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**THE TRUE COST
OF FORECAST ERROR**

**FORECAST PROCESS DESIGN:
ALIGNING PEOPLE, PROCESS,
AND TOOLS**

**MODELING MANAGERIAL
JUDGMENT**

The International Journal of Applied Forecasting, Fall 2009

“Forecasters in the Field”

You are our first husband and wife team of Forecasters in the Field. How did you first meet and how did that evolve into positions at the same university?

We crossed paths at the University of North Carolina – Chapel Hill. Ram was finishing up the Masters program and was headed to Penn State for a Ph. D. while Tonya was starting her Ph. D. at Carolina. Tonya’s first academic position was at Ohio State and Ram’s at the University of Cincinnati. We lived in Lebanon, OH -- between Columbus and Cincinnati -- and commuted to work. When an opportunity opened up at William and Mary (Tonya’s Alma Mater), we jumped at it. We live just off campus and enjoy our five-minute walk to work.

What got you interested in exploring aspects of forecasting?

We both specialize in supply chains and technology. One key aspect in supply chain management is to understand and estimate customer demand. Making too much of a product results in markdowns and hence lost revenues. On the other hand making too little of the “hot” product is revenue lost. This need to accurately estimate demand got us into forecasting. Quickly changing markets, supply chain disruptions, mergers, and the current economy have made matching supply to demand challenging further piquing our interest in forecasting. Our current research explores two major themes: (1) forecasting productivity of professional service workers, and (2) estimating the “carbon footprint” of products and corporations.

Has the business forecaster’s job changed in the last decade or so? Has it become more challenging?

A good forecast is as the cliché goes a blend of science and art. The last decade has seen many improvements in forecasting tools and techniques, giving the manager multiple estimates from a myriad of models. In our opinion, much of the forecasting discussion is now data-driven as opposed to purely judgmental methods. However, the ability to interpret, gauge risk, and make sound decisions from the forecast still rests on the intuition and experience of managers.

What contributions to the world of forecasting are you most proud of?

Over the last few years, we have been involved in projects to estimate productivity in professional services like engineering, consulting, or medicine. Since every project, client, or patient is different, these firms often find it challenging to estimate cost, time, and resources needed to complete tasks. We have developed several models that provide insights into how such firms can measure productivity; and improve them.

Tell us about how you relax when not working.

Tonya enjoys the great outdoors, especially hiking with daughters Ava who is eight, and Nina who is four. She also finds reading, music, and swimming relaxing.

Ram enjoys biking, photography, robotic legos, and collecting pop art, especially Warhols. He is also a self-described Oenophile and thinks that there is nothing better to relax with than a bottle of a Grand Cru from St.-Émilion.

Contact Info :

Name Ram Ganeshan and Tonya Boone

Org: Mason School of Business, College of William and Mary

e-mail: Ram.Ganeshan@mason.wm.edu; Tonya.Boone@mason.wm.edu