

How accurate are your
business forecasts?

Forecast Scorecard



www.bbsconsultants.com

*Providing simple, scientifically robust
solutions to common chronic
management problems*

Forecast Scorecard



A unique approach to measuring, monitoring and improving forecast performance and diagnosing likely problems with forecasting processes in 'real time'. FSc facilitates making more informed and better decisions, optimising stock levels and reducing operational costs.

Forecast Score Card		OK						
Americas - Monthly Forecast		Suspect						
2006		Poor						
%Error		Change						
Process	1/06	2/06	3/06	4/06	5/06	6/06	7/06	8/06
US	-2.7%	-5.1%	1.0%	-0.4%	0.2%	2.3%	1.4%	0.6%
NAIC	4.5%	0.0%	0.9%	-3.9%	-5.7%	2.0%	0.6%	-8.1%
CAN	-5.6%	-8.2%	0.0%	1.7%	0.0%	0.0%	0.0%	-1.9%
BRA	-0.6%	1.9%	1.5%	0.6%	-1.1%	-0.5%	-1.9%	0.5%
MEX	-16.4%	-3.1%	5.3%	-20.5%	-12.7%	-4.7%	-1.3%	-8.8%
OLA	0.6%	0.7%	0.7%	1.8%	-0.7%	-2.0%	0.0%	0.7%
Riverplate	2.0%	2.2%	-2.2%	2.7%	0.6%	2.1%	-3.5%	4.0%
Andina	2.6%	0.0%	-3.1%	-8.7%	-2.7%	-2.7%	2.3%	0.0%
Chile	0.0%	0.0%	-3.3%	-6.5%	-3.8%	-3.7%	-6.5%	-3.8%
Central America	1.0%	2.0%	3.0%	-1.0%	1.0%	3.0%	1.0%	-0.1%
Caribbean	-0.9%	-18.0%	3.0%	-4.0%	-5.0%	2.0%	-17.0%	3.0%
ANER	-1.7%	-1.8%	2.9%	-0.2%	-1.3%	0.8%	0.9%	-1.3%

FSc is a scientifically robust but easy use analytical tool for radically improving forecasting processes.

FSc helps to develop and maintain more reliable, logical, transparent and consistent forecasting processes.

Benefits:

Better Forecast Quality:

- More accurate Forecasts
- Better Decisions

Improved Performance Management:

- Real time control
- Spot market shifts early

Enhanced Management Processes:

- Eliminate irrelevant variance analysis – focus on real problems
- Eliminate non value added debate – scientifically robust

Forecast Scorecard is a by-product of Forecaster's Toolkit (Version 5). Forecaster's Toolkit is a suit of independent but integrated Microsoft excel-based modules developed in 2006 by BBS Ltd in partnership with Unilever Plc to support change in performance management practices in Unilever.

In addition to Unilever, Forecaster's Toolkit is used by business practitioners from a variety of organisations including Pfizer Plc (PGRD), Shire PLC, Finlay Beverages Ltd, Australia & New Zealand Banking Group Ltd, Mazda Motors (UK), Brit Insurance Holdings Plc, European Broadcasting Union (EBU) and many more. The toolkit is accredited by Chartered Institute of Management Accountants (CIMA) and its methodologies and techniques are taught as part of CIMA 'Mastercourses'.



Fsc provides a dashboard for your forecasting performance. It enables:

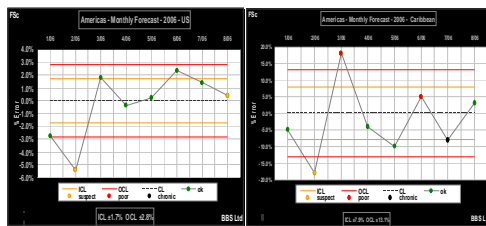
- **Monitoring:** to continually assess performance and give real time warnings in case of likely problems
- **Diagnosis:** to isolate source and likely cause of problems
- **Regulation:** to provide forecasters with the ability to 'self-manage'

The main root cause of poor performance in business forecasting is 'bias'. Fsc detects a wide range of common bias behaviours (pattern and/or magnitude) observed in business forecasts and guides actions for their treatments.



Forecast Score Card		OK							
Americas - Monthly Forecast		Suspect							
2006		Poor							
%Error		Current							
Process	1/06	2/06	3/06	4/06	5/06	6/06	7/06	8/06	
US	-2.7%	-5.4%	1.8%	-0.4%	0.2%	2.3%	1.4%	0.4%	
NAIC	-4.5%	0.0%	0.9%	-3.9%	-5.7%	2.0%	0.6%	-8.1%	
CAN	-5.3%	-5.2%	0.0%	1.7%	0.0%	0.0%	0.0%	-1.9%	
BRA	-0.6%	1.9%	1.5%	0.6%	-1.1%	-0.5%	-1.9%	0.5%	
MEX	-13.4%	3.1%	5.3%	-20.5%	-12.7%	-4.7%	-1.9%	-8.9%	
OLA	0.6%	0.7%	0.7%	1.6%	-0.7%	-2.0%	0.0%	0.9%	
Riverplate	2.0%	2.2%	-2.2%	3.7%	0.0%	2.1%	5.5%	4.0%	
Andina	2.6%	0.0%	5.1%	4.7%	-2.7%	-2.7%	2.3%	0.0%	
Chile	0.0%	0.0%	-3.3%	-6.5%	-3.8%	-3.7%	-6.5%	-3.8%	
Central America	1.0%	2.0%	3.6%	-1.0%	1.0%	3.0%	1.0%	-0.1%	
Caribbean	-0.9%	-18.0%	3.0%	-4.0%	-5.0%	2.0%	-17.0%	3.0%	
AMER	-1.7%	-1.8%	2.9%	-0.2%	-1.3%	0.8%	0.9%	-1.3%	

- Continuously monitors performance;
- Signals need for correction of minor problems;
- Triggers alarm on major problems;



- Isolates source of bias in a single forecast and helps to identify its likely cause in 'real time'
- Enables root cause investigation

Fsc		OK	
Americas - Monthly Forecast		Suspect	
2006		Poor	
Overall Performances		Chronic	
Process	Pattern Bias	Magnitude Bias	Current Status
BRA			●
NAIC			●
US			●
Andina			●
Riverplate		+	●
Caribbean			●
Central America		+	●
CAN			●
MEX			●
OLA		+	●
Chile			●

- Assesses performance over the span of the data for:
 - Magnitude bias
 - Pattern bias
 - Overall
- Measures overall progress

Margin of Error		Select Level of Confidence: 90.00%			
Overall		9/06	1249	1144	1354
No.	Process	Period	Enter Monthly Forecast	Lower Limit	Upper Limit
1	US	9/06	208	197	219
2	NAIC	9/06	54	49	59
3	CAN	9/06	150	140	160
4	BRA	9/06	51	50	52
5	MEX	9/06	187	152	222
6	OLA	9/06	160	156	164
7	Riverplate	9/06	73	69	77
8	Andina	9/06	49	46	52
9	Chile	9/06	44	42	46
10	Central America	9/06	198	192	204

Future forecasts are randomly generated for confidentiality

- Measures the 'margin of error' for the next forecast;
- Estimates the overall margin of error for a set of sub-processes;



Applied Intelligence



www.bbsconsultants.com

Working in partnership with business practitioners worldwide
since 2004.

Our mission is to provide simple, practical, scientifically robust
solutions to common chronic management problems.

All BBS products are backed by comprehensive
implementation support, training/education and technical
support to accelerate your return on investment.

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