

# Contents

<b>List of figures</b>	<b>V</b>
<b>List of tables</b>	<b>VII</b>
<b>List of abbreviations</b>	<b>IX</b>
<b>1 Introduction</b>	<b>1</b>
1.1 Motivation . . . . .	1
1.2 Outline . . . . .	2
1.3 Contribution . . . . .	5
<b>2 Controlling the transition to optimized spare parts inventory policies</b>	<b>7</b>
2.1 Introduction . . . . .	8
2.2 Literature review . . . . .	11
2.3 Problem formulation and mathematical model . . . . .	14
2.3.1 The inventory system in steady-state . . . . .	15
2.3.2 The inventory transition . . . . .	17
2.4 Solution approaches . . . . .	22
2.4.1 Column generation approach . . . . .	22
2.4.2 Marginal analysis approach . . . . .	24
2.5 Numerical study . . . . .	27
2.5.1 Performance evaluation of the solution approaches . . . . .	28
2.5.2 The value of controlling the transition . . . . .	33

2.6	Conclusion . . . . .	45
	Appendix . . . . .	47
2.A	Characteristics of $(P^S)$ . . . . .	47
2.B	Column generation . . . . .	49
	2.B.1 Computing an upper bound . . . . .	49
	2.B.2 Generating new sequences by solving the subproblem . . . . .	50
2.C	Marginal analysis algorithm for the inventory transition . . . . .	53
2.D	Distribution selection for sensitivity analysis . . . . .	55
2.E	Sensitivity analysis – Maximum periodic cost savings and maximum periodic system fill rate differences . . . . .	57
<b>3</b>	<b>The effects of algorithm transparency on the use of advice</b>	<b>59</b>
3.1	Introduction . . . . .	60
3.2	Literature review . . . . .	62
3.3	Hypotheses development . . . . .	65
3.4	Effects of algorithm transparency on the use of advice . . . . .	67
	3.4.1 Experimental design . . . . .	67
	3.4.2 Experimental protocol . . . . .	69
	3.4.3 Results . . . . .	70
3.5	Discussion and future work . . . . .	73
<b>4</b>	<b>How algorithm complexity drives the use of advice</b>	<b>75</b>
4.1	Introduction . . . . .	76
4.2	Literature review . . . . .	78
	4.2.1 The use of algorithmic advice . . . . .	79
	4.2.2 Advice-taking in demand forecasting . . . . .	81
4.3	Development of hypotheses . . . . .	83
4.4	Experimental study . . . . .	85
	4.4.1 Experimental design . . . . .	85

4.4.2	Experimental protocol . . . . .	88
4.5	Results . . . . .	89
4.5.1	Validation of treatment manipulation . . . . .	89
4.5.2	Effects of transparency of simple and complex algorithms on weight on advice . . . . .	91
4.5.3	Perceived appropriateness of complexity as a moderator of the effects of algorithm transparency on weight on advice .	93
4.6	Conclusion . . . . .	96
	Appendix . . . . .	99
4.A	Preliminary study . . . . .	99
4.A.1	Experimental design . . . . .	99
4.A.2	Experimental protocol . . . . .	100
4.A.3	Results . . . . .	101
4.B	Preregistered hypotheses . . . . .	103
4.C	Laboratory experiment . . . . .	107
4.C.1	Task description . . . . .	107
4.C.2	Initial forecast . . . . .	108
4.C.3	Algorithm explanation . . . . .	109
4.D	Regressions with controls . . . . .	113
<b>5</b>	<b>Increasing accuracy of lead time master data with machine learning</b>	<b>115</b>
5.1	Introduction . . . . .	116
5.2	Lead time prediction with machine learning . . . . .	118
5.3	Problem setting . . . . .	119
5.4	Methodology . . . . .	121
5.4.1	Lead time types . . . . .	121
5.4.2	Lead time prediction framework . . . . .	122
5.4.3	Alternative planned lead times . . . . .	124

5.4.4	Models . . . . .	124
5.4.5	Train/Test split . . . . .	126
5.4.6	Evaluation metrics . . . . .	128
5.5	Empirical study . . . . .	129
5.5.1	Dataset . . . . .	129
5.5.2	Features . . . . .	133
5.5.3	Spare parts order distribution . . . . .	133
5.5.4	Model training . . . . .	135
5.6	Results . . . . .	136
5.6.1	Performance of different regressors . . . . .	136
5.6.2	Feature importance and partial dependence . . . . .	136
5.6.3	Predicting order lead times . . . . .	140
5.6.4	Predicting planned lead times . . . . .	140
5.6.5	Predicting planned lead times for new parts . . . . .	141
5.7	Impact on inventory performance . . . . .	142
5.7.1	Inventory policy . . . . .	143
5.7.2	Influence of lead time accuracy on inventory performance . . . . .	144
5.8	Conclusion . . . . .	145
	Appendix . . . . .	147
5.A	Data analysis – Segmentation . . . . .	147
<b>6</b>	<b>Conclusion</b>	<b>149</b>
6.1	Summary of key results . . . . .	149
6.2	Critical review and future research . . . . .	152
	<b>Bibliography</b>	<b>155</b>