

## Examples of Process Simulation

- Queuing systems
- Logistics systems
- Call centers
- Computer networks
- Manufacturing systems
- Health care systems
- Production scheduling
- Conveyor systems
- Inventory management

## Basic steps in using process simulation

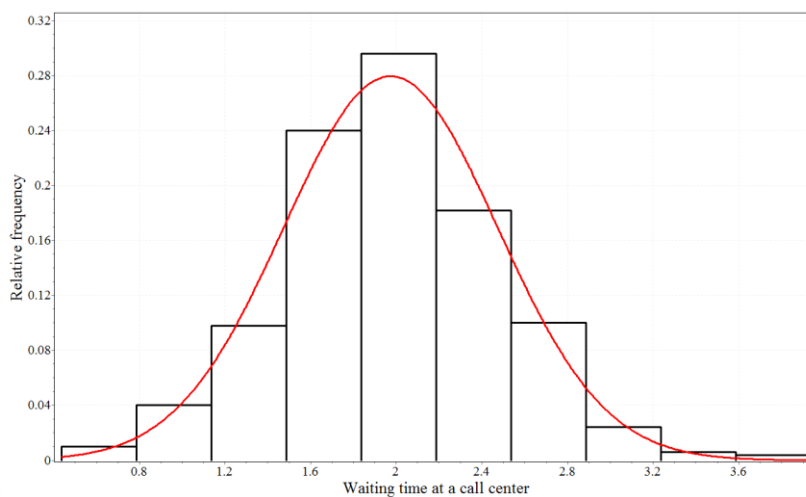
1. Draw a process flow map of the process.
2. Obtain data.
3. Input the model and data (typically in the form of statistical distributions) into computer.
4. Check that the computer simulation behaves like the real process (validation).
5. Perform experiments with the computer simulation by varying the values of variables of interest.
6. Analyze the results; look for combinations of the values of the variables that give the best performance.

## Process Simulation – Waiting Lines

(SimQuick Chap 2)

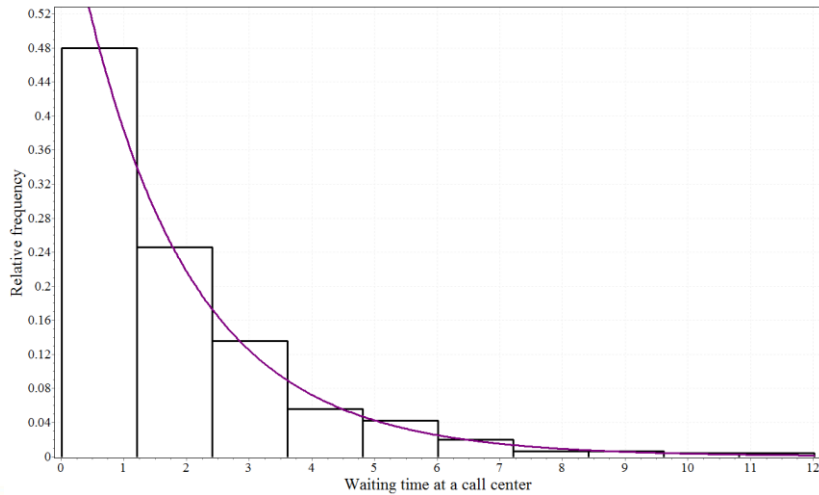
## Review of Common Statistical Distributions

- Normal Distribution: Nor(m,s) in SimQuick



## Review of Common Statistical Distributions

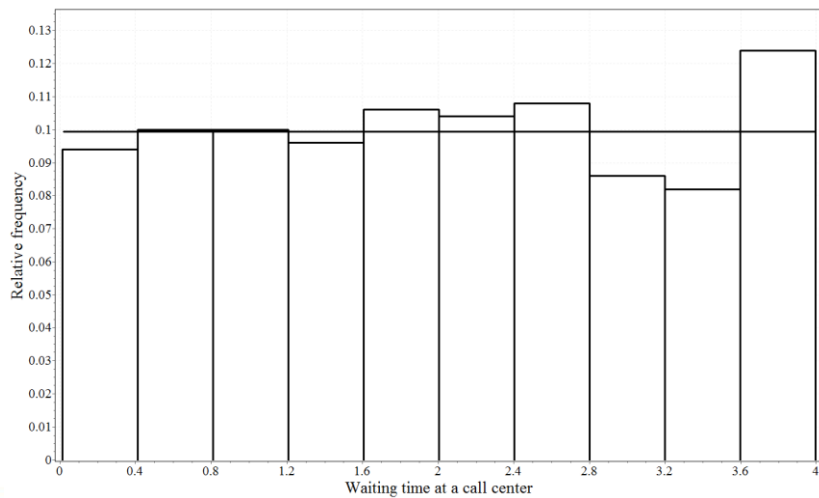
- Exponential Distribution: Exp(m) in SimQuick



MGT 40750 – Quantitative Decision Modeling

## Review of Common Statistical Distributions

- Uniform Distribution: Uni(a,b) in SimQuick



MGT 40750 – Quantitative Decision Modeling

## Example: A bank

- Consider the following process within a small bank: customers enter the bank, get into a single line, are served by a teller, and finally leave the bank. Currently, this bank has one teller working from 9am to 11am.
- Management is concerned that the wait in line seems to be too long. Therefore, they are considering two process improvement ideas:
  - Option 1: installing a new *automated check-reading machine* that can help the single teller serve customers more quickly
  - Option 2: adding an *additional teller* during these hours
- What should management do?

## Example: A bank

- Process flow map:



- Five Elements in SimQuick
  - Entrances, Exits, Work Stations, Buffers, Decision Points

## Example: A bank

- Question: What data to collect?
  - How long to serve a customer
  - How much time between customer arrivals
  - Capacity of line

## Example: A bank

Some details based on data from the current process:

- We have observed that the amount of time between arrivals of customers can be approximated by an exponential distribution with a mean of 2 minutes.
- The line in this bank can only hold 8 people and if a person arrives when the line is full he/she does not get in line.
- We have observed that the service time by the teller can be approximated by a normal distribution with a mean of 2.4 minutes and a standard deviation of .5 minutes.