

Crystal Ball Software and Risk Analysis Tips

(#42) Defining Assumptions Using Alternate Parameter Sets

How can you define a distribution for an assumption when all you have is percentile information? What if you don't know the specific attributes such as the mean or standard deviation of the variable in your model?

For either of these cases, you can use an alternate parameter set to define the distribution. For almost all of the continuous probability distributions, except uniform, you can define the distributions using percentiles for parameters.

For example, if you are defining a triangular distribution, but are unsure of the absolute minimum and maximum values of the variable, you could define the distribution instead using the 10th and 90th percentiles along with the likeliest value.

To change the parameter sets for the continuous distributions, use the popup Parm menu in the upper right corner of the Define Assumption dialog. The currently selected parameter set has a check mark next to it. You can select another set from the list or even construct your own alternate parameter set using the Custom command.

If you want the currently selected parameter set as the default for assumptions of this type, click on Set Default.

For more information or to contact us, browse to <http://helpdesk.crystalball.com>

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