Application Performance Metrics

Date	18 November 2022
Team ID	PNT2022TMID46949
Project Name	Project-Inventory Management System For Retailers
Maximum Marks	10 Marks

Application Performance Metrics:-

Inventory Performance is a measure of how effectively and efficiently inventory is used and replenished. The goal of inventory performance metrics is to compare actual on-hand dollars versus forecasted cost of goods sold. Many Lean practitioners claim that inventory performance is the single best indicator of the overall operational performance of a facility.

The number of days it would take to consume current on-hand inventory. Always measure multiple inventory item numbers in terms of currency. The number of times inventory is replaced in a year.

TEN *INVENTORY METRICS* YOU NEED TO KNOW RIGHT NOW

- INVENTORY TURNOVER
- GROSS MARGIN PERCENT
- CUSTOMER ORDER FILL RATE
- COST OF CARRYING
- AVERAGE DAYS TO SELL INVENTORY

- RETURN ON INVESTMENT
- ITEM FILL RATE
- CYCLE TIME
- AVERAGE INVENTORY LEVEL
- INVENTORY ACCURACY