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OPTIMIZING PRODUCTION BY MEANS OF STOCHASTIC PROGRAMMING

(Produktionsoptimierung mit Hilfe der stochastischen Programmierung)

"Industrielle Organisation" (Switzerland), No. 10, Oct. 1967, pp. 427—433, 5 fig., 19 bibl. references.

The paper shows the principles of stochastic programming, on the basis of a conventional example from the iron and steel industry. In the computations are included the random variable and its expected value as well as the way of determining the optimum situation. Specific problems of stochastic programming: distribution problems, probabilistic restriction program and two-stage program. The results obtained, the problems still unsolved and the necessity of using a computer are shown.

Likewise, the indicators used are specified: processing costs, required manganese, iron ore price, production capacity of furnace section, etc.