BuildingPoint
SOFTWARE CONSULTING

Over Budget Projects

MGM

Las Vegas, Nevada

Project Description

MGM had a problem. Their last real estate venture came in significantly over budget. MGM knew it would be unacceptable for that to happen again.

They realized that the root of their problem was that they were not informed of actual costs until subcontractor invoices came in, which was typically 30 to 90 days after the costs were incurred.

There were multiple job cost accounting systems in use on a large project, resulting in fragmented information.

The Solution

To solve this problem, MGM consultants Ernest & Young called on OnPoint to create a solution.

The solution arrived at was highly sophisticated in its back end, but elegantly simple for the end-user.

A database was created that allowed for the data warehousing of estimated cost of completion information from various sources on the project. That information was then visible to MGM executives to use for forecasting purposes.

And, because OnPoint utilized Crystal Reports to create meaningful key projected cost reports that MGM's executives needed for forecasting purposes, no time had to be spent training users on how to use the new system.

The Result

MGM subsequently used this tool to anticipate final project costs easily and successfully.

Significant management and funding decisions were made based on information provided by this valuable tool.

How This Can Apply to Your Company

Learn from mistakes and take actions to prevent repeating them. Partner with the right resources to help you be successful.