

How Power BI is helping one of the largest homebuilders become a more data-driven organization

With a responsive, iterative approach to dashboarding, Thorogood worked side-by-side with executives from one of the largest homebuilders in the United States to help them understand the optimal way to use Power BI in pursuit of the company's goal of becoming a smarter, more efficient, more data-driven organization.

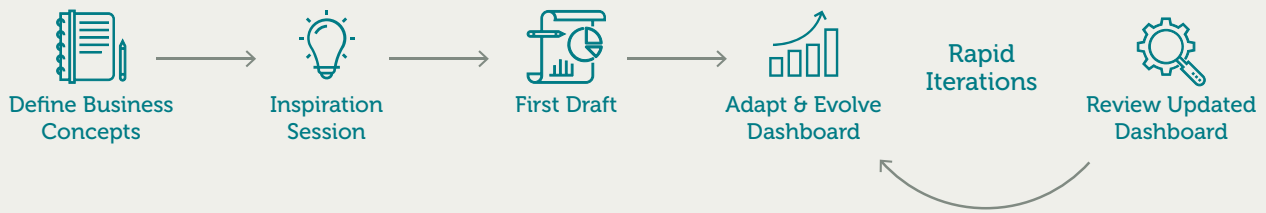
Building homes more efficiently by viewing data differently

When Thorogood partnered with one of the largest US homebuilders to develop a solution that would help it transform the use of data throughout the organization, the starting point was a stack of printed reports that would land on the desk of its division presidents each month. The Monthly Reporting package is a document in need of no paperweight, a quarter-inch-thick packet

of call sheets, inventory summaries, and revenue projections. Each turn of one of its 50+ pages reveals a swarm of numbers, a seemingly endless procession of digits and comma separators bleeding into each other across rows and columns laid out in 12-point.

These types of reports had long served as the primary means through which the homebuilder's executives could monitor the performance of all communities under their purview.

Iterative dashboard design



The scope of the company's operation is staggering in both depth and breadth, with homes for sale in 130 communities in 24 markets in 14 states throughout the United States. The business cycle included a succession of stages, each with its own impact on the bottom line: the purchase of land, the design and marketing of a community, the physical construction of the community and its homes, and then the sale of those homes. The homebuilder also featured a financial services arm that offered mortgages to buyers.

Given the length and complexity of the business cycle, each project required vigilant oversight by the division president in charge of that region. The plethora of variables that impacted the bottom line were often dependent upon the volition of third parties: zoning permits, regulatory compliance, purchasing contracts, the deployment of subcontractors, etc. An unforeseen development in any one of these stages had the potential to cause an exponential delay in time to completion and have a negative impact on cash flow, debt servicing, and, ultimately, profit margin. The ability to quickly and accurately compose and interpret a comprehensive picture of the present state of business was paramount.

When the homebuilder approached Thorogood about a partnership, it knew it had the data it needed to make smarter, more efficient decisions. What it needed was help creating the picture.

Iterative dashboard development: a business-centric approach

While the homebuilder knew that Power BI offered the capabilities it sought, it also knew that it needed a partner who understood how to apply those capabilities to its specific business needs. It needed someone who had the ability to understand both the technology and the homebuilding business itself.

This business-centric approach is the foundation of Thorogood's process of Iterative Dashboard Development, an intensive, cooperative methodology developed to ensure that a company's investment results in a solution that maximizes its impact on the way business is conducted.

The first step was in an intensive inspiration session in which both Thorogood and the client began to put ideas down on paper while developing the framework of a solution. The executives talked Thorogood through their business needs. Thorogood talked the executives through the various ways Power BI could address those needs.

After that initial session, Thorogood designed a series of dashboards that would be developed in Power BI's desktop tool and published to the software's cloud-based service, where division presidents could easily access them via their web browsers or mobile devices. Over the course of a series of bi-weekly sessions, Thorogood and the homebuilder continuously refined the solution until it met the client's exact needs.

A dynamic solution with maximum impact

The result was a series of bespoke dashboards that transformed the Monthly Reporting Package from a blur of black-and-white numbers into dynamic, vibrant reports with calculations and visualizations that enabled the homebuilder to process and contextualize key performance indicators at a glance. Crucial metrics like contract starts, delivery schedules, pending sales, and operating margins could now be visualized in a way that made it easy to monitor trends and comparisons to plan.

The ability to quickly evaluate timetables and financial figures against a variety of baselines now enabled executives to easily process and understand the performance of their communities. The intuitive and visual nature of the reports not only enhanced their ability to understand key performance indicators and the messages they are sending, but also freed up time to address any problem areas. With less time spent pinpointing inefficiencies or potential trouble spots, executives now had more time to dig deeper into their exact nature, identifying root causes and implementing changes that could keep the whole operation running smoothly.

All in all, the new solution was an excellent example of the way today's technologies, when applied with a keen understanding of the business objectives, can transform the way an organization operates.



Find out more:

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