



PARIS
technologies

A case study of the Mexico division with comments by
Abdiel Alvarado, Vice President of Finance
Sergio Peña, Vice President of Financial Information Systems



Pulte Homes

Building a Home for Dynamic Data



OLAP-savvy VPs see big advantages in PowerOLAP—in customer service, functionality, and price—and frame out optimal solution for financial and sales data at this Fortune 500 Company, the largest home builder in the U.S.

It was Abdiel Alvarado and Sergio Peña's expertise in OLAP technology that led them, ultimately, to select PARIS Technologies' PowerOLAP as their business intelligence solution. Which has resulted in a big win for Pulte: a feature-rich product as the foundation of a dynamic, multi-use application, with the strong pillar of excellent local support—all at far less cost than the upgrade they had considered for their then-current OLAP tool. "With PowerOLAP, we overcome the limitations of Excel on the one hand, our accounting system on the other, at the same time combining their benefits. We enjoyed working with PARIS—plus, the cost was approximately one third of what we thought we'd spend," noted Alvarado, VP, Finance, of the Mexico division.

Both Alvarado and Sergio Peña, VP, Financial Information Systems (also of the Mexico division), are sold on the power and advantages of OLAP (online analytical processing) technology. "Once you become aware of the limitations of Excel—the repetitive data entry, the fact that you are working in only two dimensions, the static nature of the data—you start to wonder, Isn't there some other software that can do the job? It is a situation that must happen at hundreds of companies," noted Peña. If not tens of thousands—since most analysts "end up working in Excel," even as their spreadsheet-linked models grow to epic, unmanageable size. It's not that Excel itself is a problem; it's just how Excel often ends up being used—as a database for analysis/reporting figures. How, then, to incorporate the universal familiarity and tremendous usefulness of Excel into a business intelligence solution...? [PowerOLAP adopts Excel as its front end: users access and manipulate data through their familiar spreadsheet, or via the Web.]

Several years back a colleague of Alvarado and Peña's had begun to investigate OLAP. The applicability of OLAP to a firm like Pulte can not be overstated: the largest home builder in the U.S., Pulte also builds homes throughout Mexico—it is the fifth-largest builder there—adding another "dimension," currency, to the mix of analysis and reporting requirements. Their department eventually developed an application based on Applix's TM1 OLAP product.

After overseeing three years of growth at Pulte Mexico, Alvarado and Peña needed to expand to a server-based system, to connect offices in Ciudad Juárez, at the U.S-Mexico border, and Querétaro, in Central Mexico, with headquarters in Dallas and Mexico City. Just before deciding to purchase a TM1 upgrade, in the range of over \$100,000, they looked more closely at PowerOLAP: "There was great responsiveness from PARIS to us as the prospective customer. Also, it is very valuable to get support in Spanish from local representatives in Mexico City." Peña noted.



PARIS
technologies

He also cited specific product benefits from PowerOLAP: “The Alias function works particularly well for Spanish-English data naming conventions. Plus I like PowerOLAP’s use of one file to keep track of several cubes and slices, as opposed to numerous files associated with a single cube.”

PowerOLAP’s modeling environment—multidimensional cubes, in OLAP terminology—allows Peña and Alvarado to work with both sales and financial data through the entire cycle of a project, which involves up to 18 stages of construction (putting up the walls, wiring for electricity, installing the plumbing) and tracking prospective homeowner traffic, sign ups, and closings. Further, as Alvarado noted, “We not only do sales and financial analysis and reporting, but also budgeting and forecasting. We project numbers—P & Ls for the next month, the next six months, next year—based on the data I choose, on the fly.” PowerOLAP accomplishes this through the use of internal formulas, dynamically transforming Actuals into planning data.

Expanding on how PowerOLAP bridges the gap between Excel and his accounting system, Peña said, “We can do dynamic reports now in Excel. We have far greater flexibility in analyzing our data, by making changes in orientation, looking at Weekly Sales by Project by City by Month, in Dollars or Pesos, and so on. We do ad hoc reporting—like trend analysis on the fly—which I couldn’t do with my accounting system. Yes, you can use report writers, but they are static. And you have to ask, How long will it take to write reports in, say, Crystal?—then, How many seconds in PowerOLAP?”

The implementation at Pulte Mexico now incorporates three PowerOLAP servers, one each in Ciudad Juárez, Querétaro and Dallas. The first two offices create their models in Spanish, with financial data in pesos, then send summary-level data to headquarters in Dallas. Through the use of Aliases, PowerOLAP is able to convert the data descriptions transparently to English; and through currency conversions, enables staff to analyze figures in both pesos and dollars.

“It’s a fun system,” says Peña, which is a great compliment from someone with OLAP experience. As well, sturdy, cost-effective and very successful—like all of Pulte Homes’ ventures on either side of the Rio Grande.

For more information about Pulte Homes, please see www.pulte.com.

POWEROLAP IS A TRADEMARK OF PARIS TECHNOLOGIES, INC.
TO LEARN MORE ABOUT POWEROLAP OR PARIS TECHNOLOGIES, INC., PLEASE SEE WWW.PARISTECH.COM
ALL OTHER TRADEMARKS ARE THE PROPERTIES OF THEIR RESPECTIVE OWNERS.