

decision *support* technology. It is important to stress that the technology is a tool intended to help them make better decisions not a machine to replace them. It is worth emphasizing the vital role of analysts in both monitoring the system's recommendations and intervening when special conditions warrant intervention. Analysts should also be educated about the basics of the science behind the system's functionality, to demystify it as much as possible. They should understand its inputs, outputs, and the underlying assumptions behind the methodology. Emphasizing that they will be upgrading their skills and learning "leading-edge" technology also helps motivate the transition. Once the analysts understand and buy in into the RM concept, they will be more comfortable using the system.

The quality of analysts' jobs almost always improves once a RM system is implemented. Their role changes from making routine inventory or pricing decisions manually to monitoring the output relative to the current business situation. For example, if an unexpected event happens that affects demand, they can adjust forecasts manually to compensate; if business objectives require more or less aggressive overbooking, they can adjust the parameters to get the desired effect. Rarely do analysts need to override optimization outputs directly. However, if the business need arises, they can open up or close a particular booking class (for quantity-based RM) or set markdown rates manually across stores (in price-based RM). Analysts can also use the system to perform "what if analysis, eliminating a large part of the guesswork involved in making decisions. Or they can let the system come up with the optimal decisions automatically based on revised inputs. In short, whereas the former role of analysts could be described as allocation or price setters, their new role becomes one of model calibrators, data analysts, problem solvers, system performance monitors, and business controllers.

11.6.1.2 Sales Teams

Sales teams are frequently effected by a RM implementation, especially if their compensation is based on sales volume. Volume of sales is not the primary objective for RM, of course; increased revenue is. And meeting this revenue objective may mean lower unit sales. More important, while the salesforce might have had the right to sell at their own discretion, once a RM system is in place they may be prevented from offering discounts. Sales representatives may view this as undermining their relationship with customers and limiting their ability to meet sales goals.

The expectations of the salesforce therefore also have to be managed. As with analysts, the salesforce has to be educated about the basic principles of RM. They should be trained to sell products using the forecasts