Module 10 - MOLP

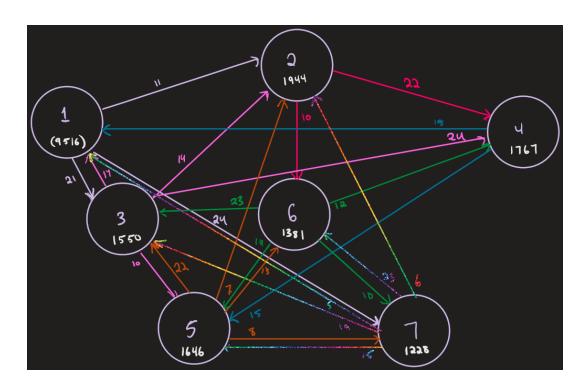
Exploratory Data Analysis

In this section, you should perform some data analysis on the data provided to you. Please format your findings in a visually pleasing way and please be sure to include these cuts:

- Choose a visualization method (expect 7 nodes and ~24 arcs):
 - Make a visual graph of your data on a map (coordinates should be within US borders)



 $m{\prime}_{\circ}$ Make a visual graph of your data like what we saw for the sample problem



Model Formulation

Write the formulation of the model into here prior to implementing it in your Excel model. Be explicit with the definition of the decision variables, objective function, and constraints. For this problem, I am only asking that you perform the model formulation for the MOLP model.

Decision Variables:

Transshipment Model: The decision variables, changed by Solver, are the SHIP column

B6:B29

MOLP: The SHIP column, Cell R42 (designated MiniMax value cell)

Minimize total transport costs: $Z1=(i,j)\in A\sum cijxij$

Minimize total distance: $Z = (i,j) \in A \sum dij xij$

Minimize Eco-Unfriendliness: $Z 3 = (i,j) \in A \sum e ij x ij$

Minimize Congestion: $Z = (i,j) \in A \sum_{i=1}^{n} g_{i} i j$

Objective Function(s):

Minimized Transport Cost: Sum product of Ship column values and unit cost Minimized Total Distance: Sum product of Ship column values and the Euclidean distance Maximized Eco-Friendly: Sum product of Ship column and Non-Eco-Friendly Binary Var. Minimized Congestion: Sum product of Ship column and Congestion Binary Var.

Constraints:

Subject to:

$$w k \cdot t k Z k - t k \leq \delta \forall k \in \{1,2,3,4\}$$

Net Flow >= Supply/Demand: to meet all demand for each node M6:M12 >= N6:N12

Ship column non-negativity constraint... Ship >= 0

MiniMax Constraint:

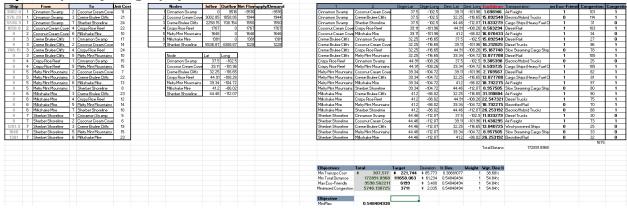
Weighted Deviation % Column (all four values) <= R42 (cell designated for MiniMax) (Remembering to add the R42 to the decision variables for this as well)

 $\delta \leq R42(R42=0.25634912110734054)$

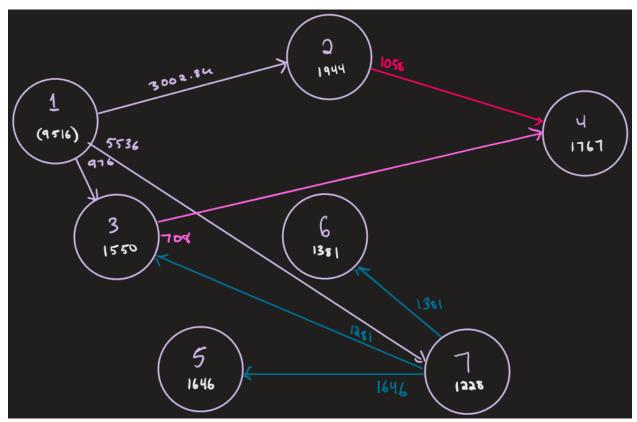
Model Optimized for Equally Weighted Objectives

Implement your formulation into Excel and be sure to make it neat. This section should include:

- ✓ A screenshot of your optimized final model (formatted nicely, of course)
- A text explanation of what your model is recommending
- , Update your graph from the EDA section to indicate which arcs are used



The purpose of my model is to individually minimize the Transport Cost, minimize Total Distance, maximize Eco-Friendliness, and minimize Congestion based on the given data. From there, we implement the MOLP table, as seen on the bottom right with dark blue headings, which ultimately finds an ideal "middle-ground" where constraints are satisfied, with equal weight for each objective to find an optimal percentage of deviation from our optimized values. Meaning, no longer will each objective I identified be completely optimized. However, solver takes all four objectives into account, and finds common ground where each piece of the puzzle is further optimized from its starting point. What my model found was that 54.84% deviation from the Target objective was optimal in satisfying each objective to the best of its ability. If we changed the weights for each of these, our results would change dramatically.



Model with Stipulation

Please copy the tab of your original model before continuing with the next part to avoid messing up your original solution.

Alter the weights of each objective to add weight to match what matters most to you. Perhaps run a few different scenarios to see how the routes change depending on the weights. When you find a weight mix and solution that satisfies you, please write a justification on why you chose the final model/weights and about how a configured model like yours can be used for scenario planning.

Objectives	Total		Target	De	viation	% Dev.	Weight	Wgt. Dev %	Pre-Stipulation %
Min Transpo Cost	\$	258,960	\$ 221,744	\$	37,216	0.16783163	1.5	25.17%	38.68%
Min Total Distance		141553.1072	111658.0634	\$	29,895	0.267737437	1	26.77%	54.84%
Max Eco-Friendly		9518.40875	6199	\$	3,319	0.535474875	0.5	26.77%	54.84%
Minimized Congestion		7685.294522	3711	\$	3,974	1.07094975	0.25	26.77%	54.84%
Objective									
MiniMax		0.267737437							

After messing around with the weights a bit, I found a balance I can be happy with.

Objectives	Total		Target	De	viation	% Dev.	Weight	Wgt. Dev %	Pre-Stipulation %
Min Transpo Cost	\$	255,574	\$ 221,744	\$	33,830	0.152563464	1.6	24.41%	38.68%
Min Total Distance		129547.7175	111658.0634	\$	17,890	0.160218201	1.6	25.63%	54.84%
Max Eco-Friendly		11496.02734	6199	\$	5,297	0.85449707	0.3	25.63%	54.84%
Minimized Congestion		7516.246354	3711	\$	3,805	1.025396484	0.25	25.63%	54.84%
Objective									
MiniMax		0.256349121							

And right after typing that sentence, I second-guessed myself. But I left my first attempt in to show my thought process. The first thing I saw was that I decreased the

MiniMax percentage from 54.84% to 26.77%, now to 25.63%, a reduction of 46%, and saw that as I victory. Originally, I thought it'd be ideal to prioritize minimizing transport costs. Then I second-guessed myself and chose to think of myself as an employee or consultant, I would want to directly manipulate a more tangible cost. Knowing that distance and transportation cost go hand in hand when it comes to overall travel costs. I chose to reevaluate and increase the weight for transportation cost and total distance, these two taking priority. Which in turn decreases how long the not-so-eco-friendly travel methods will take, not directly optimizing an eco-friendly approach, but ultimately limiting the amount of emissions of these travel methods. And congestion took a back seat role here, not because it isn't important, but rather, it is a variable factor. For the sake of the model, congestion is one of our four objectives, but in a real-world decision, I may have a lower weight for this if we happen to incorporate multiple other objectives we must reach.

I see approaching this workshop from the mindset of a consultant as beneficial because it provides a learning experience to see how I would recommend this firm takes action within their company, what my model shows, how I interpret it (because models are not absolutes, or concrete), and what my ultimate recommendations would be. Given more time, and the incentive of a check based on a percentage of what I save the company, I would do some more tweaking to get a: 1) lower MiniMax value, and 2) work to find a more thoughtful balance between the objectives that reflects the goals of the company, and myself.