One Pager (Management)

**Project Objective**

As part of an internal performance review, a data-driven analysis was conducted to identify improvement opportunities within the supply chain. The focus was on inventory efficiency, procurement speed, order behavior, and cost drivers.

**Key Business Questions & Insights**

**1. Are there products with high stock but low sales?**

Yes. Around **10% of products** show **high availability (>70%)** but **low sales volume (<200 units)**.  
→ These items should be considered for **inventory reduction or targeted marketing actions**.

**2. How efficient is our inventory overall?**

* **Inventory Turnover** is currently at an average of **8.9**  
  → Within industry norms, but **individual product groups could be optimized**

**3. What is our average lead time for procurement?**

* **Average lead time: 17.3 days**  
  → Acceptable for standard items, but **too long for express or high-priority products**  
  → **Operational review recommended**

**4. Are we ordering in optimal quantities? (EOQ)**

* Several products show significant **deviation between actual order quantity and EOQ (Economic Order Quantity)**  
  → Indicates **potential for cost savings** through optimized ordering behavior

**5. Can shipping costs be predicted reliably?**

* Current model explains only **4% of cost variation**  
  → **Key factors such as distance, weight, and volume are missing**  
  → Predictive accuracy currently too low for operational use

**Recommended Actions**

* **Reduce or rotate low-selling high-inventory products**
* Use EOQ actively for **smarter ordering decisions**
* **Review and streamline procurement processes**, especially for slow suppliers
* **Enhance data depth** (e.g., add weight, shipping zones, priority flags)

*The findings are based on an analysis of 400+ product-level supply chain records.*