



FMI, Technology & Innovation

Quick notes on COVID-19



Tactical safety,
remote work,
and short-term
project
execution



Strategic
accelerant on
existing trends

Agenda

Premise



Getting Started



Sustaining Momentum



Challenges and Opportunities



Q&A



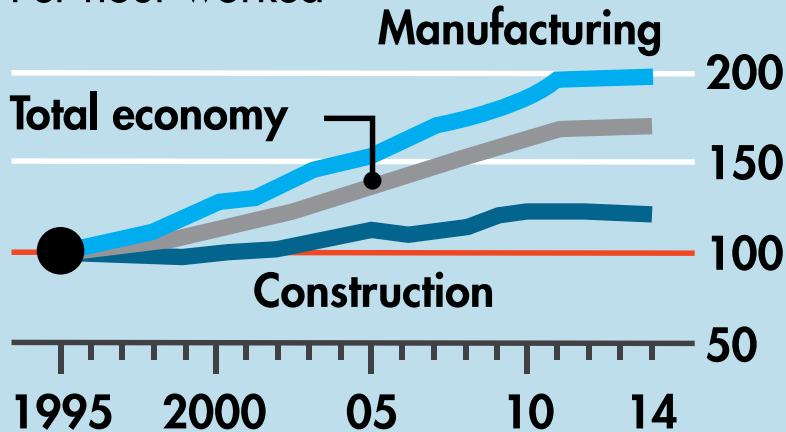
An Industry Under Pressure



Manufacturing productivity

Global Productivity

Real gross value added, 1995=100
Per hour worked



- Automating processes
- Optimize the workflows, not the building itself
- Construction can emulate manufacturing

Economist.com

New Expectations

Community Involvement

Environmental Stewardship

Diversity and Inclusion

Continuous Feedback

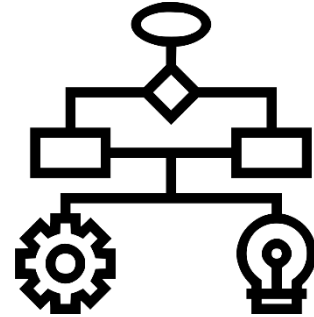
Life Balance

Effective Technology

Traditional Approach



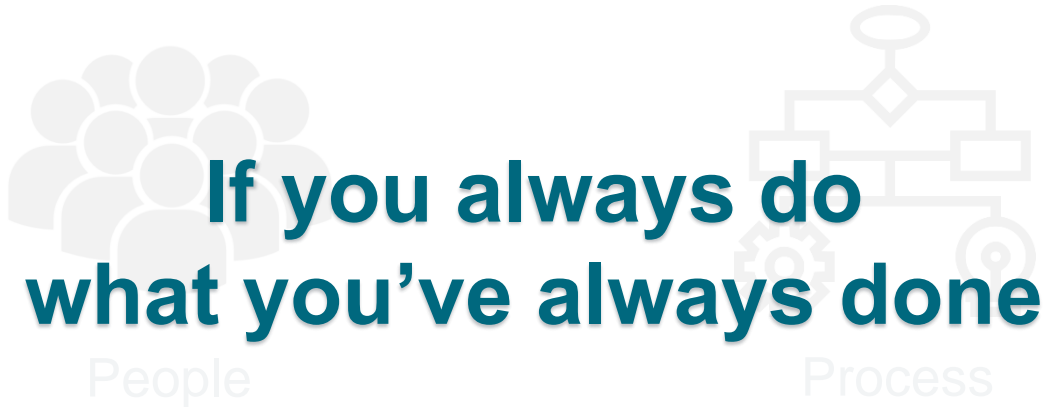
People



Process

- Business Strategy
- Organizational Design
- Leadership Development & Coaching
- Process Optimization
- Financial Analysis

Traditional Approach



**If you always do
what you've always done**

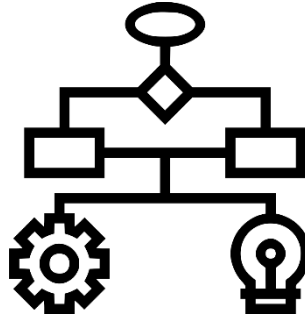
People Process

- You will always get
what you've always got**
- Business Strategy
 - Organizational Design
 - Leadership Development & Coaching
 - Process Optimization
 - Financial Analysis

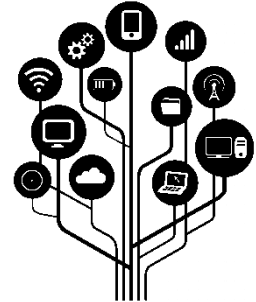
Today's Approach



People



Process



Technology

- Business Strategy
- Organizational Design
- Leadership Development & Coaching
- Process Optimization
- Financial Analysis
- Technology Planning / Strategy
- Tech Training
- Data Management
- Data & Process Automation
- Connected Systems Integration

Investment in Technology and Innovation

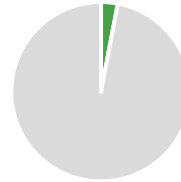
Construction Industry
Average Spending on Tech

0.5%



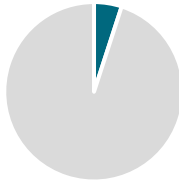
Aggressive Tech
Investment

3%



U.S. Industry's Average
Spending on Tech

5%

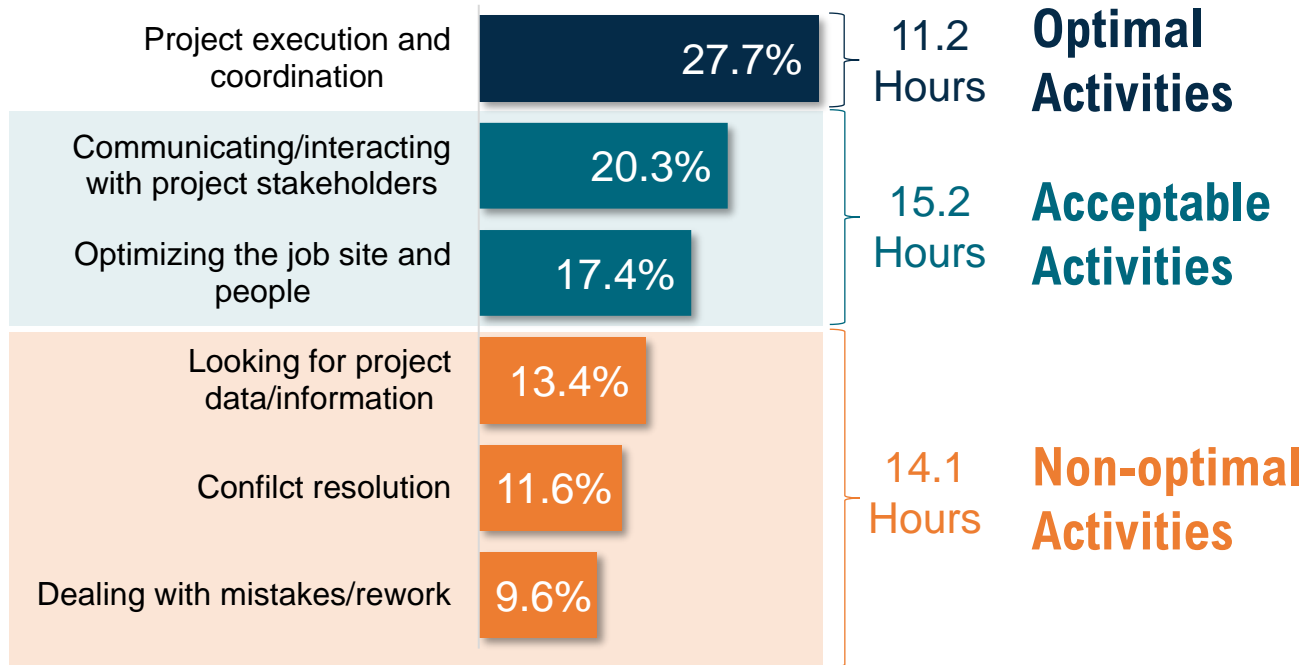


Increase in
Profit Margin

7-9%*



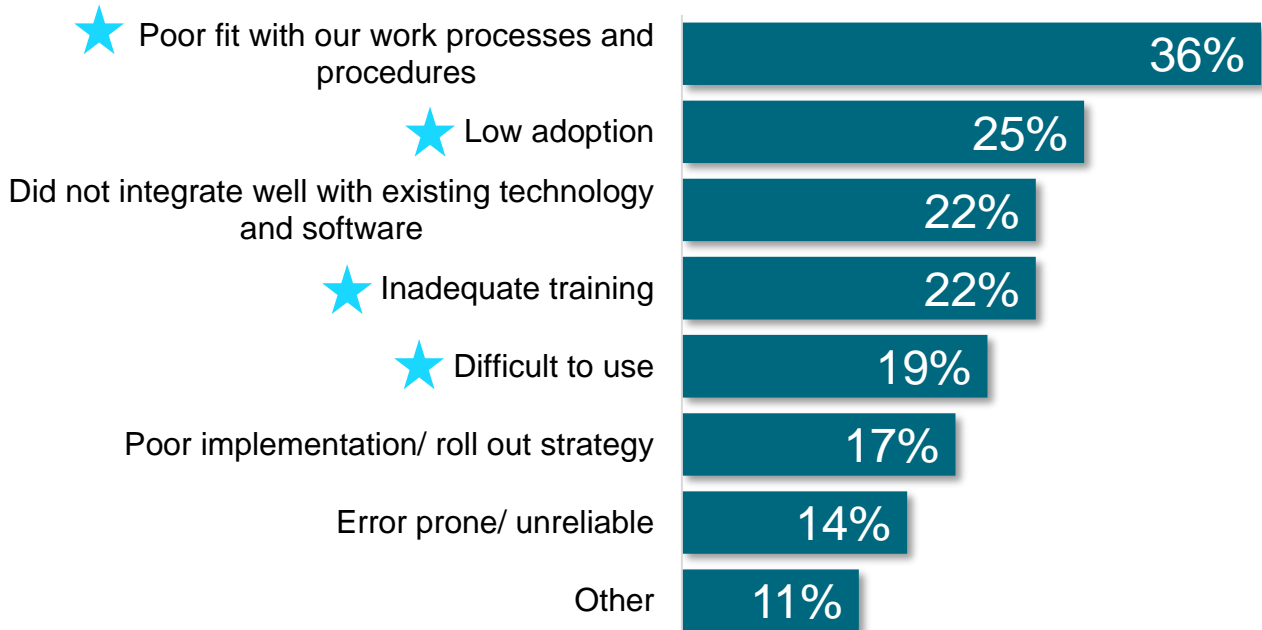
Out of 40 hours, 35% are spent on non-optimal activities



Construction Deconstructed – Rethinking the management of project data and mobile collaboration to reduce costs and improve schedules.  **PlanGrid** AN AUTODESK COMPANY 

How does tech fall short of expectations

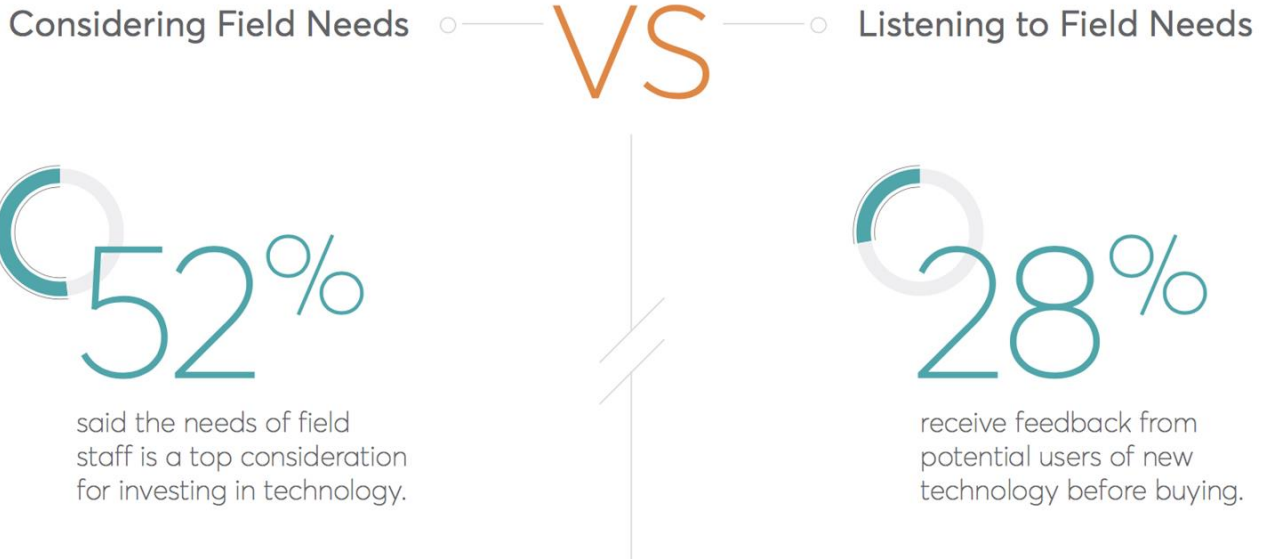
When your expectations of construction-specific technology or software were not met, what was the underlying reason?



Construction Deconstructed – Rethinking the management of project data and mobile collaboration to reduce costs and improve schedules.  

But what's the consistent root cause

We simply aren't considering end user input. Consider this fact on field technology:



Construction Deconstructed – Rethinking the management of project data and mobile collaboration to reduce costs and improve schedules.  



*We are now in an age where tech & innovation is not simply an enabler, **it is an actuator – a necessity** to achieve meaningful, sustainable business performance.*

Wisdom of the Hive Concept

Reference: The Wisdom of the Hive by Thomas Seeley

**Hive Wisdom
80%**

Solving data-driven needs

**Top
Down
20%**

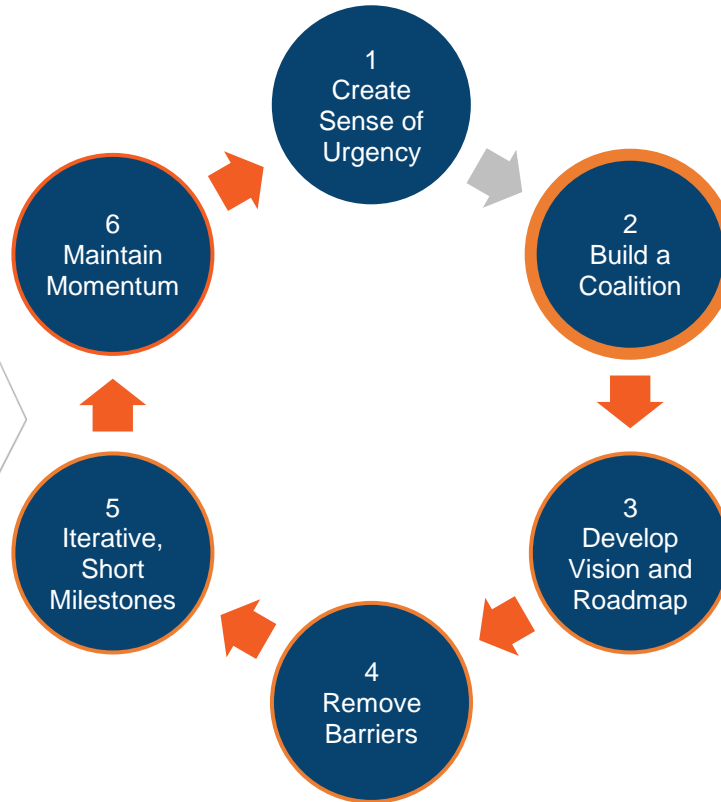
**Bold new
initiatives**

Getting Started



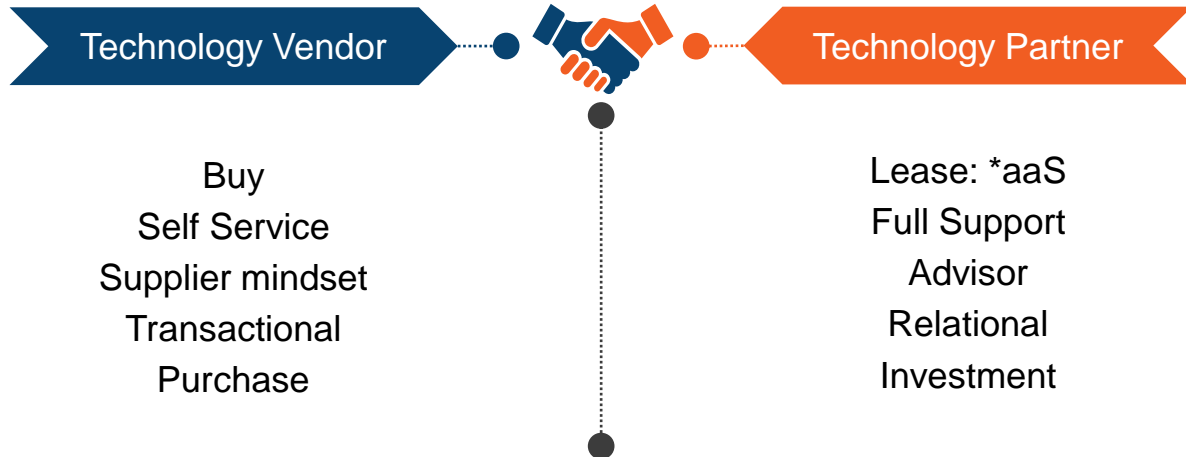
What does success look like?

- Functional representation
- Voice of the users
- Advocates securing buy-in up and down
- Attune to tech and innovation in their realm
- Resources



What does success look like?

Selecting your technology solutions



Bottom line: A partner understands your business, goals and needs and seeks to help you leverage their solution to the max extent possible to support you

What does success look like?



Achieving Tech Maturity

Chief Technology Officer /
Director of Tech & Innovation

Tech & Innovation

Sandbox to research/pilot tech

Technology Provider Partner
relationships

Tech Training program on par
with other skills training



Clear **Vision** from the top on
tech in the company and a
Technology Roadmap

Annual Tech Spend Plans
for MRO and new Initiatives

Multi-functional IT Team to
support infra, systems, users

Technology Steering Committee and embedded **Construction Technologists** collecting user feedback and driving tech initiatives

Challenges and Opportunities

The data you want vs the data you need...where does it live, how do you get it, who owns it?

- KPIs and APIs
- It starts with the PM & ERP
- What else? Point solutions, IoT, CRM
- Local devices, Box, Independent Projects



Challenges and Opportunities

Assess Your
Current Tech
Maturity



Now

Start
Discussing the
“Why”



30 days

Launch a
Tech Steering
Committee



60 days

Develop a
Technology
Roadmap



120 days



**ANY
QUESTIONS?**

Who We Are

FMI is a leading consulting and investment banking firm dedicated exclusively to the built environment. We serve the industry as a trusted advisor. More than six decades of context, connections and insights lead to transformational outcomes for our clients and the industry.

FMI CONSULTING

FMI Consulting has a deeper understanding of the Built Environment and the leading firms across its value chain than any other consulting firm. We know what drives value. We leverage decades of industry-focused expertise to advise on strategy, leadership & organizational development, operational performance and technology & innovation.

PRACTICE AREAS

Strategy

- Market Research
- Market Strategy
- Business Development
- Strategic Planning

Leadership & Organizational Development

- Leadership & Talent Development
- Succession Management
- High-performing Teams
- Corporate Governance
- Executive Coaching

Performance

- Operational Excellence
- Risk Management
- Compensation
- Peer Groups

Technology & Innovation

- Market Accelerator
- Partner Program
- Tech Readiness Assessment
- Sourcing & Adoption

FMI CAPITAL ADVISORS

FMI Capital Advisors, a subsidiary of FMI Corporation, is a leading investment banking firm exclusively serving the Built Environment. With more than 750 completed M&A transactions, our industry focus enables us to maximize value for our clients through our deep market knowledge, strong technical expertise and unparalleled network of industry relationships.

Sector Expertise

- Architecture, Engineering & Environmental
- Building Products
- Construction Materials
- Contractors
- Energy Service & Equipment
- Energy Solutions & Cleantech
- Utility Transmission & Distribution

Services

- M&A Advisory
- ESOP
- Valuations
- Ownership Transfer

Executive Education

- Acquisitions in the Construction Industry
- Ownership Transfer & Management Succession



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