Chapter 2 Linear Programming: Basic Concepts

Review Questions

2.1-1 1) Should the company launch the two new products?

2) What should be the product mix for the two new products?

2.1-2 The group was asked to analyze product mix.

2.1-3 Which combination of production rates for the two new products would maximize the total profit from both of them.

2.1-4 1) available production capacity in each of the plants

2) how much of the production capacity in each plant would be needed by each product

3) profitability of each product

2.2-1 1) What are the decisions to be made?

2) What are the constraints on these decisions?

3) What is the overall measure of performance for these decisions?

2.2-2 When formulating a linear programming model on a spreadsheet, the cells showing the data for the problem are called the data cells. The changing cells are the cells that contain the decisions to be made. The output cells are the cells that provide output that depends on the changing cells. The target cell is a special kind of output cell that shows the overall measure of performance of the decision to be made.

2.2-3 The Excel equation for each output cell can be expressed as a SUMPRODUCT function, where each term in the sum is the product of a data cell and a changing cell.

2.3-1 1) Gather the relevant data.

2) Identify the decisions to be made.

3) Identify the constraints on these decisions.

4) Identify the overall measure of performance for these decisions.

5) Convert the verbal description of the constraints and measure of performance into quantitative expressions in terms of the data and decisions

2.3-2 Algebraic symbols need to be introduced to represents the measure of performance and the decisions.

Chapter 02 - Linear Programming: Basic Concepts

2.3-3 A decision variable is an algebraic variable that represents a decision regarding the level of a particular activity. The objective function is the part of a linear programming model that expresses what needs to be either maximized or minimized, depending on the objective for the problem. A nonnegativity constraint is a constraint that express the restriction that a particular decision variable must be greater than or equal to zero. All constraints that are not nonnegativity constraints are referred to as functional constraints.

2.3-4 A feasible solution is one that satisfies all the constraints of the problem. The best feasible solution is called the optimal solution.

2.4-1 Two.

2.4-2 The axes represent production rates for product 1 and product 2.

2.4-3 The line forming the boundary of what is permitted by a constraint is called a constraint boundary line. Its equation is called a constraint boundary equation.

2.4-4 The easiest way to determine which side of the line is permitted is to check whether the origin (0,0) satisfies the constraint. If it does, then the permissible region lies on the side of the constraint where the origin is. Otherwise it lies on the other side.

2.5-1 The Solver dialogue box.

2.5-2 The Add Constraint dialogue box.

2.5-3 For Excel 2010, the Simplex LP solving method and Make Variables Nonnegative option are selected. For earlier versions of Excel, the Assume Linear Model option and the Assume Non-Negative option are selected.

2.6-1 Cleaning products for home use.

2.6-2 Television and print media.

2.6-3 Determine how much to advertise in each medium to meet the market share goals at a minimum total cost.

2.6-4 The changing cells are in the column for the corresponding advertising medium.

2.6-5 The objective is to minimize total cost rather than maximize profit. The functional constraints contain ≥ rather than ≤.

2.7-1 No.

2.7-2 The graphical method helps a manager develop a good intuitive feeling for the linear programming is.

2.7-3 1) where linear programming is applicable

2) where it should not be applied

3) distinguish between competent and shoddy studies using linear programming.

4) how to interpret the results of a linear programming study.

2-2

Chapter 02 - Linear Programming: Basic Concepts

Problems

2.1 Swift & Company solved a series of LP problems to identify an optimal production schedule. The first in this series is the scheduling model, which generates a shift-level schedule for a 28-day horizon. The objective is to minimize the difference of the total cost and the revenue. The total cost includes the operating costs and the penalties for shortage and capacity violation. The constraints include carcass availability, production, inventory and demand balance equations, and limits on the production and inventory. The second LP problem solved is that of capable-to-promise models. This is basically the same LP as the first one, but excludes coproduct and inventory. The third type of LP problem arises from the available-to-promise models. The objective is to maximize the total available production subject to production and inventory balance equations.

As a result of this study, the key performance measure, namely the weekly percent-sold position has increased by 22%. The company can now allocate resources to the production of required products rather than wasting them. The inventory resulting from this approach is much lower than what it used to be before. Since the resources are used effectively to satisfy the demand, the production is sold out. The company does not need to offer discounts as often as before. The customers order earlier to make sure that they can get what they want by the time they want. This in turn allows Swift to operate even more efficiently. The temporary storage costs are reduced by 90%. The customers are now more satisfied with Swift. With this study, Swift gained a considerable competitive advantage. The monetary benefits in the first years was $12.74 million, including the increase in the profit from optimizing the product mix, the decrease in the cost of lost sales, in the frequency of discount offers and in the number of lost customers. The main nonfinancial benefits are the increased reliability and a good reputation in the business.

2.2 a)

	A	B	C	D	E	F
1		Doors	Windows			
2	Unit Profit	$600	$300			
3				Hours		Hours
4		Hours Used Per Unit Produced		Used		Available
5	Plant 1	1	0	4	<=	4
6	Plant 2	0	2	6	<=	12
7	Plant 3	3	2	18	<=	18
8						
9		Doors	Windows			Total Profit
10	Units Produced	4	3			$3,300

b) Maximize $P = \$600D + \$300W$,

subject to $D \leq 4$

$2W \leq 12$

$3D + 2W \leq 18$

and $D \geq 0, W \geq 0$.

2-3

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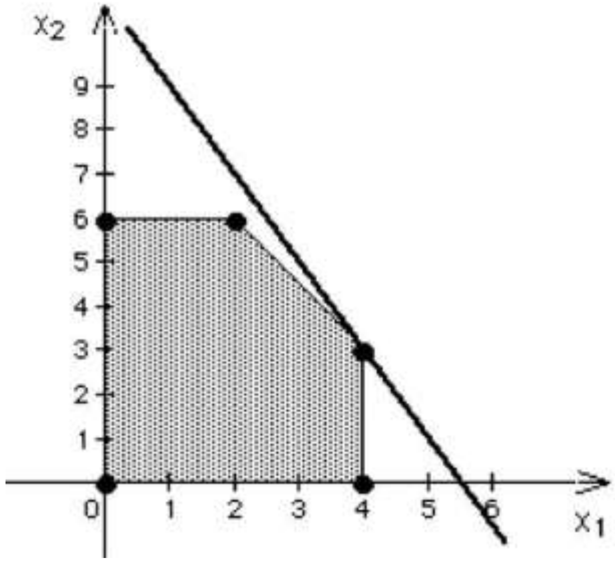
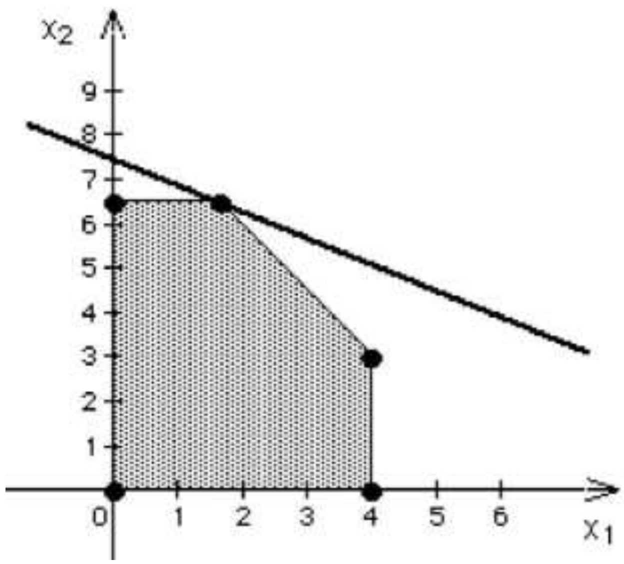
c) Optimal Solution = (D, W) = (x_1, x_2) = (4, 3). P = \$3300.



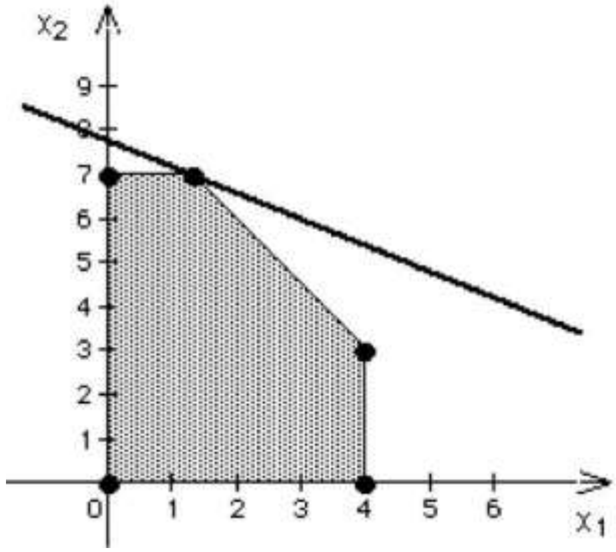
2.3 a) Optimal Solution: (D, W) = (x_1, x_2) = (1.67, 6.50). P = \$3750.



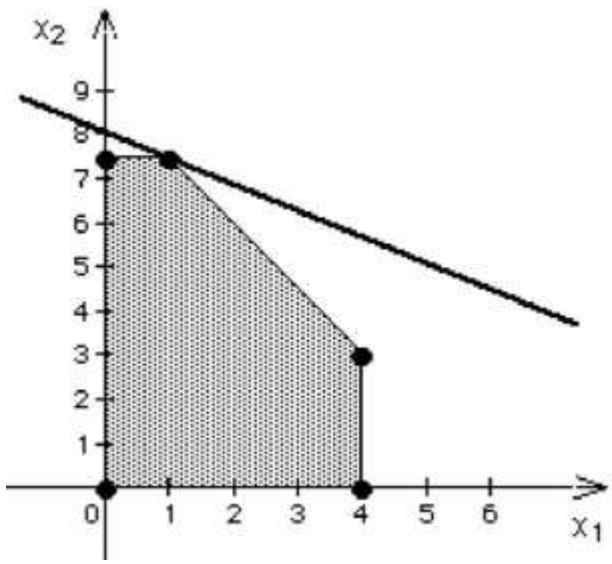
2-4

Chapter 02 - Linear Programming: Basic Concepts

b) Optimal Solution: (D, W) = (x_1, x_2) = (1.33, 7.00). P = \$3900.



c) Optimal Solution: (D, W) = (x_1, x_2) = (1.00, 7.50). P = \$4050.



d) Each additional hour per week would increase total profit by \$150.

2.4a)

	A	B	C	D	E	F
1		Doors	Windows			
2	Unit Profit	\$300	\$500			
3				Hours		Hours
4		Hours Used Per Unit Produced		Used		Available
5	Plant 1	1	0	1.67	<=	4
6	Plant 2	0	2	13	<=	13
7	Plant 3	3	2	18	<=	18
8						
9		Doors	Windows			Total Profit
10	Units Produced	1.67	6.50			\$3,750

2-5

Chapter 02 - Linear Programming: Basic Concepts

b)

	A	B	C	D	E	F
1		Doors	Windows			
2	Unit Profit	$300	$500			
3				Hours		Hours
4		Hours Used Per Unit Produced		Used		Available
5	Plant 1	1	0	1.33	<=	4
6	Plant 2	0	2	14	<=	14
7	Plant 3	3	2	18	<=	18
8						
9		Doors	Windows			Total Profit
10	Units Produced	1.33	7			$3,900

c)

	A	B	C	D	E	F
1		Doors	Windows			
2	Unit Profit	$300	$500			
3				Hours		Hours
4		Hours Used Per Unit Produced		Used		Available
5	Plant 1	1	0	1	<=	4
6	Plant 2	0	2	15	<=	15
7	Plant 3	3	2	18	<=	18
8						
9		Doors	Windows			Total Profit
10	Units Produced	1	7.50			$4,050

d) Each additional hour per week would increase total profit by $150.

2.5a)

	A	B	C	D	E	F
1		Product A	Product B			
2	Unit Profit	$3,000	$2,000			
3				Resource		Resource
4		Resource Usage per Unit Produced		Used		Available
5	Resource Q	2	1	2	<=	2
6	Resource R	1	2	2	<=	2
7	Resource S	3	3	4	<=	4
8						
9		Product A	Product B			Total Profit
10	Units Produced	0.667	0.667			$3,333.33

b) Let A = units of product A produced

B = units of product B produced

Maximize $P = \$3{,}000A + \$2{,}000B$,

subject to

$$2A + B \le 2$$
$$A + 2B \le 2$$
$$3A + 3B \le 4$$

and $A \ge 0, B \ge 0$.

2-6

Chapter 02 - Linear Programming: Basic Concepts

2.6 a) As in the Wyndor Glass Co. problem, we want to find the optimal levels of two activities that compete for limited resources.
Let x_1 be the fraction purchased of the partnership in the first friends venture.
Let x_2 be the fraction purchased of the partnership in the second friends venture.
The following table gives the data for the problem:

Resource	Resource Usage per Unit of Activity 1	Resource Usage per Unit of Activity 2	Amount of Resource Available
Fraction of partnership in first friends venture	1	0	1
Fraction of partnership in second friends venture	0	1	1
Money	\$5000	\$4000	\$6000
Summer Work Hours	400	500	600
Unit Profit	\$4500	\$4500	

b) The decisions to be made are how much, if any, to participate in each venture. The constraints on the decisions are that you can't become more than a full partner in either venture, that your money is limited to \$6,000, and time is limited to 600 hours. In addition, negative involvement is not possible. The overall measure of performance for the decisions is the profit to be made.

c) First venture: (fraction of 1^{st}) ≤ 1
Second venture: (fraction of 2^{nd}) ≤ 1
Money: 5000 (fraction of 1^{st}) + 4000 (fraction of 2^{nd}) ≤ 6000
Hours: 400 (fraction of 1^{st}) + 500 (fraction of 2^{nd}) ≤ 600
Nonnegativity: (fraction of 1^{st}) ≥ 0, (fraction of 2^{nd}) ≥ 0

Profit = \$4500 (fraction of 1^{st}) + \$4500 (fraction of 2^{nd})

2-7

Chapter 02 - Linear Programming: Basic Concepts

d)

	A	B	C	D	E	F
1		First Friend	Second Friend			
2	Unit Profit	$4,500	$4,500			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Money	$5,000	$4,000	$6,000	<=	$6,000
6	Work Hours	400	500	600	<=	600
7						
8		First Friend	Second Friend			Total Profit
9	Share	0.667	0.667			$6,000
10		<=	<=			
11		1	1			

Data cells: B2:C2, B5:C6, F5:F6, and B11:C11
Changing cells: B9:C9
Target cell: F9
Output cells: D5:D6

	D
5	=SUMPRODUCT(B5:C5,$B$9:$C$9)
6	=SUMPRODUCT(B6:C6,$B$9:$C$9)

e) This is a linear programming model because the decisions are represented by changing cells that can have any value that satisfy the constraints. Each constraint has an output cell on the left, a mathematical sign in the middle, and a data cell on the right. The overall level of performance is represented by the target cell and the objective is to maximize that cell. Also, the Excel equation for each output cell is expressed as a SUMPRODUCT function where each term in the sum is the product of a data cell and a changing cell.

f) Let x_1 = share taken in first friend's venture

x_2 = share taken in second friend's venture

Maximize $P = \$4,500x_1 + \$4,500x_2$,

subject to $x_1 \leq 1$

$x_2 \leq 1$

$\$5,000x_1 + \$4,000x_2 \leq \$6,000$

$400x_1 + 500x_2 \leq 600$ hours

and $x_1 \geq 0,\ x_2 \geq 0$.

 2-8

Chapter 02 - Linear Programming: Basic Concepts

g) Algebraic Version

decision variables: x_1, x_2

functional constraints: $x_1 \leq 1$

$x_2 \leq 1$

$\$5{,}000x_1 + \$4{,}000x_2 \leq \$6{,}000$

$400x_1 + 500x_2 \leq 600$ hours

objective function: Maximize $P = \$4{,}500x_1 + \$4{,}500x_2$,

parameters: all of the numbers in the above algebraic model

nonnegativity constraints: $x_1 \geq 0$, $x_2 \geq 0$

Spreadsheet Version

decision variables: B9:C9

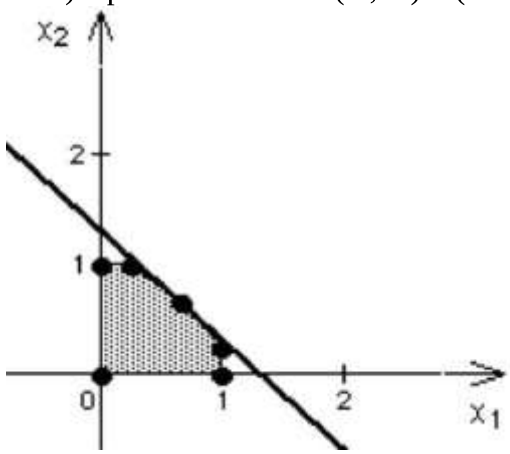
functional constraints: D4:F7

objective function: F9

parameters: B2:C2, B5:C6, F5:F6, and B11:C11

nonnegativity constraints: “Assume nonnegativity” in the Options of the Solver

h) Optimal solution = $(x_1, x_2) = (0.667, 0.667)$. $P = \$6000$.



2.7 a) objective function $Z = x_1 + 2x_2$

functional constraints $x_1 + x_2 \leq 5$

$x_1 + 3x_2 \leq 9$

nonnegativity constraints $x_1 \geq 0, x_2 \geq 0$

b & e)

	A	B	C	D	E	F
1		x_1	x_2			
2	Unit Profit	1	2			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Resource 1	1	1	5	<=	5
6	Resource 2	1	3	9	<=	9
7						
8		x_1	x_2			Total Profit
9	Decision	3	2			7

Chapter 02 - Linear Programming: Basic Concepts

c) Yes.

d) No.

2.8 a) objective function $Z = 3x_1 + 2x_2$

functional constraints $3x_1 + x_2 \leq 9$

$x_1 + 2x_2 \leq 8$

nonnegativity constraints $x_1 \geq 0, x_2 \geq 0$

b & f)

	A	B	C	D	E	F
1		X1	X2			
2	Unit Profit	3	2			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Resource 1	3	1	9	<=	9
6	Resource 2	1	2	8	<=	8
7						
8		X1	X2			Total Profit
9	Decision	2	3			12

c) Yes.

d) Yes.

e) No.

2.9 a) As in the Wyndor Glass Co. problem, we want to find the optimal levels of two activities that compete for limited resources. We want to find the optimal mix of the two activities.

Let *W* be the number of wood-framed windows to produce.
Let *A* be the number of aluminum-framed windows to produce.

The following table gives the data for the problem:

Resource	Resource Usage per Unit of Activity: Wood-framed	Aluminum-framed	Amount of Resource Available
Glass	6	8	48
Aluminum	0	1	4
Wood	1	0	6
Unit Profit	$60	$30	

b) The decisions to be made are how many windows of each type to produce. The constraints on the decisions are the amounts of glass, aluminum and wood available. In addition, negative production levels are not possible. The overall measure of performance for the decisions is the profit to be made.

2-10

Chapter 02 - Linear Programming: Basic Concepts

c) glass: 6 (#wood-framed) + 8 (# aluminum-framed) ≤ 48
aluminum: 1 (# aluminum-framed) ≤ 4
wood: 1 (#wood-framed) ≤ 6
Nonnegativity: (#wood-framed) ≥ 0, (# aluminum-framed) ≥ 0

Profit = $60 (#wood-framed) + $30 (# aluminum-framed)

d)

	A	B	C	D	E	F
1		Wood-framed	Aluminum-framed			
2	Unit Profit	$60	$30			
3						
4		Square-feet Used Per Unit Produced		Used		Available
5	Glass	6	8	48	<=	48
6						
7		Wood-framed	Aluminum-framed			Total Profit
8	Units Produced	6	1.50			$405
9		<=	<=			
10		6	4			

Data cells: B2:C2, B5:C5, F5, B10:C10
Changing cells: B8:C8
Target cell: F8
Output cells: D5, F8

	D
4	Used
5	=SUMPRODUCT(B5:C5,$B$8:$C$8)

	F
7	Total Profit
8	=SUMPRODUCT(B2:C2,B8:C8)

e) This is a linear programming model because the decisions are represented by changing cells that can have any value that satisfy the constraints. Each constraint has an output cell on the left, a mathematical sign in the middle, and a data cell on the right. The overall level of performance is represented by the target cell and the objective is to maximize that cell. Also, the Excel equation for each output cell is expressed as a SUMPRODUCT function where each term in the sum is the product of a data cell and a changing cell.

f) Maximize $P = 60W + 30A$
subject to $6W + 8A \leq 48$
$W \leq 6$
$A \leq 4$
and $W \geq 0, A \geq 0$.

2-11

Chapter 02 - Linear Programming: Basic Concepts

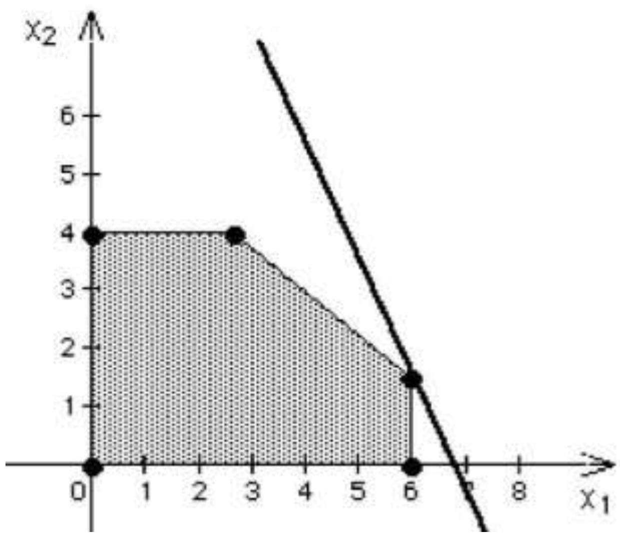
g) <u>Algebraic Version</u>

decision variables:	*W*, *A*
functional constraints:	$6W+8A \le 48$
	$W \le 6$
	$A \le 4$
objective function:	Maximize $P = 60W + 30A$
parameters:	all of the numbers in the above algebraic model
nonnegativity constraints:	$W \ge 0, A \ge 0$

<u>Spreadsheet Version</u>

decision variables:	B8:C8
functional constraints:	D8:F8, B8:C10
objective function:	F8
parameters:	B2:C2, B5:C5, F5, B10:C10
nonnegativity constraints:	"Assume nonnegativity" in the Options of the Solver

h) Optimal Solution: $(W, A) = (x_1, x_2) = (6, 1.5)$ and $P = \$405$.



i) Solution unchanged when profit per wood-framed window = \$40, with *P* = \$285. Optimal Solution = (*W*, *A*) = (2.667, 4) when the profit per wood-framed window = \$20, with *P* = \$173.33.

j) Optimal Solution = (*W*, *A*) = (5, 2.25) if Doug can only make 5 wood frames per day, with *P* = \$367.50.

2-12

Chapter 02 - Linear Programming: Basic Concepts

2.10 a)

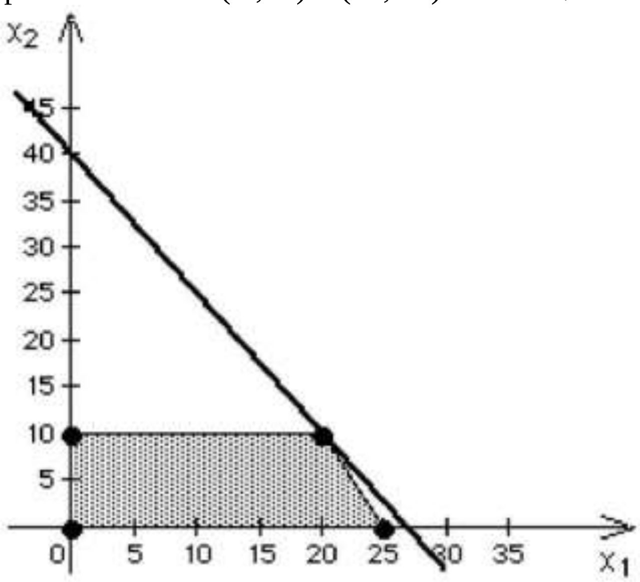
	A	B	C	D	E	F
1		27" Sets	20" Sets			
2	Unit Profit	$120	$80			
3				Hours		Hours
4		Work Hours Per Unit Produced		Used		Available
5	Work Hours	20	10	500	<=	500
6						
7		Wood-framed	Aluminum-framed			Total Profit
8	Units Produced	20	10			$3,200
9		<=	<=			
10		40	10			

b) Let x_1 = number of 27" TV sets to be produced per month
Let x_2 = number of 20" TV sets to be produced per
month Maximize $P = \$120x_1 + \$80x_2$,

subject to $20x_1 + 10x_2 \leq 500$
$x_1 \leq 40$
$x_2 \leq 10$

and $x_1 \geq 0, x_2 \geq 0$.

c) Optimal Solution: $(x_1, x_2) = (20, 10)$ and $P = \$3200$.



2.11 a) The decisions to be made are how many of each light fixture to produce. The constraints are the amounts of frame parts and electrical components available, and the maximum number of product 2 that can be sold (60 units). In addition, negative production levels are not possible. The overall measure of performance for the decisions is the profit to be made.

2-13

b) frame parts: 1 (# product 1) + 3 (# product 2) ≤ 200
electrical components: 2 (# product 1) + 2 (# product 2) ≤ 300
product 2 max.: 1 (# product 2) ≤ 60
Nonnegativity: (# product 1) ≥ 0, (# product 2) ≥ 0

Profit = \$1 (# product 1) + \$2 (# product 2)

c)

	A	B	C	D	E	F
1		Product 1	Product 2			
2	Unit Profit	\$1	\$2			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Frame Parts	1	3	200	<=	200
6	Electrical Components	2	2	300	<=	300
7						
8		Product 1	Product 2			Total Profit
9	Production	125	25			\$175
10			<=			
11			60			

d) Let x_1 = number of units of product 1 to produce
x_2 = number of units of product 2 to produce

Maximize $P = \$1x_1 + \$2x_2$,

subject to $x_1 + 3x_2 \le 200$
$2x_1 + 2x_2 \le 300$
$x_2 \le 60$

and $x_1 \ge 0$, $x_2 \ge 0$.

2.12 a) The decisions to be made are what quotas to establish for the two product lines. The constraints are the amounts of work hours available in underwriting, administration, and claims. In addition, negative levels are not possible. The overall measure of performance for the decisions is the profit to be made.

b) underwriting: 3 (# special risk) + 2 (# mortgage) ≤ 2400
administration:1 (# mortgage) ≤ 800
claims: 2 (# special risk) ≤ 1200
Nonnegativity: (# special risk) ≥ 0, (# mortgage) ≥ 0

Profit = \$5 (# special risk) + \$2 (# mortgage)

 2-14

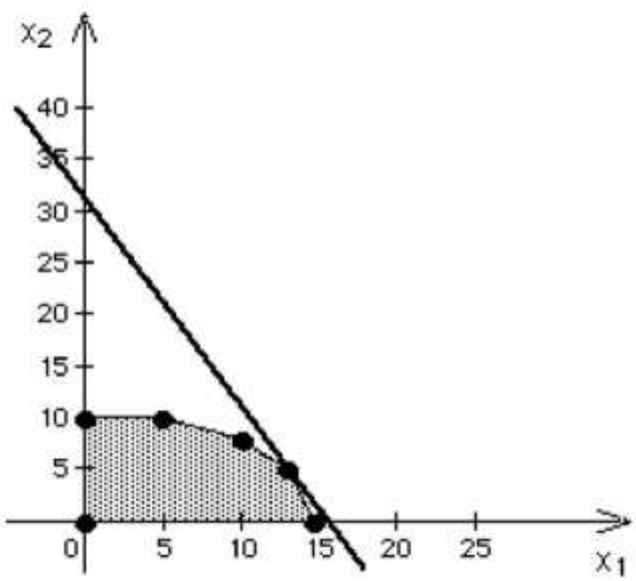
Chapter 02 - Linear Programming: Basic Concepts

c)

	A	B	C	D	E	F
1		Special Risk	Mortgage			
2	Unit Profit	$5	$2			
3				Work-Hours		Work-Hours
4		Work-Hours per Unit		Used		Available
5	Underwriting	3	2	2,400	<=	2,400
6	Administration	0	1	300	<=	800
7	Claims	2	0	1,200	<=	1,200
8						
9		Special Risk	Mortgage			Total Profit
10	Sales Quota	600	300			$3,600

d) Let S = units of special risk insurance
M = units of mortgages
Maximize $P = \$5S + \$2M$,
subject to $3S + 2M \leq 2{,}400$
$M \leq 800$
$2S \leq 1{,}200$
and $S \geq 0, M \geq 0$.

2.13 a) Optimal Solution: $(x_1, x_2) = (13, 5)$ and $P = 31$.

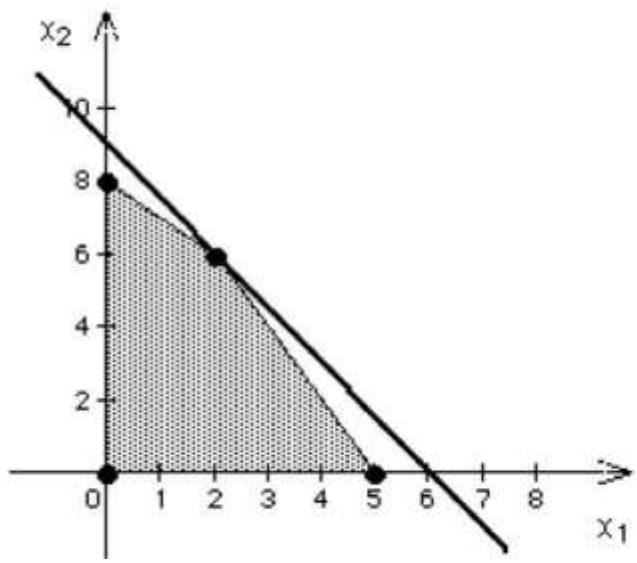


2-15

b)

	A	B	C	D	E	F
1		X_1	X_2			
2	Unit Profit	2	1			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Resource 1	0	1	5	<=	10
6	Resource 2	2	5	51	<=	60
7	Resource 3	1	1	18	<=	18
8	Resource 4	3	1	44	<=	44
9						
10		X_1	X_2			Total Profit
11	Decision	13	5			31

2.14 a) Optimal Solution: (x_1, x_2) = (2, 6) and P = 18.



b)

	A	B	C	D	E	F
1		Product 1	Product 2			
2	Unit Profit	3	2			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Resource 1	1	1	8	<=	8
6	Resource 2	2	1	10	<=	10
7						
8		Product 1	Product 2			Total Profit
9	Decision	2	6			18

2.15 a) The decisions to be made are how many hotdogs and buns should be produced. The constraints are the amounts of flour and pork available, and the hours available to work. In addition, negative production levels are not possible. The overall measure of performance for the decisions is the profit to be made.

2-16

Chapter 02 - Linear Programming: Basic Concepts

b) flour: 0.1 (# buns) ≤ 200
pork:0.25 (# hotdogs) ≤ 800
work hours:3 (# hotdogs) + 2 (# buns) ≤ 12,000
Nonnegativity:(# hotdogs) ≥ 0, (# buns) ≥ 0

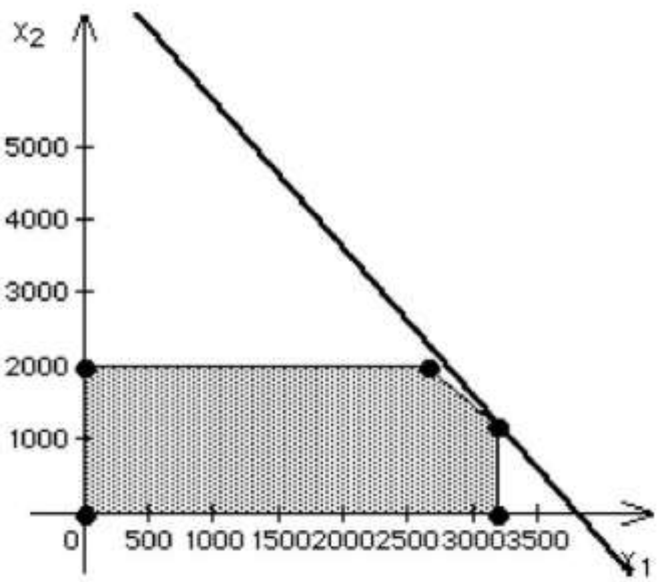
Profit = 0.2 (# hotdogs) + 0.1 (# buns)

c)

	A	B	C	D	E	F
1		Hot Dogs	Buns			
2	Unit Profit	$0.20	$0.10			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Flour	0	0.1	120	<=	200
6	Pork	0.25	0	800	<=	800
7	Work Hours	3	2	12,000	<=	12,000
8						
9		Hot Dogs	Buns			Total Profit
10	Decision	3,200	1,200			$760

d) Let H = # of hot dogs to produce
B = # of buns to produce
Maximize $P = \$0.20H + \$0.10B$,
subject to $0.1B \leq 200$
$0.25H \leq 800$
$3H + 2B \leq 12{,}000$
and $H \geq 0, B \geq 0$.

e) Optimal Solution: $(H, B) = (x_1, x_2) = (3200, 1200)$ and $P = \$760$.



2-17

Chapter 02 - Linear Programming: Basic Concepts

2.16 a)

	A	B	C	D	E	F
1		Tables	Chairs			
2	Unit Profit	$400	$100			
3				Resource		Resource
4		Resource Usage		Used		Available
5	Oak	50	25	2,500	<=	2,500
6	Labor Hours	6	6	450	<=	480
7						
8		Tables	Chairs			Total Profit
9	Decision	25	50			$15,000
10						
11	Chairs	50	>=	50	2	Times Number
12						of Tables

b) Let T = # of tables to produce
C = # of chairs to produce

Maximize $P = \$400T + \$100C$

subject to
$50T + 25C \leq 2{,}500$
$6T + 6C \leq 480$
$C \geq 2T$

and $T \geq 0, C \geq 0$.

2.17 After the sudden decline of prices at the end of 1995, Samsung Electronics faced the urgent need to improve its noncompetitive cycle times. The project called SLIM (short cycle time and low inventory in manufacturing) was initiated to address this problem. As part of this project, floor-scheduling problem is formulated as a linear programming model. The goal is to identify the optimal values "for the release of new lots into the fab and for the release of initial WIP from every major manufacturing step in discrete periods, such as work days, out to a horizon defined by the user" [p. 71]. Additional variables are included to determine the route of these through alternative machines. The optimal values "minimize back-orders and finished-goods inventory" [p. 71] and satisfy capacity constraints and material flow equations. CPLEX was used to solved the linear programs.

With the implementation of SLIM, Samsung significantly reduced its cycle times and as a result of this increased its revenue by $1 billion (in five years) despite the decrease in selling prices. The market share increased from 18 to 22 percent. The utilization of machines was improved. The reduction in lead times enabled Samsung to forecast sales more accurately and so to carry less inventory. Shorter lead times also meant happier customers and a more efficient feedback mechanism, which allowed Samsung to respond to customer needs. Hence, SLIM did not only help Samsung to survive a crisis that drove many out of the business, but it did also provide a competitive advantage in the business.

2-18

Chapter 02 - Linear Programming: Basic Concepts

2.18 a)

	A	B	C	D	E	F	G	H	I	J	K
1		Beef	Gravy	Peas	Carrots	Roll					
2	Unit Cost	$0.40	$0.35	$0.15	$0.18	$0.10					
3	(per ounce)										
4			Nutritional Data (per ounce)				Total in Diet		Needed		Maximum
5	Calories	54	20	15	8	40	320	>=	280	<=	320
6	Fat Calories	19	15	0	0	10	96				
7	Vitamin A (IU)	0	0	15	350	0	600	>=	600		
8	Vitamin C (mg)	0	1	3	1	0	12.38	>=	10		
9	Protein (g)	8	0	1	1	1	30	>=	30		
10											
11		Beef	Gravy	Peas	Carrots	Roll			Total Cost		
12	Diet (ounces)	2.94	1.47	3.11	1.58	1.82			$2.62		
13		>=									
14	Minimums	2									
15											
16	Fat Calories	96	<=	96	30%	of Total Calories					
17											
18	Gravy	1.47	>=	1.47	50%	of Beef					

b) Let B = ounces of beef tips in diet,
G = ounces of gravy in diet, P
= ounces of peas in diet,
C = ounces of carrots in diet,
R = ounces of roll in diet.

Minimize $Z = \$0.40B + \$0.35G + \$0.15P + \$0.18C + \$0.10R$

subject to
$54B + 20G + 15P + 8C + 40R \geq 280$
$54B + 20G + 15P + 8C + 40R \leq 320$
$19B + 15G + 10R \leq 0.3(54B + 20G + 15P + 8C + 40R)$
$15P + 350C \geq 600$
$G+3P+C\geq 10$
$8B+P+C+R\geq 30$
$B \geq 2$
$G \geq 0.5B$

and $B\geq 0, G\geq 0, P\geq 0, C\geq 0, R\geq 0.$

2.19 a) The decisions to be made are how many servings of steak and potatoes are needed. The constraints are the amounts of carbohydrates, protein, and fat that are needed. In addition, negative levels are not possible. The overall measure of performance for the decisions is the cost.

b) carbohydrates:5 (# steak) + 15 (# potatoes) ≥ 50
protein:20 (# steak) + 5 (# potatoes) ≥ 40
fat: 15 (# steak) + 2 (# potatoes) ≤ 60
Nonnegativity: (# steak) ≥0, (# potatoes) ≥ 0

Cost = 4 (# steak) + 2 (# potatoes)

2-19

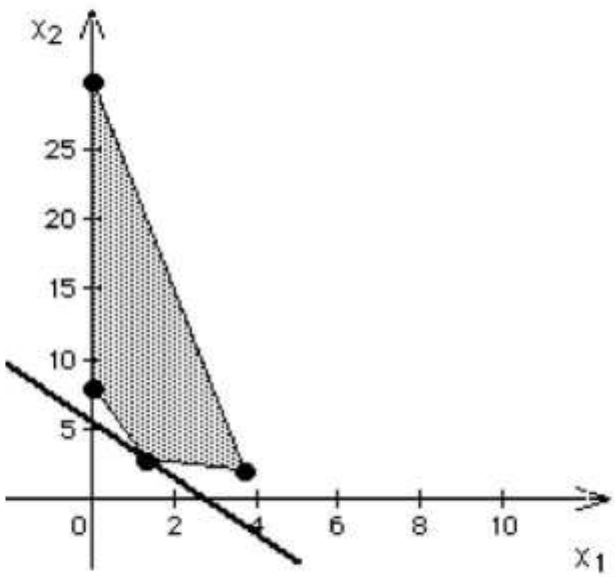
Chapter 02 - Linear Programming: Basic Concepts

c)

	A	B	C	D	E	F
1		Steak	Potatoes			
2	Unit Cost	$4	$2			
3				Total Nutrition		Daily Requirement
4		Nutritional Info (grams/serving)		(grams)		(grams)
5		5	15	50	>=	50
6			5	40	>=	40
7	Carbohydrates Fat	15	2	24.91	<=	60
8						
9		Steak	Potatoes			Total Cost
10	Servings	1.27	2.91			$10.91

d) Let S = servings of steak in diet
P = servings of potatoes in the diet
Minimize $C = \$4S + \$2P$,
subject to $5S+15P\geq 50$
$20S+5P\geq 40$
$15S+2P\leq 60$
and $S\geq 0, P\geq 0$.

e & f) Optimal Solution: $(S, P) = (x_1, x_2) = (1.27, 2.91)$ and $C = \$10.91$.



2.20 a) The decisions to be made are what combination of feed types to use. The constraints are the amounts of calories and vitamins needed, and a maximum level for feed type A. In addition, negative levels are not possible. The overall measure of performance for the decisions is the cost.

2-20

Chapter 02 - Linear Programming: Basic Concepts

b) Calories: 800 (lb. Type A) + 1000 (lb. Type B) ≥ 8000
Vitamins: 140 (lb. Type A) + 70 (lb. Type B) ≥ 700
Type A maximum: (lb. Type A) ≤ 0.333((lb. Type A) + (lb. Type B))
Nonnegativity: (lb. Type A) ≥ 0, (lb. Type B) ≥ 0

Cost = $0.40 (lb. Type A) + $0.80 (lb. Type B)

c)

	A	B	C	D	E	F
1		Feed A	Feed B			
2	Unit Cost	$0.40	$0.80			
3	(per pound)			Total		Daily
4		Nutrition (per pound)		Nutrition		Requirement
5	Calories	800	1,000	8,000	>=	8,000
6	Vitamins	140	70	800	>=	700
7						
8		Feed A	Feed B			Total Cost
9	Diet (pounds)	2.86	5.71			$5.71
10		<=				
11		2.86	33.33%	of Total Diet		

d) Let A = pounds of Feed Type A in diet
B = pounds of Feed Type B in diet

Minimize $C = \$0.40A + \$0.80B$,

subject to $800A + 1{,}000B \geq 8{,}000$

$140A + 70B \geq 700$

$A \leq (1/3)(A + B)$

and $A \geq 0, B \geq 0$.

2.21 a)

	A	B	C	D	E	F
1		Television	Print Media			
2	Unit Cost ($millions)	1	2			
3						
4				Increased		Minimum
5		Increase in Sales per Unit of Advertising		Sales		Increase
6	Stain Remover	0%	1.5%	4%	>=	3%
7	Liquid Detergent	3%	4%	18%	>=	18%
8	Powder Detergent	-1%	2%	4%	>=	4%
9						
10						Total Cost
11		Television	Print Media			($millions)
12	Advertising Units	2	3			8

b) Let T = units of television advertising P
= units of print media advertising

Minimize $C = T + 2P$,

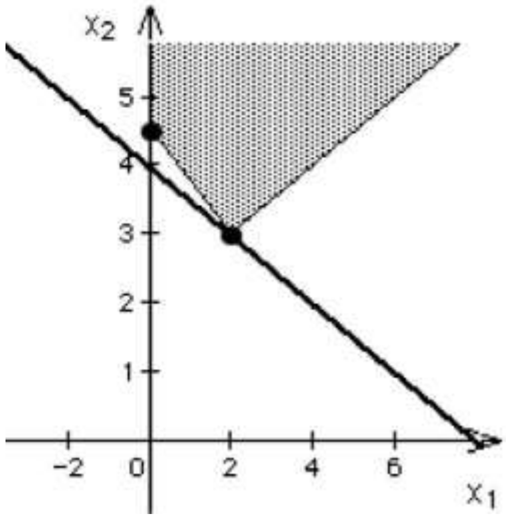
subject to $1.5P \geq 3$

$3T + 4P \geq 18$

$-T + 2P \geq 4$

Chapter 02 - Linear Programming: Basic Concepts

c) Optimal Solution: $(x_1, x_2) = (2, 3)$ and C = \$8 million.

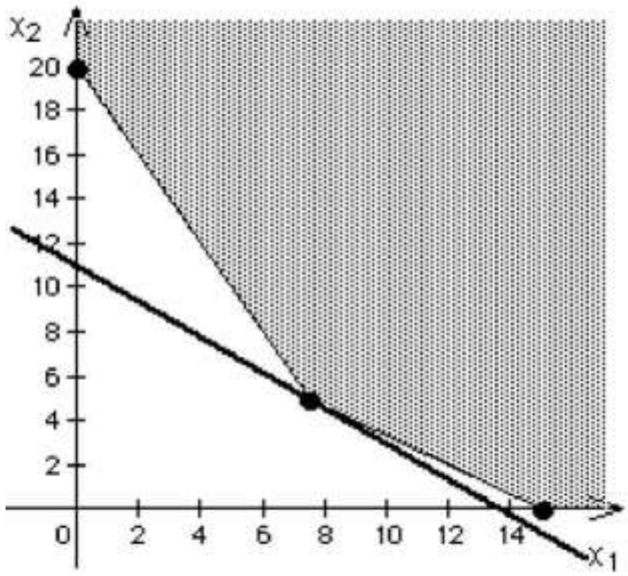


d) Management changed their assessment of how much each type of ad would change sales. For print media, sales will now increase by 1.5% for product 1, 2% for product 2, and 2% for product 3.

e) Given the new data on advertising, I recommend that there be 2 units of advertising on television and 3 units of advertising in the print media. This will minimize cost, with a cost of \$8 million, while meeting the minimum increase requirements. Further refining the data may allow us to rework the problem and save even more money while maintaining the desired increases in market share. In addition, when negotiating a decrease in the unit cost of television ads, our new data shows that we should purchase fewer television ads at the current price so they might want to reduce the current price.

2.22 a) Optimal Solution: $(x_1, x_2) = (7.5, 5)$ and $C = 550$.

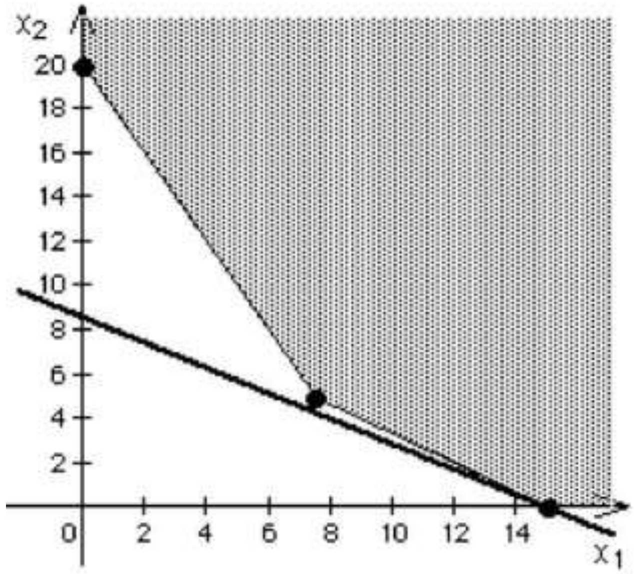
2-22



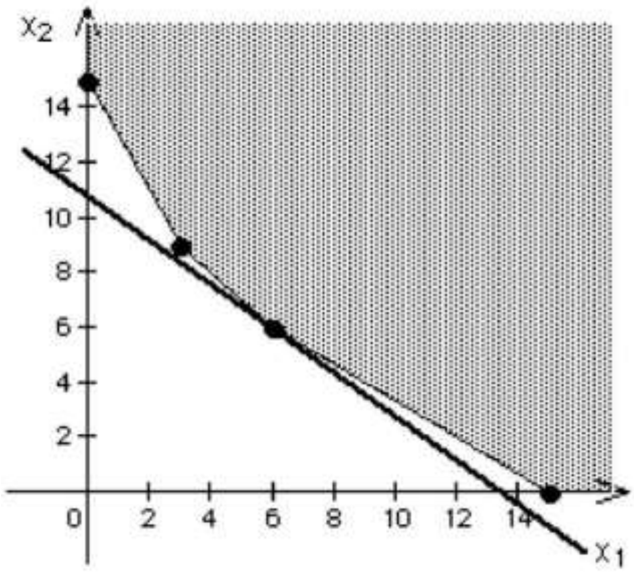
2-23

Chapter 02 - Linear Programming: Basic Concepts

b) Optimal Solution: $(x_1, x_2) = (15, 0)$ and $C = 600$.



c) Optimal Solution: $(x_1, x_2) = (6, 6)$ and $C = 540$.



d)

	A	B	C	D	E	F
1		Activity 1	Activity 2			
2	Unit Cost	40	50			
3						
4				Totals		Limit
5	Constraint 1	2	3	30	>=	30
6	Constraint 2	1	1	12.5	>=	12
7	Constraint 3	2	1	20	>=	20
8						
9		Activity 1	Activity 2			Total Cost
10	Decision	7.5	5			550

2-24

Chapter 02 - Linear Programming: Basic Concepts

e) Part b)

	A	B	C	D	E	F
1		Activity 1	Activity 2			
2	Unit Cost	40	70			
3						
4				Totals		Limit
5	Constraint 1	2	3	30	>=	30
6	Constraint 2	1	1	15	>=	12
7	Constraint 3	2	1	30	>=	20
8						
9		Activity 1	Activity 2			Total Cost
10	Decision	15	0			600

Part c)

	A	B	C	D	E	F
1		Activity 1	Activity 2			
2	Unit Cost	40	50			
3						
4				Totals		Limit
5	Constraint 1	2	3	30	>=	30
6	Constraint 2	1	1	12	>=	12
7	Constraint 3	2	1	18	>=	15
8						
9		Activity 1	Activity 2			Total Cost
10	Decision	6	6			540

2.23 a)

	A	B	C	D	E	F	G	H	I	J	K	L
1		Bread	Peanut Butter	Jelly		Milk	Juice					
2		(slice)	(tbsp)	(tbsp)	Apples	(cup)	(cup)					
3	Unit Cost	$0.06	$0.05	$0.08	$0.35	$0.20	$0.40					
4												
5				Nutritional Data				Total in Diet				
6	Calories from Fat	15	80	0	0	60	0	128.46		Needed		Maximum
7	Calories	80	100	70	90	120	110	443.08	>=	300	<=	500
8	Vitamin C (mg)	0	0	4	6	2	80	60	>=	60		
9	Fiber (g)	4	0	3	10	0	1	11.69	>=	10		
10												
11		Bread	Peanut Butter	Jelly		Milk	Juice					
12		(slice)	(tbsp)	(tbsp)	Apples	(cup)	(cup)			Total Cost		
13	Diet (ounces)	2	1	1	0	0.308	0.692			$0.59		
14		>=	>=	>=								
15	Minimums	2	1	1								
16												
17	Fat Calories	128	<=	132.92	30%	of Total Calories						
18												
19	Milk and Juice	1	>=	1								

2-25

Chapter 02 - Linear Programming: Basic Concepts

b) Let B =slices of bread,
P = Tbsp. of peanut butter,
J = Tbsp. of jelly,
A = number of apples,
M = cups of milk,
C = cups of cranberry juice.

Minimize $C = \$0.06B + \$0.05P + \$0.08J + \$0.35A + \$0.20M + \$0.40C$

subject to

$80B + 100P + 70J + 90A + 120M + 110C \geq 300$

$80B + 100P + 70J + 90A + 120M + 110C \leq 500$

$15B + 80P + 60M \leq 0.3(80B + 100P + 70J + 90A + 120M + 110C)$

$4J + 6A + 2M + 80C \geq 60$

$4B + 3J + 10A + C \geq 10$

$B \geq 2$

$P \geq 1$

$J \geq 1$

$M + C \geq 1$

and $B \geq 0, P \geq 0, J \geq 0, A \geq 0, M \geq 0, C \geq 0.$

 2-25

Chapter 02 - Linear Programming: Basic Concepts

Cases

2-26

Chapter 02 - Linear Programming: Basic Concepts

2.1 a) In this case, we have two decision variables: the number of Family Thrillseekers we should assemble and the number of Classy Cruisers we should assemble. We also have the following three constraints:

1. The plant has a maximum of 48,000 labor hours.
2. The plant has a maximum of 20,000 doors available.
3. The number of Cruisers we should assemble must be less than or equal to 3,500.

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$3,600	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	6	10.5	48,000	<=	48,000
7	Doors	4	2	20,000	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	3,800	2,400			$26,640,000
12			<=			
13	Demand		3,500			

	D
4	Resources
5	Used
6	=SUMPRODUCT(B6:C6,Production)
7	=SUMPRODUCT(B7:C7,Production)

	F
10	Total Profit
11	=SUMPRODUCT(UnitProfit,Production)

Solver Parameters

Set Objective (Target Cell): TotalProfit
To: Max
By Changing (Variable) Cells:
Production
Subject to the Constraints: ClassyCruisers <= Demand ResourcesUsed <= ResourcesAvailable

Solver Options (Excel 2010):
Make Variables Nonnegative
Solving Method: Simplex LP
Solver Options (older Excel):
Assume Nonnegative
Assume Linear Model

Range Name	Cells
Cla ssyCruisers	C11
Demand	C13
Producti on	B11:C11
ResourcesA va ila ble	F6:F7
ResourcesUsed	D6:D7
TotalProfit	F11
UnitProfit	B3:C3

 2-27

Chapter 02 - Linear Programming: Basic Concepts

Rachel's plant should assemble 3,800 Thrillseekers and 2,400 Cruisers to obtain a maximum profit of $26,640,000.

 2-28

Chapter 02 - Linear Programming: Basic Concepts

b) In part (a) above, we observed that the Cruiser demand constraint was not binding. Therefore, raising the demand for the Cruiser will not change the optimal solution. The marketing campaign should not be undertaken.

c) The new value of the right-hand side of the labor constraint becomes 48,000 * 1.25 = 60,000 labor hours. All formulas and Solver settings used in part (a) remain the same.

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$3,600	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	6	10.5	56,250	<=	60,000
7	Doors	4	2	20,000	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	3,250	3,500			$30,600,000
12			<=			
13	Demand		3,500			

Rachel’s plant should now assemble 3,250 Thrillseekers and 3,500 Cruisers to achieve a maximum profit of $30,600,000.

d) Using overtime labor increases the profit by $30,600,000 – $26,640,000 = $3,960,000. Rachel should therefore be willing to pay at most $3,960,000 extra for overtime labor beyond regular time rates.

 2-29

Chapter 02 - Linear Programming: Basic Concepts

e) The value of the right-hand side of the Cruiser demand constraint is 3,500 * 1.20 = 4,200 cars. The value of the right-hand side of the labor hour constraint is 48,000 * 1.25 = 60,000 hours. All formulas and Solver settings used in part (a) remain the same. Ignoring the costs of the advertising campaign and overtime labor,

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$3,600	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	6	10.5	60,000	<=	60,000
7	Doors	4	2	20,000	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	3,000	4,000			$32,400,000
12			<=			
13	Demand		4,200			

Rachel's plant should produce 3,000 Thrillseekers and 4,000 Cruisers for a maximum profit of $32,400,000. This profit excludes the costs of advertising and using overtime labor.

f) The advertising campaign costs $500,000. In the solution to part (e) above, we used the maximum overtime labor available, and the maximum use of overtime labor costs $1,600,000. Thus, our solution in part (e) required an extra $500,000 + $1,600,000 = $2,100,000. We perform the following cost/benefit analysis:

Profit in part (e):	$32,400,000
Advertising and overtime costs:	$ 2,100,000
	$30,300,000

We compare the $30,300,000 profit with the $26,640,000 profit obtained in part (a) and conclude that the decision to run the advertising campaign and use overtime labor is a very wise, profitable decision.

Chapter 02 - Linear Programming: Basic Concepts

g) Because we consider this question independently, the values of the right-hand sides for the Cruiser demand constraint and the labor hour constraint are the same as those in part (a). We now change the profit for the Thrillseeker from $3,600 to $2,800 in the problem formulation. All formulas and Solver settings used in part (a) remain the same.

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$2,800	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	6	10.5	48,000	<=	48,000
7	Doors	4	2	14,500	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	1,875	3,500			$24,150,000
12			<=			
13	Demand		3,500			

Rachel's plant should assemble 1,875 Thrillseekers and 3,500 Cruisers to obtain a maximum profit of $24,150,000.

h) Because we consider this question independently, the profit for the Thrillseeker remains the same as the profit specified in part (a). The labor hour constraint changes. Each Thrillseeker now requires 7.5 hours for assembly. All formulas and Solver settings used in part (a) remain the same.

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$3,600	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	7.5	10.5	48,000	<=	48,000
7	Doors	4	2	13,000	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	1,500	3,500			$24,300,000
12			<=			
13	Demand		3,500			

Rachel's plant should assemble 1,500 Thrillseekers and 3,500 Cruisers for a maximum profit of $24,300,000.

Chapter 02 - Linear Programming: Basic Concepts

i) Because we consider this question independently, we use the problem formulation used in part (a). In this problem, however, the number of Cruisers assembled has to be strictly equal to the total demand. The formulas used in the problem formulation remain the same as those used in part (a).

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$3,600	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	6	10.5	48,000	<=	48,000
7	Doors	4	2	14,500	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	1,875	3,500			$25,650,000
12			=			
13	Demand		3,500			

The new profit is $25,650,000, which is $26,640,000 – $25,650,000 = $990,000 less than the profit obtained in part (a). This decrease in profit is less than $2,000,000, so Rachel should meet the full demand for the Cruiser.

2-31

Chapter 02 - Linear Programming: Basic Concepts

j) We now combine the new considerations described in parts (f), (g), and (h). In part (f), we decided to use both the advertising campaign and the overtime labor. The advertising campaign raises the demand for the Cruiser to 4,200 sedans, and the overtime labor increases the labor hour capacity of the plant to 60,000 labor hours. In part (g), we decreased the profit generated by a Thrillseeker to $2,800. In part (h), we increased the time to assemble a Thrillseeker to 7.5 hours. The formulas and Solver settings used for this problem are the same as those used in part (a).

	A	B	C	D	E	F
1		Family	Classy			
2		Thrillseeker	Cruiser			
3	Unit Profit	$2,800	$5,400			
4				Resources		Resources
5		Resource Requirements		Used		Available
6	Labor Hours	7.5	10.5	60,000	<=	60,000
7	Doors	4	2	16,880	<=	20,000
8						
9		Family	Classy			
10		Thrillseeker	Cruiser			Total Profit
11	Production	2,120	4,200			$28,616,000
12			<=			
13	Demand		4,200			

Rachel's plant should assemble 2,120 Thrillseekers and 4,200 Cruisers for a maximum profit of $28,616,000 – $2,100,000 = $26,516,000.

2.2 a) We want to determine the amount of potatoes and green beans Maria should purchase to minimize ingredient costs. We have two decision variables: the amount (in pounds) of potatoes Maria should purchase and the amount (in pounds) of green beans Maria should purchase. We also have constraints on nutrition, taste, and weight.

Nutrition Constraints

1. We first need to ensure that the dish has 180 grams of protein. We are told that 100 grams of potatoes have 1.5 grams of protein and 10 ounces of green beans have 5.67 grams of protein. Since we have decided to measure our decision variables in pounds, however, we need to determine the grams of protein in one pound of each ingredient.

We perform the following conversion for potatoes:

$$\frac{1.5 \text{ g protein}}{100 \text{ g potatoes}} \quad \frac{28.35 \text{ g}}{1 \text{ oz.}} \quad \frac{16 \text{ oz.}}{1 \text{ lb.}} \quad \frac{6.804 \text{ g protein}}{1 \text{ lb. of potatoes}}$$

We perform the following conversion for green beans:

$$5.67 \text{ g protein} \quad \underline{16 \text{ oz.}} \quad \underline{9.072 \text{ g protein}}$$

2-32

Chapter 02 - Linear Programming: Basic Concepts

10 oz. green beans 1 lb. 1 lb. of green beans

2-33

Chapter 02 - Linear Programming: Basic Concepts

2. We next need to ensure that the dish has 80 milligrams of iron. We are told that 100 grams of potatoes have 0.3 milligrams of iron and 10 ounces of green beans have 3.402 milligrams of iron. Since we have decided to measure our decision variables in pounds, however, we need to determine the milligrams of iron in one pound of each ingredient.

We perform the following conversion for potatoes:

$$\frac{0.3 \text{ mg iron}}{100\text{g potatoes}} \; \frac{28.35 \text{ g}}{1 \text{ oz.}} \; \frac{16 \text{ oz.}}{1 \text{ lb.}} \qquad \frac{1.361 \text{ mg iron}}{1 \text{ lb. of potatoes}}$$

We perform the following conversion for green beans:

$$\frac{3.402 \text{ mg iron}}{10 \text{ oz. green beans}} \; \frac{16 \text{ oz.}}{1 \text{ lb.}} \qquad \frac{5.443 \text{ mg iron}}{1 \text{ lb. of green beans}}$$

3. We next need to ensure that the dish has 1,050 milligrams of vitamin C. We are told that 100 grams of potatoes have 12 milligrams of vitamin C and 10 ounces of green beans have 28.35 milligrams of vitamin C. Since we have decided to measure our decision variables in pounds, however, we need to determine the milligrams of vitamin C in one pound of each ingredient.

We perform the following conversion for potatoes:

$$\frac{12 \text{ mg Vitamin C}}{100\text{g potatoes}} \; \frac{28.35 \text{ g}}{1 \text{ oz.}} \; \frac{16 \text{ oz.}}{1 \text{ lb.}} \qquad \frac{54.432 \text{ mg Vitamin C}}{1 \text{ lb. of potatoes}}$$

We perform the following conversion for green beans:

$$\frac{28.35 \text{ mg Vitamin C}}{10 \text{ oz. green beans}} \; \frac{16 \text{ oz.}}{1 \text{ lb.}} \qquad \frac{45.36 \text{ mg Vitamin C}}{1 \text{ lb. of green beans}}$$

2-34

Chapter 02 - Linear Programming: Basic Concepts

Taste Constraint

Edson requires that the casserole contain at least a six to five ratio in the weight of potatoes to green beans. We have:

$$\frac{\text{pounds of potatoes}}{\text{pounds of green beans}} \quad \frac{6}{5}$$

5 (pounds of potatoes) ≥ 6 (pounds of green beans)

Weight Constraint

Finally, Maria requires a minimum of 10 kilograms of potatoes and green beans together. Because we measure potatoes and green beans in pounds, we must perform the following conversion:

$$10 \text{ kg of potatoes and green beans} \ \frac{1000 \text{ g}}{1 \text{ kg}} \ \frac{1 \text{ lb}}{453.6 \text{ g}}$$

$$22.046 \text{ lb of potatoes and green beans}$$

2-35

Chapter 02 - Linear Programming: Basic Concepts

	A	B	C	D	E	F	G
1			Potatoes	Green Beans			
2		Unit Cost (per lb.)	$0.40	$1.00			
3					Total		Nutritional
4			Nutritional Data (per pound)		Nutrition		Requirement
5		Protein (g)	6.804	9.072	194.87	>=	180
6		Iron (mg)	1.361	5.443	80.00	>=	80
7		Vitamin C (mg)	54.432	45.36	1,251.27	>=	1,050
8							
9			Potatoes	Green Beans	Total Weight		Total Cost
10		Quantity (lb.)	13.57	11.31	25		$16.73
11					>=		
12				Minimum Weight (lb.)	22.046		
13							
14			Taste Constraint:				
15	5	Times Potatoes	67.833	>=	67.833	6	Times Green Beans

	E
3	Total
4	Nutriti on
5	=SUMPRODUCT(C5:D5 ,Quantity)
6	=SUMPRODUCT(C6:D6 ,Quantity)
7	=SUMPRODUCT(C7:D7 ,Quantity)
8	
9	Total Weight
10	=SUM(Quantity)

	G
9	Total Cost
10	=SUMPRODUCT(UnitCost,Quantity)

	A	B	C	D	E	F	G
14			Taste Constraint:				
15	5	Times Potatoes	=A15*C10	>=	=F15*D10	6	Times Green Beans

Solver Parameters

Set Objective (Target Cell): TotalCost
To: Min
By Changing (Variable) Cells:
Quantity
Subject to the Constraints: PotatoRatio >= BeanRation TotalNutrition >= NutritionalRequirement TotalWeight >= MinimumWeight

Solver Options (Excel 2010):
Make Variables Nonnegative
Solving Method: Simplex LP
Solver Options (older Excel):
Assume Nonnegative
Assume Linear Model

Range Name	Cells
BeanRatio	E15
MinimumWeight	E12
NutritionalRequirement	G5:G7
PotatoRatio	C15
Quantity	C10:D10
TotalCost	G10
TotalNutrition	E5:E7
TotalWeight	E10
UnitCost	C2:D2

Maria should purchase 13.57 lb. of potatoes and 11.31 lb. of green beans to obtain a minimum cost of $16.73.

2-36

Chapter 02 - Linear Programming: Basic Concepts

b) The taste constraint changes. The new constraint is now.

$$\frac{\text{pounds of potatoes}}{\text{pounds of green beans}} \quad \frac{1}{2}$$

2 (pounds of potatoes) ≥ 1 (pounds of green beans)

The formulas and Solver settings used to solve the problem remain the same as part (a).

	A	B	C	D	E	F	G
1			Potatoes	Green Beans			
2		Unit Cost (per lb.)	$0.40	$1.00			
3					Total		Nutritional
4					Nutrition		Requirement
5		Protein (g)				>=	180
6		Iron (mg)	1.361	5.443	80.00	>=	80
7		Vitamin C (mg)	54.432	45.36	1,110.00	>=	1,050
8							
9			Potatoes	Green Beans	Total Weight		Total Cost
10		Quantity (lb.)	10.29	12.13	22		$16.24
11					>=		
12				Minimum Weight (lb.)	22.046		
13							
14			Taste Constraint:				
15	2	Times Potatoes	20.576	>=	12.125	1	Times Green Beans

Maria should purchase 10.29 lb. of potatoes and 12.13 lb. of green beans to obtain a minimum cost of $16.24.

c) The right-hand side of the iron constraint changes from 80 mg to 65 mg. The formulas and Solver settings used in the problem remain the same as in part (a).

	A	B	C	D	E	F	G
1			Potatoes	Green Beans			
2		Unit Cost (per lb.)	$0.40	$1.00			
3					Total		Nutritional
4					Nutrition		Requirement
5		Protein (g)				>=	180
6		Iron (mg)	1.361	5.443	65.00	>=	65
7		Vitamin C (mg)	54.432	45.36	1,222.51	>=	1,050
8							
9			Potatoes	Green Beans	Total Weight		Total Cost
10		Quantity (lb.)	15.80	7.99	24		$14.31
11					>=		
12				Minimum Weight (lb.)	22.046		
13							
14			Taste Constraint:				
15	5	Times Potatoes	79.001	>=	47.947	6	Times Green Beans

Maria should purchase 15.80 lb. of potatoes and 7.99 lb. of green beans to obtain a minimum cost of $14.31.

2-36

Chapter 02 - Linear Programming: Basic Concepts

d) The iron requirement remains 65 mg. We need to change the price per pound of green beans from $1.00 per pound to $0.50 per pound. The formulas and Solver settings used in the problem remain the same as in part (a).

	A	B	C	D	E	F	G
1			Potatoes	Green Beans			
2		Unit Cost (per lb.)	$0.40	$0.50			
3					Total		Nutritional
4			Nutritional Data (per pound)		Nutrition		Requirement
5		Protein (g)	6.804	9.072	180.00	>=	180
6		Iron (mg)	1.361	5.443	73.90	>=	65
7		Vitamin C (mg)	54.432	45.36	1,155.79	>=	1,050
8							
9			Potatoes	Green Beans	Total Weight		Total Cost
10		Quantity (lb.)	12.53	10.44	23		$10.23
11					>=		
12				Minimum Weight (lb.)	22.046		
13							
14			Taste Constraint:				
15	5	Times Potatoes	62.657	>=	62.657	6	Times Green Beans

Maria should purchase 12.53 lb. of potatoes and 10.44 lb. of green beans to obtain a minimum cost of $10.23.

2-37

Chapter 02 - Linear Programming: Basic Concepts

e) We still have two decision variables: one variable to represent the amount (in pounds) of potatoes Maria should purchase and one variable to represent the amount (in pounds) of lima beans Maria should purchase. To determine the grams of protein in one pound of lima beans, we perform the following conversion:

$$\frac{22.68 \text{ g protein}}{10 \text{ oz. lima beens}} \quad \frac{16 \text{ oz.}}{1 \text{ lb.}} \quad \frac{36.288 \text{ g protein}}{1 \text{ lb. of lima beans}}$$

To determine the milligrams of iron in one pound of lima beans, we perform the following conversion:

$$\frac{6.804 \text{ mg iron}}{10 \text{ oz. lima beans}} \quad \frac{16 \text{ oz.}}{1 \text{ lb.}} \quad \frac{10.886 \text{ mg iron}}{1 \text{ lb. of lima beans}}$$

Lima beans contain no vitamin C, so we do not have to perform a measurement conversion for vitamin C.

We change the decision variable from green beans to lima beans and insert the new parameters for protein, iron, vitamin C, and cost. The formulas and Solver settings used in the problem remain the same as in part (a).

	A	B	C	D	E	F	G
1			Potatoes	Lima Beans			
2		Unit Cost (per lb.)	$0.40	$0.60			
3					Total		Nutritional
4					Nutrition		Requirement
5		Protein (g)				>=	180
6		Iron (mg)	1.361	10.886	65.00	>=	65
7		Vitamin C (mg)	54.432	0	1,050.00	>=	1,050
8							
9			Potatoes	Lima Beans	Total Weight		Total Cost
10		Quantity (lb.)	19.29	3.56	23		$9.85
11					>=		
12				Minimum Weight (lb.)	22.046		
13							
14			Taste Constraint:				
15	5	Times Potatoes	96.451	>=	21.356	6	Times Lima Beans

Maria should purchase 19.29 lb. of potatoes and 3.56 lb. of lima beans to obtain a minimum cost of $9.85.

f) Edson takes pride in the taste of his casserole, and the optimal solution from above does not seem to preserve the taste of the casserole. First, Maria forces Edson to use lima beans instead of green beans, and lima beans are not an ingredient in Edson's original recipe. Second, although Edson places no upper limit on the ratio of potatoes to beans, the above recipe uses an over five to one ratio of potatoes to beans. This ratio seems unreasonable since such a large amount of potatoes will overpower the taste of beans in the recipe.

2-38

Chapter 02 - Linear Programming: Basic Concepts

g) We only need to change the values on the right-hand side of the iron and vitamin C constraints. The formulas and Solver settings used in the problem remain the same as in part (a). The values used in the new problem formulation and solution follow.

	A	B	C	D	E	F	G
1			Potatoes	Lima Beans			
2		Unit Cost (per lb.)	$0.40	$0.60			
3					Total		Nutritional
4			Nutritional Data (per pound)		Nutrition		Requirement
5		Protein (g)	6.804	36.288	428.58	>=	180
6		Iron (mg)	1.361	10.886	120.00	>=	120
7		Vitamin C (mg)	54.432	0	685.72	>=	500
8							
9			Potatoes	Lima Beans	Total Weight		Total Cost
10		Quantity (lb.)	12.60	9.45	22		$10.71
11					>=		
12				Minimum Weight (lb.)	22.046		
13							
14			Taste Constraint:				
15	5	Times Potatoes	62.988	>=	56.690	6	Times Lima Beans

Maria should purchase 12.60 lb. of potatoes and 9.45 lb. of lima beans to obtain a minimum cost of $10.71.

2.3 a) The number of operators that the hospital needs to staff the call center during each two-hour shift can be found in the following table:

	A	B	C	D	E	F
1			Average	Average	English	Spanish
2		Average	Calls/hour	Calls/hour	Speaking	Speaking
3		Number	from English	from Spanish	Agents	Agents
4	Work Shift	of Calls	Speakers	Speakers	Needed	Needed
5	7am-9am	40	32	8	6	2
6	9am-11am	85	68	17	12	3
7	11am-1pm	70	56	14	10	3
8	1pm-3pm	95	76	19	13	4
9	3pm-5pm	80	64	16	11	3
10	5pm-7pm	35	28	7	5	2
11	7pm-9pm	10	8	2	2	1
12						
13	Percent English Speakers		80%			
14						
15	Calls Handled per hour		6			

For example, the average number of phone calls per hour during the shift from 7am to 9am equals 40. Since, on average, 80% of all phone calls are from English speakers, there is an average number of 32 phone calls per hour from English speakers during that shift. Since one operator takes, on average, 6 phone calls per hour, the hospital needs 32/6 = 5.333 English-speaking operators during that shift. The hospital cannot

2-39

Chapter 02 - Linear Programming: Basic Concepts

employ fractions of an operator and so needs 6 English-speaking operators for the shift from 7am to 9am.

2-40

Chapter 02 - Linear Programming: Basic Concepts

b) The problems of determining how many Spanish-speaking operators and English-speaking operators Lenny needs to hire to begin each shift are independent. Therefore we can formulate two smaller linear programming models instead of one large model. We are going to have one model for the scheduling of the Spanish-speaking operators and another one for the scheduling of the English-speaking operators.

Lenny wants to minimize the operating costs while answering all phone calls. For the given scheduling problem we make the assumption that the only operating costs are the wages of the employees for the hours that they answer phone calls. The wages for the hours during which they perform paperwork are paid by other cost centers. Moreover, it does not matter for the callers whether an operator starts his or her work day with phone calls or with paperwork. For example, we do not need to distinguish between operators who start their day answering phone calls at 9am and operators who start their day with paperwork at 7am, because both groups of operators will be answering phone calls at the same time. And only this time matters for the analysis of Lenny's problem.

We define the decision variables according to the time when the employees have their first shift of answering phone calls. For the scheduling problem of the English-speaking operators we have 7 decision variables. First, we have 5 decision variables for full-time employees.

The number of operators having their first shift on the phone from 7am to 9am. The number of operators having their first shift on the phone from 9am to 11am. The number of operators having their first shift on the phone from 11am to 1pm. The number of operators having their first shift on the phone from 1pm to 3pm. The number of operators having their first shift on the phone from 3pm to 5pm.

In addition, we define 2 decision variables for part-time employees.

The number of part-time operators having their first shift from 3pm to 5pm.
The number of part-time operators having their first shift from 5pm to 7pm.

The unit cost coefficients in the objective function are the wages operators earn while they answer phone calls. All operators who have their first shift on the phone from 7am to 9am, 9am to 11am, or 11am to 1pm finish their work on the phone before 5pm. They earn 4*$10 = $40 during their time answering phone calls. All operators who have their first shift on the phone from 1pm to 3pm or 3pm to 5pm have one shift on the phone before 5pm and another one after 5pm. They earn 2*$10+2*$12 = $44 during their time answering phone calls. The second group of part-time operators, those having their first shift from 5pm to 7pm, earn 4*$12 = $48 during their time answering phone calls.

2-40

Chapter 02 - Linear Programming: Basic Concepts

There are 7 constraints, one for each two-hour shift during which phone calls need to be answered. The right-hand sides for these constraints are the number of operators needed

2-41

Chapter 02 - Linear Programming: Basic Concepts

to ensure that all phone calls get answered in a timely manner. On the left-hand side we determine the number of operators on the phone during any given shift. For example, during the 11am to 1pm shift the total number of operators answering phone calls equals the sum of the number of operators who started answering calls at 7am and are currently in their second shift of the day and the number of operators who started answering calls at 11am.

The following spreadsheet describes the entire problem formulation for the English-speaking employees:

	A	B	C	D	E	F	G	H	I	J	K
1	**English**	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time					
2	**Speaking**	on Phone	on Phone	on Phone	on Phone	on Phone	Part-Time	Part-Time			
3		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm	on Phone	on Phone			
4		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm	3pm-7pm	5pm-9pm			
5	Unit Cost	$40	$40	$40	$44	$44	$44	$48			
6									Total		Agents
7	Work Shift?								Working		Needed
8	7am-9am	1	0	0	0	0	0	0	6	>=	6
9	9am-11am	0	1	0	0	0	0	0	13	>=	12
10	11am-1pm	1	0	1	0	0	0	0	10	>=	10
11	1pm-3pm	0	1	0	1	0	0	0	13	>=	13
12	3pm-5pm	0	0	1	0	1	1	0	11	>=	11
13	5pm-7pm	0	0	0	1	0	1	1	5	>=	5
14	7pm-9pm	0	0	0	0	1	0	1	2	>=	2
15											
16		Full-Time	Full-Time	Full-Time	Full-Time	Full-Time					
17		on Phone	on Phone	on Phone	on Phone	on Phone	Part-Time	Part-Time			
18		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm	on Phone	on Phone			
19		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm	3pm-7pm	5pm-9pm			Total Cost
20	Number Working	6	13	4	0	2	5	0			$1,228

	I
6	Total
7	Working
8	=SUMPRODUCT(B8:H8,NumberWorking)
9	=SUMPRODUCT(B9:H9,NumberWorking)
10	=SUMPRODUCT(B10:H10,NumberWorking)
11	=SUMPRODUCT(B11:H11,NumberWorking)
12	=SUMPRODUCT(B12:H12,NumberWorking)
13	=SUMPRODUCT(B13:H13,NumberWorking)
14	=SUMPRODUCT(B14:H14,NumberWorking)

	K
19	Total Cost
20	=SUMPRODUCT(UnitCost,NumberWorking)

Solver Parameters

Set Objective (Target Cell): TotalCost
To: Min
By Changing (Variable) Cells:
NumberWorking
Subject to the Constraints:
TotalWorking >= AgentsNeeded

Solver Options (Excel 2010):
Make Variables Nonnegative
Solving Method: Simplex LP
Solver Options (older Excel):
Assume Nonnegative
Assume Linear Model

Range Name	Cells
AgentsNeeded	K8:K14
NumberWorking	B20:H20
TotalCost	K20
TotalWorking	I8:I14
UnitCost	B5:H5

2-42

Chapter 02 - Linear Programming: Basic Concepts

The linear programming model for the Spanish-speaking employees can be developed in a similar fashion.

	A	B	C	D	E	F	G	H	I
1	**Spanish**	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time			
2	**Speaking**	on Phone	on Phone	on Phone	on Phone	on Phone			
3		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm			
4		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm			
5	Unit Cost	$40	$40	$40	$44	$48			
6							Total		Agents
7	Work Shift?						Working		Needed
8	7am-9am	1	0	0	0	0	2	>=	2
9	9am-11am	0	1	0	0	0	3	>=	3
10	11am-1pm	1	0	1	0	0	4	>=	3
11	1pm-3pm	0	1	0	1	0	5	>=	4
12	3pm-5pm	0	0	1	0	1	3	>=	3
13	5pm-7pm	0	0	0	1	0	2	>=	2
14	7pm-9pm	0	0	0	0	1	1	>=	1
15									
16		Full-Time	Full-Time	Full-Time	Full-Time	Full-Time			
17		on Phone	on Phone	on Phone	on Phone	on Phone			
18		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm			
19		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm			Total Cost
20	Number Working	2	3	2	2	1			$416

c) Lenny should hire 25 full-time English-speaking operators. Of these operators, 6 have their first phone shift from 7am to 9am, 13 from 9am to 11am, 4 from 11am to 1pm, and 2 from 3pm to 5pm. Lenny should also hire 5 part-time operators who start their work at 3pm. In addition, Lenny should hire 10 Spanish-speaking operators. Of these operators, 2 have their first shift on the phone from 7am to 9am, 3 from 9am to 11am, 2 from 11am to 1pm and 1pm to 3pm, and 1 from 3pm to 5pm. The total (wage) cost of running the calling center equals $1640 per day.

2-43

Chapter 02 - Linear Programming: Basic Concepts

d) The restriction that Lenny can find only one English-speaking operator who wants to start work at 1pm affects only the linear programming model for English-speaking operators. This restriction does not put a bound on the number of operators who start their first phone shift at 1pm because those operators can start work at 11am with paperwork. However, this restriction does put an upper bound on the number of operators having their first phone shift from 3pm to 5pm. The new worksheet appears as follows.

	A	B	C	D	E	F	G	H	I	J	K
1	**English**	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time					
2	**Speaking**	on Phone	on Phone	on Phone	on Phone	on Phone	Part-Time	Part-Time			
3		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm	on Phone	on Phone			
4		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm	3pm-7pm	5pm-9pm			
5	Unit Cost	$40	$40	$40	$44	$44	$44	$48			
6									Total		Agents
7	Work Shift?								Working		Needed
8	7am-9am	1	0	0	0	0	0	0	6	>=	6
9	9am-11am	0	1	0	0	0	0	0	13	>=	12
10	11am-1pm	1	0	1	0	0	0	0	12	>=	10
11	1pm-3pm	0	1	0	1	0	0	0	13	>=	13
12	3pm-5pm	0	0	1	0	1	1	0	11	>=	11
13	5pm-7pm	0	0	0	1	0	1	1	5	>=	5
14	7pm-9pm	0	0	0	0	1	0	1	2	>=	2
15											
16		Full-Time	Full-Time	Full-Time	Full-Time	Full-Time					
17		on Phone	on Phone	on Phone	on Phone	on Phone	Part-Time	Part-Time			
18		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm	on Phone	on Phone			
19		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm	3pm-7pm	5pm-9pm			Total Cost
20	Number Working	6	13	6	0	1	4	1			$1,268
21						<=					
22						1					

Lenny should hire 26 full-time English-speaking operators. Of these operators, 6 have their first phone shift from 7am to 9am, 13 from 9am to 11am, 6 from 11am to 1pm, and 1 from 3pm to 5pm. Lenny should also hire 4 part-time operators who start their work at 3pm and 1 part-time operator starting work at 5pm. The hiring of Spanish-speaking operators is unaffected. The new total (wage) costs equal $1680 per day.

e) For each hour, we need to divide the average number of calls per hour by the average processing speed, which is 6 calls per hour. The number of bilingual operators that the hospital needs to staff the call center during each two-hour shift can be found in the following table:

	A	B	C
1		Average	
2		Number	Agents
3	Work Shift	of Calls	Needed
4	7am-9am	40	7
5	9am-11am	85	15
6	11am-1pm	70	12
7	1pm-3pm	95	16
8	3pm-5pm	80	14
9	5pm-7pm	35	6
10	7pm-9pm	10	2
11			
12	Calls Handled per hour		6

2-44

Chapter 02 - Linear Programming: Basic Concepts

f) The linear programming model for Lenny's scheduling problem can be found in the same way as before, only that now all operators are bilingual. (The formulas and the solver dialogue box are identical to those in part (b).)

	A	B	C	D	E	F	G	H	I	J	K
1	**Bilingual**	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time					
2		on Phone	on Phone	on Phone	on Phone	on Phone	Part-Time	Part-Time			
3		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm	on Phone	on Phone			
4		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm	3pm-7pm	5pm-9pm			
5	Unit Cost	$40	$40	$40	$44	$44	$44	$48			
6									Total		Agents
7	Work Shift?								Working		Needed
8	7am-9am	1	0	0	0	0	0	0	7	>=	7
9	9am-11am	0	1	0	0	0	0	0	16	>=	15
10	11am-1pm	1	0	1	0	0	0	0	13	>=	12
11	1pm-3pm	0	1	0	1	0	0	0	16	>=	16
12	3pm-5pm	0	0	1	0	1	1	0	14	>=	14
13	5pm-7pm	0	0	0	1	0	1	1	6	>=	6
14	7pm-9pm	0	0	0	0	1	0	1	2	>=	2
15											
16		Full-Time	Full-Time	Full-Time	Full-Time	Full-Time					
17		on Phone	on Phone	on Phone	on Phone	on Phone	Part-Time	Part-Time			
18		7am-9am	9am-11am	11am-1pm	1pm-3pm	3pm-5pm	on Phone	on Phone			
19		11am-1pm	1pm-3pm	3pm-5pm	5pm-7pm	7pm-9pm	3pm-7pm	5pm-9pm			Total Cost
20	Number Working	7	16	6	0	2	6	0			$1,512

Lenny should hire 31 full-time bilingual operators. Of these operators, 7 have their first phone shift from 7am to 9am, 16 from 9am to 11am, 6 from 11am to 1pm, and 2 from 3pm to 5pm. Lenny should also hire 6 part-time operators who start their work at 3pm. The total (wage) cost of running the calling center equals $1512 per day.

g) The total cost of part (f) is $1512 per day; the total cost of part (b) is $1640. Lenny could pay an additional $1640-$1512 = $128 in total wages to the bilingual operators without increasing the total operating cost beyond those for the scenario with only monolingual operators. The increase of $128 represents a percentage increase of 128/1512 = 8.47%.

2-45

Chapter 02 - Linear Programming: Basic Concepts

h) Creative Chaos Consultants has made the assumption that the number of phone calls is independent of the day of the week. But maybe the number of phone calls is very different on a Monday than it is on a Friday. So instead of using the same number of average phone calls for every day of the week, it might be more appropriate to determine whether the day of the week affects the demand for phone operators. As a result Lenny might need to hire more part-time employees for some days with an increased calling volume.

   Similarly, Lenny might want to take a closer look at the length of the shifts he has scheduled. Using shorter shift periods would allow him to “fine tune” his calling centers and make it more responsive to demand fluctuations.

   Lenny should investigate why operators are able to answer only 6 phone calls per hour. Maybe additional training of the operators could enable them to answer phone calls quicker and so increase the number of phone calls they are able to answer in an hour.

   Finally, Lenny should investigate whether it is possible to have employees switching back and forth between paperwork and answering phone calls. During slow times phone operators could do some paperwork while they are sitting next to a phone, while in times of sudden large call volumes employees who are scheduled to do paperwork could quickly switch to answering phone calls.

   Lenny might also want to think about the installation of an automated answering system that gives callers a menu of selections. Depending upon the caller’s selection, the call is routed to an operator who specializes in answering questions about that selection.

2-46