

MONTHLY FORECASTING PROCESS

Introduction

Global Corp is an international engineering and consulting company with offices in several countries. As a publicly traded company it must prepare and publish financial results on a monthly basis. Internally the company needs to track monthly performance in order to support decision making and ensure that budgets are tracked as closely as possible.

Overview of the Process

The process is largely manual today with some software being used by different teams to track their own data. The Sales Director has overall responsibility for this process but is closely supported by Finance and Project Delivery teams.

The forecasting process start at the beginning of every month and ends when the board have given the final approval.

Prepare Sales Forecast

The preparation of the sales forecast is started first as it is one of the most time consuming. The Sales Support Administrator starts by downloading all current open sales opportunities from the CRM. Not all of the sales team use the CRM so the Sales Support Admin keeps a list of Sales Reps that maintain their own opportunity lists and emails them requesting the data. This sometimes takes several days of chasing to get the data back.

The Sales Support Admin then reviews all Sales Orders placed in the current month from the ERP. This is to ensure that there are no discrepancies between Open Opportunities and Sales Orders.

All the data is added to the Monthly Sales Forecast spreadsheet and saved into the Monthly Forecast folder.

Prepare Services Forecast

Once the Monthly Sales Forecast spreadsheet has been created the Services Director emails all Project Managers and asks them to ensure all timesheets are complete and correct. Each Project Manager will review timesheets in the ERP and then ask team members to complete any missing time.

Once the timesheets are complete the Project Managers notify the Services Coordinator by email. The Services Coordinator downloads all project delivery information and saves this to the Services Forecast spreadsheet in the Monthly Forecast folder.

Calculate Revenue to Date

As soon as the Services Forecast spreadsheet is available the Finance Manager creates an extract from the Accounting system for all invoices raised in the previous month.

This is emailed to the Sales Support inbox.

Prepare Monthly Forecast Report

Once the Sales Support Administrator has all the spreadsheets they start creating the overall Monthly Forecast Report. The report is a spreadsheet with multiple tabs and a summary sheet on the front page.

The Sales Support Administrator will copy and paste the data from each spreadsheet into the correct tab. The report is emailed to the Sales Director as soon as it is ready.

Review Monthly Forecast Report

The Sales Director runs a sales review meeting every month with the heads of the regional sales team. The Monthly Forecast Report is reviewed. The regional sales team then have 24 hours to provide any updates on the numbers in the report.

Any adjustments are emailed to the Sales Support Administrator, who updates the report and passes it to the Sales Director for approval.

Finalise and Present Forecast Report

The Sales Director presents the Forecast report to the board for final approval.