Home / Blog

1 Simple Way to Forecast Opportunity Revenue in NetSuite

September 17, 2024

Forecast opportunity revenue in NetSuite easily and efficiently by leveraging the out of the box tools in NetSuite.

Running a business requires real-time visibility on your data to be able to make better business decisions and having visibility on your opportunity revenue forecast is extremely important to be able to course-correct before disaster strikes.

NetSuite Sales Forecasting and Quota Management

Out of the box, NetSuite can do the following:

- Opportunities, quotes, and estimates include a forecast category that allows users to categorize the transaction appropriately.

- Probability-based forecasting offers weighted measurement of pending opportunities, quotes and orders, with the ability to make adjustments.
- Order management capabilities provide actual sales and projections of recurring revenue in forecasts and variances.

In other words, NetSuite can help your business with forecasting in the traditional sense. It helps you categorize opportunities/quotes correctly. It allows you to assign a probability of closing on opportunities/quotes that will then feed the pipeline report. It allows you to even see the potential recurring revenue in the future.

But what if you have a service-based business and want to have a forecast that looks like the booked revenue recognition forecast?

In other words, if you have an opportunity to close a project that will start in one month and is of six months duration, you would like to know how the revenue will be recognized in the future on a month by month basis. Out of the box, NetSuite is unable to do that.

But, there is a way to accomplish this.

Forecast Opportunity Revenue in NetSuite

Create a Custom Record

First, create a custom record (named: Opportunity Revenue Forecast) with the following fields:

- Name: Opportunity **(Record is Parent)**
  - Type: List/Record Opportunity
- Name: Opportunity Title
  - Type: Free-Form Text
- Name: Opportunity Status
  - Type: List/Record Entity Status
- Name: Period Start Date
  - Type: Date
- Name: Period
  - Type: List/Record Accounting Period
- Name: Revenue Percent Forecast
  - Type: Percent

- Name: Opportunity Amount
  - Type: Currency
- Name: Opportunity Probability
  - Type: Percent
- Name: Opportunity Start Date
  - Type: Date
- Name: Opportunity Expected Close Date
  - Type: Date

Create a Workflow to Update the Custom Record

Navigate to the Workflow section by going to **Customization -> Workflow -> Workflows -> New.** Choose **Record Type = Opportunity Revenue Forecast** and run it so that it is scheduled (you will have to create a saved search to run a scheduled Workflow.

- Set Field Value Opportunity Title=Opportunity : Title
- Set Field Value Opportunity Status=Opportunity : Opportunity/Estimate Status
- Set Field Value Opportunity Amount=Opportunity : Projected Total
- Set Field Value Opportunity Probability=Opportunity : Probability
- Set Field Value Opportunity Start Date=Opportunity : Start Date
- Set Field Value Opportunity Expected Close Date=Opportunity : Expected Close
- Set Field Value Period Start Date=Period Start Date

Once that is done, set the Workflow to **"Released"**, **"Run as Admin"** and **"Enable Logging = True"**.

Update your Opportunities

Once the custom record is deployed, you will have to get your Project Managers to update the revenue forecast on the Opportunity record.

That means that each Opportunity record will have to be updated with a Period, and a Revenue Percent Forecast. The rest of the fields should get updated automatically through the Workflow.

Create an Analytics Workbook

To visualize your data and be able to put it on the dashboard, go to the Analytics section and select **"New Workbook"** and **"Opportunity Revenue Forecast"**.

In the **Criteria** section select **"Opportunity Status is none of = Closed Won or Closed Lost"**

Select the following fields for your dataset:

- Start Date (Date)
- Period
- Opp Revenue Forecast (sum) –> **(Revenue Percent Forecast * Amount)**
- Opp Weighted Forecast (sum) –> **(Revenue Percent Forecast * Probability * Amount)**
- Opp Weighted Probability > 75% (sum) –> **(Revenue Percent Forecast * (when Probability > 75%) * Amount)**

Put the Analytics Workbook on your Dashboard

To put the Analytics Workbook just created on your dashboard, navigate to **"Home"** and click **"Personalize"** the click on **"Analytics"**. Select in the top right corner **"Setup"** and then choose the Analytics Workbook that you have created.

There you have it, a simple way of forecasting revenue from your opportunities. Have any other creative ways to forecast revenue? Let us know by filling out the [Contact Us form!](#)