Self-Assessment #10

Due Sep 1 at 11:59pm   **Points** 25   **Questions** 10
Available Aug 27 at 12am - Sep 1 at 11:59pm 6 days   **Time Limit** 60 Minutes
Allowed Attempts 2

Instructions

This self-assessment will test your understanding and knowledge of some of the main concepts covered in the textbook reading for this module. You have **1 hour** to complete this self-assessment, so please allow sufficient time to complete it without interruption. Note that you have **two attempts** at this self-assessment.

<div style="text-align:center;border:1px solid #ccc;padding:10px;">Take the Quiz Again</div>

Attempt History

	Attempt	Time	Score
LATEST	**Attempt 1**	37 minutes	20 out of 25

ⓘ Answers will be shown after your last attempt

Score for this attempt: **20** out of 25
Submitted Sep 1 at 9:26am
This attempt took 37 minutes.

Question 1	**2.5 / 2.5 pts**

Decision analysis supports all but one of the following goals. Which goal is not supported?

◉   Help ensure selection of good outcomes.

○ Analyze decision problems logically.

○ Help make good decisions.

○ Incorporate problem uncertainty.

Question 2   2.5 / 2.5 pts

A payoff matrix depicts versus with payoffs for each intersection cell.

○ decision alternatives; potential outcomes.

○ decision criteria; states of nature.

○ decision criteria; potential outcomes.

◉ decision alternatives; states of nature.

Question 3   2.5 / 2.5 pts

The decision rule which determines the maximum payoff for each alternative and then selects the alternative associated with the largest payoff is the:

○ minimin decision rule.

○ minimax regret decision rule.

◉ maximax decision rule.

○ maximin decision rule.

Question 4   2.5 / 2.5 pts

The decision rule which determines the minimum payoff for each alternative and then selects the alternative associated with the largest minimum payoff is the:

◉ maximin decision rule.

○ minimax regret decision rule.

○ minimin decision rule.

○ maximax decision rule.

Question 5   2.5 / 2.5 pts

Every nonprobabilistic method has a weakness for decision making. Which of the following is incorrect regarding a method and its weakness?

○ The minimax regret method can lead to inconsistent decisions.

○ The maximin method ignores potentially large payoffs.

◉ All of these are correct.

○ The maximax method ignores potentially large losses.

Question 6   2.5 / 2.5 pts

The decision rule which selects the alternative associated with the smallest maximum opportunity loss is the:

○ maximax decision rule.

○ maximin decision rule.

○ minimin decision rule.

◉ minimax regret decision rule.

Incorrect

Question 7   0 / 2.5 pts

Probabilistic decision rules can be used if the states of nature in a decision problem can be assigned probabilities that represent their likelihood of occurrence. Which of the following is not true regarding the probabilities employed?

○ The probabilities can be assigned subjectively.

○ The probabilities must always be unbiased.

○ The probabilities are always obtained from historical data.

◉ Subjective probabilities obtained can be accurate and unbiased.

Question 8   2.5 / 2.5 pts

A "risk averse" decision maker assigns the [blank] relative utility to any payoff but has a(n) [blank] marginal utility for increased payoffs.

○ smallest; increasing

◉ largest; diminishing

○ smallest; diminishing

○ largest; increasing

Incorrect

Question 9   0 / 2.5 pts

Which are characteristics of decision-making under uncertainty?

○ all process parameters have known values

○ some process parameters have known values

◉ decision-makers must rely on probabilities in evaluating outcomes

○ the probability of possible future events is unknown

Question 10   2.5 / 2.5 pts

The difference between expected payoff under certainty and expected payoff

under risk is:

○ EMV

○ expected regret value

○ none of the above

◉ EVPI

Quiz Score: **20** out of 25