

# QUANTITATIVE MANAGEMENT MODELING

## HOMEWORK 1

### 1. Decision Variables

The Number of collegiate (N) and mini (R) bags generated every week are the choice variables in the presented issue. It follows that there are two decision variables.

### Objective Function

The objective function can be understood as maximizing profits. According to the problem, N makes a unit profit of 32\$ and R makes a profit of 24\$.

$$\text{Maximize, } Y = 32N + 24R$$

The problem has two constraints:

### Resource Constraint:

Back savers receives 5000 sqft of nylon from their source. Each week, 3 sqft are needed for each N, whereas each R needs 2 sqft.

$$3N + 2R \leq 5000$$

### Time Constraint:

Each N needs 45 minutes of labor to earn a profit of 32\$ while each R needs 40 minutes to earn a profit of 24\$. 35 workers at back savers put in 40 hours a week of work each

$$\text{Here, } 35 * 40 = 1400 \text{ (labor hours)}$$

$$45N + 40R \leq 84000 \text{ (labor mins)}$$

## LP Problem Formulation in Mathematics:

$$\text{Maximise, } Y = 32N + 24R$$

Constraints,

$$N \leq 1000, N \geq 0$$

$$R \leq 1200, R \geq 0$$

$$3N + 2R \leq 5000$$

$$45N + 40R \leq 84000$$

### 2. Decision Variables:

The decision variables in the given problem are

No. of units (A)

No of plants (N)

Holds branch plants large, small, medium (R)

Thus, these aspects that influence decision-making

### Objective Function:

We can interpret the objective function as maximising the profits. As given in the problem

Maximize,  $M = ?$

$$M = 420 (A_1Z + A_2Z + A_3Z) + 360 (A_1m + A_2m + A_3m) + 300 (A_1S + A_2S + A_3S)$$

### Constraints

$$A_1Z + A_2Z + A_3Z \leq 750$$

$$A_1m + A_2m + A_3m \leq 900$$

$$A_1S + A_2S + A_3S \leq 450$$

Storage limits

$$20 A_1 Z + 15 A_1 m + 12 A_1 S \leq 13000$$

$$20 A_2 Z + 15 A_2 m + 12 A_2 S \leq 12000$$

$$20 A_3 Z + 15 A_3 m + 12 A_3 S \leq 5000$$

Sales forecast indicates per day

$$A_1 Z + A_1 m + A_1 S \leq 900$$

$$A_2 Z + A_2 m + A_2 S \leq 1200$$

$$A_3 Z + A_3 m + A_3 S \leq 750$$

Percentage avoid layoff

$$A_1 Z + A_1 m + A_1 S / 750 * 100$$

$$A_2 Z + A_2 m + A_2 S / 900 * 100$$

$$A_3 Z + A_3 m + A_3 S / 450 * 100$$