

2. Who needs to be involved in preparing forecasts?
3. How has technology had an impact on forecasting?

1. It has been said that forecasting using exponential smoothing is like driving a car by looking in the rear-view mirror. What are the conditions that would have to exist for driving a car that are analogous to the assumptions made when using exponential smoothing?
2. What capability would an organization have to have to not need forecasts?
3. When a new business is started, or a patent idea needs funding, venture capitalists or investment bankers will want to see a business plan that includes forecast information related to a profit and loss statement. What type of forecasting information do you suppose would be required?
4. Discuss how you would manage a poor forecast.
5. Omar has heard from some of his customers that they will probably cut back on order sizes in the next quarter. The company he works for has been reducing its sales force due to falling demand and he worries that he could be next if his sales begin to fall off. Believing that he may be able to convince his customers not to cut back on orders, he turns in an optimistic forecast of his next quarter sales to his manager. What are the pros and cons of doing that?
6. Give three examples of unethical conduct involving forecasting and the ethical principle each violates.

1. A commercial bakery has recorded sales (in dozens) for three products, as shown below:

Day	Blueberry	Cinnamon	Cupcakes
	Muffins	Buns	
1	30	18	45
2	34	17	26
3	32	19	27
4	34	19	23
5	35	22	22
6	30	23	48
7	34	23	29
8	30	23	20