



BUILDING ON A BLUEPRINT FOR SUCCESS WITH SAP FOR ENGINEERING, CON- STRUCTION & OPERATIONS

In the home-building industry of today and tomorrow, you'll succeed well against the competition by following a solid and comprehensive plan. SAP has more than 84,000 installations from small to large organizations around the world, and for home-building companies in particular, the SAP for Engineering, Construction and Operations set of solutions is helping to manage the millions of details – and the big-picture strategies – that go into building a more profitable business.

Integrated Information, Processes, and Partners Deliver Speed and Agility in Meeting Home Builders' Needs

As in many other industries, success for home builders means keeping up with demand while adapting to changing economic conditions. It means managing relationships with a wide array of subcontractors, suppliers, and home owners. And it means keeping track of a tremendous amount of detailed data and processes involved with sales, finances, materials, schedules, and properties.

But what sets home builders apart from other businesses are the challenges inherent in adapting to the constant change that comes from being linked so closely with the economy. Home buyers are affected, positively and negatively, by many mercurial factors, such as mortgage rates, equity markets, unemployment, and politics.

Although home builders need to be streamlined and agile to adapt to these changing needs, many struggle with fragmented information systems that reflect the traditional, decentralized nature of the home-building business – builders, subcontractors, and suppliers all using different technologies and processes. As a result, the flow of information tends to be slow, often relying on paper, phone, and fax, and the information itself tends to be inaccurate and out of date.

In today's home-building industry, old processes are typically trying to cope with new challenges. But with heightened competition and ever-growing cost and schedule pressures, that situation is no longer adequate. Successful home builders succeed by operating leanly and efficiently, sharing accurate, up-to-date information about projects and processes with construction contractors, and with purchasing, sales, and finance departments. They find the answer with the SAP for Engineering, Construction & Operations (SAP for EC&O) set of solutions.

SAP for EC&O: A Complete Portfolio of Industry-Focused Solutions

SAP for EC&O helps you to keep your entire network of partners moving forward as quickly and smoothly as possible. An integrated set of solutions designed specifically for the home-building industry, SAP for EC&O lets you integrate information, processes, and partners to collaborate, increase speed and efficiency, and give customers exactly what they want – when they want it.

These comprehensive solutions provide tools and capabilities that support the full range of industry processes, as follows:

- **Increase efficiencies throughout your organization.** SAP for EC&O offers end-to-end process integration to improve the flow of data.
- **Make better strategic decisions and reduce operating costs.** SAP for EC&O allows you to handle market research, product and land development, sales, build, and procurement, and to share that information with your internal organization as well as your partner ecosystem, whether they are mobile or connected.
- **Grow your business.** SAP for EC&O grows with you, supporting you through acquisitions, mergers, diversification of business, or other investments.

SAP for EC&O equips you with one comprehensive set of solutions to continuously build a successful business. It begins with digitization of your business processes for consistent results based on best practices that connect employees, suppliers, partners, and customers. Next, you integrate across locations, functions, and

departments, breaking down silos of information to create a single system of record – a “single version of the truth” for everyone. When your people, processes, and data run in real time, and when you can efficiently collaborate with your business partners, you improve your bottom line and your success in this business.

Manage Jobs Through Their Entire Life Cycle

Track projects from start to finish, manage changes accurately, and use the property master feature to trace property and projects by individual building or lot, or even across entire communities. Use sophisticated project-reporting features to evaluate key performance figures, such as planned and actual costs, payments, and profits.

Manage Relationships with Suppliers and Subcontractors

Streamline the purchasing of subcontractor services, equipment, and goods, and then track and control those purchases on an individual job basis. All communication with banks, realtors, and local authorities is completely integrated, whether you choose mail, fax, or e-mail. Use online e-procurement capabilities to work smoothly and efficiently with contractors. Vendor-selection tools let you compare suppliers based on on-time performance, completeness and quality of execution, invoicing accuracy, and services delivery. Depending on the home buyer's selections, the solution facilitates the creation of the necessary contracts and forms. When a prospect converts into a customer, built-in workflow processes send out notification messages and relevant information to all concerned parties – the community project manager as well as the company's design center and mortgage and title partners – allowing them to begin working together to get each home built and financed.

Build and Sustain Solid Customer Relationships

Powerful customer relationship management (CRM) tools support your marketing, sales, and service efforts. You can manage prospect traffic, contracts, and payments, and interact effectively with customers to understand their needs early on and to design and deliver homes that meet their expectations. The CRM solution automatically generates a thank-you letter for your sales

associates to send, and reminds them of any follow-up phone calls. During the sales process, as the sales associates gather and enter key demographic data, this information is immediately available to the marketing department for analysis purposes.

Manage Prospective Buyer's Selection of Options

The solution's variant configuration tool lets your sales associates discuss available lots and house plans with your customers, and show them the various floor plans on the computer. This tool ensures that your sales team offers valid options; for example, you wouldn't put aluminum siding on a brick home, so that option would not be available. The tool then ensures that all selected options are accurately reflected in the price and in the resources and materials listed for the job. Your design center uses the same tool to detail all design changes in real time. The result is accurate, consistent sales contracts and information at your fingertips, leading to higher customer satisfaction.

Deliver Information to Anyone – Anytime, Anywhere

Solution support for mobile, wireless, and Web access ensures that your mobile employees can stay in touch from anywhere and that walk-through updates are enabled. Web-based enterprise portal technology gives your employees and contractors personalized access to the information, applications, and services they need to work and collaborate. Partners – from large subcontractors to small specialty trades – can access your portal by using their Web browsers, regardless of their location or computing platform. All of this simplifies collaboration and the integration of information across company, subcontractor, and supplier locations.

Keep Close Tabs on Finances

With SAP for EC&O, you have current information on all jobs underway, and sophisticated financial functions to help you track expenditures, optimize cash flow, and improve business performance. You can identify high-cost areas – both in your company and your partners' – and quickly address problems to ensure that you are deriving the most from your financial resources. And sales closing is reduced from a long, time-consuming paper trail

to the push of a button, because the software creates the closing journal entries from data already entered.

Putting It All Together: An Integrated Look at SAP for EC&O

Because the capabilities and tools provided by SAP for EC&O solutions are closely integrated, you can streamline the flow of information among your employees and business partners. For example, sales information for a new job is automatically transferred into the project management tool, creating the controlling structure and the network of activities to deliver the new home. From there, it can automatically trigger the planning and procurement of materials needed for projects and the distribution of accurate subcontractor schedules via the Internet.

This means you can use the solution's project management software in the following practical ways:

- Manage costs effectively, not only for each home, but all common structures, such as streets, utilities, and common-area facilities
- Execute seamlessly on each job site by integrating the builder and subcontractor in a real-time environment, sharing schedules and punch lists and confirming activities and release payments
- Synchronize escrow tasks, HUD reports, and customer-facing activities with the execution timeline on-site

SAP for EC&O is designed to fit into the everyday operation of your business. It's easy to use and offers time-saving features, such as integrated workflow management and automatic, user-specific reports pushed directly to the user portal.

For the long term, SAP for EC&O provides an open, scalable architecture based on the SAP NetWeaver™ platform, SAP's integration and application platform that enables low total cost of ownership. This means that your solutions can easily be expanded and integrated with other solutions, whether they are from SAP or other vendors, to help you cope smoothly with business changes.

As a fully integrated, comprehensive set of solutions, SAP for EC&O helps you avoid the costs and headaches of maintaining several disparate, stand-alone systems. With SAP's rapid implementation methods, you can be up and running with SAP for EC&O quickly and cost-effectively.

You can also take advantage of SAP for EC&O as a hosted solution. SAP can operate and maintain the solution while you access it over the Internet. You get world-class capabilities and 24/7 global support without a major capital investment or a large IT staff.

Solutions for home builders from the SAP for EC&O portfolio draw on SAP's extensive, decades-rich experience in serving your industry. Today SAP has a corporate, dedicated home-building industry team composed of solution staff, research and development resources, consultants, and complementary software partners. That level of commitment ensures that the solutions will continue to evolve along with your industry to meet your needs today and tomorrow.

Start Benefiting from SAP for EC&O Today

Home builders need to track a wealth of detailed information and coordinate work with trades, subcontractors, and customers. In an industry dominated by decentralized and disparate organizations and systems, this is not easy. But with SAP for EC&O, you can standardize and integrate business processes – from marketing and sales to land development, construction management, payroll, and accounting – and extend those processes to suppliers and subcontractors. This comprehensive set of solutions supports your industry-specific processes to benefit you in many ways – from controlling costs and boosting sales and profits to increasing customer satisfaction and staying ahead of your competition.

Find Out More

To start following this blueprint for success and reaping the benefits of SAP for EC&O for home builders, please visit the SAP Web site at www.sap.com/fm/homebuilding.

Powered by SAP NetWeaver™

SAP for EC&O is powered by the SAP NetWeaver platform – the open integration and application platform that provides the best way to integrate all systems running SAP® or non-SAP software. SAP NetWeaver unifies integration technologies into a single platform and is preintegrated with business applications, enabling change and reducing the need for custom integration.