



**BOWEN UNIVERSITY, IWO**  
**(OF THE NIGERIAN BAPTIST CONVENTION)**  
**COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES (COMSS)**  
**BUSINESS ADMINISTRATION PROGRAMME**  
**B.Sc. BUSINESS ADMINISTRATION DEGREE**  
**2023/2024 FIRST SEMESTER EXAMINATION**

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**COURSE CODE: BUS 409**

**COURSE TITLE: ANALYSIS FOR BUSINESS DECISIONS**

**CREDIT: 3**

**TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION 1 AND ANY OTHER 3 QUESTIONS**

**DATE: Friday 2<sup>nd</sup> February 2024**

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- 1a.** Westland Ventures has a limited budget and needs to allocate its available resources to two mutually exclusive projects A and B. Project A has a 70% chance of success resulting in a profit of ₦8,000,000.00 and a 30% chance of failure leading to a loss of ₦2,000,000.00. Project B has a 50% chance of success with a ₦5,000,000.00 profit and a 50% chance of failure with a ₦3,000,000.00 loss. Analyse the situation using the decision tree approach and advise the management of Westland Ventures on how to allocate its resources. (12 marks)
- b.** Given the scenario in "a" above, use the criterion of pessimism to advise the management of Westland Ventures. (6 marks)
- c.** Schematically demonstrate with a decision model, your understanding of the processes involved in decision making (7 marks)
- 2a.** From the perspective of a business Manager, why should organizations make decisions? (7 marks)
- b.** Explain any four benefits of decision making (8marks)
- 3a.** By the way, what do you understand by the term operations research? (5 marks)
- b.** Explain any five areas of application of decision analysis relative to operations research (10 marks)
- 4a.** In system analysis, there are typically four key activity phases. Specifically explain each of the activity phases. (8 marks)
- b.** Enumerate seven benefits of system analysis (7 marks)
- 5a.** With specific examples, describe what a model is (5 marks)
- b.** Explain with examples, how analogue model differs from iconic models (6 marks)
- c.** Enumerate any four important characteristics of a good operations research model (4 marks)
- 6a.** Do you agree that the existence of simulation model in operations research is a blessing? Justify your position with six advantages of the simulation model. (9 marks)
- b.** Enumerate six areas of application where simulation can be resorted to (6 marks)