SA367 - Mathematical Models for Decision Making

Spring 2022 - Uhan

Quiz 4 - 2/22/2022

Instructions. You have 15 minutes to complete this quiz. You may <u>not</u> use any other materials (e.g., notes, homework, website).

Show all your work. To receive full credit, your solutions must be completely correct, sufficiently justified, and easy to follow.

Problem 1a	Weight 0.5	Score	
1b	0.5		
2	3		
Total		/ 40	

Start with Problem 2 on the reverse side.

Problem 1. Suppose you solved the dynamic program you gave in Problem 2 by solving the corresponding shortest/longest path problem. The algorithm you used outputs (i) the length of a shortest/longest path and (ii) the nodes in a shortest/longest path.

a. How would you use this output to determine the maximum probability that the overall GPS system will work properly? Give a hypothetical example if it helps.

b. How would you use this output to determine how many spare units should be added to each subsystem? Give a hypothetical example if it helps.

Problem 2. The next generation GPS system developed by SPAWAR requires three subsystems to all function properly. To increase the reliability of the system, spare units may be added to each subsystem. It costs \$10,000 to add a spare unit to subsystem 1, \$30,000 to subsystem 2, and \$20,000 to subsystem 3. The probability that each system will work, depending on the number of added spares, is given below:

	Probability that a subsystem works		
Number of added spares	Subsystem 1	Subsystem 2	Subsystem 3
0	0.85	0.60	0.70
1	0.90	0.85	0.90
2	0.95	0.95	0.95

Note that a maximum of two spares may be added to each subsystem. The problem is to maximize the probability that the overall GPS system will work properly, given that \$60,000 is available for spare units.

Formulate this problem as a dynamic program by giving its shortest/longest path representation. In particular:

• define the meaning of each stage,

- specify the edge lengths,
- define the meaning of the nodes/states in each stage, specify the source and target nodes, and
- draw the directed graph (nodes and edges),
- specify whether the goal is to find a shortest or longest path.

Hint. Note that the cost of a spare unit is different for each subsystem. Also, note that the overall system works if all 3 subsystems work, so

 $Pr\{\text{overall system works}\} = Pr\{\text{subsystem 1 works}\} \cdot Pr\{\text{subsystem 2 works}\} \cdot Pr\{\text{subsystem 3 works}\}$