



NATIONAL OPEN UNIVERSITY OF NIGERIA
91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
2019_2 EXAMINATIONS

COURSE CODE: BUS 406

CREDIT UNIT: 3

COURSE TITLE: ANALYSIS FOR BUSINESS DECISIONS

TIME ALLOWED: 2 ½ HOURS

Instruction: 1. Attempt question number one (1) and any other three (3)

2. Question number one (1) is compulsory and attracts 30 marks,

while any other three questions attract 15 marks each

3. Present your answers in a clearly and orderly manner

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| 1. a. What are the objectives of decision making | 10 marks |
| b. What are the steps in decision making theory? | 10 marks |
| c. Decision making is normally based on certain criteria. What are the criteria? | 10 marks |
| 2. a. Explain MAXIMIN criteria in decision making. | 10 marks |
| b. State the steps in taking decisions under MAXIMIN.. | 10 Marks |
| 3. a. State the elements in a typical decision making situation. | 5 marks |
| b. Explain Decision evaluation criteria. | 5 marks. |
| c. When can it be said that the decision is made under certainty? | 5 marks |
| d. When can it be said that the decision is made under risk? | 5 marks |
| 4. a. What is a decision tree? | 10 marks |
| b. What advantages are derivable from using a decision tree? | 5 marks |
| c. What are the draws-backs in using a decision tree as an aid to decision making? | 5 marks |
| 5. The system theory identifies two main types of systems (closed and Open). State clearly the examples of where each type of system can be found. | 10 marks |
| What is system entropy? | 10 marks |
| 6. Write short notes on (a) simulation (b) system theory (c) expected value of perfect information, (d) MINIMAX. | 5 marks each x 4 |
| | 20 marks |