

contents



“Knowledge of truth is always more than theoretical and intellectual. It is the product of activity as well as its cause. Scholarly reflection therefore must grow out of real problems, and not be the mere invention of professional scholars.”

JOHN DEWEY, UNIVERSITY OF VERMONT

- 3** Note from the Editor
- 5** The M4 Competition: Interview with Spyros Makridakis **GEN**
forecasting perspectives
- 7** Forecasting the Impact of Artificial Intelligence (AI), **GEN** Spyros Makridakis
Part 2 of 4: Examining Four Scenarios of Possibility
- 13** How to Respond to a Forecasting Sceptic **GEN** Paul Goodwin
- 17** Review of *Forewarned: A Sceptic’s Guide to Prediction* **GEN** Oliver Schaer & Simon Spavound
forecasting methods
- 24** Incorporating Leading Indicators into Sales Forecasts **MOD** Nikolaos Kourentzes & Yves Sagaert
- 31** *Principles of Business Forecasting:* **MOD** Stephan Kolassa
Review of the 2nd Edition
collaborative forecasting practices
- 34** Misconceptions, Missteps, and Bad Practices in S&OP, Part 3: **PLN, MGR** Chris Gray & John Dougherty
Automating at the Expense of Judgment and Accountability
forecast accuracy measurement
- 43** Beware of Standard Prediction Intervals for Causal Models **MOD** Len Tashman

Article Coding: Managers (**MGR**), Modelers (**MOD**), Planners (**PLN**), General Audience (**GEN**)

FORESIGHT ADVISORY BOARD

Chairman: Jeffrey Hunt, *SHEA Business Solutions*
Carolyn Allmon, *Michael Foods*
Daniel Barrett, *LEGO*
Ellen Bonnell, *Hilti*
John Boylan, *Lancaster University*
Peter Catt, *Soltius NZ Ltd*
Simon Clarke, *Coca-Cola Refreshments*
Robert Fildes, *Lancaster Centre for Forecasting*
Alec Finney, *Pharma Forecast Insight*
Ram Ganeshan, *College of William and Mary*
Jim Hoover, *Accenture*
Jamilya Kasymova, *Marriott International*
Mark Little, *SAS*
Joseph McConnell, *McConnell Chase Software Works*
Mark Moon, *University of Tennessee*
Steve Morlidge, *CatchBull Ltd*
David Orrell, *Systems Forecasting*
John Pope, *Investment Economics*
Christian Schäfer, *Cooperative State University of Baden-Württemberg*
Jerry Shan, *Huawei*
Sujit Singh, *Arkieva*
Shaun Snapp, *Brightwork Research and Analysis*
Eric Stellwagen, *Business Forecast Systems*
Bill Tonetti, *Demand Works*
John Unger, *Boise Paper*
Tom Willemain, *Smart Software*

FORESIGHT, an official publication of the International Institute of Forecasters, seeks to advance the practice of forecasting. To this end, it will publish high-quality, peer-reviewed articles, and ensure that these are written in a concise, accessible style for forecasting analysts, managers, and students.

Topics include:

- Design and Management of Forecasting Processes
- Forecast Model Building: The Practical Issues
- Forecasting Methods Tutorials
- Forecasting Principles and Practices
- S&OP and Collaborative Forecasting
- Forecasting Books, Software and Other Technology
- Applications in Political, Climate and Media Forecasting
- Long-Range and Strategic Forecasts
- Case Studies

Contributors of articles include:

- Analysts and managers, examining the processes of forecasting within their organizations
- Scholars, writing on the practical implications of their research
- Consultants and vendors, reporting on forecasting challenges and potential solutions

All invited and submitted papers will be subject to a blind editorial review. Accepted papers will be edited for clarity and style.

FORESIGHT welcomes advertising. Journal content, however, is the responsibility of, and solely at the discretion of, the editors. The journal will adhere to the highest standards of objectivity. Where an article describes the use of commercially available software or a licensed procedure, we will require the author to disclose any interest in the product, financial or otherwise. Moreover, we will discourage articles whose principal purpose is to promote a commercial product or service.

FORESIGHT is published by the International Institute of Forecasters, Business Office: 53 Tesla Avenue, Medford, MA 02155 USA

©2018 International Institute of Forecasters (ISSN 1555-9068)

FORESIGHT

EDITOR Len Tashman
lentashman@forecasters.org

ASSOCIATE EDITORS
Stephan Kolassa
stephan.kolassa@sap.com

Chris Gray
cgray@grayresearch.com

COLUMN EDITORS
FINANCIAL FORECASTING Roy Batchelor
r.a.batchelor@city.ac.uk

FORECASTING PRACTICE Mike Gilliland
Mike.Gilliland@sas.com

FORECASTING SUPPORT SYSTEMS
Fotios Petropoulos
f.petropoulos@bath.ac.uk

HOT NEW RESEARCH Paul Goodwin
mnspeg@management.bath.ac.uk

STRATEGIC FORECASTING Ira Sohn
imsfnc@gmail.com

PREDICTION MARKETS Andreas Graefe
graefe.andreas@gmail.com

S&OP John Mello
jmello@astate.edu

SUPPLY CHAIN FORECASTING Aris Syntetos
SyntetosA@cardiff.ac.uk

FORESIGHT STAFF
DESIGN AND PRODUCTION Liza Woodruff
liza@lizawoodruff.com

MARKETING AND AD SALES
Pam Stroud
pamstroud@forecasters.org

Stacey Hilliard
staceylliard@forecasters.org

MANUSCRIPT AND COPY EDITING
Ralph Culver
letter_perfect@fast-email.com

Mary Ellen Bridge
me.foresight@comcast.net

ADVISORY BOARD AND NEWS NOTES
Holly Lancaster
hollylancaster@forecasters.org

SUBSCRIPTIONS Pam Stroud, IIF Business Director
forecasters@forecasters.org