

Dataco Global: Demand Forecasting and Planning Policy

Purpose and Scope

This policy establishes the framework for demand forecasting and planning activities at Dataco Global. It aims to ensure accurate prediction of market demand, efficient resource allocation, and effective inventory management across all business units. This policy applies to all employees, contractors, and partners involved in forecasting, planning, data analysis, and supply chain operations within Dataco Global.

Definitions

- Demand Forecast:** A quantitative estimate of future customer demand within a specified timeframe.
- Forecast Accuracy:** The measured difference between forecasted demand and actual demand, expressed as a percentage.
- Planning Horizon:** The time period for which demand is being forecasted (short-term: 0-3 months, medium-term: 3-12 months, long-term: 12+ months).
- Statistical Forecasting:** The use of historical data and mathematical models to predict future demand.
- Consensus Forecast:** A collaborative forecast developed through input from multiple departments.

Roles and Responsibilities

Executive Leadership

- Approve quarterly forecast reviews and annual planning processes
- Set strategic forecasting targets aligned with business objectives
- Review forecasting performance metrics quarterly

Demand Planning Team

- Develop and maintain statistical forecasting models
- Coordinate monthly consensus forecasting meetings
- Generate forecast reports with 98% data completeness

- Maintain forecast accuracy KPIs within defined targets

Sales and Marketing

- Provide market intelligence and customer insights within 5 business days of request
- Submit promotion plans at least 45 days before execution
- Validate statistical forecasts with field knowledge

Operations and Supply Chain

- Translate demand forecasts into production and inventory plans within 3 business days
- Identify capacity constraints that may impact forecast fulfillment
- Maintain safety stock levels according to forecasted demand volatility

Forecasting Standards

Accuracy Requirements

- Short-term forecast (0-3 months): minimum 85% accuracy
- Medium-term forecast (3-12 months): minimum 75% accuracy
- Long-term forecast (12+ months): minimum 65% accuracy

Forecasting Cadence

- Daily: Automated data collection and anomaly detection
- Weekly: Statistical forecast updates and exception management
- Monthly: Consensus forecast meetings (to be completed by the 15th of each month)
- Quarterly: Comprehensive forecast review and adjustment

Forecasting Methods

1. Statistical forecasting using approved models
2. Market intelligence integration
3. Collaborative input from cross-functional teams
4. Scenario planning for high-impact events

Data Management and Governance

Data Quality

- Source data must meet a minimum of 98% completeness and 95% accuracy
- Data cleansing protocols must be performed weekly

- Master data updates must be completed within 24 hours of approval

Data Security and Access

- Forecast data must be classified according to sensitivity levels as outlined in the Data Classification Policy
- Access to forecast data is granted on a need-to-know basis with appropriate authorization
- All forecast data must be encrypted during transmission and at rest

Data Retention

- Historical forecast data must be retained for a minimum of 36 months
- Actual sales data must be retained for a minimum of 60 months
- Forecast models and methodology documentation must be retained for 84 months

Performance Measurement

Key Performance Indicators

- Forecast Accuracy: Measured as $1 - |\text{Actual} - \text{Forecast}| / \text{Actual}$
- Forecast Bias: Measured as $(\text{Forecast} - \text{Actual}) / \text{Actual}$
- Mean Absolute Percentage Error (MAPE): Target 12 times annually

Review Process

- Weekly KPI dashboard distribution to all stakeholders
- Monthly performance review with cross-functional teams
- Quarterly executive review of forecasting effectiveness
- Annual comprehensive forecasting strategy assessment

Risk Management

Demand Volatility Handling

- Products with >25% historical demand variation require enhanced forecasting models
- Contingency plans must be developed for products with forecast accuracy below 70%
- Safety stock levels must be set at 1.5x standard deviation of demand for critical items

Exception Management

- Demand spikes exceeding 30% of forecast trigger automatic alerts
- Forecast exceptions must be reviewed within 1 business day

- Adjustment approvals required when changes exceed 20% of original forecast

Continuous Improvement

Process Improvement

- Forecast models must be evaluated quarterly for effectiveness
- New forecasting methodologies must be tested against current methods with minimum 10% improvement threshold for adoption
- Annual benchmarking against industry standards

Training Requirements

- All forecasting team members must complete 16 hours of advanced forecasting training annually
- Cross-functional stakeholders must complete 8 hours of basic forecasting training
- New forecasting tools require 100% user certification before implementation

Compliance and Audit

- Internal audit of forecasting processes must be conducted semi-annually
- Compliance with this policy will be reviewed quarterly by the Data Governance Committee
- Any deviation from this policy requires documented approval from the Director of Supply Chain and CFO

Policy Review

This policy shall be reviewed annually or when significant changes occur in business operations or market conditions. The next scheduled review is May 2026.

Note: This policy has been generated specially for hackathon. It has no relation with Syngenta or any other company.