



# Forecasting in volatile times

Scenario-based rolling forecast

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## We all struggle with today's uncertainty and complexity

- Announced and unexpected circumstances (regulatory / covid-19)

And the mixed diversity of:

- Project and/or recurring business
- Direct, indirect business, co-selling and working with agents
- Deal complexity (product mix, size,...)
- Buying cycle: #people involved – buying maturity
- Length of sales cycle
- Sales & sales management experience
- Territory management
- Market share – competitive strengths

We are depending on the seller data input



Systematic approach to commercial forecasting



## Mandatory criteria for a sales development driven forecast

Key words: Continuous - Agile – Customer Centric

- ▄▄▄ Same mechanism from seller all the way to the (management) board
- ▄▄▄ Continuous 4 quarter visibility
  - ▄▄▄ Add 1 quarter every quarter
- ▄▄▄ Manage multiple scenarios at the same time and ongoing
- ▄▄▄ Using the buying stage not the step of sales
- ▄▄▄ Based on verifiable customer outcomes

Foundation for all bizz reviews

What is  
a good  
forecast





**Case: How to handle the following? (prospects in recurring bizz)**

	Value		Probability	Forecast value
Customer 1	100		90%	?
Customer 2	100		25%	?

Forecast: ?

How to replace the '?'



# Case: How to handle the following? (project bizz)

	Value		Probability	Forecast value
Opportunity 1	100		90%	?
Opportunity 2	100		25%	?

Forecast: ?

How to replace the '?'





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## Case: Pipeline view with rolling forecast impact

⋮

show

×

3 ▾

U/N ▾

SoP ▾

Sol Fit ▾

Commit ▾

Next objective (Focus) ▾

Amount ▾

Y Upside ▾

Y Downside ▾

Q ▾

Q+1 ▾

Q+2 ▾

Q+3 ▾

Rest ▾

○

○

○

○

○

value of working with  
vendor - sell quick scan

15000

0

0

0

0

0

0

0





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## Case: Criteria determining potential outcomes

(1/4 result)

active pipe incl origin

show

Decision Date

BC

BC sync

Status

%DH

%DS

B

U/N

SoP

Sol Fit

Commit

Next objective (Focus)

Amount

06:00

vision creation

25

40

value of working with vendor - sell quick scan

15000

08:00

- Microsoft Dynamics CRM**

+ NEW    DELETE    EMAIL A LINK    RUN REF

## ID - Active Pipeline ▾

	Process Stage Name
	close
	propose
	propose
ID - Active Pipeline	propose
ID - Best Case	propose
ID - On Hold	develop
ID - Realistic Case	propose
ID - Worst Case Forecast	propose
	propose
	propose
	qualify
	propose
	propose
	propose
Argenta - ASPA...	propose
DELTA	develop
LIC-Aankoop Track and Tr...	
LIC-Bekijken mogelijkheden...	



# Mandatory criteria for a sales development driven forecast

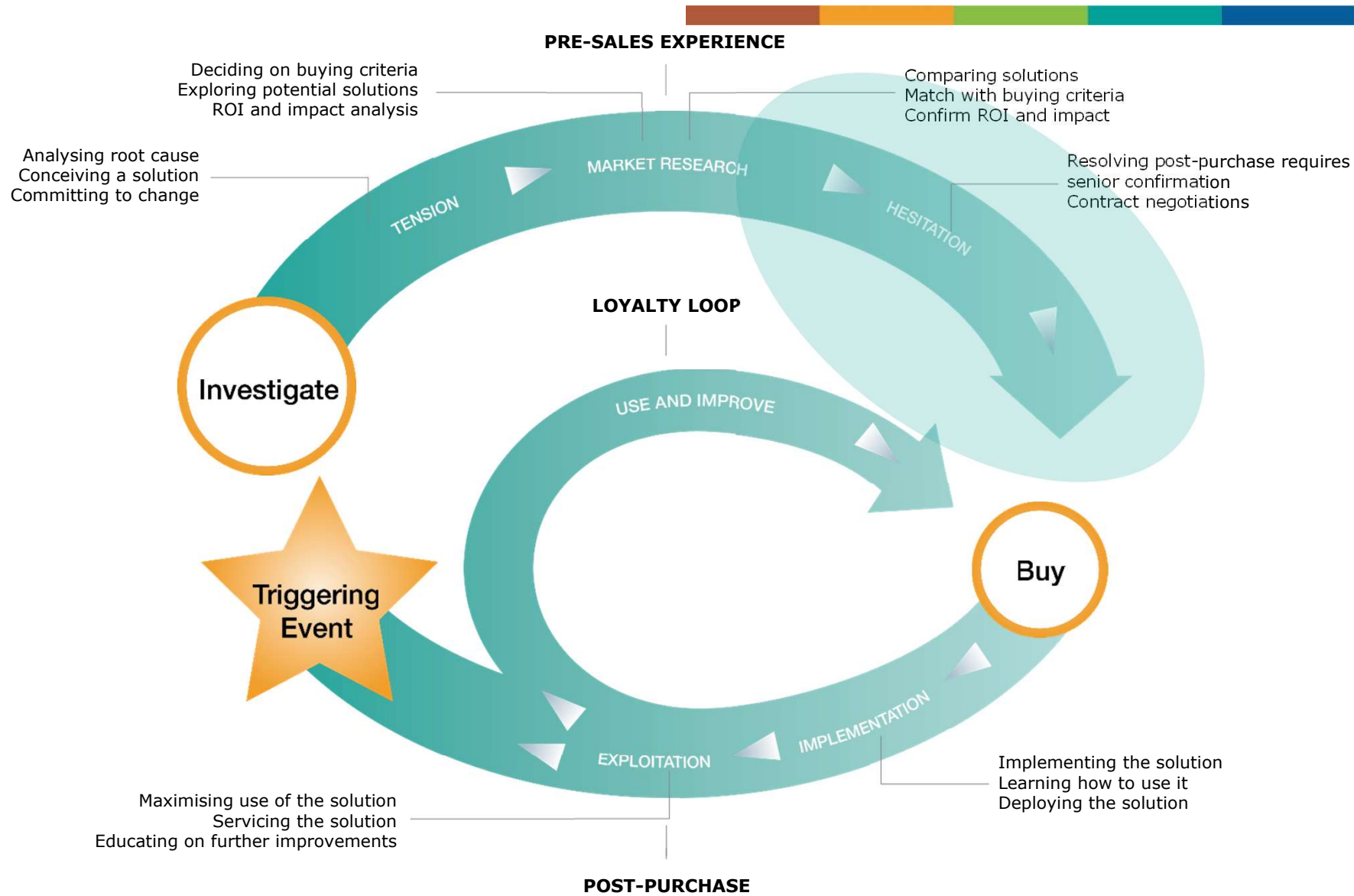
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## Example of an active pipeline

✈ ID - Active Pipeline ▾

Search for records

✓	Account ▾	Oppy Name ↑ ▾	Process Sta... ▾	%... ▾	%... ▾	Worst... ▾	Est. Close D... ▾	Customer B... ▾	Est. Revenue ▾	Tech Fi... ▾	Sol Fit... ▾	DMU ▾	Next Objective ▾
	Rij	bij bes...	close	100	100	No	25/05/2016		0,00	No	No	No	
	TK		qualify	90	90	Yes	15/07/2016	€ 4 525,00	4 525,00	Yes	Yes	No	Obtain PO
	M	M Proj...	propose	100	100	Yes	30/09/2016	€ 1,00	328 734,00	Yes	Yes	Yes	Close the deal
	Sk	compa...	develop	25	90		31/12/2016		27 100,00	Yes			Reinitiate evaluation/On-si...
	Pr	lule	qualify	40	75		31/12/2017	€ 99 999,00	100 919,00	Yes			Get pain/project in spotlight
	Be	deling F...	qualify	10	10		31/12/2016	€ 0,00	15 000,00	Yes			Reinitiate project
	M	iness C...	propose	100	100	Yes	30/06/2016	€ 378 000,00	378 000,00	Yes	Yes	Yes	Close the deal
	Int	Mteam...	qualify	90	75	Yes	30/07/2016		15 800,00	Yes	Yes	Yes	Obtain approval DC
	Di	je - Pla...	qualify	25	25		31/12/2016		35 000,00	Yes			Activate through partner
	Fe	je : PDF...	qualify	40	75		31/12/2016		66 240,00	Yes			Access to Project Board
	Pr	g Impro...	close	90	100	Yes	30/09/2016		26 744,00	Yes	Yes	Yes	Close the deal
	Pr		develop	60	100		30/03/2017		45 056,00	Yes	Yes		Get on CRC schedule 2017
	Hu	Jpsell	close	40	100		15/09/2016		8 692,00	Yes	Yes		Obtain status update
	Pr	vedgm...	propose	75	100		30/03/2017	€ 23 952,00	23 952,00	Yes	Yes		Alignment with release sch...
	Oj	et test s...	propose	25	100	No	30/09/2016		7 450,00	Yes	Yes		Reactivate through consult...
	Pr	- Phas...	develop	100	100	Yes	30/06/2016		40 144,00	Yes	Yes	Yes	Obtain PO
	Pr	tech a...	close	100	100	Yes	30/06/2016		7 284,00	Yes	Yes		Close the deal

## Main advantages

Improved customer knowledge throughout the company

- ▄▄ Better use of time and resources
- ▄▄ Highest possible visibility
- ▄▄ Lower complexity
- ▄▄ Continuous process
  - ▄▄ Latest information
  - ▄▄ Without disrupting yearly planning
  - ▄▄ No quarterly or monthly rebuild
- ▄▄ Easier to come to consolidated and uniform reporting
- ▄▄ Avoids:
  - ▄▄ Start of year starved pipelines
  - ▄▄ Sandbagging
- ▄▄ Improved and lower complexity S&OP

Develops sales talent







## Key sales pitfalls to watch out for

- ▮▮ Following our perception iso the customers'
- ▮▮ Jumping too fast to conclusions
- ▮▮ Not asking enough questions (content & context!)
- ▮▮ Lack of buying center coverage, their roles and readiness to buy
- ▮▮ No continuous qualify/disqualify in case of complex/big
- ▮▮ Not enough insights in the case and implications (could be linked to late entry)
- ▮▮ Not knowing the customers' buying criteria
- ▮▮ Working under internal pressure (time, budget, ...)

# Commercial forecasting

Predictability and visibility beyond the known



## Major benefits

- ▄▄ Less disruptive measures in sales activities
- ▄▄ A driver for pro-active steering and coaching
- ▄▄ Allows for managing uncertainty
- ▄▄ Maximize the revenue (profit) potential

Input for strategic planning