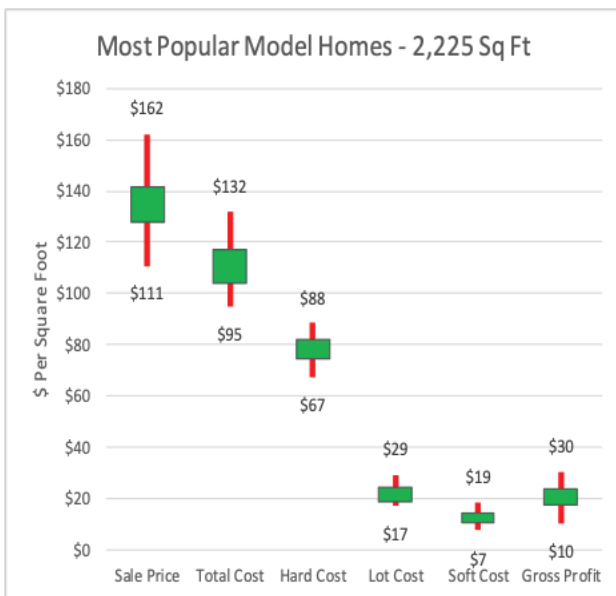


DATA ANALYTICS HELPS A HOME BUILDER BUILD PROFITS

By building data analytics capability, one home builder plans to increase profits and productivity. Since completing their first home in 2005, they now build over 600 homes a year. Expecting an industry slowdown in 2019, they began a journey to understand their financial performance, construction processes and customer behavior, and become a data driven culture.

REVENUE, COST, PROFIT VARIABILITY



SITUATION

Each department had their own data, but the company needed help to understand what they could and should do with it in a more integrated way. By 2017, they'd begun building a data warehouse, and a new process to manage all the IT project requests! Their needs were clear, the path forward was not.

ANALYSIS

Data2Profit Consulting combined construction management, home buyer option selection, customer demographics and financial (sales/cost/profit) data into one comprehensive analysis. For the first time, management saw the impact that option selection timing had on customer closing dates and profits. Changing demographics drove a trend to smaller homes, also impacting profits.

INSIGHTS & OUTCOMES

- **Surprising Range of Variability** in revenue, cost and profit became visible (see chart above)
- Over 12 months, profits were **\$1.2 million** lower due to declines in profit per sq ft and home sizes
- **45%** of Option Selections occurred past the mid-point of construction
- **50%** of home closings were delayed more than one month from original target
- **3 Point Plan** provided a prioritized approach to integrate findings into future business results

TESTIMONIAL

“As the owner of a capital management company, I only refer to my clients companies that I can trust to build relationships and add value. Data2Profit Consulting exceeded those expectations and I look forward to strengthening our partnership.”

*Terry Trayvick
Founder & Managing Partner
5th Level Capital*

ABOUT DATA2PROFIT CONSULTING, LLC

Our mission is to show our clients the power of their untapped data. We turn your enterprise data into higher productivity and profits by embedding data analytics into:

- Strategy development
- Performance management
- Operational reporting

Our formula for business success has three factors:
GROWTH = STRATEGY + CAPABILITY + CULTURE
Data analytics should be part of all three.

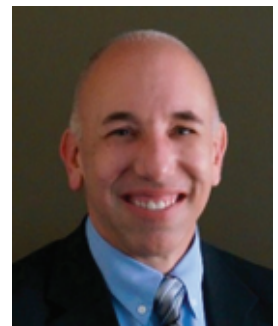
We focus on three broader services to increase the value of your company's data:

- Business Analytics - We complete strategic, cross-functional exploration of your data to connects dots and create new insights. We analyze your results, demonstrate why you are getting them and, most importantly, recommend what you should do about them
- Build Capability – We help identify what is critical for you to know on an ongoing basis, and build the capability to deliver it. Capability encompasses IT systems, data management processes and employee training.
- Integrate and Align Data -- We embed data analysis and measures into your daily culture through strategic planning, performance management and operational reporting work processes.

ABOUT LYNN CORAZZI

Lynn M Corazzi offers business analytical skills developed at Procter & Gamble and an MBA from Duke University.

As both a consumer and creator of new business information, Lynn has created data analytics capability to support financial, supply chain and marketing/sales leadership.



CONTACT US

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