A Transformative Tool Selection

CCG

BACKGROUND

Following the US recession, innovation and technological achievement took a hit across all organizations as IT departments leaned and R&D funding slashed. The homebuilding market was especially hard hit. Many organizations went out of business, and those stable enough to survive were far from equipped to adopt the advanced data and analytics practices that have become the norm in most industries. In early 2015, Convergence Consulting Group (CCG) was enlisted by one of the largest home builders in the world to support the organization's first ever true Business Intelligence (BI) initiative and help lead their industry back into the future of modern BI and analytics.

CHALLENGE

In early 2015, the data operations within Lennar Homes was structured similarly to their Lennar neighborhood divisions: well-manicured and maintained independently, but spread across the country with little interaction between communities outside of a shared name. Departments within Lennar Homes operated independently with separate systems for measuring performance. It was impossible to maintain any true enterprise reporting system, or even compare divisions, due to varied formulas and calculations for success metrics across the organization. Lennar Homes sought the help of Convergence Consulting Group to select and implement an enterprise BI solution that would unify information systems and provide enterprise-wide visibility into company performance.

The ultimate goal of this BI initiative was to lower customer acquisition costs across the organization. Lennar Homes' executive team understood that in order to effectively meet and measure this goal, they must change the culture of their company to become more data and metric driven. The reporting strategy at the time was basic, descriptive reporting which looked at past performance; the new initiative would lay the foundation for forward thinking advanced analytics that could truly impact future business performance.

In order to reduce the cost of acquiring new customers, Lennar Homes needed to improve marketing performance and effectiveness. This new BI solution needed to provide transparency into marketing attribution and standardize metrics and methods for going to market across the enterprise. Lennar Homes also needed a reporting solution that could easily extract data from their Eloqua Marketing Automation platform for complete visibility into Omni channel effectiveness. Lennar Homes' Marketing Department played an integral role in proving the usefulness and practical application for the new solution.

Overall Total Score

	Weight	Microstrategy	Tableau	IBM Cognos	Birst
Ease of Use (Standard Users)	25%	101	103	105	97
Self Service (Experienced Users)	20%	82	84	77	76
Forecasting/Predictive Analytics (Finance/Planning)	10%	40	37	41	38
Mobile Analytics (Executive/Home Building)	15%	62	39	57	49
Alerts/Exception Reporting (Managers)	10%	44	25	42	39
Data Governance (Administrators)	20%	78	57	83	69
Grand Total (Weighted)		**407**	**344**	**404**	**367**

Feature Side-by-Side (Scale = 5 Exceeds Requirements, 1 Does not meet Requirements)

	Microstrategy	Tableau	IBM Cognos	Birst
Ease of Use (Standard Users)	4.04	4.10	4.19	3.88
Self Service (Experienced Users)	4.10	4.20	3.86	3.81
Forecasting/Predictive Analytics (Finance/Planning)	4.00	3.69	4.06	3.75
Mobile Analytics (Executive/Home Building)	4.11	2.57	3.78	3.25
Alerts/Exception Reporting (Managers)	4.44	2.50	4.17	3.88
Data Governance (Administrators)	3.91	2.85	4.14	3.45
Overall Average Score	4.06	3.71	4.05	3.75

*BI Tool Selection scorecard outputs from technology bake-off

SOLUTION

Lennar Homes engaged Convergence Consulting Group (CCG) to accelerate the selection process for an enterprise BI solution and to develop a vision and strategy for implementation. CCG's Assessment Vision Roadmap (AVR) methodology supported Lennar Homes through a six-step process to: define requirements, assess and quote vendors, identify opportunities and obstacles to implementation, and define a sequential roadmap to success.

The BI Tool Selection process resulted in the launch of IBM Cognos Analytics implemented on the cloud through the infrastructure as a service (IaaS) platform, IBM Bluemix (previously known as Softlayer). IBM Cognos Analytics' ease of use, mobility and data governance features made this platform the clear best-fit for Lennar Home's vision. This implementation was one of the first large-scale Cognos Analytics installations after its release in late 2014.

To insight an accelerated sense of value to their employee's, Lennar Homes deployed IBM Cognos Analytics with an agile process, which unified divisions through rapid, iterative two-week cycles. Dashboards were wire-framed using Visio then recreated in Cognos and functional within weeks. Lennar Homes further redesigned their sales compensation plan around the new reporting system to help encourage adoption of the Cognos Analytics across divisions, which required a large-scale development of reports before all of the data was architected. The level of buy-in achieved quickly from Lennar Homes employees is an unheard-of accomplishment that most organizations, especially Fortune 500 companies, struggle with today. This "analytics first, data second" rapid prototyping methodology (RPM) for deploying this solution defied traditional approaches to enterprise reporting, yet quickly unified the organization and helped build momentum around the new solution.

Due to this "analytics first, data second" method, initial functional reports were not pulling directly from the data source, which greatly limited their utility. Phase two of the implementation strategy focused on data quality and governance to manage the data behind the reports. CCG supported Lennar Homes in architecting a cloud data warehouse using IBM Bluemix (previously Softlayer). The use of a hybrid-cloud model allowed for the accessibility that Lennar Homes needed while minimizing overhead costs. An enterprise glossary and standard practice guide were developed along with the data warehouse to guarantee its continued success after implementation.

The investment of IBM Cognos Analytics acted as a springboard for Lennar Homes, laying the groundwork for advanced analytics and large-scale self-service. The successful implementation if IBM Cognos Analytics in the cloud allowed for transparency of data operations and standardized reporting practices across the entire organization. Lennar Homes now has visibility into the performance of decentralized teams and a robust reporting platform for measuring marketing effectiveness to support their goal of reducing customer acquisition costs, a goal which has since been realized and will continue to improve. CCG continues to support Lennar Homes' data and analytics initiatives so that they can build on this foundation and advance long into the future.