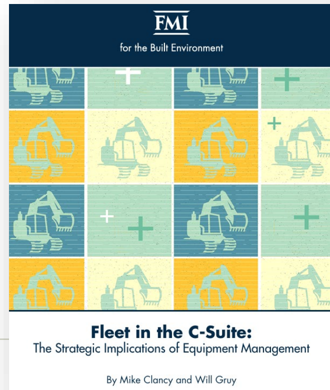
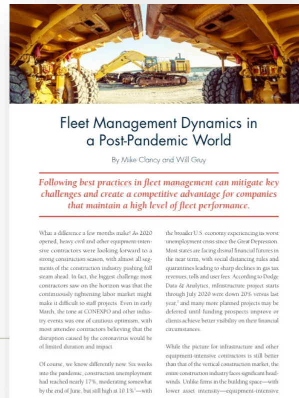
FMI Consulting

We help clients drive profitable growth, improve performance, develop talent and reduce risk. Our expertise honed over 70 years in the industry addresses specific needs within the context of your greater goals.

Fleets are a Strategic Asset, Not Just Equipment

Fleets should be managed like a strategic asset portfolio. Too often construction firms treat fleets as a cost center or operational function. This mindset shift to treating fleets like a financial investment helps unlock value and profits.


FMI
for the Built Environment
Fleet in the C-Suite:
The Strategic Implications of Equipment Management
By Mike Clancy and Will Gruy


Fleet Management Dynamics in a Post-Pandemic World
By Mike Clancy and Will Gruy
Following best practices in fleet management can mitigate key challenges and create a competitive advantage for companies that maintain a high level of fleet performance.

Two Primary Risks in Equipment Management

1. **Risk on Capital Deployed**
   - Managing risk is especially critical for heavy civil/infrastructure contractors (31% fixed assets vs. 4.5% in building contractors).
   - Poor asset utilization means missed returns.

2. **Risk to Operations**
   - Downtime is costly. Equipment availability (uptime) should take priority over maintenance cost minimization.
   - Example: a $6,000/night paving crew justified an onsite mechanic to avoid production delays.

Why This Matters

Adopt a Portfolio Mindset

- Apply asset allocation principles (what to own vs. rent).
- Plan for equipment churn (retire/replace at the “sweet spot” of value).
- Manage each equipment class independently to reflect real costs.

The Role of a Fleet Manager

- Technically skilled and financially fluent.
- Able to use telematics and data analytics.
- Equipped to align fleet decisions with long-term strategy.

Mike Clancy

Partner & Strategy Practice Leader

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Mike advises construction, engineering and energy companies across the U.S. With a strong background in construction operations and strategy consulting experience, Mike brings a unique viewpoint to his client work that focuses on how to convert strategy developed in the boardroom into operational plans to be executed in the field. He possesses a deep knowledge of estimating, fleet operations, capital expenditure optimization, strategy, and leadership development and training.

He has led multi-disciplinary teams within FMI and outside industry professional groups to solve complex challenges for his clients and the broader industry. Mike is a nationally recognized speaker for associations and trade events.