

*“RapidDecision turned a two-day process to export, massage and validate data from EnterpriseOne into a 30-second, push-button refresh. We have so many examples of report generation that have been condensed from days or hours into minutes or seconds.”*

*-Chris Sinkwitz, Director of IT, Meritage Homes*

## **Meritage uses RapidDecision to cut two days from report generation, over and over again by building standardized realtime datamarts for customized ad hoc reports.**

No business segment has been harder hit in this economy than the homebuilding industry. Yet, Meritage Homes, a publicly traded homebuilder that was recently ranked as the 10th largest U.S. homebuilder (based on number of home closings) has always focused on cutting costs while carefully managing projects and tracking progress. So, you can bet that they are weathering this downturn and RapidDecision, a well-honed datamart builder is part of the formula.

Meritage, which has sold approximately 58,000 homes in the U.S., is famous for its ability to deliver affordable, yet elegant, quality-built home communities. Its two secrets to doing so are evident as soon as you walk into one of its showrooms: standardization of floorplans and homebuyer flexibility (user control) in customizing the home. You will see how Meritage invoked these same two business rules by using RapidDecision to manage the wealth of data contained within its JDE ERP system. But first, let's consider the challenges the company needed to resolve.

### **The Challenge**

Since its founding in 1985, Meritage has grown both organically and by acquiring established builders in various cities across the Sunbelt. This is a good way to gain local market presence while ensuring excellence, but it also presents challenges. That is why Meritage has long taken advantage of technology to help manage its business, as evidenced by the homebuilder's use of JD Edwards EnterpriseOne for its financial software needs.

But according to Chris Sinkwitz, Director of IT for Meritage, “Because we have such a diversity of management styles in our company, everybody wants to look at

reporting from the division perspective, while it might roll differently at the corporate level. JDE's standard reporting mechanisms simply could not meet these needs — not to mention that running JDE reports from all divisions at month end drained system resources. It might take two hours to process month end reports. And then, if one entry was incorrect, the controllers would have to make the appropriate journal entries and process them all over again... and wait two hours, again. My IT staff was being stretched to the max supporting this process.”

To make things worse, it became evident that department managers were maintaining their own databases to gain faster access to information. “Inevitably, reports from these databases and internal spreadsheets did not sync with corporately-generated reports. IT was forced to spend time validating reporting to maintain confidence in the numbers. It might take two days and lots of manpower after month-end closing to get reports that were trustworthy.” explains Sinkwitz.

Another costly issue was that, as changes were made to the JDE environment, because of release updates, for example, the IT cost and effort required to modify existing one-off reports was unacceptably high.

### **The Solution**

Sinkwitz knew that the solution lay in building a set of datamarts to serve as the foundation for building ad hoc reports. However, he also knew that writing the code inhouse to extract, transform and load (ETL) the data from the JDE database into datamarts would have taken six to nine months... a timeline that was unacceptable. That's where RapidDecision became critical. Its consultants are well versed in the inner workings of EnterpriseOne — its

data structures, transaction-update routines, cryptic field names, etc. But most importantly, they understand very well how to build datamarts that collect near-realtime data, because they have been doing it for more than a decade.

RapidDecision already contains the JDE mappings per application, as well as the common elements between applications. To Sinkwitz, this meant that building datamarts would go quickly and smoothly. Apparently, he was right! He started the process of requesting budget for building a General Ledger datamart in October 2008; the board's decision was made in November; and preparation for building the datamart was complete in December. In January 2009, the G/L datamart went live and Business Objects datamining tools were generating corporate financial reports for both internal and external use. To anyone familiar with building datamarts, this is a super-fast timeline.

Sinkwitz decided to have his own IT staff get up to speed first on using the datamining tools. So, at this early point in time they are the ones who churn out the G/L reports. Ultimately, though, corporate accounting and other departments will develop their own power-user expertise in creating ad hoc reports that are up-to-the-minute accurate.

And Sinkwitz and his RapidDecision consulting team haven't let the dust settle since the installation of the G/L datamart in January. Within the next two months (as of the writing of this article), they also are in the final stages of bringing up RapidDecision datamarts for Purchasing and HomeBuilder. Accounts Payable might not be far behind; Sinkwitz is still evaluating that. (Note: The HomeBuilder datamart is expected to save many man hours of IT support that is currently required for the manual process, and will free up two servers that currently extract and format the data for the existing process.

## **The Results**

Sinkwitz likes to draw an analogy with the company's two business rules (mentioned earlier): standardization and customization. RapidDecision datamarts now provide the standardized foundation that Meritage needs to deliver customized reports that each business manager needs. Even though each report has a unique look-and-feel to suit the user, everyone can trust that the data is accurate and consistent with other departments, as well as those

that are aggregated for corporate purposes. Not surprisingly, the various departments no longer maintain their own (out-of-date) files — everyone trusts the numbers, which are realtime and consistent to the dollar, and everyone is delighted with the speed of report generation.

Additionally, Meritage has eliminated a third-party software tool entirely, merely by adding logic to the GL datamart. According to Sinkwitz, "This turned a two-day process to export, massage and validate data from EnterpriseOne into a 30-second, push-button refresh. We have so many examples of report generation that have been condensed from days or hours into minutes or seconds."

Thinking into the future, Sinkwitz points out that, with RapidDecision, his IT budget won't ever take a hit when there is a new EnterpriseOne release. "We literally have NOTHING to retrofit. RapidDecision automatically takes care of it all. I must admit that I'm looking forward to letting go of that problem!" Another future goal, according to Sinkwitz, is to use the G/L datamart to satisfy compliance requirements, "Auditors can be provided with direct access to the mart to drill down and satisfy any questions they have."

However, when Sinkwitz brings his story to a close about his experience with datamarts, he shares part of his thought process when the choice was made to utilize RapidDecision. Here's how he words it, "When you make broad-reaching decisions, you always wonder, 'OK, what are they really going to deliver?' But, in this case, the people and products at RapidDecision far exceeded our every expectation. I would definitely do business with them again."