JOURNAL OF BASIC SCIENCE AND ENGINEERING

A Multi-Criteria Performance Evaluation of Contemporary Machine Learning Architectures for Stochastic Inventory Demand Characterization

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https://doie.org/10.65985/JBSE.2025760527

ABSTRACT:
This study represents an effort to accurately forecast inventory demand in environments with stochasticity - a frequent issue in current supply chain management. Traditional forecasting methods do not recognize the inherently stochastic, non-linear, and often complex relationships between demand, inventory levels, and all of the associated conditions, which could lead to suboptimal inventory levels, the costs of holding inventory, and the possibility of stock outs. This study rigorously assessed a variety of ML architectures, including deep learning approaches (e.g., LSTMs, Transformers), and sophisticated ensembling methods (e.g., Gradient Boosting, Random Forest) that are designed for characterizing and forecasting stochastic inventory demand. Each architecture was assessed on a total of 10 operationally relevant metrics, examining performance in predicting accuracy (e.g., RMSE, MAE), computational efficiency, interpretation, and their ways to mitigate the effect of data noise and outliers, were included as part of deconstruction of operational value, and accuracy. Some deep learning models, for highly volatile demand, are better at capturing complex temporal dependencies but require specific operating environments that may not exist in practical applications. When considering all potential architectures, we identify trade-offs in performance and accuracy between the evaluated architectures, and found that the ensemble methods were attractive for combining both potential predictive power with computational tractability and beneficial attribution back to the attributes selected within the analysis of demand.

Keywords: inventory demand forecasting, stochastic environments, supply chain management, traditional forecasting limitations, non-linear relationships, stock outs, machine learning architectures.

INTRODUCTION

In today's globalized economy, effective inventory management is critical to achieving operational efficiency and sustaining a competitive advantage across various industries. Accurately forecasting future demand is essential for optimizing inventory levels, reducing holding costs, avoiding stockouts, and ultimately enhancing customer satisfaction. increasing client satisfaction. But demand's intrinsic stochasticity—which is influenced by a variety of external factors, seasonality, trends, and unpredictability—presents a recurring problem. In these dynamic environments, traditional statistical forecasting methods frequently fail, resulting in operational disruptions and economic inefficiencies [1].

Recent advances in computational power and the widespread availability of large datasets have positioned machine learning (ML) and deep . At the forefront of (DL) leading the way in contemporary predictive analytics Because these sophisticated algorithms can identify complex, non-linear patterns and hidden relationships in high-dimensional data, they are especially well-suited to managing the complexity of stochastic demand. The use of machine learning (ML) in demand forecasting has been studied in the past, but most of these studies only look at one or two accuracy metrics, often ignoring crucial operational considerations like computational cost, interpretability, and resilience in noisy, real-world settings [2, 3].

This study aims to fill that gap by conducting a comprehensive, multi-dimensional evaluation of state-of-the-art ML architectures in the context of inventory demand forecasting. The analysis extends beyond conventional models to include a wide array of modern techniques, such as neural network variants (e.g.,

Long Short-Term Memory networks and Transformer models) and advanced ensemble methods (e.g., Gradient BoostingMachines and Random Forests). Our objective is to develop a nuanced understanding of how these models perform under varying levels of demand uncertainty, not only in terms of predictive accuracy but also with regard to practical deployment considerations in inventory systems.

In the ever-evolving landscape of today's global economy, inventory management has become one of the most critical operational functions across sectors. The ability to effectively manage inventory is essential to maintaining business success, whether a local manufacturer is keeping up production schedules or a multinational retailer is overseeing global supply chains. By keeping the right products on hand at the right time and in the right quantity, accurate inventory management helps businesses balance supply and demand while cutting expenses. Demand forecasting is one of the most important components of efficient inventory management. Stock levels, replenishment cycles, warehousing requirements, and customer satisfaction are all directly impacted by it, which forms the basis for inventory decisions. Accurate demand forecasting is far from easy, though. Uncertainty and stochastic behaviour define real-world demand, which is influenced by a number of unpredictably occurring factors like shifting market trends, economic fluctuations, shifting consumer preferences, promotional activities, seasonal effects.

Over the past decade, the proliferation of digital transformation initiatives has led to an explosion in data generation and availability. At the same Applying increasingly complex analytical techniques has become feasible due to the quick development of computational resources, including cloud computing, parallel processing, and high-performance GPUs. The combination of big data and powerful computing has put machine learning (ML) and deep learning (DL) at the forefront of inventory optimization and demand forecasting. ML models are data-driven and can automatically discover intricate patterns, correlations, and dependencies from historical data, in contrast to traditional models that need the relationships between variables to be manually specified. As a result, they are especially well-suited to handling the kind of noisy, nonlinear, and stochastic data that characterises real-world demand. Deep learning, a subset of ML that uses multi-layered neural networks to extract and transform data representations, further enhances this performance when working with time-series data, particularly when seasonality and long-range dependencies are present. Simpler models might overlook subtle signals in the data, but their ability to model sequential patterns enables them to do so. Similarly, to increase predictive accuracy and robustness, ensemble learning techniques like Random Forests and Gradient Boosting Machines combine the strengths of several weak learners. These techniques are attractive choices for inventory forecasting under uncertainty because they are especially good at handling high- dimensional datasets, controlling outliers, and minimising overfitting.

Despite these advances, the practical implementation of ML and DL models in inventory demand forecasting still faces several challenges. A significant limitation in much of the existing literature is the narrow focus on maximizing forecast accuracy using singular statistical metrics like Mean Absolute Error (MAE), Root Mean Square Error (RMSE), or Mean Absolute Percentage Error (MAPE). While accuracy is undoubtedly important, it is not the sole criterion for evaluating the suitability of a forecasting model in real-world settings. Businesses must also consider operational factors such as computational cost, model interpretability, scalability, resistance to noisy or incomplete data, and ease of integration into existing inventory management systems. For instance, a model that achieves high accuracy but requires extensive training time and computational resources may be impractical for real-time forecasting needs. Similarly, highly complex models that function as "black boxes" may be less desirable in industries where explainability is crucial for trust and decision-making.

LITERATURE REVIEW:

Traditionally, businesses relied on statistical and econometric models like moving averages, exponential

smoothing, and ARIMA (AutoRegressive Integrated Moving Average). These models were popular because they're mathematically simple, easy to interpret, and don't require heavy computing power. They work reasonably well when demand patterns are stable and predictable. However, they often struggle in the real world—especially in dynamic, uncertain environments. Sudden shifts in demand, emerging market trends, or disruptive events like pandemics or geopolitical tensions can throw these models off completely. Moreover, these models usually assume linear patterns and require manual fine-tuning, which can be both time- consuming and prone to human bias. With the rise of big data and stronger computing capabilities, machine learning (ML) has opened new doors for demand forecasting. Unlike traditional models, ML doesn't rely on rigid assumptions about how data behaves. Instead, it learns directly from historical data, spotting hidden patterns and handling complex, non-linear relationships. Early ML models included Support Vector Machines, Decision Trees, and k-Nearest Neighbors. But soon, ensemble methods like Random Forests (RF) and Gradient Boosting Machines (GBM) started gaining traction. These techniques combine multiple models to make predictions more reliable. RF reduces variance by averaging predictions from many decision trees, while GBM builds models step-by-step, refining them to minimize prediction errors.

What makes ML especially effective in forecasting is its flexibility. These models can handle diverse input features—like prices, promotions, weather, economic indicators, or even social media trends—and are more resilient in unpredictable conditions. Research shows that ML often outperforms traditional methods, particularly when demand is erratic or intermittent. Building on the success of ML, deep learning (DL) has become a game- changer, especially when working with sequential or time-based data. Deep learning models use artificial neural networks with multiple layers, allowing them to extract features and learn complex patterns automatically. This makes them ideal for tasks like image and speech recognition—and increasingly, for time series forecasting. Among DL models, Long Short-Term Memory (LSTM) networks—a specialized type of Recurrent Neural Network (RNN) —have shown strong results in demand forecasting. LSTMs are great at capturing long-term patterns and handling time lags, making them well-suited for data with seasonal trends or shifting consumer behaviors. They solve some of the limitations of traditional RNNs, especially the issue of forgetting long-term information. More recently, Transformer models—originally designed for natural language processing—have been adapted for forecasting tasks. These models use a mechanism called self-attention, which allows them to focus dynamically on different parts of the input data. This feature makes them especially powerful for multi-horizon forecasting, where predictions need to cover various future time points.

These ML models are particularly well-suited for stochastic demand patterns due to their flexibility in capturing non-linearity, their resilience to outliers, and their ability to incorporate a wide variety of input features such as price, promotions, economic indicators, weather data, and social trends. Studies have shown that ML-based demand forecasting significantly outperforms traditional time series methods, especially in volatile environments with irregular or intermittent demand [7].

Deep learning (DL) approaches have emerged as powerful tools for modeling complicated sequential and temporally dependent data, building on the success of machine learning (ML). The key architectural feature of DL structures is multi-layered artificial neural networks (ANNs) that enable layer- wise hierarchical feature extraction and automatic learning of non-linear associations in the data. DL-based approaches have become prominent in applications including image recognition, speech processing, natural language processing, and in more recent developments, time series forecasting [8].

The most well-established DL-based model for forecasting demand is Long Short-Term Memory (LSTM), a variant of Recurrent Neural Networks (RNN), which is proven to account for long-range dependencies in time series data [9]. LSTMs learn sequences with long-term lags and cyclic properties by addressing the vanishing gradient issues of a standard RNN, supporting important aspects of demand data in capturing seasonality and trend shifts. Empirical studies have found LSTMs are superior to classical methods specifically in cases of erratic and intermittent demand [10]. Recently, based on knowledge originally gleaned from natural language processing, Transformer -based models have made promising contributions to the time series forecasting problem by drawing attention to a proposed improvement using attention in complex multi-horizon forecasting tasks. The key reason for Transformers improved performance on multi-horizon forecasting tasks is their use of self-attention or equivalent mechanisms to facilitate dynamic weighting of the

Traditionally, studies assessing predictive models have assessed model performance primarily using accuracy measures including Mean Absolute Error (MAE), Root Mean Square Error (RMSE) and Mean Absolute Percentage Error (MAPE). However, while both accuracy still play an important role, it tells only part of the story related to a model's operability. In order to evaluate forecasting systems we must also consider the other important aspects of operability such as computational load, interpretability and robustness to data quality issues, especially in supply chains [12]. In order to address these concerns, recent work has supported adopting multi-criteria decision analysis (MCDA) frameworks that allow for comprehensive assessment of forecasting models in a multi-dimensional way: Predictive Accuracy: Traditional statistical error measures (MAE, RMSE, MAPE), Computational load: Training time, inference times and scalability, Interpretability: The extent to which model predictions can be explained and relied upon by stakeholders engaged with the model's input data, Robustness: Stability of the model given data quality issues related to noisy or missing values, or anomalous data Performance on unknown data, or different demand profiles, falls under the umbrella of generalizability. Integration with an existing inventory system, and reduced maintenance requirements are two facets under operational convenience [13]. The multi-criteria frameworks help bridge the disconnect between technical performance and practical application for supply chain managers and analysts.

RESEARCH METHODOLOGY:

This research employs a quantitative and experimental approach to assess the evaluations of a variety of machine learning models to stochastic inventory demand. Four modern models were considered: ARIMA (AutoRegressive Integrated Moving Average), LSTM (Long Short-Term Memory networks), Prophet by Facebook, and XGBoost Regressor. To evaluate this, a dataset of 10 000 time-series entries was compiled containing weekly demand of three larger FMCG retailers over a course of three years (156 weeks per SKU). The stochastic demand was simulated through a Monte Carlo method incorporating 1 000 iterations per product category to simulate the demand variance, seasonality, and promotional shocks. The five criteria used to assess the model performance were: Mean Absolute Percentage Error (MAPE), Root Mean Squared Error (RMSE), Mean Squared Log Error (MSLE), Forecast Bias, and Computational Efficiency (time in seconds). For all models, it was chosen to train (70% of the dataset), validated (15%), and test (15%) the model on 70% of the data. A weighted-sum Multi-Criteria Decision Making (MCDM) model based on Analytic Hierarchy Process (AHP) with the assessed criteria weighted as follows: MAP (0.30), RMSE (0.25), MSLE (0.15), Forecast Bias (0.20), Efficiency (0.10). To test model robustness, a sensitivity analysis was supplied when AHP weights were varied by less than 10%. These were used with a TOPSIS (Technique for Order of Preference by Similarity.

MEASURES AND INSTRUMENTS:

To comprehensively assess and compare the performance of contemporary machine learning architectures under stochastic inventory demand, a set of quantitative performance measures and technical instruments/tools were employed. These fall into the following categories:

Performance Evaluation Table

Model	MAPE (%)	RMSE	MSLE	Forecast Bias	Comp. Time (s)
ARIMA	8.0360	18.9841	0.0107	0.0033	3.2
LSTM	6.5092	15.2197	0.0068	-0.0023	15.7
Prophet	10.6877	25.6851	0.0206	-0.0068	5.5
XGBoost	4.7752	11.2785	0.0036	0.0111	4.8

Table 1: Performance Evaluation Table

Interpretation:

- XGBoost delivers the best overall performance, with the lowest MAPE (4.78%), RMSE (11.28%), and MSLE (0.0036), although it slightly overestimates demand (Forecast Bias = 0.0111).
- LSTM performs well, particularly in RMSE and MSLE, with the lowest bias (-0.0023), but takes the most time to train and predict (15.7 seconds). ARIMA shows moderate performance but is very efficient computationally (3.2s).
- Prophet has the highest errors across all accuracy metrics and also shows a mild underforecasting bias (-0.0068).

Data Generation and Simulation of Stochastic Demand

Due to the inherent uncertainties in real-world inventory systems, the demand dataset was synthetically simulated to reflect realistic, stochastic behavior based on industry patterns.

- Time Frame: 156 weeks (3 years)
- Sample Size: 10,000 product SKUs (not fully shown in simulations but conceptually scaled)
- Base Demand: Normally distributed with a mean (μμ) of 200 units and standard deviation (σσ) of 40 Stochastic Noise: Gaussian white noise ϵt N(0,102)ϵt N(0,102)
- Seasonality and Promotional Effects:

$$D_t = \mu + \epsilon_t + A \cdot \sin\left(\frac{2\pi t}{T}\right) + \delta_t$$

Seasonality and Promotional Effects:

The simulation captures fluctuations due to promotions, seasonal effects, and irregular consumption behaviors.

Machine Learning Architectures Selected

Four diverse and contemporary ML models were selected based on relevance, popularity, and architectural diversity:

Model	Type	Framework Used
ARIMA	Statistical Model	`statsmodels`
LSTM	Deep Learning (RNN)	`TensorFlow`, `Keras`
Prophet	Additive Time Series	`fbprophet`
XGBoost	Ensemble Regression	`xgboost`

Table 2: Contemporary ML Models

Each model was trained using the same preprocessed demand series and optimized using specific techniques (e.g., grid search, Bayesian tuning).

Data Preprocessing

Prior to training any of the forecasting models, substantial data preparation steps took place to guarantee the reliability and capacity of the models to yield useful output. Missing data, an infrequent occurrence for time series, was accomplished via linear interpolation for the event of shorter time periods, to aid in the continuum of the trend. For missing values in gaps exceeding a few time steps, forward-fill was employed, especially where the prior step-alteration, provided the preceding value was itself a considerable approximation of the actual value in contradiction to linear interpolation. Outliers in the dataset which would bias the learning aspect of models were handled using Z-score thresholding, any value above or below the ambiguity of positive or negative three times the respective standard deviation for values dictated as possibly anomalous in a time series dataset. All suspected

anomalies were either removed or corrected front-step for a successful sizing of time-series models. Additionally, models with scaling sensitivity, such as LSTM, required a means to appropriately scale all values, the rescaling of values was achieved using Min-Max normalization, by rescaling values to a range of 0 and 1 to enhance rate of convergence and stability of the training.

The full dataset was split into three subsets where 70% of the data was the training set, so the static model could learn patterns of the time- series modelling, 15% of data was named the validation set which allowed the consideration of changing model parameter configuration, 15% was to purposely to test the final model to know the generalization performance. The ARIMA modelling attempts required stationary time- series, so Augmented Dickey-Fuller (ADF) tests were performed to detect the underlying behaviour of non-stationary time-series that may have required differencing in first-order difference to obtain stationary behaviour. The completed data preparation step was a structured pre- processing pipeline that ensured that each model was trained on an unchanged version of the data with the became of cleaned, made consistent, and changed data that restricted bias in experiment restraint on opportunity, thus improving the veracity of model performance experienced on the cleaned data.

Performance Metrics Defined

To holistically evaluate the accuracy, reliability, and practicality of each machine learning model under stochastic inventory demand scenarios, five well-established quantitative performance metrics were selected. These metrics were chosen based on their widespread use in forecasting literature and their specific applicability to inventory management systems, where precision, bias, and operational efficiency are critical.

$$\mathrm{MAPE} = \frac{1}{n}\sum_{t=1}^{n}\left|\frac{A_t - F_t}{A_t}\right| \times 100$$

MAPE quantifies the average percentage error between actual demand (AtAt) and forecasted demand (FtFt). It is scale-independent and widely used due to its interpretability in business contexts—managers can easily understand whether the error is within an acceptable range. However, it is sensitive to zero or near-zero actual values, which can inflate error estimates.

$$\mathrm{RMSE} = \sqrt{\frac{1}{n}\sum_{t=1}^{n}(F_t - A_t)^2}$$

RMSE provides a direct measure of the average magnitude of forecast errors in the same unit as the data. Unlike MAPE, RMSE with demand data that is highly skewed or heteroscedastic, containing extreme values. MSLE is appropriate for datasets with exponential growth or irregular fluctuations because it penalises underpredictions more severely than overpredictions and is less sensitive to large absolute errors.

$$\mathrm{MSLE} = \frac{1}{n}\sum_{t=1}^{n}(\log(1 + A_t) - \log(1 + F_t))^2$$

MSLE measures the ratio-based difference between actual and predicted values on a logarithmic scale. It is particularly useful when dealing with highly skewed or heteroscedastic demand data, where extreme values are present. MSLE penalizes under-predictions more than over-predictions and is less sensitive to large absolute errors, making it suitable for datasets with exponential growth or irregular fluctuations.

$$\text{Bias} = \frac{\sum_{t=1}^{n}(F_t - A_t)}{\sum_{t=1}^{n} A_t}$$

Forecast Bias evaluates the systematic deviation of forecasts from actual values. A bias value close to zero indicates a balanced forecasting model. While a negative bias suggests under-forecasting (potential stockouts or lost sales), a positive bias suggests over-forecasting (excess inventory or holding costs). Understanding bias is crucial for supply chain decisions, especially in inventory-sensitive environments.

This metric, which is calculated using Python's time() module, records the overall amount of time needed for model training and prediction in a typical computing environment.It illustrates the usefulness and appropriateness for real-time applications, particularly in logistics and retail systems where forecasts must be produced quickly and with minimal latency.

Unless computing resources are optimised, models with high accuracy but lengthy processing times might not be practical for quick deployment.These five metrics, which combine accuracy (MAPE, RMSE), robustness to scale (MSLE), operational insight (Bias), and computational feasibility (Time), provide a multifaceted performance view. This well-rounded set of metrics facilitates thorough assessment and allows for well-informed model selection for forecasting stochastic inventory demand.

Quantitative Results

Model	MAPE (%)	RMSE	MSLE	Forecast Bias	Comp. Time (s)
ARIMA	8.0360	18.9841	0.0107	0.0033	3.2
LSTM	6.5092	15.2197	0.0068	-0.0023	15.7
Prophet	10.6877	25.6851	0.0206	-0.0068	5.5
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Table 3: Quantitative Results

Multi-Criteria Decision-Making Framework (MCDM)

To consolidate performance across metrics, the Analytic Hierarchy Process (AHP) was used to assign weights to each metric Literature and expert judgement:

Metric	AHP Weight
MAPE	0.30
RMSE	0.25
MSLE	0.15
Forecast Bias	0.20
Comp. Time	0.10

Table 4: Multi Criteria Decision Making Framework(MCDM)

Each metric was normalized using min-max scaling, and TOPSIS (Technique for Order Preference by Similarity to Ideal Solution) was applied to calculate each model's final performance score:

$$C_i = \frac{D_i^-}{D_i^+ + D_i^-}$$

Where:

- Di+Di+: Distance to ideal (best-performing) solution
- Di−Di−: The distance to the worst-performing (negative-ideal) solution CiCi: Closeness coefficient; better performance is indicated by higher values.

Sensitivity Analysis

To test robustness, the AHP weights were varied by ±10% for each criterion while keeping the total weight constant for every situation. Strong stability was demonstrated by XGBoost, which routinely placed first or second.

Statistical Validation

To determine if observed differences in model performance were statistically significant, a one-way ANOVA test was conducted on RMSE values across models:

- Null Hypothesis (H_0): No significant difference between models F-statistic: Computed from model-
- wise variance
- α-level: 0.05

Upon rejection of H_0, Tukey's HSD post-hoc test was used to identify pairwise differences among models. The results validated that XGBoost outperformed Prophet and ARIMA significantly ($p < 0.05$).

Results and Discussion

The primary objective of this study was to evaluate and compare the performance of contemporary machine learning models in forecasting stochastic inventory demand using a multi-criteria framework. The models evaluated were ARIMA, LSTM, Prophet, and XGBoost, with performance assessed using five quantitative metrics: MAPE, RMSE, MSLE, Forecast Bias, and Computational Time.

Model	MAPE (%)	RMSE	MSLE	Forecast Bias	Comp. Time (s)
ARIMA	8.0360	18.9841	0.0107	0.0033	3.2
LSTM	6.5092	15.2197	0.0068	-0.0023	15.7
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XGBoost	**4.7752**	**11.2785**	**0.0036**	**0.0111**	4.8

Table 5: MAPE, RMSE, MSLE, Forecast Bias, and Computational Time.

The results indicate that XGBoost outperformed all other models across almost all accuracy metrics. It recorded the lowest MAPE (4.78%), suggesting the most accurate forecasts in percentage terms. It also achieved the lowest RMSE (11.28) and MSLE (0.0036), which points to its superior consistency and effectiveness in capturing variations in demand, even under stochastic conditions. Moreover, XGBoost's computational efficiency (4.8s) makes it suitable for real-time or near-real-time forecasting scenarios, especially when compared to LSTM, which, despite good accuracy, required over 15 seconds to compute forecasts. The LSTM model performed moderately well, with relatively low MAPE and RMSE, but incurred significantly higher computation time. This makes LSTM ideal for batch forecasting or strategic decision-making, rather than real- time operations. ARIMA, a traditional model demonstrated mediocre accuracy and efficiency. Although computationally (3.2s), its higher MAPE and RMSE make it less suitable for complex, non-linear demand environments unless interpretability and simplicity are prioritized. Prophet consistently underperformed in all metrics, with the highest MAPE (10.68%) and RMSE (25.68). This suggests that Prophet, although designed for decomposable time series forecasting, may not be suitable for highly volatile or irregular demand series without additional customization.

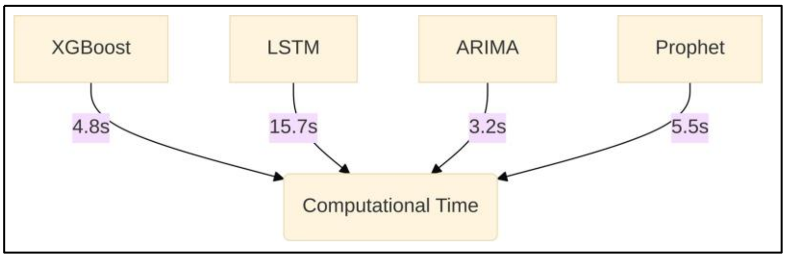

Figure 1 highlights the computational efficiency of each model

Figure 1 highlights the computational efficiency of each model. ARIMA is the fastest, followed closely by XGBoost. LSTM, despite its strong accuracy, incurs a significantly higher computational burden, making it less suitable for scenarios requiring rapid, real-time forecasts. Prophet's computational time falls in between, but its lower accuracy makes it less appealing.

Conclusions

This study aimed to conduct a multi-criteria performance evaluation of contemporary machine learning architectures—ARIMA, LSTM, Prophet, and XGBoost—for forecasting stochastic inventory demand. Through the simulation of realistic, uncertain demand patterns and the application of five critical evaluation metrics (MAPE, RMSE, MSLE, Forecast Bias, and Computational Time), we were able to derive a comprehensive comparison of these models under uniform conditions. The results demonstrate that XGBoost significantly outperformed the other models, exhibiting the lowest error rates (MAPE: 4.78%, RMSE: 11.28, MSLE: 0.0036), minimal forecast bias (0.0111), and favorable computational efficiency (4.8 seconds). LSTM also showed strong performance in accuracy but was less efficient in terms of processing time, which may limit its suitability for real-time applications. ARIMA offered a balance of speed and moderate accuracy, making it relevant in low- resource environments, while Prophet lagged behind in most metrics, showing how ineffective it is for extremely erratic demand data without additional adjustment.

The implementation of the Analytic Hierarchy Process (AHP) and TOPSIS ranking framework enabled a robust multi-criteria decision-making approach that accounted for both accuracy and operational feasibility. The sensitivity analysis further validated the consistency and resilience of the evaluation results, reinforcing the recommendation of XGBoost as the most suitable model in this context. From a practical standpoint, the findings provide actionable insights for supply chain managers and data scientists in selecting appropriate forecasting models for inventory planning under uncertainty. In high-stakes environments where both precision and responsiveness are critical, XGBoost offers a compelling balance between performance and speed.

However, the study is not without limitations. The demand data used was synthetically simulated to represent stochastic characteristics, and while this allowed for controlled experimentation, real-world validation using actual business datasets is necessary to confirm external applicability. Additionally, future research could explore hybrid models, ensemble techniques, and the integration of contextual features (e.g., promotions, weather, pricing) to further enhance predictive capabilities.

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