Aggregate Planning- Practice problem I

The following table shows the forecasted demand for three products A, B, and C. The production rates for A, B, and C are 2, 4, 2 parts per worker per week respectively. Develop the aggregate demand in terms of B as a surrogate product.

Week	1	2	3	4	5	6
Demand A	8	6	8	12	12	10
Demand B	10	15	10	5	15	5
Demand C	12	9	12	18	8	15
Aggregate Demand in terms of B						
Available Workers	13	12	12	13	14	16

Provide a disaggregate plan for all parts assuming that A is given the highest production priority followed by B.

Week	1	2	3	4	5	6
Aggregate						
Plan for A						
Plan for B						
Plan for C						

The results above are the master schedule.

How would you change the answer above if storing a part costs $2, $4, and $3 for parts A, B, and C, respectively, while a shortage incurs a penalty of $4, $2, and $2 for parts A, B, and C, respectively.

Week	1	2	3	4	5	6
Aggregate						
Plan for A						
Plan for B						
Plan for C						

The results above are the new master schedule.