

How much risk is attached to your business plans and forecasts?

Range Forecast



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

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Range Forecast is a scientifically robust but easy to use analytical tool for managing risks attached to forecasts and plans. RF enables you to build more reliable and dynamic plans, utilise your potentials and increase productivity.

 A line chart titled "XXX 2007 Profit" showing profit in millions of pounds (£m) on the y-axis (ranging from 80.0 to 240.0) against months on the x-axis (Feb-07 to Dec-07). The chart displays actual profit data (grey line with squares) for the first half of the year and a forecast (dotted line with circles) for the second half. The forecast is accompanied by a central forecast (blue line with diamonds) and two confidence intervals: 90% CL (red lines) and 50% CL (yellow lines).

Range Forecast is a methodical tool for measuring and monitoring the risks attached to point forecasts and hence enabling you to build plans with more reliable risk profiles.

RF uses statistical methods to produce a range, with a prescribed level of confidence, to capture all the possible future values of an actual, taking into account business trends and future events.

Benefits:

Managing Risk Better:

- Build contingency plans to mitigate risks and exploit opportunities
- Combine risks attached to sub unit forecasts (e.g. brands, countries, innovations, trade activities)
- Monitor key risk/opportunity areas

Assessing Credibility of Plans:

- Determine how plausible your targets are
- Identify sources of optimism/pessimism
- Measure the scale of upside/downside potentials

Reducing Efforts:

- Identify gaming behaviours
- Focus on key drivers of risk/opportunity

Range Forecast is a standalone analytical tool from 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.

Currently, 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'.



Range Forecast produces a more accurate map of the future to provide strategic insight, aid contingency preparation and help making more informed and better decisions. It provides better visibility into your likely future performance to help you build dynamic plans and models for a more proactive response to changing market conditions.

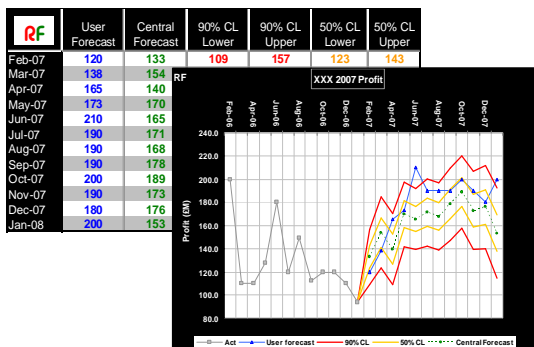
RF enables you to accurately aggregate risks or sub ranges with ease.



RF		Baseline																
XXX 2004/ Profit		Monthly Actual	Total Innovation	Total Phasing Differences	Total One-Off-Events	Others	Baseline	Events										
Period	Actual							Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Aug-04	130.0						138.0											
Sep-04	92.0																	
Oct-04	108.3																	
Nov-04	128.0																	
Dec-04	160.0		59.0															
Jan-05	90.4																	
Feb-05	94.0																	
Mar-05	180.0		55.0															
Apr-05	90.0																	
May-05	109.0																	
Jun-05	90.0																	
Jul-05	131.0																	
Aug-05	250.0		60.0															
Sep-05	250.0		73.0															
Oct-05	146.0																	
Nov-05	170.0		70.0															

- Enables manual cleansing of the baseline for one-off-events
- Models the baseline and its inherent risk
- Combines future events and their respective risks

Events could be innovation, trade activities, brands, countries ...



- Builds up to two sets of ranges with prescribed levels of confidence (likelihood of occurrence) for baseline, events and/or combination
- Produces unbiased forecasts (Central Forecast) based on business trends and future events
- Measures overall risk associated with user defined forecasts and/or central forecasts



- Helps understanding and monitoring risks and opportunities
- Identifies key risk and opportunity areas
- Profiles overall risk as well as the risks associated with individual events and baseline



Applied Intelligence



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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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