Running Supply Chains is like a Massively Multiplayer Online Game

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http://scmglobe.com/
Supply Chain Challenges


Volatile & Risky (2001 - ????)

- Best laid plans quickly out of date (planning cycles take too long)
- Responsiveness as important as efficiency (sometimes more)
- Observe events, explore options, take action
- Need constant adjustments to respond to constant changes
Collaborative Response to Continuous Fluctuations

“Bullwhip Effect”

Human street smarts combined with real-time computing power!
First Gen Collaborative Supply Chain

**CHALLENGE:**
Increase service levels and reduce conflict and excess inventory in national retail supply chain (in 90 days without spending a lot of $$)

**SOLUTION:**
Introduce game dynamic via feedback loop generated by real-time supply chain visibility and daily/weekly conference calls for review and decision making.

“Red Cup System”
Daily Updated Information Seen by All

- In operation four years
- 5,000 stores, 26 distributors, 30+ manufacturers
- Parties connected via simple API to transmit daily data
- Supply chain information portal for operating status and conference calls for decision making
- **Group behavior turned from defensive to collaborative!**
Real Time Performance Score Cards

Compare these three documents for each order.

Display KPI score cards through dashboards visible to all parties. (Build Reputations)

Set customer service alerts for quick response. (Business Agility)
Gotta Have Points and Badges...

Real time visibility created feedback loop and group dynamic that generated interest and desire to perform!

People got better fast – nobody wanted to be seen as dragging down the rest of us

Transparency is hard - but fun as you get good at it
Simple Data Connections (APIs)

Data converted to common file formats and sent over Internet (easy file conversion to and from EDI, XML, JSON)

*Simple systems using good data outperform complex systems using bad data!!!*

Suppose Chain Collaboration Portal (SCM Globe)
Second Gen Collaborative Supply Chain

Supply chains are combinations of:

- Facilities
- Routes
- Vehicles
- Inventory
Define Facilities and Routes

Use map view or satellite view or hybrid or terrain view

Zoom in or out in different views to find best location for facility
Simulate Supply Chain Performance

Based on simulations, modify supply chain designs to achieve cost and performance objectives

“Crowd sourcing” supply chain solutions
System Displays Real Time Operating Status

Simple connections collect continuous data from facilities and vehicles

Send alerts when data moves outside predefined ranges

Collaborate online to bring operations back in line
Next Gen Collaborative Supply Chain... 😊

StarCraft theme
(Blizzard Entertainment)
Newest SCM Globe User Interface

Let the game continue…

(Influenced by popular MMO and RTS games)
Presentation Based on Two of My Books

- Serious Games: The Future of Work, O’Reilly Media, 2012 (available summer 2012)

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