

Supply Chain Management Simulation The Beer Game



Purpose of the simulation

An example of an end-to-end supply chain between a brewery and the consumer is used to **demonstrate the consequences of poor communication among businesses**. After the game, participants will recognize that problems in the process (order swings/"Bullwhip Effect") are not caused by customers but by their own actions.

Content

- Each team plays together to achieve the best team result. Each team represents one link in the production and distribution system. The brewery brews beer, which is then sold to the end customer via a distributor, wholesaler and retailer. Each position is represented by one team member who manages his/her own stock and takes orders for goods independently from others.
- The warehouse and order backlog (inability to deliver ordered goods) will result in different costs. The winner will be the team with the lowest total costs at the end of the simulation.
- The individual positions manage their stock through orders (brewery through producing goods) and are free to make independent decisions regarding orders. Everybody can order as few or as many as they want. End customer orders are predefined (on a stack of cards) and only the retailer can receive them and know the exact customer order amounts ordered by the customer each week.
- Participants are always amazed by the results and they learn why transparency and communication within the processes are essential for the success of a businesses.

Number of participants

4 to 20 people.

Duration

2 to 3 hours.

Prerequisites

Sufficiently large conference room, beamer, Metaplan board. Game field and other necessary material will be provided by procise.

Registrations & Questions

We would be happy to answer any questions you may have.

Call us on +49 69 24 24 06 60 or send us email at mi@procise.com

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