Index

A
Absolute address, 62
Additivity, 239
Advanced functions, 503
AND, 503
CEILING, 506
COUNTIF, 504
date functions, 506
financial functions, 506
FLOOR, 506
HLOOKUP, 504
INDEX, 505
MATCH, 505
OR, 503
RAND, 506
RANDBETWEEN, 506
ROUND, 506
SMALL, 505
SUMIF, 504
text functions, 506
VLOOKUP, 504
ISPMIT, 486
nesting, 493
Advertising budget problem, 50
Algorithm, 111
Alldifferent constraint, 346
Allocation models, 241
formulation, 241
optimization, 244
spreadsheet model, 242
Analysis using spreadsheets, 70
base-case analysis, 72
breakeven analysis, 81
optimization analysis, 83
simulation and risk analysis, 84
what-if analysis, 72
Analytic Solver Platform, 71
AND function, 504
Arithmetic operations, 488
Assignment model, 286
model formulation, 287
optimization, 288
sensitivity analysis, 288
spreadsheet model, 287
Assortment model, 329
Auditing software, 65
AVERAGE function, 100
Average outcome, 360
B
Back propagation, 164
Backward elimination, 172
Baker, K, 234
Balance equation, 291
Base-case analysis, 71
Base-case model, 73
Base value, 77
Basic functions, 489
AVERAGE, 100, 491
IF, 492
MAX, 491
MIN, 491
NPV, 492
SUM, 491
Bayes’ Rule, 153
Benchmark criteria, 358
maximin payoff criterion, 358
maximin payoff criterion, 358
minimax regret criterion, 359
Bernoulli distribution, 414
Binary categorical predictor, 148
Binary choice models, 312
capital budgeting problem, 312
set covering problem, 315
Binary variables and logical relationships, 316
Binding constraint, 215
Binning continuous data, 111
Binomial distribution, 414
Bins, 98
Blending models, 248
blending constraints, 249
formulation, 251
optimization, 252
spreadsheet model, 252
Bottom-up approach, 42
Box-and-whiskers-plot, 103
Brainstorming, 18
Breakeven analysis, 81
Building a workbook, 62
build one worksheet or module at a time, 62
choose input data to make errors stand out, 64
copy and paste formulas carefully, 62
follow a plan, 62
predict the outcome of each formula, 62
range names to make formulas easy to read, 63
use range names to make formulas easy to read, 63
use relative and absolute addressing to simplify copying, 62
use the function wizard to ensure correct syntax, 63
Business, models, 3
Buttons, 59
INDEX

C
Capacitated problem, 325
Capital budgeting problem, 312
Cases, 463
Categorical data, 111
Categorical variables, 111
CEILING function, 506
Cell comments, 497
  copying, 499
  deleting, 499
  displaying, 498
  editing, 499
  inserting, 498
  printing, 499
Cells, 480
  editing, 486
    absolute cell references, 487 double-click, 486
    insert function, 487
    relative cell references, 487
  naming, 499
  selecting, 485
    all cells in a worksheet, 485
    a column or a row, 485
    noncontiguous ranges, 485
    rectangular ranges, 485
Certainty equivalent, 376
Chance constraints, 448
  conditional value at risk (CVaR), 452
  value at risk (VaR), 448
Chance node, 361
Class-conditional independence, 154
Classification and prediction methods, 117
Classification and prediction trees, 127
  algorithm steps, 128
  application of, 130
  Gini index, 129
  homogeneity, 129
  split points, 128
Classification and Regression Tree (CART), 128
Coloring, 105
Communication, design for, 55
Conditional Value at Risk (CVaR), 452
Configuring Excel, 482
  add-ins, 482
  advanced, 463
  customize ribbon, 483
  formulas, 482
  general, 482
  proofing, 483
  quick access toolbar, 483
  save, 483
  trust center, 483
Conservation law, 290
Constraint constant, 214
  sensitivity to, 255
Constraints, 209
Contingency relationships, 317
Continuous distributions, 414
  normal distribution, 416
  triangular distribution, 416
  uniform distribution, 416
Convergent thinking, 18
Copying comments, 499
Corporate valuation using simulation, 395
  base-case model, 396
  performance, 377
  probability distributions, selecting, 399
  sensitivity analysis, 398
  simulation analysis, 399
  simulation sensitivity, 402
Cost of uncertainty, 368
COUNTIF function, 100
COVAR function, 232
Covering models, 246
  formulation, 246
  lower bound constraint, 248
  optimization, 247
  spreadsheet model, 247
  upper bound constraint, 248
Craft skills for modeling, 31
  break the problem into modules, 34
  build a prototype and refine it, 35
  focus on model structure, not data collection, 43
  identify parameters and perform sensitivity analysis, 39
  separate the creation of ideas from their evaluation, 41
  simplify the problem, 33
  sketch graphs of key relationships, 38
  work backwards from desired answer, 42
Creative problem-solving process, 19
  evaluating solutions, 19
  exploring the mess, 19
  identifying a problem, 19
  implementing a solution, 19
  searching for information, 19
  searching for solutions, 19
Cross-tabulation tables, 105
Cumulative distribution functions, 522
Curve fitting, 221
D
Data
  binning continuous data, 111
  handling missing data, 109
  preparation, 109
Data dictionary, 90
Data, entering, 498
Data Envelopment Analysis (DEA), 265
Data exploration, 89
  individual variables
    and their distribution, examining, 98
    summary measures calculation for, 99
    organize and subset the database, 94
    filter, 94
    sort, 94
  variables, examining relationships among, 101
Data types, 93
  interval data, 93
  nominal data, 93
  numerical data, 93
  ordinal data, 93
  ratio data, 94
Data validation, 61
Database, partitioning, 120
Dataset structure, 90
  data dictionary, 90
  field, 90
  record, 90
Decile-wise lift chart, 123
Decision analysis, 357
benchmark criteria, 358
decision criteria, 358
decision tree software, 369
incorporating probabilities, 359
maximizing expected utility, 375
minimizing expected cost, 373
payoff tables, 358
sensitivity analysis, 371
solving a simple example, 370
states of nature, 357
trees to model decisions, 361
uncertain inputs, 357
Decision criteria, 358
Decision-support business models, 2
Decision-support systems, 3
Decision trees, 361
Decision variables, 8
Deleting comments, 499
Demand curve, 40, 219
Designing a spreadsheet, 51
communication, design for, 55
design for use, 54
document important data and formulas, 55
input parameters, isolate, 54
keep it simple, 54
organize spreadsheet into modules, 52
sketch the spreadsheet, 51
start small, 53
Designing a workbook, 57
data validation, 61
as a decision-support system, 60
for ease of navigation and use, 59
buttons, 59
hyperlinks, 59
separate worksheets to group similar kinds of information, 58
Details-on-demand, 105
Diminishing marginal returns, 230
Discrete custom distribution, 414
Discrete distributions, 414
Bernoulli distribution, 414
binomial distribution, 414
discrete custom distribution, 414
integer uniform distribution, 414
Displaying comments, 498
Distributions, probability, 515
Divergent thinking, 17
Divisibility, 239
Document important data and formulas, 55
Double smoothing method, 202
Dummy variables, 111

E
Economic order quantity, 225
Editing comments, 499
Editing a macro, 510
Effective process, spreadsheets, 49
Efficient design process, spreadsheets, 49
Efficient frontier, 233
Electronic spreadsheets, 4
Embedded models, 3
Empirical data, 413
End-user modeler, 5
Epoch, 164
Error trap, 67
Estimated trend, 197
Euclidean distance, 159

European Spreadsheet Risk Interest Group (EUSPRIG), 5
Evolutionary solver, 335
features of, 335
genetic algorithm, 335
scatter search, 335
Excel auditing tools, 65
Excel error checking, 67
Excel skills, basic, 479
Excel window, 480
cell cursor, 482
fill handle, 482
font group commands, 482
formula bar, 482
message area, 482
name box, 482
Quick Access Toolbar, 481
ribbons and groups, 481
scroll bars, 482
sheet tabs, 481
tabs, 481
tab-scrolling buttons, 482
Expected payoff criterion, 360
Expected payoff with perfect information (EPPI), 368
Expected utility, 375
Expected value, 360, 426
of the output, 426
of perfect information, 368
Expert modelers, lessons from 9
model assessment, 10
model implementation, 10
model realization, 10
model structure, 10
problem context, 10
Explanatory modeling, 117
Exponential smoothing, 192
with a trend, 196
trend and cyclical factors, 198
simple exponential smoothing, 192
Exponential utility function, 375

F
Fabrication hours, 242
Facility location model, 324
assortment model, 329
capacitated problem, 325
uncapacitated problem, 327
Feasible solution, 240
Field, 90
Filters, 94
Fixed costs, 316
FLOOR function, 506
Forecasting, 187
components, 188
exponential smoothing model, 192
exponential smoothing with a trend, 196
exponential smoothing with trend and seasonal factors, 198
forecast accuracy, measures of, 191
moving-average model, 188
time-series models, 187
using XLMiner for short-term forecasting, 202
Formal models, 2
in problem-solving, 18
Formatting in Excel, 487
Formula bar, 482
Formulas in Excel, 482
Formulas in Excel, (Continued)

- basic formulas, 488
- Formula checking, 65
- auditing software, 68
- error traps, 67
- Excel auditing tools, 65
- Excel error checking, 67
- formulas, displaying, 65
- individual cell references, displaying, 65
- visual checking, 65

Formulation, in nonlinear optimization, 213
Forward selection, 172
Functional transformations, 112

Generations, 336
Genes, 336
Genetic algorithm, 335
Gini Index, 129
Global optimum, 216
Goal seek, 82
Grid search, 438
Gross margin formula, 54
Group assignment, 350

Help options, 496
Heuristic procedure, 335
Histogram, 385
HLOOKUP function, 504
Holt’s method, 196
Holt-Winters method, 200
Homogeneity, 129
Hot and Thirsty problem, 40
Hyperlinks, 59

Ill-structured problems, 17
Improvement message, 337
Income statement as influence chart, 27
Incorporating probabilities, 359
Independent consultant, 15
INDEX function, 268
Individual variables examining, 98
Influence charts, 24
- automobile leasing, 29
- income statement, 27
Kuniang, 28
- pricing decision example, 25
- principles for building, 27
Initial solution, 217, 224, 323
Input parameters, isolation, 54
Insert function, 63, 479, 487
Inserting comments, 498
Integer linear programming problem, 310
Integer nonlinear programming problem, 310
Integer programming, 309
- binary choice models, 312
- facility location model, 324
- integer solver, 310
- logical relationships, 316
Integer uniform distribution, 414, 518
Interchangeability, 35
Internal rate of return, 82
Interval data, 93
INT function, 506
Intrinsic value, 405
ISPMT function, 490
J
Judgmental data, 413
K
Keyboard shortcuts, 497
k-Nearest neighbor method, 158, 177
application of, 159, 177
strengths and weaknesses, 181
L
Layout, 52, 55, 107, 214
- array, 293, 296
- chart, 493-494
- linear programming, 279
- network, 296
- page, 481, 495
- spreadsheet, 242, 279, 291, 480
Left-hand tail probability, 524
Lift chart, 123
Linear normalization, 113
Linear optimization, 239
- linear programming models, 221
- sensitivity analysis for, 253
- simplex algorithm, 240
Linear programming, 216
- solution patterns, 258
Linear regression model, 169
Linear relationship, 216
Linearity, 171, 239, 293, 521, 526
- additivity, 239
- divisibility, 239
- objective function coefficients, 240
- proportionality, 239
Line charts, 493
Linking constraints, 319
Local optimum, 216, 224, 323
Logic of options, 405
Logical relationships and binary variables, 316
- linking constraints, 319
- relationships among projects, 317
- threshold levels and quantity discounts, 323
Logistic regression, 144
- application of, 145
- inferential statistics,170
- strengths and weaknesses, 182
Lower bound constraint, 248
LSGRG algorithm, 209, 216, 224, 241, 443
M
Machine-Sequencing problem, 345
Macros, 507
- editing a macro, 510
- recording a macro, 507
Maps, 1
Marginal value, 257
MATCH function, 505-506
Mathematical models, 1
- layout, 1
- use, 1
Maximax payoff criterion, 358
Maximin payoff criterion, 358
Mean absolute deviation (MAD), 174, 191
Mean absolute percent error (MAPE), 191
Mean squared error (MSE), 191, 423
precision using, 423
Mean value, 188, 410, 423, 425, 444, 455
Mental models, 1, 23
Mess and problem, comparison, 18
Minimax regret criterion, 359
Missing data, 109
Mixed addresses, 503
Model error, 420
Modeling, 1
  background knowledge, 7
  craft skills, 9
  expert and novice modelers, lessons from, 9
  mathematical models, 1
  mental models, 1
  modeling heuristics, 32
  modeling process, 1
  physical models, 1
  real world vs. model world, 7
  risk of spreadsheet use, 5
  technical skills, 9
  visual models, 1
Modeling cases, 443
  Big Rig Truck Rental Company, 468
  BMW Company, 471
  Cox Cable and Wire Company, 469
  Draft TV Commercials, 32, 464
  Flexible Insurance Coverage, 468
  Icebergs for Kuwait, 33, 464
  Medical Supplies for Banjul, 467
  Mega Pharma and Micro Pharma, 477
  National Leasing, Inc., 475
  Reid’s Raisin Company, 467
  Retirement Planning, 32, 463
  The ERP Decision, 472
  The Racquetball Racket, 33, 465
  Snoey Software Company, 469
  XYZ Company, 466
Modeling heuristics, 32
Models, 1
Modules, 52
Monte Carlo simulation, 84, 383
  average outcome, 383
  ensuring precision in outputs, 420
  experimental method, 422
  precision versus accuracy, 421
  selecting uncertain parameters, 393, 411
  simulation error, 420
  simulation outcomes, 383, 391, 394, 424
  simulation process, 386
  specifying probability distributions, 390, 394, 413
Moving-average model, 188
Multiple linear regression, 169
Mutations, 336
Mutually exclusive projects, 317

N
Naïve Bayes method, 150
  application of, 155
  strengths, 181
  weaknesses, 182
Naming cells and ranges, 499
  documenting range names, 501
New Name window, 500
Navigation, spreadsheet, 59,
  484 Nesting of functions, 493
Net present value (NPV), 29, 312
Network models, 277
  for process technologies, 301
  standard form for, 293
  with yields, 295
Neural networks, 162
  application of, 164
  nodes, 163
    hidden layer node, 163
    input node, 163
    output node, 163
  strengths, 181
  weaknesses, 181
Nodes, 163, 277
  hidden layer node, 163
  input node, 163
  output node, 163
Noise, 118
Nominal data, 93
Nonlinear optimization, 207
  building models for solver, 193
    constraints, 213
    decision variables, 213
    formulation, 213
    interpreting results, 215
    layout, 214
    LSGRG algorithm, 216
    objective function, 213
    standardization, 214
    strategic information, 215
    tactical information, 215
    tight or binding constraint, 215
  model classification, 215
    global optimum, 217
    initial solution, 217
    local optimum, 217
  nonlinear programming examples, 217
    curve fitting, 221
    demand curve, 219
    economic order quantity, 225
    Euclidean distance, 218
    facility location, 219
    revenue maximization, 219
    portfolio optimization, 231
    sensitivity analysis for nonlinear programs, 227
Nonlinear programming, 216
Nonlinear relationship, 216
  nonsmooth models optimization, 335
  advertising budget problem, 339
  capital budgeting problem, 342
  curve fitting, 338
  evolutionary solver, features of, 335
  fixed cost problem, 344
  group assignment, 350
  machine-sequencing problem, 345
  traveling salesperson problem, 347
Nonsmooth optimization, 218
Normal distribution, 416, 419, 521
Normalizations, 113, 159
  linear normalization, 113
  z-score normalization, 113
Novice modelers, lessons from, 9
  behaviors, 11
  problem, 11
  shortcut to answers, 11
NPV function, 492, 506
Numerical data, 93
Objective function, 207, 230, 240
Objective function coefficients, 240
sensitivity to, 254
Offspring solutions, 336
‘One-at-a-time’ form of what-if analysis, 73, 402
One-time decision business models, 2
Optimal solution, 215, 230, 240, 255, 335
Optimization, 207, 239
analysis using spreadsheets, 71, 83
chance constraints, 448
in simulation, 435
stochastic optimization, 442
two-stage problems with recourse, 453
with one or two decision variables, 435
Option pricing using simulation, 404
logic of options, 405
pricing an option, 408
sensitivity to volatility, 410
stock prices, modeling, 405
Ordinal data, 93
Outcomes, 8, 38, 62, 383
actual, and predicted, 122
class, 182
constraint, 215
future, 207
mutually exclusive and exhaustive, 360
parameter, 357
payoff, 371
profit, 368, 421, 448
random, 337, 408, 454
range of, 441
simulation, 420, 424, 443, 456
precision in, 420, 421, 424
uncertain, 360, 375, 453
worst-case, 375
Outputs, simulation process, 371
Overfitting problem, 118, 183
Oversampling, partition with, 120
Paneling, 105
Parameterization, 39
Parameters, 39, 54, 72
and risk analysis, 84
and tornado charts, 79
uncertain, selecting, 411
Parametric sensitivity, 77, 230, 254
Parent solutions, 336
Partitioning, 119
dataset, 120
Partition with Oversampling, 120
Standard Data Partition window, 120
test partition, 120
Time Series Partition, 120
training partition, 120
validation partition, 120
Patterns, 118
in linear programming solutions, 258
Payoff tables, 358
Percentiles, 395, 412
Performance measures, 213
Root-mean-squared (RMS) error, 122
Physical models, 1
Population, 336
Portfolio optimization model, 231, 425
Powell, S. G., 5, 11
‘PowerPoint heuristic’, 42
Precision
and classification accuracy, 122
in outputs, ensuring, 420
in sensitivity analysis, 210, 442
in simulation, 410, 422, 456
of numbers in spreadsheets, 506
using MSE, 423
versus accuracy, 421
Prediction, 89, 167
Prediction methods, 117
partitioning the database, 119–120
performance measures, 120–122
problem of over-fitting, 117–119
Prerequisites, Excel, 479
absolute cell addressing, 459
copying, 479
cutting, 479
deleting, 479
drawing charts, 479
format of entries, 479
formulas, 479
functions, 479
inserting, 479
pasting, 479
printing, 479
relative cell addressing, 479
Pricing an option, 408
Printing comments, 499
Printing in Excel, 495
Probability concepts, 515
continuous distributions, 516, 519
discrete distributions, 516, 518
histogram, 517
outcomes, 515
random variable, 515
Probabilistic Pro forma income statement, 27
Probability, 151
and odds, 144–145
cutoff probability, 122
p-values, 175
probability tree, 361
tail probability, 31, 383
Probability distribution, 383
selecting, 394, 413
Bernoulli distribution, 414
binomial distribution, 414
discrete custom distribution, 414
empirical data, 413
fitting distributions to data, 418
integer uniform distribution, 414
judgmental data, 413
normal distribution, 416
triangular distribution, 416
uniform distribution, 416
Problem-solving framework, modeling in, 8, 15
craft of modeling, 16
formal modeling role in, 16
influence charts, 16
modelers roles in, 15
dependent modeler, 15
independent consultant, 15
team member, 15
Problem-solving process, 16
brainstorming, 18
convergent thinking, 17
divergent thinking, 17
evaluating solutions, 22
exploring the mess, 18
identifying a problem, 20
ill-structured problems, 17
implementing a solution, 22
searching for information, 20
searching for solutions, 21
well-structured problems, 17

Process technologies, 301
Process yield, 296
Project Explorer, 508
Properties window, 508
Proportionality, 40, 239
Prototype, 35, 214, 416
Prune, 130
P-values, 149, 172, 232

Q
Quantity discounts, 323
‘Quiet the critic’ heuristic, 41

R
RANDBETWEEN function, 506
RAND function, 506
Random variable, 515
  in influence charts, 28
Range names, 63, 282, 499
Ratio data, 93
R1C1 reference style, 502
Real world and model world, 7
Record, 90
Recording a macro, 507
Regret, 359
Reinforcement learning, 162
Relationships
  among projects, 317
  among variables, 101, 105
  contingency relationships, 318
  mutually exclusive projects, 317
Relative cell addressing, 62
Relative cell references, 489, 502
Return, 82, 213, 231, 301, 405, 445
  cumulative, 510
Revenue maximization example, 219
Right-hand tail probability, 524
Risk, 231, 375, 524
Risk analysis, 84, 399
Risk-averse decision maker, 376
Risk-neutral theory, 409
Risk profile, 364
Risk tolerance, 376
Rolling back the tree, 364
Root-mean-squared error (RMS Error), 124, 140, 202
ROUND function, 506

S
Sample average, 421, 526
Sample proportion, 421
Sampling, 525
Scatter charts, 493
Scatter Search, 335
Scenarios, 74
Selection, 336
  adverse, 476
subset, 172
variable, 125, 150
Sensitivity analysis, 39, 72, 368–70
  with Decision Tree, 371
optimization, 227, 230
  parametric, 77, 227, 230
performing, 39–41
simulation, 403, 439
Sensitivity analysis for linear programs, 253
  constraint constants, 255
  objective function coefficients, 254
Sensitivity analysis for nonlinear programs, 227
Sensitivity measure, 122
Sensitivity Report, 274
Set covering problem, 315
Shadow price, 257, 276
Short-term forecasting, 187
XLMiner for, 202
Simple exponential smoothing, 196
Simplex algorithm, 240
  feasible solution, 240
  optimal solution, 240
Simulation, 81
Monte Carlo, 383
Simulation error, 420, 423
Simulation precision, 410
Simulation process, 386
  running a simulation, 394
  selecting outputs, 394
  selecting probability distributions, 394
  selecting uncertain parameters, 393
Simulation sensitivity, 402
  optimizing using, 439
SMALL function, 505
Smoothed value, 192, 197, 199
Smoothing constant, 192
Solver, 207
Solver Parameters window, 233
Solver Sensitivity Report, 274
Sort, 94, 95
Spam filtering, 151
Split points, 128, 137
Split windows, 55
Spreadsheet engineering, 5, 49
  advertising budget problem, 50, 207
  efficient design process, 49
  phases, 49
  building, 49
  designing, 49
  testing, 49
Spreadsheet model, 11, 51, 207, 259
  background knowledge for, 7
  base-case analysis, 72
  benchmarking, 73
  breakeven analysis, 81
  check formulas, 65
  design for communication, 55
  design for use, 54
  document data and formulas, 55
  drawing an influence chart, 50
  input parameters, 54
  keep it simple, 54
  optimization analysis, 83
  organizing into modules, 52
  simulation and risk analysis, 84
  what-if analysis, 72
Spreadsheets
- analysis using spreadsheets, 71
- auditing tools, 65
- challenges for users, 6
- designing, 51
- error-free, 6
- isolate input parameters, 54
- organizing into modules, 52, 208
- risks in, 5
- role of, 4
- sketching, 51
- testing, 64
- using spreadsheets, 72

Standard Data Partition, 120, 130

Standard form
- for linear programs, 280, 293
- for network models, 293

States of nature, 357

Stochastic optimization, 442

Stock prices, modeling, 405

Strategic information, 215, 245, 309

Symbols for arithmetic operations, 488

Tactical information, 215

Tail probabilities, 383, 448, 523
- left-hand tail probability, 524
- right-hand tail probability, 524

Tardiness, 345

Task pane, 208, 221

Team member, 15

Technical skills for modeling, 9, 31

Terminal value, 395

Test partition, 120

Testing a workbook, 64

Text, entering, 485

Threshold levels, 323

Tight or binding constraint, 215

Time series, 187

Time Series Partition, 120

Tornado charts, 79, 388

Tour, 347

Training partition, 120

Transportation model, 277
- flow diagram, 278
- model formulation, 278
- optimization, 280
- sensitivity analysis, 282
- spreadsheet model, 279

Transshipment model, 289
- formulation, 290
- optimization, 292
- sensitivity analysis, 293
- spreadsheet model, 291

Transshipment points, 290

Traveling salesperson problem, 347

Trees to model decisions, 361
- building and analyzing, 367
- chance node, 361
- cost of uncertainty, 368
- decision trees, 362

probability tree, 361
- risk profile, 364
- for a series of decisions, 364

Trend, 196, 198

Trials per Simulation, 391

Triangular distribution, 520

Two-stage problems with recourse, 453

Uncapacitated facility location problem, 327

Uncertain inputs, 357

Uncertain parameters, selecting, 357, 393, 411

Uniform distribution, 416, 499, 519
- integer, 414, 518

Upper bound constraint, 248

User-defined function, 512

Validation partition, 120

Value at risk (VaR), 448
- Conditional (CVaR), 452

Variability, 104, 137, 426, 524

Variables, examining relationships among, 39, 101
- box-and-whiskers plot, 103
- controllable, decisions as, 8
- dummy, 111
- filters, 106
- influencing, 27
- modules, 52
- selection, 125
- types of data, 93

Variance, 137, 422, 524
- portfolio, 232

Visual Basic for Applications (VBA), 507

Visual Basic Editor (VBE), 508

Visual models, 1

VLOOKUP function, 505

Well-structured problems, 17

What-if analysis, 72
- one-at-a-time form of, 73
- optimization as, 227
- patterns, 258
- parametric sensitivity, 77, 230
- scenarios, 74
- sensitivity analysis, 72
- tornado charts, 79

Willemain, T. R., 9

Workbook, 57, 480

Worksheets, 480, 483

XLMiner, 89, 98
- for short-term forecasting, 202

Yields, network models with, 295
- yields as expansions in flow, 297
- yields as reductions in flow, 295

Z-score normalization, 113, 159