

COSTRATEGIX CASE STUDY

Construction Software Designed to Make a House a Home

The Challenge | Continuous Application Modernization

Drees Homes, the 18th-largest private homebuilder in the US, turned to CoStrategix for help in modernizing its custom construction software and evaluating emerging new technologies to drive operational efficiency and on-time delivery of homes.

A builder that prides itself on delivering outstanding quality in all elements of the homebuilding journey, Drees had been an early innovator when it first developed its suite of applications, shifting from paper to laptops back in the era of dial-up modems. But just as the company aimed to update its homebuilding platform, the real estate market collapsed. By the time the company was ready to update its homebuilding software again, its applications were far from being cutting-edge.

“I vowed to not let that happen again,” said Matt Graves, VP of Production. “CoStrategix has helped us foster a continuous improvement mindset. They are strategic thinkers and talented developers. Together, we are creating, evolving, and improving our technology platforms so that we can be responsive to market needs.”

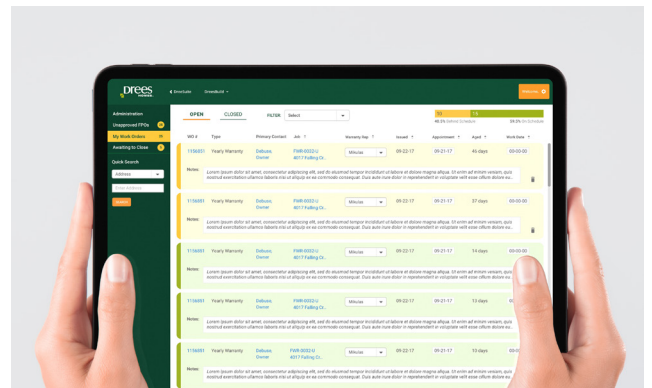
Results

On the face of it, results from Drees's homebuilding software modernization don't fairly represent the dramatic transformation that it has enabled. That's because in 2020, just as Drees started to reap the benefits of its platform, Covid delivered a double whammy with both dramatic supply chain shortages and a housing boom.

“The last few years have been extremely difficult. Our KPIs looked awful. But I can guarantee that we performed better because we modernized our software than if we hadn't,” Graves said.

With on-time production, Drees went from its highest of highs - with 97% of homes completed on schedule before Covid - to its lowest of lows - with 21% in the summer of 2021. During Covid, cycle time (the average number of days it takes to build a home) nearly doubled. While not back to pre-Covid numbers quite yet, the homebuilder has been able to make great strides toward recovery.

One tremendous benefit of its new construction software platform has been access to insights the company never had before. A new Delayed Activity Report showed for the first time where Drees was losing time. Before that, they relied on the field to tell them.



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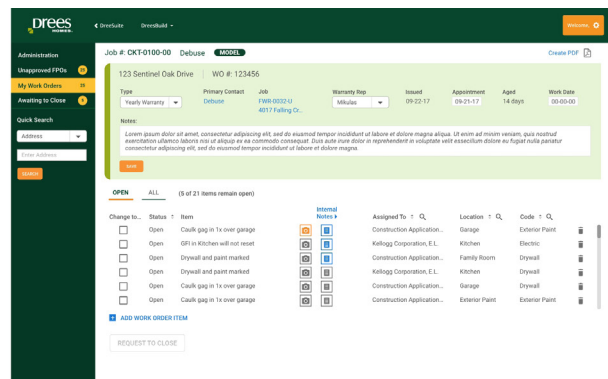
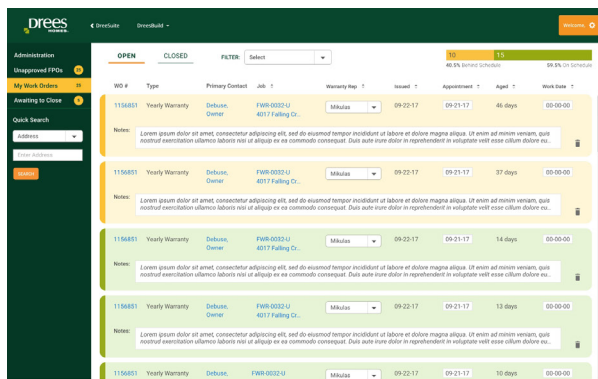
“When we first saw the Delayed Activity Report, we were in shock,” Graves recalls. “We had 2,000 activities that were delayed by 7 or more days. This report helped pull us out of the deep, dark hole we were in.” Today, the company has made dramatic improvements... and the delays continue to shrink.

While metrics and reporting have been beneficial, the primary goal of the construction software platform was to improve communication and schedule visibility with its trade partners. The increase in communication has been dramatic. By the middle of 2023, Drees had already recorded nearly 85,000 messages between the company and its trade partners. This has, in turn, led to improvement in on-time service delivery, which ultimately results in reduced homebuilding cycle time.

In addition, providing open visibility of on-time delivery metrics to the trade partners has prompted several partners to implement their own, internal KPIs to better monitor and manage their performance. This also contributes to a reduction in cycle time.

“Our goal is to be the Builder of Choice for our trade partners. We hear from our trades all the time that ours is the best platform they’ve ever seen,” Graves said. “But don’t take our word for it. Survey results from 791 trade partners indicate that what they like the most is how easy and user-friendly the platform is.”

“CoStrategix clearly understood our business imperative, consulting with us every step of the way, and turned our vision into a modern integrated digital and data solution. They were the glue that pulled it all together.”



Drees Homes Customer Care Application

Our Approach

CoStrategix’s partnership with Drees Homes started with a strategic planning workshop. Together with a cross-functional team from Drees, we reviewed changing customer and trade partner expectations, data systems and business priorities, the current technology footprint, and desired future state.

We built out a long-term roadmap and decided to tackle the least complex platform first, to provide a quick win for the business and build trust. We then applied an agile software development approach, iterating with frequent releases to

make sure the most impactful features were addressed first. Today, Drees has a suite of applications to help manage the entire home building lifecycle, from prestart to warranty expiration. The suite includes:

- Drees Build
- Drees Team
- FPO Management
- Bid Requests
- Customer Care

“Instead of buying off-the-shelf software, we built our platform around the way we do business,” Graves explained. “Ours is a software platform built for builders by builders. We included our trade partners in the development process, and many of the ideas came from them.”

One of the strengths of the updated construction software platform is the backend integration. Data is less fragmented and flows seamlessly from one system to the other, minimizing the time it takes to input data and reducing typing errors.

In addition, the platforms were built with smart automation - streamlining processes and baking in business quality assurance. This has enabled the homebuilder to build scale and efficiency into its system.

Another strength is user experience design - creating a system that is intuitive and easy to use. CoStrategix performed usability testing on both the design and the proof of concept before launch to make sure it was as user-friendly as possible.

“One thing I really appreciate is that CoStrategix is not a homebuilding program company,” Graves said. “They bring ideas from other industries that we would probably not have thought of ourselves. We wouldn’t have gotten that in-house.”

“It seems like every strategic conversation we have with CoStrategix is about what we could be doing. They challenge me to look into the future, instead of focusing on what we’re doing right now.”



Matt Graves
 VP Production, Drees Homes
