actually had no more back order but the income shipment became bigger and bigger. I stopped ordering from wk24 but the shipment kept coming and the inventory holding cost was very high. I was panic when I had back order because the back order cost is high. I kept ordering the amount of back order but actually the income shipment was very low. Eg. The back order was 43, I ordered 50 but there was only 3 inbound.

I know the wholesaler had oos too. Start from wk18, the entire supply chain realized that we needed more products so they ordered more and I relieved a little from back order. After 3 weeks I actually had no more back order but the income shipment became bigger and bigger. I stopped ordering from wk24 but the shipment kept coming and the inventory holding cost was very high. How did this work out for you? 3. My pattern is the flattest compared to the pattern of my teammates; it goes up to approximately 45 and then goes back to 0 after period 24. We did have the bullwhip effect.

For retailer the max demand is 8, for wholesaler the max demand is 45, for distributor the max demand is 150, and for factory the max demand is 510. My pattern is the flattest compared to the pattern of my teammates; it goes up to approximately 45 and then goes back to 0 after period 24. We did have the bullwhip effect. For retailer the max demand is 8, for wholesaler the max demand is 45, for distributor the max demand is 150, and for factory the max demand is 510. How did your order pattern compare to the order pattern of your teammates? Please include the plot of orders placed for each position in the supply chain.

Did your supply chain experience the bullwhip effect? For each position, tell me the maximum demand they faced. 4. From the retailer perspective, I will try to make more accurate forecast and prepare the safety stock, which is equal to 2-week demand. Also I will try to minimize the lead time between each position. For the beer game the information delay is 2 weeks which means it takes 6 weeks to let the factory be aware of the stock out of the retailer. I will try to make more efficient communication with the upstream and reduce the total information delay to 1 week.

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In addition, I want to eliminate the distributor and ask the wholesaler to find a factory which will be responsible for the delivery so the delay will be reduced and the overhead costs will be saved, thus the entire supply chain will be more effective and efficient. From the retailer perspective, I will try to make more accurate forecast and prepare the safety stock, which is equal to 2-week demand. Also I will try to minimize the lead time between each position. For the beer game the information delay is 2 weeks which means it takes 6 weeks to let the factory be aware of the stock out of the retailer.

I will try to make more efficient communication with the upstream and reduce the total information delay to 1 week. In addition, I want to eliminate the distributor and ask the wholesaler to find a factory which will be responsible for the delivery so the delay will be reduced and the overhead costs will be saved, thus the entire supply chain will be more effective and efficient. If you were re-designing this supply chain, what changes would you make that might reduce the bullwhip effect? In other words, as this game was designed, what caused the bullwhip effect?