Review of Topic 6

Self-Check Questions

1. What is qualitative forecasting method and when is its use appropriate?
2. Identify and briefly describe the two general forecasting approaches.
3. Identify the three forecasting time horizons. State an approximate duration for each.
4. Briefly explain the steps that are used to develop a forecasting system.
5. What is medium range forecast and its uses?
6. What is the basic difference between a weighted moving average and exponential smoothing?
7. What is the primary difference between a time-series model and an associative model?
8. Define time-series.
9. Explain the value of the smoothing constant have on the weight given to the recent values?
10. What is the purpose of tracking signal?
11. What is the difference between an independent variable and a dependent variable?
12. Give examples of industries that are affected by seasonality. Why would these businesses want to filter out seasonality?