

Contents

- 1 Introduction** 1
 - 1.1 Subject Matter..... 1
 - 1.2 Purpose and Problem Definition..... 2
 - 1.3 Outline..... 3
- 2 Concepts and Definitions** 5
 - 2.1 State of an Inventory System 5
 - 2.2 Classification 7
 - 2.2.1 Structure..... 7
 - 2.2.2 Environmental Parameters..... 7
 - 2.2.3 Replenishment Policies..... 9
 - 2.2.4 Summary of Model Assumptions 10
 - 2.3 Performance Indicators 11
 - 2.3.1 Costs..... 11
 - 2.3.2 Service Metrics 13
- 3 Literature Overview** 21
 - 3.1 Continuous Review Models 22
 - 3.1.1 Pure Cost View..... 22
 - 3.1.2 Performance View 26
 - 3.2 Periodic Review Models 28
 - 3.2.1 Pure Cost View..... 28
 - 3.2.2 Performance View 32
 - 3.3 Selected Studies 34
 - 3.3.1 Van der Heijden and De Kok (1992)..... 35
 - 3.3.2 Chen and Zheng (1992) 38
 - 3.3.3 Tempelmeier (2000) 40

4 Basic Methods	43
4.1 Approximation of the Quantile Function	43
4.2 Convolution of Random Variables	45
4.2.1 Continuous Distributions	46
4.2.2 Discrete Distributions	47
4.3 Mass Integral of the Normal Distribution	52
4.4 Truncated Distributions	54
4.5 Mixed Distributions	55
5 Replenishment Processes	57
5.1 Non-Interchangeability	57
5.2 Order Crossover	58
5.2.1 Outstanding Orders	60
5.2.2 Inventory Shortfall	63
5.2.3 Effective Lead Time	65
5.3 Sequential Arrivals	76
5.4 Limited Distributions	79
6 Analysis and Optimization	81
6.1 Model Formulation and Notation	82
6.2 Example Configurations	82
6.3 Analysis	82
6.3.1 Dependent Lead Times, Order View	83
6.3.2 Dependent Lead Times, Volume View, Split Deliveries	90
6.3.3 Dependent Lead Times, Volume View, Full Deliveries	100
6.3.4 Order Crossover, Order View	109
6.3.5 Order Crossover, Volume View, Split Deliveries	112
6.3.6 Order Crossover, Volume View, Full Deliveries	116
6.4 Optimization	124
6.4.1 Split Deliveries	125
6.4.2 Full Deliveries	135
7 Conclusion	137
References	141
Glossary of Symbols	149

<http://www.springer.com/978-3-642-20478-4>

Periodic Review Inventory Systems
Performance Analysis and Optimization of Inventory
Systems within Supply Chains
Wensing, Th.
2011, XI, 151 p. 1 illus., Softcover
ISBN: 978-3-642-20478-4