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**FACULTY OF ENGINEERING**  
**INDUSTRIAL & SYSTEMS ENGINEERING DEPARTMENT**

**ENIE 310**

**INDUSTRIAL SYSTEMS SIMULATION**

**<WAREHOUSE SIMULATION>**

**FINAL REPORT**

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## 1 Introduction

The Al Hassan Ghazi Ibrahim Shaker Company has a long and illustrious history that spans over 70 years. Despite the challenges of the business landscape, the company has managed to thrive and become the exclusive agent for LG air conditioners in Saudi Arabia, however shaker group have two types of warehouses, first one is for a fully functional devices that they sell directly to customers, second one is for spare parts usually the spare parts could be classified into three types, type A which is small parts these are the minor parts that often need to be replaced, such as nuts, screws, fuses, sensors, and other small pieces, second is the type B which is medium parts these are the parts that are larger and more important than the small parts, but not as big or complex as the large parts, lastly type C which is large parts these are the parts that are the most sizable and sophisticated, such as condensers, compressors, or major frames, as its shown in below figures. Moreover, the case study was conducted on the second type of warehouse as it was easy to understand and modelled.



Figure 1 Small Spare Parts



Figure 2 Medium Spare Parts



Figure 3 1 Large Spare Parts

## **1.1 System Description**

The system boundaries starts outside the warehouse where forklift load and gets inside the warehouse then unload the crates(the system entities), after being unloaded the sorting process starts where workers takes the unloaded crates and sorting it by putting each crate in its place in the warehouse, afterward the parts will be held in storage until someone orders it each part have different change of being ordered as A 50%, part B 30% and part C 20%, lastly if someone order one of the parts the last process starts which is preparation of the specific part that has been ordered or requested.

## **1.2 Describing System Operation**

The process begins with the arrival of parts, which are then transported to the warehouse using a forklift. Upon reaching the warehouse, the parts undergo categorization based on their size small, medium, or large by two workers. Following categorization, a decision is made regarding their placement within the warehouse, and they are stored accordingly. When an order is placed, warehouse workers prepare the order for shipment, ensuring that the correct items are gathered and packaged. Finally, the prepared order is sent out for delivery.

## **2 Problem Definition**

A critical area that requires improvement in the Shaker Warehouse is the stacking of different types of spare parts (Part A, Part B, Part C). A number of challenges exist as a result of the current stacking that is being predicted in the warehouse operations, affecting their efficiency and organization. Risk of Damage during Stacking: There is a risk that delicate components among the large spare parts may be susceptible to breakage or scratches, compromising the overall quality and integrity of the warehouse. Shaker Warehouse must address these stacking related challenges to increase efficiency, accuracy, and safety of operations. The goal is to run the simulation for 4 days.

### 3 Input Variables, Parameters, and Constraints

#### 3.1 Input Variables and Parameters

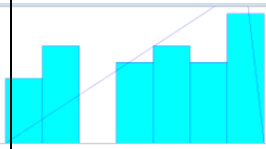
Table 1: Summary of Data about Major System Characteristics

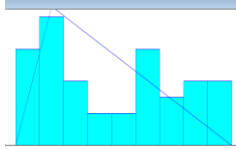
Description	Value
Number of Forklifts	1
Number of Sorting Workers	2
Number of preparation workers	3

Table 2: Summary of Processes Cycle Time (Minutes)

#### 3.2 Input Data Analyses

Table 3: Summary of Arena Input Analyzer Results of Processing Time

Process Name and Distribution Summary	Process Histogram	Goodness of Fit	Data Summary
<b>Sorting Process Time</b> Distribution: Triangular Expression: TRIA (4.5, 11, 11.5) Square Error: 0.043618	 <p>Histogram Range = 4.5 to 11.5 Number of Interval= 7</p>	Chi Square Test Number of interval= 5 Degrees of freedom= 3 Test Statistic = 3.06 Corresponding p-value = 0.401	Number of Data Point = 34 Min Data Value = 5 Max Data Value = 11 Sample Mean = 8.47 Sample Std Dev=2.14

<p><b>Prepare Order Times</b></p> <p>Distribution: Triangular</p> <p>Expression: <math>\text{TRIA}(6.5, 8, 15.5)</math></p> <p>Square Error: 0.047300</p>	 <p>Histogram Range = 6.5 to 15.5</p> <p>Number of Intervals = 9</p>	<p><b>Chi Square Test</b></p> <p>Number of intervals = 5</p> <p>Degrees of freedom = 3</p> <p>Test Statistic = 14.7</p> <p>Corresponding p-value &lt; 0.005</p>	<p><b>Number of Data Points = 39</b></p> <p>Min Data Value = 7</p> <p>Max Data Value = 15</p> <p>Sample Mean = 10.5</p> <p>Sample Std Dv = 2.79</p>
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### 3.3 Constraints and Assumptions

- Working hours (8:00 AM – 4:00PM)
- No Overtime Procedures assume that employees accomplish tasks during their designated work hours and overtime is not required.
- Stable Workload that remains relatively stable, without significant fluctuations.
- Availability of Resources: Assumption that necessary resources, such as forklifts and packing materials are consistently available during working hours.
- No External Disruptions: The process assumes minimal external disruptions
- No Defects: Assumes that goods arriving in good condition
- Storage Capacity: Assumes that the warehouse has sufficient storage capacity

## 4 System Performance Measures

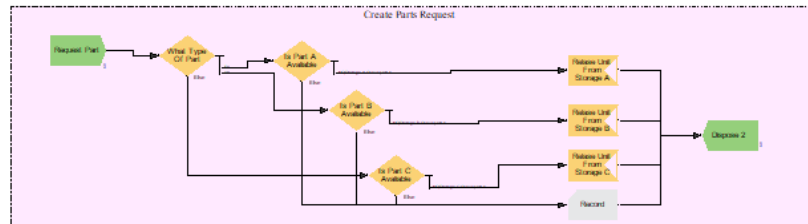
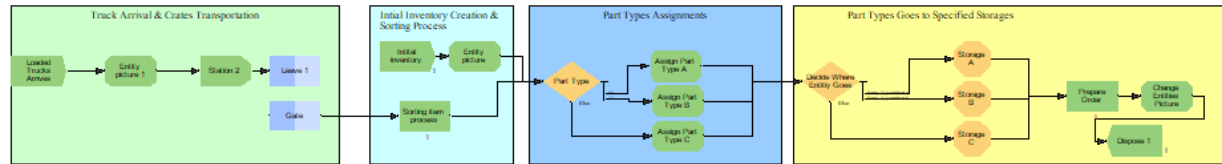
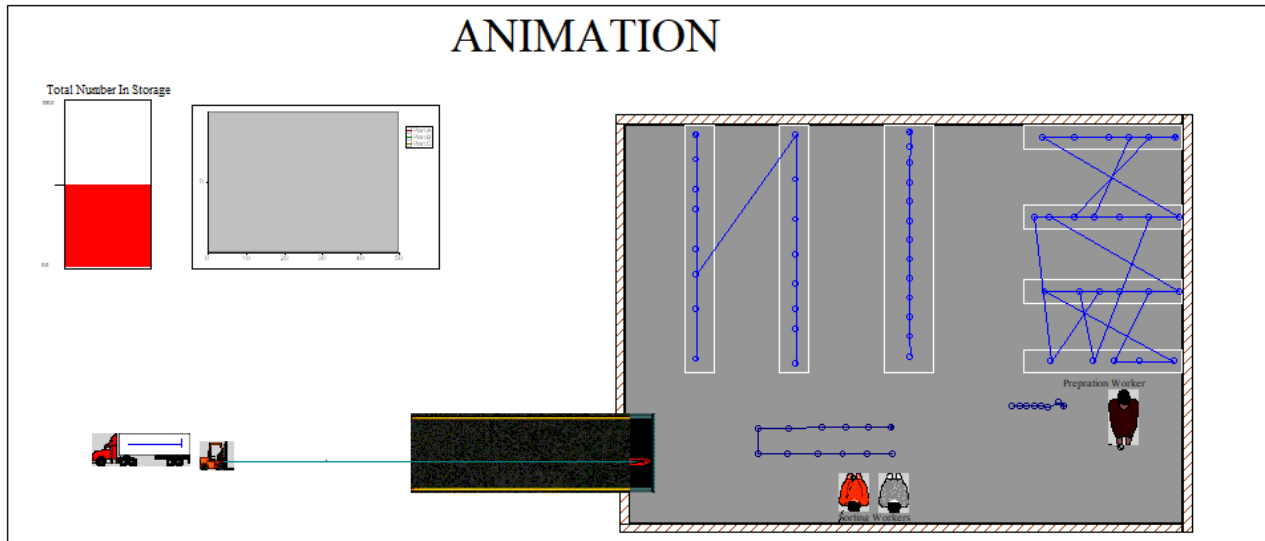
System performance measures were as follows, queue length and queue time for each type A, B, C in the warehouse and total number in storage.

## **5 Simulation Model Building, Verification, and Validation**

### **5.1 Simulation Model Building**

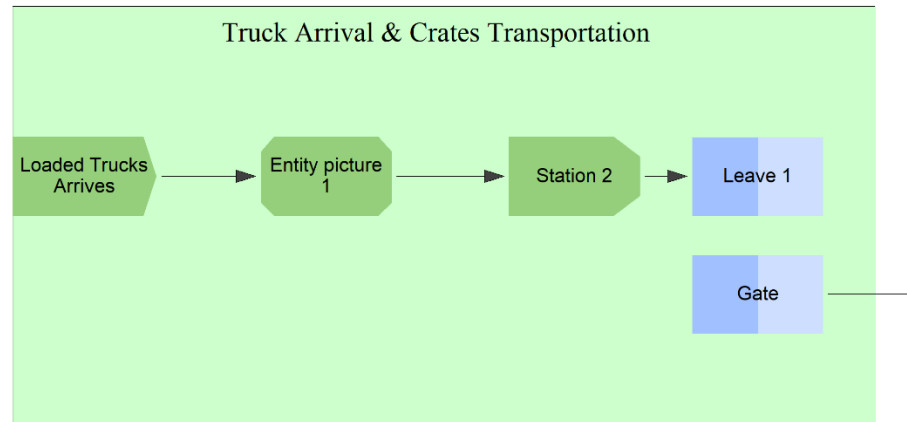
Is fully illustrated in below pages.

# ANIMATION

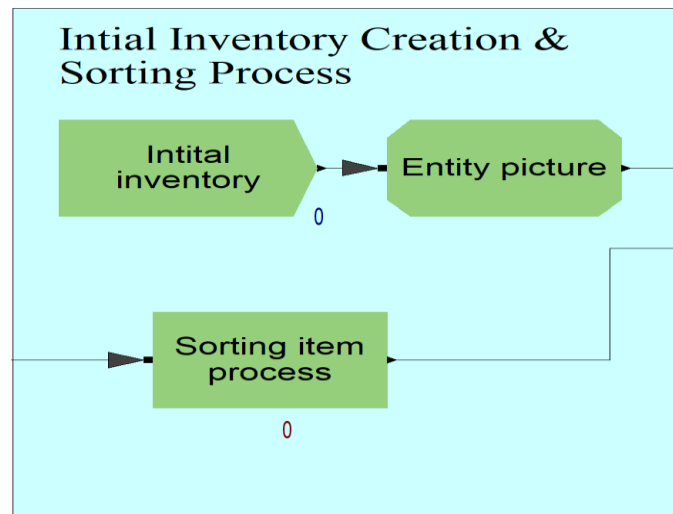


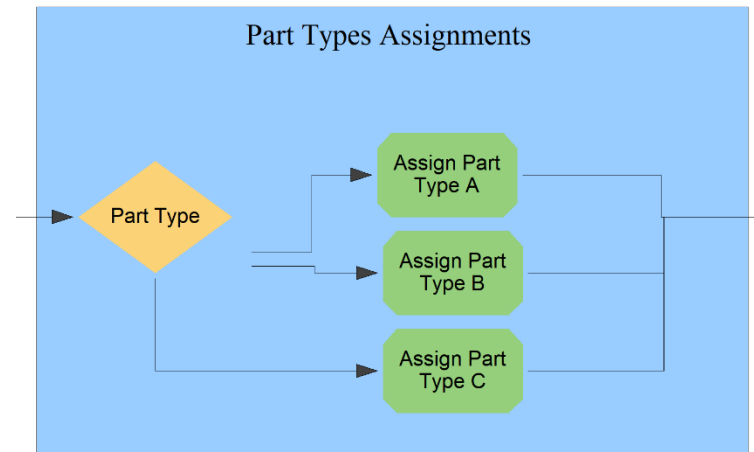
Main Model 1



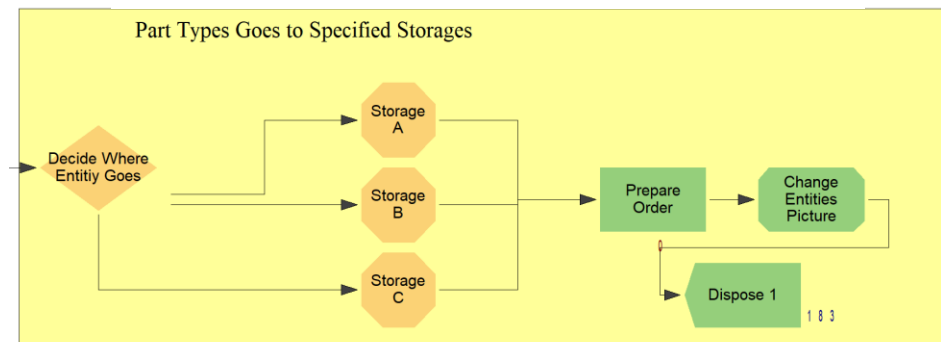


Submodel 1

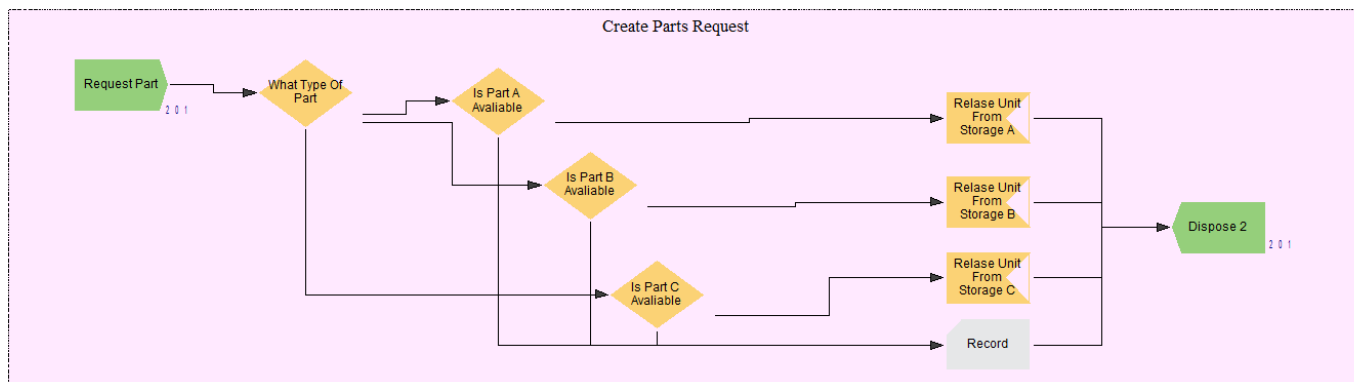




Submodel 3



Submodel 4



Submodel 5

## 5.2 Verifying the Model

As for verification of the model, the model system is simulating the real system after showing the modelled system to the engineer and preview the animation, it got their blessing, thus based on that the system is verified, since the system is not complex.

## 5.3 Validating the Model

As for validity of the model it Is impossible to reach a reasonable result due to the limitations of Arena student version, it cannot reach further than 150 entities in the system, however it is still possible to simulate the system since the input parameters is correct.

## 6 Results and Analysis

After performing the simulation for 4 days 32 hours in total the results as following:

Discrete-Time Statistics (Tally)			
<b>Storage A.Queue</b>	Waiting Time	Queue	6.263825986
<b>Storage B.Queue</b>	Waiting Time	Queue	11.25951543
<b>Storage C.Queue</b>	Waiting Time	Queue	2.587935923

Continuous-Time Statistics (Time Persistent)			
<b>Storage A.Queue</b>	Number Waiting	Queue	24.34710216
<b>Storage B.Queue</b>	Number Waiting	Queue	33.4938518
<b>Storage C.Queue</b>	Number Waiting	Queue	2.933790922

<b>total number in storage</b>	87
--------------------------------	----

Observing the above results table its noticeable that there is some unnecessary stacking for part B also in the end of the run the total B parts in storage 51, the queue for A is reasonable due to high demand for this part but it results in 34 parts in A storage, C part has the lowest queue time and length due to lack of orders and moderate demand.

## **7 Conclusion**

After performing the simulation and obtaining the results it shows that part B would be more likely to have the stacking problem, part A has the highest number out due to its high order, part C is unlikely to have the stacking problem.

## **8 Recommendations**

After interoperation of results some parts need to have less order because it might cause the warehouse to have some unnecessary or unneeded parts thus will result in holding cost and order or manufacturing cost.

## 9 Appendix

### Summary of the information Entered in the Arena Model

<Insert snap shots of dialog boxes edited while building your model>

The 'Create' dialog box is shown with the following fields and values:

- Name:** Loaded Trucks Arrives
- Entity Type:** Truck
- Time Between Arrivals:**
  - Type: Constant
  - Value: 2.67
  - Units: Hours
- Entities per Arrival:** 20
- Max Arrivals:** Infinite
- First Creation:** 0.0
- Comment:** (empty text box)
- Buttons:** OK, Cancel, Help

The 'Assign' dialog box is shown with the following fields and values:

- Name:** Entity picture 1
- Assignments:**
  - Entity Picture, Box Picture
  - <End of list>
- Buttons:** Add..., Edit..., Delete
- Comment:** (empty text box)
- Buttons:** OK, Cancel, Help

Station?×

Name:

Station 2

Station Type:

Station

Station Name:

Station 2

Parent Activity Area:

Associated Intersection:

☒ Report Statistics

Comment:

OK

Cancel

Help

Leave

?

×

Name:

Allocation:

Leave 1

Value Added

Delay:

Units:

0.

Hours

Logic

Transfer Out:

Priority:

Request Transporter

High (1)

Queue Type:

Queue Name:

Queue

Leave 1.Queue

Transporter Name:

Transporter 1

Selection Rule:

Save Attribute:

Cyclical

Connect Type:

Transport

Station Type:

Station Name:

Station

Gate.Station

Comment:

OK

Cancel

Help



Enter
?
X

Name:
Station Type:

Gate
Station

Station Name:
Station Properties...

Gate.Station

Logic

Delay:
Allocation:

0.
Value Added

Units:

Hours

Transfer In:

Free Transporter

Transporter Name:
Unit Number:

Transporter 1

Comment:

OK
Cancel
Help

Create
?
X

Name:
Entity Type:

Intital inventory
Intital

Time Between Arrivals

Type:
Value:
Units:

Constant
1
Hours

Entities per Arrival:
Max Arrivals:
First Creation:

30
1
0.0

Comment:

OK
Cancel
Help

Process
?
X

Name:
Type:
Sorting item process
Standard

Logic

Action:
Priority:
Seize Delay Release
Medium(2)

Resources:
Resource, Sorting Workers, 1
<End of list>
Add...
Edit...
Delete

Delay Type:
Units:
Allocation:
Expression
Minutes
Value Added

Expression:
TRIA(4.5, 11, 11.5)

☒ Report Statistics

Comment:

OK
Cancel
Help

Decide
?
X

Name:
Type:
Part Type
N-way by Chance

Percentages:
50
37
<End of list>
Add...
Edit...
Delete

Comment:

OK
Cancel
Help

Assign ? X

Name:  
Assign Part Type A

Assignments:

Entity Picture, Part A picture	Add... Edit... Delete
Entity Type, Part A	
<End of list>	

Comment:

OK Cancel Help

Assign ? X

Name:  
Assign Part Type B

Assignments:

Entity Type, Part B	Add... Edit... Delete
Entity Picture, Part B pic	
<End of list>	

Comment:

OK Cancel Help

Assign ? X

Name:  
Assign Part Type C

Assignments:

Entity Picture, Part C Picture	Add... Edit... Delete
Entity Type, Part C	
<End of list>	

Comment:

OK Cancel Help

Decide

?

×

Name:

Decide Where Entity Goes

Type:

N-way by Condition

Conditions:

Entity Type, Part A

Entity Type, Part B

<End of list>

Add...

Edit...

Delete

Comment:

OK

Cancel

Help

Hold

?

×

Name:

Storage B

Type:

Wait for Signal

Wait for Value:

2

Limit:

Queue Type:

Queue

Queue Name:

Storage B.Queue

Comment:

OK

Cancel

Help

Hold

?

×

Name:

Storage A

Type:

Wait for Signal

Wait for Value:

1

Limit:

Queue Type:

Queue

Queue Name:

Storage A.Queue

Comment:

OK

Cancel

Help

Hold

Name:  Type:

Wait for Value:  Limit:

Queue Type:

Queue Name:

Comment:

OK Cancel Help

Process

Name:  Type:

Logic

Action:  Priority:

Resources:

Resource, Prep Workers, 1	Add... Edit... Delete
<End of list>	

Delay Type:  Units:  Allocation:

Expression:

☒ Report Statistics

Comment:

OK Cancel Help

Assign ? X

Name:  
Change Entities Picture

Assignments:  
Entity Picture, Picture.Box  
<End of list>

Add...  
Edit...  
Delete

Comment:

OK Cancel Help

Dispose ? X

Name:  
Dispose 1

☒ Record Entity Statistics

Comment:

OK Cancel Help