Question 1

The computed value obtained from _MAD_ performance measure with moving average method ranges from -1 to +1. F

- **Question 2**

Course assigned to the professor in Fall semester is the example of short range forecast by time horizon. T

- **Question 3**

Naive approach assumes that the demand in the next period is same as demand in most recent period. T

- **Question 4**

When a forecast is close to the actual values and considered as a 'good' forecast then the measure of forecast error called MAPE is:
Close to 0

- **Question 5**

The EVSI is always ___.
Non -negative

- **Question 6**

Forecast error calculated from LAD performance measure ranges from -1 to +1. F

- **Question 7**

The lowest utility value is assigned for highest pay off value. F

- **Question 8**

When making a decision under risk, which of the following is a valid decision-making criterion?
Minimize expected opportunity loss

- **Question 9**

Which of the following best determined the weight values used in the weighted moving average?
Assigned some arbitrarily chosen value , where experience is required

- **Question 10**

Which of the following occurs in decision making under uncertainty?
Payoff table for each possible combination of decision and outcome

- **Question 11**

Convex type utility curve reflect the attitude of optimistic manager. F

- **Question 12**

  The maximin criterion is a feature of which of the following?
  Decision-making under uncertainty

- **Question 13**

  The computed value obtained from <u>MAPE</u> performance measure ranges from 0 to +1. T

- **Question 14**

  In order to use Bayes' Theorem to calculate the P(A/B), it is necessary to know which of the following:
  P(A) , P(B) , and P(B/A)

- **Question 15**

  Recent drop in the oil prices is the example of seasonal pattern in a time series. F →

- **Question 16**

  Decision scenarios for single time opportunity is best describe with utility value criteria. F

- **Question 17**

  The decision-maker's attitude toward possible losses cannot express in expected value criteria. T   utility →

- **Question 18**

  The time series component (also known as random variation) is generally assumed:
  Have no discernable pattern

- **Question 19**

  The weight values used in the weighted moving average are:
  Highest weight age is given to most recent value

- **Question 20**

  The minimax criteria find the alternative that ___.
  minimize the maximize the opportunity loss of all the alternatives

- **Question 21**

  The drawback in the exponential smoothing technique is fixed in the (weighted) moving average forecasting method. F

- **Question 22**

  The financial budget presented in Saudi Ministerial Council is the example of long range forecast by time horizon. F

- **Question 23**

  The EVPI is calculated by subtracting _____.
  The maximum EREV from the ERPI

- **Question 24**

  Which of the following statements is true?
  Someone who is indifferent to risk would have utility function that is a straight line

- **Question 25**

  Utility criteria is the combination of expected value criteria with life style (attitude) of manager. T

- **Question 26**

  Which measure tells us the strength of the linear relationship between X and Y?
  Correlation coefficient

- **Question 27**

  The conservative and pessimistic approach of the decision-maker attitude is applied in maximax criteria. F

- **Question 28**

  Efficiency in expected value criteria is defined as the ratio of EVPI and EVSI. F

- **Question 29**

  Which of the following statements is true?
  No single best forecasting model exists

- **Question 30**

  Which of the following statements is true?

  Cyclical variation cover longer periods of time then do seasonal variations