# D·R·HORTON® America's Builder

#### D.R. Horton Builders Lawsuits

MGMT 525: Project 1 GraceAnn Carroll, Sean Price, Camille Bourque

#### Section 1:

# The Company

# What is D.R. Horton?

- "America's Builder"
- Founded by Donald R. Horton in 1978
- First Home Built : Fort Worth, Texas
- Headquarters : Arlington, Texas
- Since 2002 : Largest Home Builder by Volume in

the U.S.

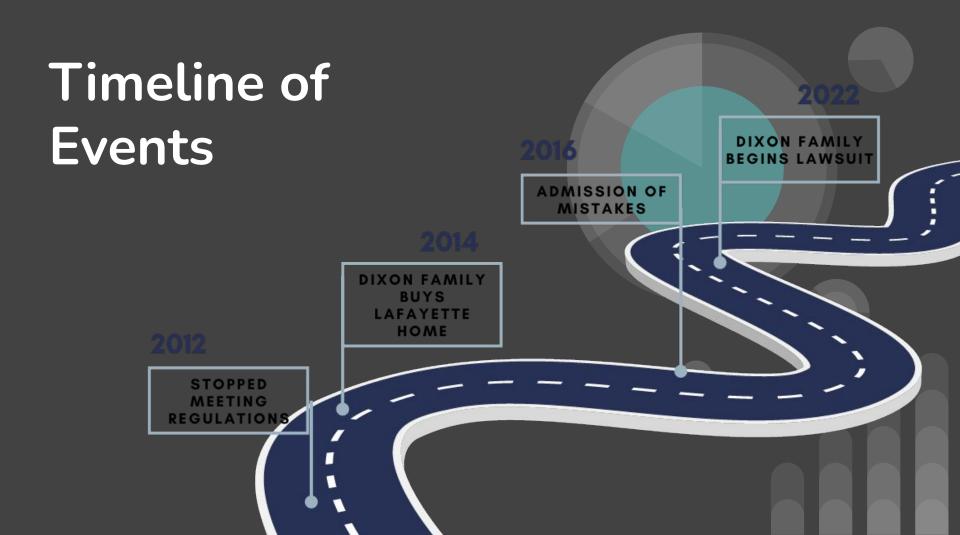
Located in 33 States and 110 Markets
 FOUNDER AND CHAIRMAN

#### What Happened?

"Our subcontractors occasionally do not meet adequately quality standards in the construction of our homes."

"We spend significant resources to repair items in homes we have sold..."

- Direct quote from D.R. Horton Inc 2016 Filing: Page 21



#### Section 2:

# Digging Deeper

### **Organizational Culture**



### Ethics

- External vs Internal Locus of control

- Machiavellianism

- Values
  - Espoused
  - Enacted

### **Organizational Culture**

- Functions of organizational culture

- Strong culture vs Adaptive perspective

#### **Big Five Personality Traits**

- Emotional stability: calm, self-confident, cool
- Conscientiousness: hardworking, organized, dependable

# Section 3: Company Reaction and Recommendations

# **Court Hearings**

- Attorney representing the company made statements in court defending the company
- Urged plaintiffs to take the matter out of court and into arbitration

#### **Deceptive Business Practices**

- Previous occurrences
- Failing to disclose certain information
- Never warned prospective buyers, even after issues arose

## Recommendations

- Consult with more Louisiana based home builders and contractors
- Listen to customers complaints and requests; customer surveys
- Look at Google as a template

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