

## Production Homebuilder Tracks Profits with Production Management

Pennsylvania-based Dewey Homes was growing toward its goal of 250 homes a year, but it needed software that tracks options, while integrating accounting, tracked scheduling, and sales. Dewey Homes quickly settled on Production Management, a Sage Timberline Office application, which includes features to help builders control construction costs, pinpoint the reason for a variance, manage trade contractor costs, and handle contracts.

“Now we know our profit for every option and every house, and we know it before we build anything. And not just approximately what we would make, but exactly,” says Rick Cosgrove, Dewey’s purchasing manager and systems administrator.

### Tracking Options

Dewey Homes is currently working on a project with \$500,000 to \$700,000 homes that are very customizable, and Production Management helps Dewey track every option.

“Without the Homebuilder Management System and Sales Interface modules—which integrate with purchasing—it would be nearly impossible to do. We would have no clue what we were going to make until the homes were built,” Cosgrove says.

### Paying by Purchase Orders

Using Production Management, Dewey was able to streamline its accounting system so contractors are paid through purchase orders rather than invoices.

“Our vendors know that if it’s not on the PO, it needs a variance purchase order sent out or they won’t get paid,” Cosgrove says.

The system simplifies things for the contractors, who just want to do the work. Subs get paid automatically when the superintendent marks a task as completed. The software is integrated so the scheduling software ties into approving purchase orders. “It works really well for them,” Cosgrove says.

### Customer:

**Dewey Homes**

### Industry:

Production Homebuilding

### Location:

Wayne, Pennsylvania

### System:

**Sage Timberline Office**

## CHALLENGE

Production homebuilder offering customizable options wanted the ability to forecast costs and profitability prior to construction.

## SOLUTION

Applications that control construction costs, pinpoint the reason for a variance, manage trade contractor costs, and handle contracts are part of the Sage Timberline Office production management software selected by the builder.

## RESULTS

The builder now knows its profit for every option and every house, and they know it before they build anything—not just approximately, but with high accuracy.

## Saving Time

The software is well integrated and automates many tasks, saving Dewey staffers time and cutting down on the number of workers needed. Cosgrove handles purchasing for the company's apartment and home construction with just two other employees.

"In just an hour a day, I'm handling \$16.5 million worth of purchasing for all of our apartments myself. The system works that smoothly," Cosgrove says.

Cosgrove and another person primarily concentrate on bringing up new communities, while the third person maintains the system and handles variances.

The integrated software makes it possible to enter data once and have it automatically entered into other appropriate modules. "It's nice to only have to do something in one place and not in 10 different applications, or even two. It's amazing how confusing things can get when you have to do that," Cosgrove says.

Cosgrove says it's impossible to quantify how much time is saved because Production Management provides so much more information than Dewey's previous software.

"It didn't matter how much time was put into our old software, we were not getting what we get now. We're getting so much more out of Sage Timberline Office that there's no way to compare," he says.

For more information about Sage Timberline Office, visit [www.sagecre.com](http://www.sagecre.com), call 800-628-6583, or contact your local Sage Timberline Office Business Partner.

"We're getting so much more out of Sage Timberline Office that there's no way to compare."

— Rick Cosgrove  
Purchasing Manger and  
Systems Administrator