

Judgment in forecasting – The Good, the Bad and the Ugly

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Judgment continues to play a strong role in the world of forecasting, even with the ever-increasing complexity and capabilities of algorithms within our reach. By means of exercises, case examples and discussions, we will explore the potential benefits and dangers of judgment together.

Starting off with a series of exercises, we will test when you can trust your gut feel and when you should not. Using specific case examples, we will investigate the role of judgment considering various circumstances (e.g., special events, new product forecasting, scenarios). We will discuss challenging questions in a group on how to tackle behavioral elements associated with judgmental forecasting. Can we prevent people from making damaging adjustments to model forecasts, without discouraging them from adjusting when necessary? What is the motivation behind judgmental adjustments? Do we need human judgment in AI and ML algorithms? Whether you are new to the field or a seasoned forecaster, welcome to our session!