



Forecasting in Business


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FORECASTING


A management tool:

To use historical data and current variables
to determine direction of future trends



FORECASTING

- Futuristic Studies
- Risk Analysis
- Long term perspectives
- Medium term perspectives
- Short term perspectives



FORECASTING

Techniques

- Moving averages
- Exponential smoothing
- Regression analysis
- Sensitivity analysis



FORECASTING

A set of techniques and tools required for analysis

- Selection of data
- Modeling structure
- Model validation
- Development of forecasts
- Monitoring and adjustment of forecasts



Why Forecast ?

- Provide Base for Operational Arrangements
- Work as Informed Entrepreneur
- To Avoid Risks and Shocks
- To Prepare for Growth



- ## Sale Forecasting and Planning
1. Last 3 Years Sales Data
 2. Organic Growth, if any
 3. Distributors Feedback
 4. Technological Developments
 5. Product Mix Changes
 6. Internal Change
 7. Market Changes
 8. Sale Assessment



Procurement Forecast & Planning

1. Sales Forecast
2. Procurement of Raw Materials
3. Procurement of Components
4. Procurement of Services
5. Human Resource Management
6. Procurement of Packaging Materials
7. Financial Arrangements



Production Forecast & Planning

- Production Capacity Assessment
- Delivery Schedules



**“If you are not planning;
you are planning to fail”**



Thank You.