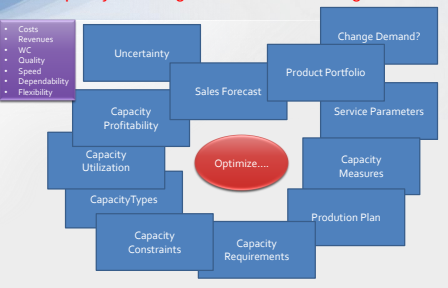




THE GLUE GAME EVALUATION

@Peter Nordgaard



Almost there III

Learning through gaming...

I hope you enjoyed the gaming!

I will ask you to prepare the following for next time;

1. Please update any calculation that you have done, so that it is updated and matches the information (i.e. if you forgot about Eastern)
2. Discuss Module I Four V – how would you see the Glue Companies? On each parameter?
3. Discuss your use of Module II techniques – "Forecasting" – did you even out seasons to get a forecast?
4. Discuss your use of Module III Capacity planning?
5. If you are not completely sure about your forecasting, your inventory policies and capacity planning – then sourcing and contracting becomes important! To which extent did you use the contract to cover your insecure spots in your supply chain?

It's a Wild World... 2016 Case. The date is 1th of December 2015...

Frank had never imagined that his father's passion for glue (or pegamiento, as his Spanish father used to say) would be the center of Frank's life 45 years later. He remembered sitting side by side with his father and his passion for Second World War military figures. Metal, paint and glue. Three smells in one.



Frank owned one of the most prominent distributors for standard glue, in practice a market with many joys – but also its challenges. Demand could be rather volatile and glue is perceived as a standard product, so it seemed impossible to brand the product or use any other tricks to persuade either a higher price or a higher demand.

Frank could still see the passion of his father in the eyes of his youngest daughter when she, placed at the dinner table, would create imaginary tales through the use of scissor, paper and... glue.



Frank even knew his closest competitor as they practically market between them. Both of them bought their glue based on a warm location quite far from their own. There were two producers and they required "exclusive dealing", so either you bought all or nothing from each of these factories.

split the total from a factory, environment.

Now 2016 was approaching and Frank thought things looked much more volatile than ever and many questions needed to be addressed - and answered.



Sourcing... (One Page)

Outsource Value determinators
Scale
Uncertainty
Asset Specificity

Supply Chain Surplus
Customer Value – Cost of Product

Sourcing (The entire process of purchasing)

Procurement (purchasing goods and services)	In House (Activity)	Out-sourced (Activity)
Less Capital Investment Focus on Core Competency Increase Flexibility	Costs Contra Value	Costs Contra Value
	Risk	Risk
	Strategic Reasons	Strategic Reasons
	On, near or offshoring	

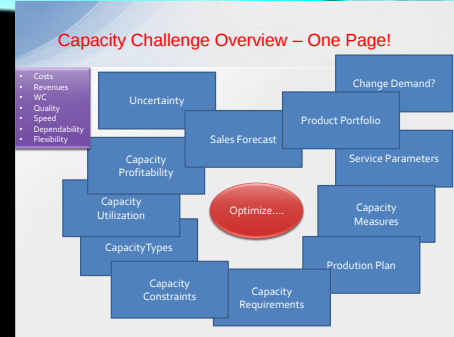
Just being better....:

- Efficiency/Procurement/Inventory/Design/
- Management/Control/Forecasting/Risk Management
- Economies of Scale (Capacity, Inventory, Transportation, Warehouse, Procurement, Information, Receivables, relationship, Costs and Quality)
- Economies of Knowledge (or no knowledge)
- Presence: Geographical Presence/Network etc.
- Market abnormalities/Tax/duties/legal/Competition etc.
- Risk Management: Insurance/Hedging (opposite matching)
- Long or short term relationship?

Risk

- Lost Control – or being supplied!
- Transaction Costs
- Customer/Supplier Contact
- No internal Expertise – strong outsourcer
- Data Breach
- Ineffective Contracts
- Loss of Supply Chain Visibility
- Image/Reputation

Almost there IV



Last questions...

6. Is the learning, by playing a game, different from other techniques? How?

7. What is your learning from the case?

8. The final and important question...

"How would you rate the groups performance during the game?"

Specifically;

- Planning the work?
- Coordinating the work?
- Utilizing time efficiently?
- Using theory from the modules?
- Thinking in Bull Whip effect?

In your evaluation, please remember that I have videorecording...

Ø If you do not want to appear on video, please send me a message and I will use "deep-fake" technology and replace your face with a participant from Paradise Hotel 2019...*