



Homebuilder's Web site key to building better relations with customers, subcontractors

Solution from IBM and LANSA speeds new home purchase and construction



Overview

■ The Challenge

Maronda Homes wanted a single database from which its own sales people and craftsmen, customers and subcontractors could get immediate answers to their questions

■ The Solution

IBM @server[®] iSeries[™] 825 running DB2[®], Apache Web Server and Linux, plus LANSA 2005 and LANSA CodeStart

■ The Benefit

Ability to showcase products in real time and improved employee productivity

Potential homebuyers have so many questions for the builder: "What's the layout?" "What's the total square footage?" "What's the school district?" "When can we move in?" and, of course, the inevitable "What's it going to cost?"

At the same time, the builder's subcontractors have their share of questions: "Is the purchase order ready?" "When do we start?" and their inevitable "When do we get paid for our work?"

Senior managers of Maronda Homes, which builds single-family residences in Pennsylvania, Ohio and Florida, hear and see any number of questions. They need up-to-the-minute information on land acquisition, home sales and settlements, construction progress and future business prospects.

Maronda needed single database to cover all the bases

Maronda Homes wanted a single database from which to get all the answers in real time. As Mark Piccolo, the builder's MIS director, explained:

"Five or six years ago we looked around at packaged solutions. But no one had an integrated solution like the one LANSA and IBM provided. LANSA had the roadmap to one Web-deliverable, real-time database solution, and that's what we wanted."

"We provide software and services that help mid-sized companies move to the next level of business performance, and IBM provides the essential foundation to make that possible."

Brian Sterrett, vice president, Marketing, LANSA



Web site offers immediate gratification to homebuyer and produces focused, well-informed, serious buyer

Benefits

- Potential customers pick from actual available home styles and amenities to fit their budgets via the Web
- Sales reps from their laptops enter customer information and collect deposits
- Subcontractors get paid electronically after completing their work
- Senior management has up-to-the-second status of the business

“No one had an integrated solution like the one LANSAs and IBM provided. LANSAs had the roadmap to one database and that’s what we wanted.”

Mark Piccolo, MIS director,
Moranda Homes

LANSAs, an IBM Business Partner, is a global provider of application development and integration software with more than 7,000 customers. It was founded in 1987 and is headquartered in the Chicago suburb of Downers Grove, Illinois.

How important is the LANSAs and IBM solution to Maronda Homes? “It fuels our business,” Piccolo said. While he declined to point to specific dollar savings, he said the technology solution has improved efficiency throughout the company’s operation.

“The time savings in double and triple data entry, the ability to expand without adding staff and the real-time information deliverable anywhere, anytime are enormous for us,” Piccolo said.

Solution shreds paperwork

Before using its common database, Maronda basically was paper-driven or, more to the point, paper-bound. For example, the annual planning cycle started in October and wasn’t finished until the following March — three months into the new year. Piccolo said the company previously generated form letters, contracts and other documents manually.

“Now these functions are automated by leveraging the database,” Piccolo explained. “Our field supervisors shaved off at least 25 percent of their week by not having to do paperwork in the office. They can do their jobs faster, directly in the system and with instant communication abilities from the job site where we need them most.”

Maronda’s policy is to not start building a home until it’s been sold. So the business has a four-part cycle that’s all tracked on the database: release of a building lot, contract signing, construction and payment.

“We wanted to deploy programs that could be accessed in the field by our sales reps and the people doing the actual construction work,” Piccolo explained. “In addition, we wanted potential customers to be able to go to our Web site and save a lot of their time and ours by getting answers up front.

“Our LANSAs and IBM-powered Web site offers immediate gratification to the potential homebuyer and produces a more focused, well-informed, serious buyer,” he said. “We’re finally able to showcase our available product to the market in real time.”

At www.Maronda.com, potential homebuyers enter the amount of money they're willing to spend; the city, township or school district they prefer; the square footage they're looking for; the minimum number of bedrooms they desire, and when they'd like to move in. They can also use the Web site to work out financing with MFC Mortgage, a Maronda subsidiary. If they buy, they even can use the Web site to arrange hookups for utilities, telephone, cable TV and the Internet.

As for sales representatives, they use the database from their notebook computers to enter prospect information, spell out details of the home that the client is buying, collect a deposit and create a 20-plus-page contract from a Web browser.

All that activity is at the front of the business, so to speak, directly dealing with the homebuyer.

On the other end, Maronda's subcontractors can use the Web site to see purchase orders, submit bills for payment and get their checks without any intervening paperwork.

At the same time, senior Maronda managers can see exactly how the overall business is progressing against the annual plan and keep tabs on cash flow and individual projects. They can study the big picture or drill down to small details.

"There's a myriad of other uses for the database," Piccolo said. "We query the database for customers who, for example, are due for a six-month home inspection and send them a letter to that effect. Because all the data is stored on the IBM eServer iSeries, we can merge addresses with text to produce letters of any kind.

"The real-time nature of the site has accelerated our business as the public and our business partners demand our response to their wants and needs. It's taken on a life of its own."

LANSA and IBM offerings underpin solution

Making all this possible is an IBM eServer iSeries 825 running DB2® middleware, Linux and IBM Apache Web Server plus LANSA's suite of application and integration software such as LANSA 2005 and LANSA Code Start.

Maronda isn't the kind of company to be satisfied with the status quo. After all, it takes a smart, agile, progressive company to build thousands of homes a year. So by this summer, Maronda expects its project managers will each have access to the database via a personal digital assistant to conduct scheduling and purchase order management. Piccolo noted that "the next logical extension would be to deliver the power of our system literally into the hands of our production staff."

Key Components of the LANSA Solution

Software

- IBM DB2
- IBM Apache Web Server
- Linux
- LANSA 2005
- LANSA CodeStart

Hardware

- IBM eServer iSeries 825

"That way," Piccolo continued, "our production supervisors can walk through homes under construction and do everything from updating the schedule and calling a subcontractor to ordering additional materials and approving purchase orders for payment. It's obviously more productive for them to be inspecting subcontractors' work than to be back in their trailers handling paperwork."

LANSA: an active participant in IBM programs for Business Partners

LANSA participates in the IBM ISV Advantage Initiative, a program designed to provide independent software vendors with technical and marketing support to meet the specific needs of small and medium (SMB) customers.

It also is active in the IBM PartnerWorld Industry Networks, Web-based communities that integrate and organize the PartnerWorld experience for ISVs by industry. The initiative offers ISVs industry expertise, technical assistance, networking opportunities and marketing and sales support.

LANSA is participating in the industry networks for financial markets, telecommunications, healthcare and life sciences and retail. Other networks now available include banking, insurance, government, automotive, fabrication and assembly, wholesale, media and entertainment and education and learning.

“Great relationship” with IBM

The Maronda solution is one of many collaborations between LANSA and IBM. Brian Sterrett, LANSA's vice president for marketing, said his company “enjoys a great relationship” with IBM. “We provide software and services that help mid-sized companies move to the next level of business performance, and IBM provides the essential foundation to make that possible.

“We've found a majority of opportunity to help SMB customers innovate is focused around the iSeries and requires infrastructure like WebSphere Express as well as Linux.”

Most of LANSA's business is in the manufacturing, distribution and financial industries. Although it has large customers, its work is mainly in the SMB market.

LANSA and IBM make joint customer calls and conduct a variety of mutual marketing events like Webinars in which potential clients can participate in a one-hour seminar via the Internet without leaving their offices.

“We work with IBM to try to find ‘fun’ events to run for customers,”

Sterrett said. “Case in point, two years ago IBM and LANSA jointly brought customers together in Cincinnati for the Tall Stacks, an amazing exhibition of steamboats. Yes, it was fun, and it also led to some serious business.”

LANSA and IBM solution goes beyond Maronda's needs

In a sense, besides the obvious business advantages the LANSA and IBM solution brings to Maronda, there are intangible social benefits.

Think about it. For most people, buying a house is the biggest single investment they'll ever make. Selecting the home and community, signing a long-term mortgage, packing up everything they own and moving into a brand new development where they probably don't know a soul — all that can be daunting. At the same time, the people building each home have a lot at stake not only in terms of money, of course, but also in terms of reputation and future business.

So a system that can smooth out the whole process — from the buyer's perspective, the builder's and the subcontractor's — can contribute on many levels to helping people share in the American dream of home ownership.

For more information

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For more information about ISV resources from IBM PartnerWorld, visit: ibm.com/partnerworld/isv

To learn more about LANSA, visit: LANSA.com

To learn more about Maronda Homes, visit: maronda.com



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