EBBD EMAIL – for Internal Use Only

To: You

From: Danny Wilco <dwilco@ebbd.com>

Subject: Re: Forecasting at EBBD

The Management Team is all for your efforts to investigate EBBD’s forecasting situation. We want you to thoroughly analyze what we are doing, what other forecasting methods and techniques are available, and make a recommendation on how we should proceed. We are particularly interested in how to improve our short term forecasting on an annual, quarterly, and monthly basis. We also would like to know how we could do longer term forecasting, say over two or three years. And we want to know how we can generate quarterly inflation forecasts.

The Management Team wants to know

* What are the various methods that we should use?
* Who will do the forecasting?
* How will the forecasting methods be implemented?
* Why should EBBD spend any money on this new methodology? Why do we care about improving our forecasting and why is it worth the costs to improve it?

The report should provide an initial section on the background of the situation, assumptions that we need to make, discussion of your analysis of various forecasting methods, and then a recommendation with a justification as to why you are making the recommendation.

One more thing – the Management Team might want you to make an oral presentation. So you should also prepare a draft version of a PowerPoint presentation. This does not need to be a finished product, but a draft version.

The written report should be comprehensive and articulate. Send me the report and the draft PowerPoint when you have them finished. Let me know if you have any questions along the way.

~DW, VP LogOps.

**Learning Wizard**

Use the readings in the Background to familiarize yourself with forecasting and forecasting methods. You should also search for additional information pertaining to forecasting in logistics and distribution.

**Specific Information you need to identify to use in your report:**

* Why is forecasting important in a distribution company? What is it you are specifically forecasting and what is this used for?
* Why is forecasting accuracy important? How accurate does a forecast need to be?
* What is the difference between forecasting for existing product lines and for new products?
* Why should companies spend time and money to improve forecasting accuracy?
* How should a company use different methods but yet integrate these methods?
* How does strategic planning fit in with forecasting (at least for long term forecasting/planning)?

**You should know the answers to these questions and use this information in your Report to Danny Wilco.**

Using the background information about EBBD’s forecasting situation and the information you obtain from the background readings and your research, **write a report to Danny Wilco**, addressing the questions that he posed. Then develop a draft Powerpoint presentation.

**Assignment Expectations of the Written Report - Be sure to write this report to your boss, Wilco.**

The report should thoroughly address these aspects in depth and breadth:

* Problem situation: clearly elucidate the current situation at EBBD
* Assumptions: assumptions that need to be made and critical evaluation
* Evidence: identifying information about different forecasting methods relevant to the problem
* Possible solutions: combinations of different methods and techniques to meet the requirements
* Recommendations: which methods and techniques are best for which specified needs
* Justification & Explanation: clear reasoning as to why the recommendations were made
* Writing style & Organization: well-formed sentences and paragraphs, well organized with flow of reason, and good use of language that pertain to concepts and terminology
* Use of references & Citations: **at least four** references. Appropriate use of APA Style is required in this paper.

**Expectations of the Draft Presentation**

The draft PowerPoint should address these aspects:

* Organization: the deck has a cover slide and at least 4 content slides, and information is arranged in understandable order
* Content: the deck uses bullet points that articulate and interpret key points of the report and shows relevant data, charts, graphs; notes are used in Note section of slides and possible themes of the presentation are suggested.