

5.3. Adjusting and Approving the Forecasts

After the forecasts have been generated it's time to approve them. Forecast approving is a process of ensuring that the forecasts generated by a system meet your expectations.

Occasionally you may need to make some corrections to the forecasts generated by Streamline. Streamline allows adjusting forecasts in specific cases such as accounting for lost sales and calendar events, forecasting a new product, making forecast overrides based on a future promotion for a product, and other. In those cases, forecast approval process involves adjusting the forecasts manually.

There are two fundamentally different ways to adjust the forecasts in Streamline:

- [Overriding the statistical forecasts](#) generated by Streamline. These direct forecast overrides are typically used when you plan a big promotion or a wide clearance sale, or any other event that is not represented in the sales history.
- [Configuring the forecasting settings](#) and re-forecasting the project then. These adjustments are used in special cases like forecasting a new product, accounting for calendar events, and [other](#).

To demonstrate Streamline capabilities, we use the [example project](#).

Overriding the Forecasts

Streamline has [powerful capabilities](#) for amending the forecast including overriding at a category level, special overriding formulas, and overrides propagation.

You can make overrides on an item basis or in [one report](#) containing all of the items.

Overrides on an Item Basis

Let us show, how you can override the forecasts generated by Streamline on an item basis.

Let's go to the **Demand forecasting** tab for the item **Muesli Box (the Inventory Planning by Month example)**. The generated statistical forecast is shown in the **Statistical forecast row** of the **Table** (see figure below).

	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020
Actual sales	12,000	6,200	6,000	6,200					
Statistical forecast	11,840	7,265	3,940	4,087	10,241	16,522	9,402	13,939	14,400
Final forecast overrides									
Average sales price	4.29	4.29	4.29	4.29	4.29	4.29	4.29	4.29	4.29
Revenue	51,480	26,598	25,740	26,598	43,933.89	70,879.38	40,334.58	59,798.31	61,776
On hand				18,280					
Stockout days	0	0	0	0					

Let's assume, we need to override the statistical forecast for three months: **January - March**. The

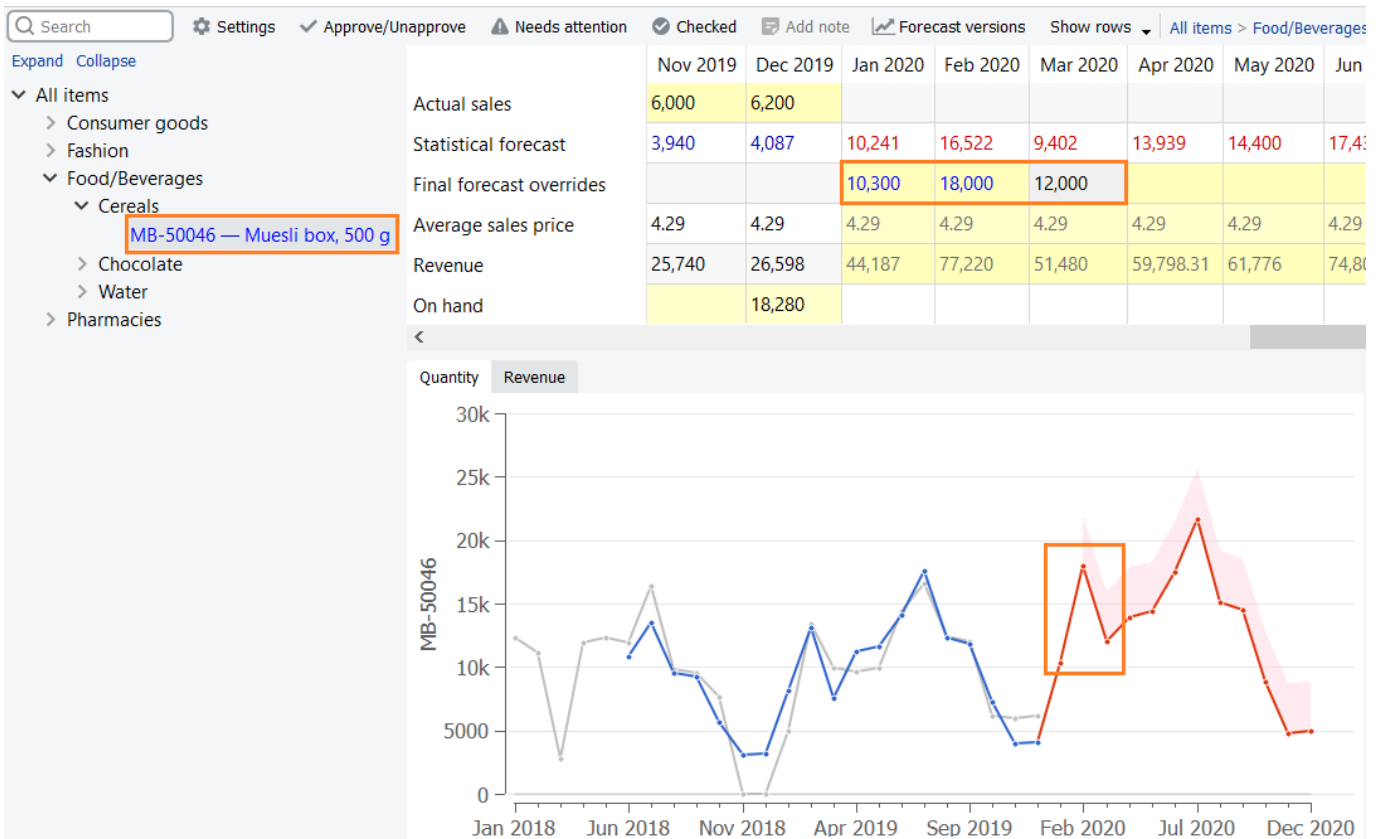
Table has a special row named **Final forecast overrides** that is aimed to keep overrides for a statistical forecast. So, let's make our overrides (see figure below).

		Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020
Actual sales		12,000	6,200	6,000	6,200					
Statistical forecast		11,840	7,265	3,940	4,087	10,241	16,522	9,402	13,939	14,400
Final forecast overrides						10,300	18,000	12000		
Average sales price	4.29	4.29	4.29	4.29	4.29	4.29	4.29	4.29	4.29	4.29
Revenue	51,480	26,598	25,740	26,598	44,187	77,220	40,334.58	59,798.31	61,776	
On hand				18,280						
Stockout days	0	0	0	0						

Streamline uses a special color-coding across all the application: all cells with a yellow background are editable.

As we made the overrides Streamline:

- updates the **Plot**;
- indicates the overridden item with blue in the **Tree view**; and
- recalculates all the **inventory outcomes** if inventory information is imported (see figure below).



As you make changes to the forecasts, Streamline recalculates the purchase plan automatically, so that the demand is always synchronized with the supply. This allows you to create a well-balanced and highly visible supply plan.

Making Forecast Overrides in One Report

All reports for demand planning are on the **Reports** tab. Streamline has a special report showing forecasts' overrides only. It is the **Forecast adjustments** report (see figure below).

		New filter		All items		Report: Forecast overrides		Final forecast		Period: Dec 2019		Aggregate by: None		Export report		Import changes		Show columns	
Item category	Item category 2	Item code	Description	Supplier	Model type	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020						
1	Pharmacies	Pharmacies	05-T48	Cold & Flu Tablets [s...	56892-P	Seasonal & trend													
2	Pharmacies	Pharmacies	VB2166 150	Vital Blue 150 g Vita...	56892-P	Seasonal & trend													
3	Pharmacies	Pharmacies	VR2156 200	Vital Reds 200g Vita...	56892-P	Constant level													
4	Food/Bevera...	Cereals	MB-50046	Muesli box, 500 g	425687	Seasonal & trend	10,300	18,000	12,000										
5	Food/Bevera...	Chocolate	56213-P	Milk Chocolate Bar P...	425687	Seasonal & trend													
6	Food/Bevera...	Chocolate	500461	Milk Chocolate bar 2...	425687	Constant level													
7	Food/Bevera...	Water	056329 N PW	Bottle water #2 new ...	425687	Seasonal & trend													
8	Food/Bevera...	Water	056329 PU ...	Bottle water 500 ml ...	425687	Constant level													
9	Fashion	Clothing Sum...	004652 Blue	Swimwear [seasonal...	5612457	Seasonal & trend													
10	Fashion	Clothing Sum...	004662 Blue	Swimwear #2 new[n...	5612457	Seasonal & trend													
11	Fashion	T-Shirts	565405 Bea...	One Style L [linear tr...	568947	Constant level													

Despite it is read-only in Streamline (like any other report of the **Reports**), you can change it by accomplishing the following actions:

1. Export the report to Excel by clicking the **Export report** button found in the **Reports** toolbar. Streamline automatically creates an Excel file containing the report and opens it (see figure below).

	A	B	C	D	E	F	G	H	I	J	K
		106.0	106.1	101	102	145	159	104.2020-	104.2020-	104.2020-	104.2020-
								Final forecast			
		Item category	Item category	Item code	Description	Supplier	Model type	Jan 2020	Feb 2020	Mar 2020	Apr 2020
	1	Pharmacies	Pharmacies	05-T48	Cold & Flu Tablets	56892-P	Seasonal & trend				
	2	Pharmacies	Pharmacies	VB2166 150	Vital Blue 150 g Vi	56892-P	Seasonal & trend				
	3	Pharmacies	Pharmacies	VR2156 200	Vital Reds 200g Vi	56892-P	Constant level				
	4	Food/Beverages	Cereals	MB-50046	Muesli box, 500 g	425687	Seasonal & trend	10300	18000	12000	
	5	Food/Beverages	Chocolate	56213-P	Milk Chocolate Bar	425687	Seasonal & trend				
	6	Food/Beverages	Chocolate	500461	Milk Chocolate bar	425687	Constant level				
	7	Food/Beverages	Water	056329 N PW	Bottle water #2 nev	425687	Seasonal & trend				
	8	Food/Beverages	Water	056329 PU P	Bottle water 500 m	425687	Constant level				
	9	Fashion	Clothing Summ	004652 Blue	Swimwear [season	5612457	Seasonal & trend				
	10	Fashion	Clothing Summ	004662 Blue	Swimwear #2 new	5612457	Seasonal & trend				

2. Make the overrides and save the work.

	A	B	C	D	E	F	G	H	I	J	K	L
1		106.0	106.1	101	102	145	159	104.2020-	104.2020-	104.2020-	104.2020-	104.2020-
2								Final forecast				
3		Item category	Item category	Item code	Description	Supplier	Model type	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020
4	1	Pharmacies	Pharmacies	05-T48	Cold & Flu Tablets	56892-P	Seasonal & trend					
5	2	Pharmacies	Pharmacies	VB2166 150	Vital Blue 150 g Vi	56892-P	Seasonal & trend					
6	3	Pharmacies	Pharmacies	VR2156 200	Vital Reds 200g Vi	56892-P	Constant level					
7	4	Food/Beverages	Cereals	MB-50046	Muesli box, 500 g	425687	Seasonal & trend	10300	18000	12000		
8	5	Food/Beverages	Chocolate	56213-P	Milk Chocolate Bar	425687	Seasonal & trend	25000	25000	25000		
9	6	Food/Beverages	Chocolate	500461	Milk Chocolate bar	425687	Constant level					
10	7	Food/Beverages	Water	056329 N PW	Bottle water #2 nev	425687	Seasonal & trend	10000	5000	7000		
11	8	Food/Beverages	Water	056329 PU P	Bottle water 500 m	425687	Constant level	10000	5000	7000		
12	9	Fashion	Clothing Summ	004652 Blue	Swimwear [season	5612457	Seasonal & trend					
13	10	Fashion	Clothing Summ	004662 Blue	Swimwear #2 new	5612457	Seasonal & trend					

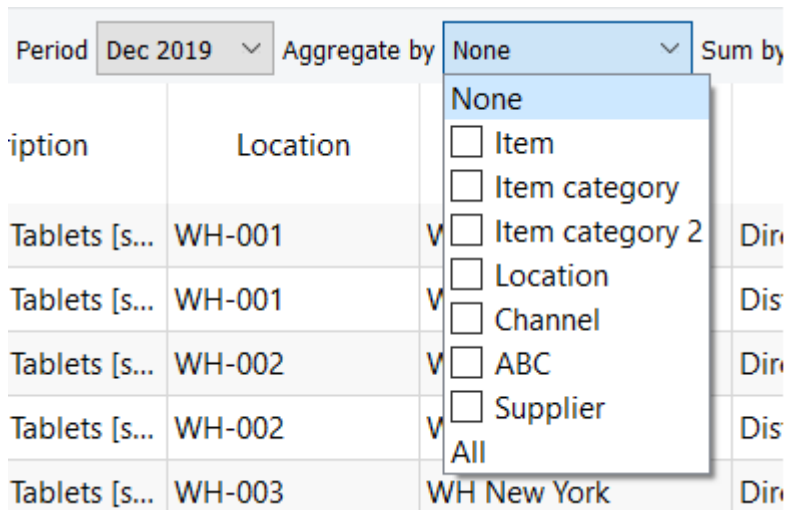
3. Import the report back into Streamline by clicking the **Import changes** button (make sure the report you are importing is the same type as selected in the **Select report** control).

All items							Final forecast							
Item category	Item category 2	Item code	Description	Supplier	Model type	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	
1	Pharmacies	Pharmacies	05-T48	Cold & Flu Tablets [s...	56892-P	Seasonal & trend								
2	Pharmacies	Pharmacies	VB2166 150	Vital Blue 150 g Vita...	56892-P	Seasonal & trend								
3	Pharmacies	Pharmacies	VR2156 200	Vital Reds 200g Vita...	56892-P	Constant level								
4	Food/Bevera...	Cereals	MB-50046	Muesli box, 500 g	425687	Seasonal & trend	10,300	18,000	12,000					
5	Food/Bevera...	Chocolate	56213-P	Milk Chocolate Bar P...	425687	Seasonal & trend	25,000	25,000	25,000					
6	Food/Bevera...	Chocolate	500461	Milk Chocolate bar 2...	425687	Constant level								
7	Food/Bevera...	Water	056329 N PW	Bottle water #2 new ...	425687	Seasonal & trend	10,000	5,000	7,000					
8	Food/Bevera...	Water	056329 PU ...	Bottle water 500 ml ...	425687	Constant level	10,000	5,000	7,000					
9	Fashion	Clothing Sum...	004652 Blue	Swimwear [seasonal...	5612457	Seasonal & trend								
10	Fashion	Clothing Sum...	004662 Blue	Swimwear #2 new[n...	5612457	Seasonal & trend								
11	Fashion	T-Shirts	565405 Bea...	One Style L [linear tr...	568947	Constant level								

You can work with an All item reports in the original, fully expanded format as well as in aggregated format or filtered by a certain parameter.

Aggregate by feature and overrides

In order to make the report aggregated use the button Aggregate by and choose one or multiple parameters



If you work with an aggregated format, Streamline will divide overrides on the aggregated level evenly to the lower levels. See the figure below:

Aggregated by Item:

Item code	Location	Channel	Jan 2020	Feb 2020	Mar 2020
1 05-T48	3 locations	2 channels	498	330	540

Aggregated by Item/Location:

	Item code	Location	Channel	Jan 2020	Feb 2020	Mar 2020
1	05-T48	WH-001	2 channels	166	110	180
2	05-T48	WH-002	2 channels	166	110	180
3	05-T48	WH-003	2 channels	166	110	180

Aggregated by Item/Location/Channel:

	Item code	Location	Channel	Jan 2020	Feb 2020	Mar 2020
1	05-T48	WH-001	Direct sale	83	55	90
2	05-T48	WH-001	Distributors	83	55	90
3	05-T48	WH-002	Direct sale	83	55	90
4	05-T48	WH-002	Distributors	83	55	90
5	05-T48	WH-003	Direct sale	83	55	90
6	05-T48	WH-003	Distributors	83	55	90

If you put the number that can't be evenly divided, Streamline will adjust it to the closest number that is possible to divide.

E.g. if the override for Jan 2020 is 500, Streamline will adjust it to 498 to be able to divide it between three locations. Is override for Feb 2020 is 333, Streamline can divide it by 3 locations, but won't be able to divide it in between six channels (two per each location). That's why Streamline adjusted it to 330.

Excel: (original overrides)

	Item code	Location	Channel	Final forecast		
				Jan 2020	Feb 2020	Mar 2020
1	05-T48	3 locations	2 channels	500	333	540

Streamline: (adjusted overrides)

	Item code	Location	Channel	Jan 2020	Feb 2020	Mar 2020
1	05-T48	3 locations	2 channels	498	330	540

if one of the elements in the lower levels is on preorder/intermittent model type or inactive at the moment when you insert the override, Streamline will divide the override number without including this element (it will stay at zero).

Aggregated by Item:



	Item code	Location	Channel	Jan 2020	Feb 2020	Mar 2020
1	05-T48	3 locations	2 channels	500	332	540

Aggregated by Item/Location (WH-001 marked as Active: No in the Demand Tab):

	Item code	Location	Channel	Jan 2020	Feb 2020	Mar 2020
1	05-T48	WH-001	2 channels	0	0	0
2	05-T48	WH-002	2 channels	250	166	270
3	05-T48	WH-003	2 channels	250	166	270

Adjusting the Forecasts via Forecasting Settings

Forecasting settings allow you to take full control over the methods used to build forecasting models (see figure below).

Forecasting	Model	Inventory	KPIs
Active	Yes		
Forecast approach	Inherit (Bottom-up)		
Model type	Inherit (Automatic selection)		
Ignore trend before	Inherit (Jan 2018)		
Ignore zero sales	Inherit (No)		
Ignore stockout days	Inherit (No)		
Use price elasticity	Inherit (No)		
Use holidays	Inherit (None)		
Seasonality pattern	Inherit (Auto)		
Use promotions	Inherit (Yes)		
Use model from	<input type="text"/>		
and adjust its level	Inherit (No)		
Material procurement	Inherit (Manufacture)		
Approval horizon	<input type="text" value="3"/>		
Status	Undecided		

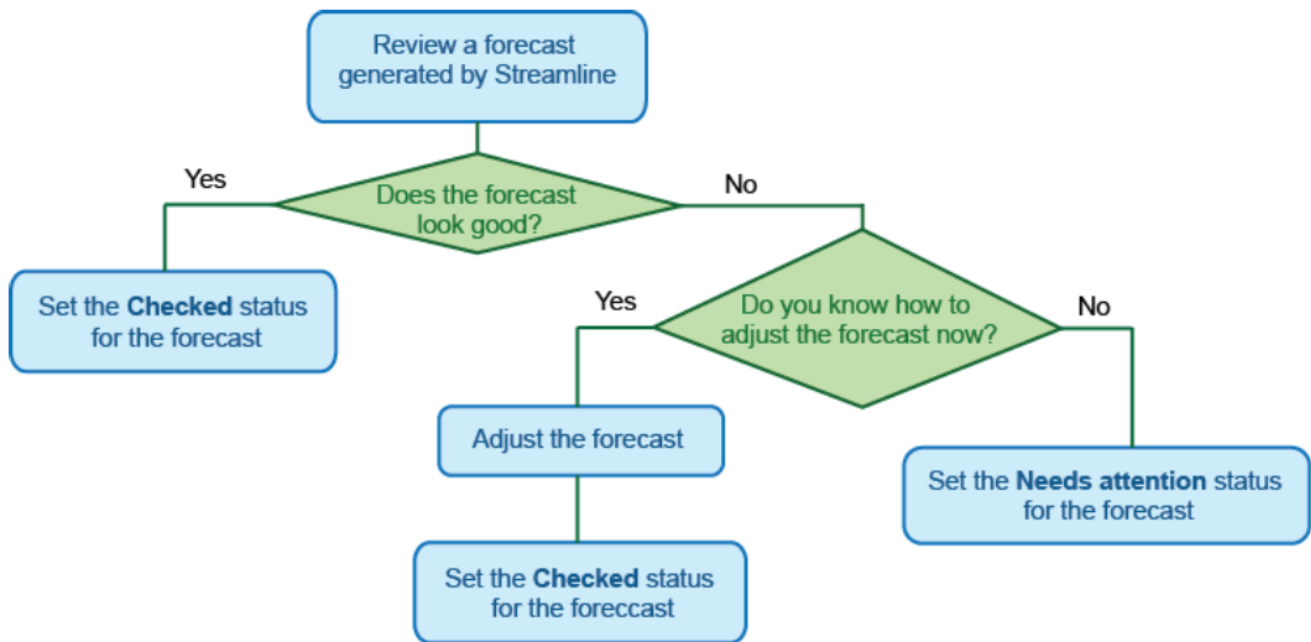
They also allow accounting for a number of specific cases that might happen in demand patterns. These are:

- [Forecasting a new product.](#)
- [Accounting for lost sales.](#)
- [Accounting for holidays.](#)
- [Accounting for recent changes in the actual sales.](#)
- [Adjusting the model type.](#) You can change the model type if you see that the type selected by Streamline seems inappropriate for the item data.
- [Fine-tuning the forecasting model.](#) This is used when you need to get the most delicate control over the model. You can adjust the model even at the coefficients level.

Approving the Forecasts

Streamline has a forecast approval system that helps you to set which forecasts have been reviewed and approved, and which need further attention.

A basic workflow for approving a forecast in Streamline is shown in the figure below.



How to set the statuses is described in the [Forecast approval system article](#).

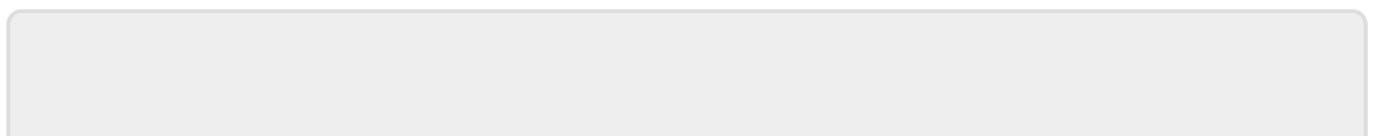
After all the forecasts have been approved in Streamline, you have a complete *demand plan*. Typically, this plan is additionally approved by other departments (financial, marketing, etc.) of the company outside Streamline. Consequently, the plan should be [exported](#) from Streamline.

Streamline has a number of reports. One of them is the [Final forecast report](#). This report contains statistical forecasts and all the manual forecast overrides you have made. So that is our *demand plan*.

There is an Approval horizon feature that can lock the forecast, meaning that even if you update and re-forecast the project, the numbers for the chosen periods will not be changed. This locking mechanism is designed as a part of the S&OP process to maintain the report in the approved state while different company's departments are approving it outside Streamline.

[Next: Exporting the Forecasts to Excel](#)

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