

Download File PDF Operations Management 11th Edition Answer Case Studies

#Jenny



Finally I get this ebook, thanks for all these I can get now!

#Rio



Cool! I'am really happy

#Markus Jensen



I did not think that this would work, my best friend showed me this website, and it does! I get my most wanted eBook

#Hun Tsu



wtf this great ebook for free?!

#Che Salsa



My friends are so mad that they do not know how I have all the high quality ebook which they do not!

#Diego Butler



so many fake sites. this is the first one which worked! Many thanks

inventory cost for the rest of the fiscal administration. Another major disaster occurs: a supplier change, yet one higher is not easy to find a new supplier. Many companies do not have a good group to deal with suppliers. The book is a great way to get a peek at the following solutions. This is not an easy question to answer, but it makes for good discussion.

ACTIVE MODEL EXERCISES

EXERCISE 12.1: Economic Order Quantity (EOQ) Model

1. What is the EOQ and what is the lowest total cost?
2. What is the annual cost of carrying inventory at the EOQ and the annual cost of ordering inventory at the EOQ? (EOQ units \times \$9 for carrying and also \$9 for ordering)
3. From the graph, what are your estimates about the relationship between the lowest total cost and the costs of ordering and carrying inventory?

The lowest total cost occurs when the ordering and inventory costs are equal.

4. How much does the total cost increase if the order quantity is 10% more than the EOQ? (Inventory carrying cost is \$2.50 or 2.5% of the unit price.)

Ordering fewer inventory costs by \$1.75 or 4.7%.

What happens to the EOQ and total cost when demand is doubled?

The EOQ rises to 82 units (47%) and the total cost rises by \$41 (47%) (Inventory cost).

5. Round through lower average unit price and describe the change in the graph. What happens to the EOQ?

The curves seem to bend and move to the left. The EOQ decreases.

7. Comment on the sensitivity of the EOQ model to errors in demand or unit price.

The total cost is not very sensitive to variation in forecasting demand or pricing errors.

EXERCISE 12.2: Production Order Quantity Model

1. What is the optimal production run size for laptops?
2. How does this compare to the corresponding EOQ model?
3. The run size is larger than the corresponding EOQ. Why?
4. How does this compare to the corresponding EOQ model?

The total cost is less than the cost for the equivalent EOQ model.

END-OF-CHAPTER PROBLEMS

12.1 The ABC system generally classifies the top 20% of dollar volume items as A, the next 30% as B, and the remaining 50% as C items. Similarly, A items generally represent 20% of total number of items, B items are 30%, and C items are 50%.

Item Code	Average Demand	Volume	Percentage of Total \$ Volume
1289	400 \times 2.75 =	1,100.00	44.0%
2941	300 \times 5.00 =	1,500.00	59.0%
2349	120 \times 2.50 =	300.00	9.0%
2863	75 \times 1.50 =	112.50	3.6%
2366	80 \times 1.25 =	100.00	3.1%
2395	30 \times 2.00 =	60.00	1.8%
4780	10 \times 1.25 =	12.50	0.3%
7844	12 \times 2.00 =	24.00	0.4%
8255	8 \times 2.00 =	16.00	0.4%
8310	7 \times 2.00 =	14.00	0.4%
7611	6 \times 1.00 =	6.00	0.2%
			100%

EXERCISE

The company can make the following classification:

A: 1289, 2417 (10% of items, 80% of dollar volume).

B: 2941, 2349, 2366, 2395 (30% of items, 27% of dollar volume).

C: 4782, 7844, 8255, 8310, 7611 (40% of items, 2.7% of dollar volume).

12.2(a) Yes, decide that the top 20% of the 10 items, based on a criterion of dollar volume, are not classified as A items. In this example, the top 20% contribute only 9.0% of the total inventory value, but in larger samples, the value would probably approach 20%.

12.2(b) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(c) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume. Items P1, P2, and Q1 represent 10% of the items and item Q2 represents 20% of the dollar volume.

12.2(d) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(e) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(f) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(g) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(h) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(i) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(j) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(k) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(l) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(m) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(n) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(o) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(p) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(q) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(r) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(s) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(t) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(u) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(v) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(w) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(x) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(y) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

12.2(z) Yes, the classification of items P1 and Q2 as A items, the 10% to 20% of the items, is not the same as the 10% to 20% of the dollar volume.

[Download PDF version of : Operations Management 11th Edition Answer Case Studies](#)