Unifying Fleet and Asset Management:

A Surprising Way to Finish First in Construction

What if you could create competitive advantage right inside your business? For many construction companies, tracking your assets and fleets is that advantage — a way to move you toward reduced costs and optimized operations.

While most construction companies do track the high-dollar equipment they own, new data reveals that not many industry professionals are taking full advantage of this opportunity. Most use separate systems to manage their fleets and assets. Many companies can't track basic information about fuel use, maintenance and diagnostics, all of which are critical to improving business performance.

For example, the right fleet and asset management approach can help you:

+ **Streamline project logistics**
+ **Advance safety efforts**
+ **Enhance decision-making**
+ **Optimize labor resources**

To get a behind-the-scenes look at today's fleet and asset management experience — from how companies track high-dollar equipment to the obstacles that prevent them from making upgrades — CalAmp and Construction Dive surveyed 150+ construction executives. The results signal that the industry has an opportunity for growth: **There's obvious room for improvement in almost every area of fleet and asset management.**

The exclusive data and expert insights revealed in this report will help you evaluate how your construction company's fleet and asset management strategies align with peers and how you can distinguish potential areas of opportunity and improvement.

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Fleet & Asset Management Tech: Where Construction Companies Stand Today

It's not surprising to learn that most construction companies own their vehicle fleets, heavy equipment and other assets like generators. Nearly half of construction companies own other types of high-dollar assets, as well.
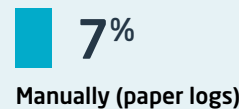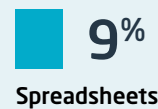
To track these resources, most respondents use software — a major improvement over spreadsheets or pen and paper, which some companies (16%) still use.

As a result, every construction executive we surveyed must use more than one platform to get the necessary information for making critical decisions about their fleets and assets. Beyond fleet management software, these additional platforms can include:
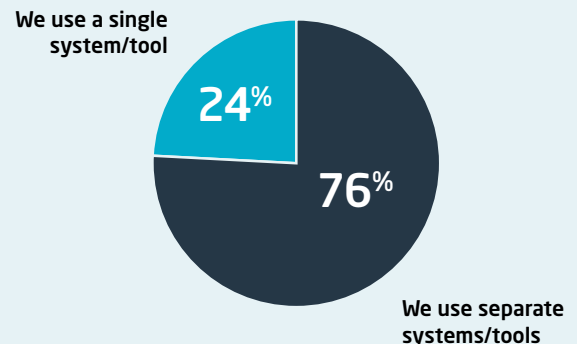
+ Asset and equipment management software
+ Enterprise resource planning (ERP) software
+ Fuel-card systems
+ Maintenance planning software

Among construction executives who use software, 76% use separate systems and tools to manage fleets and assets rather than relying on a unified solution.

How do you primarily track and manage your company's high-dollar assets?

49%
Cloud-based fleet management software

30%
On-premise fleet management software

9%
Spreadsheets

7%
Manually (paper logs)

5%
Asset tags and scanners

Do you use the same software to manage your company's fleet and high-dollar assets, or do you use separate systems?

We use a single system/tool
24%

76%
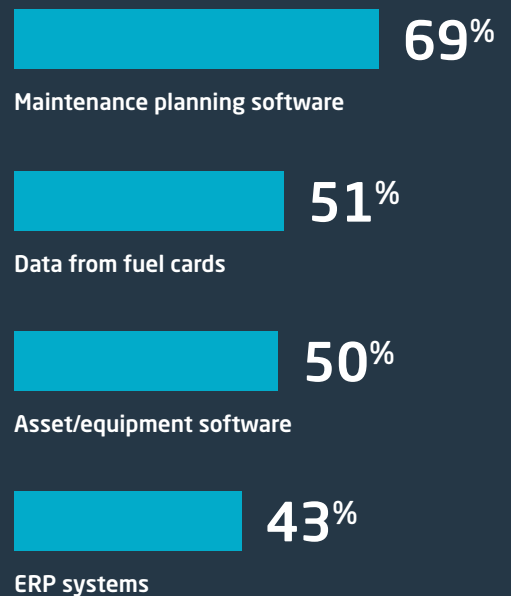We use separate systems/tools

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This siloed approach can cause problems ranging from poor collaboration to poor data quality. "Just having to log in and switch out of different systems all day long is a hurdle and a big waste of time from a user perspective," explains Long Dinh, director of product marketing at CalAmp. "Especially, if only one person can log in to access all this data, then everything breaks down when that person goes on vacation. No one can get the information they need."

Dinh points out that all this data eventually needs to come together for the intelligence to be wholistically actionable. But suppose data is housed across different platforms. In that case, someone must log in to each system, manually pull the information and drop it into Excel pivots, Power BI, Tableau or whichever data intelligence platform is being used.

"At that point, you're doing repetitive work by hand, and the opportunity for human error can be high," Dinh says. Ask your provider to do the heavy lifting of joining datasets while you focus your staff's time on analyzing meaningful and actionable insights for your fleet."

Beyond fleet management software, what additional tools/platforms do you use to make decisions about your vehicle fleet and assets?

69%
Maintenance planning software

51%
Data from fuel cards

50%
Asset/equipment software

43%
ERP systems

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How Do Current Systems Perform?

When it comes to fleet and asset management system performance, most construction executives feel good — but not great. In other words, current technology seems to get the job done, but that's the minimum expectation for any software or platform investment.

While 53% of respondents say their current technology is "very good," only 35% report that it is "excellent." Instead of simply "getting the job done," these executives could invest in fleet and asset management systems that do the job better.

In terms of system capabilities, most companies aren't benefiting from much beyond the basics. "Features like ease of use, integrations and basic reporting are very fundamental — almost table stakes at this point," explains Will Modelevsky, senior demand generation manager at CalAmp.

THE BOTTOM LINE: Only 3% of construction executives say their fleet management software meets all their needs. "This feels like a sign of under-delivery within fleet and asset management systems," Modelevsky explains. "People aren't wowed by what they have, but they should want to be."

How would you rate your current technology in terms of how well it meets your company's needs in supporting fleet and asset management efforts?

Excellent	Very good	Good	Fair	Poor
35%	53%	11%	1%	0%

"Features like ease of use, integrations and basic reporting are very fundamental — almost table stakes at this point."

WILL MODELEVSKY
SENIOR DEMAND GENERATION MANAGER, CALAMP

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Fleet and asset data are essential to maintain and improve construction productivity and efficiency. What information do most construction companies have at their fingertips to support decision-making?

They most often track data about fleet and asset costs, followed by equipment health, useful life, condition and diagnostic data. But there's even more valuable information to capture.

"These survey results show us that construction companies have a solid foundation of general data," explains Dinh. "The next step is to add more layers, like exact cost tracking, full maintenance records and detailed vehicle condition. Enriching this with select third-party metadata can really sharpen the analysis and boost how a construction fleet runs their operations."

Consider, for example, a software's ability to create a geofence around a construction site. Once you define your parameters, you can easily understand and respond to what's happening within those GPS-enabled virtual boundaries. You can also better recognize what's happening with your equipment, projects and workers.

"You can get very detailed with your data, even down to the load factor for each piece of construction equipment, which reports on utilization compared to maximum capacity," says Dinh.

"That data point can be tracked on every individual site, and you can compare equipment usage from project to project. That's how you identify performance gaps and confidently know how much it costs for you to do your work."

Hamstrung by Limited Technology

Today, more than one-third of executives are constrained by technology that can't track fleet and asset data in these critical areas:

+ **Maintenance/diagnostics**
+ **Driver behavior**
+ **Fuel use**

Visibility into these three areas is vital for construction companies that want to understand and optimize resource performance.

1. Maintenance

Having accurate, real-time information about maintenance and diagnostics can help construction companies anticipate and prevent vehicle or asset failure, addressing problems before they result in unplanned downtime.

"When you prevent breakdowns from occurring, you also reduce the time and cost associated with unnecessary shop visits and repairs," explains Dinh.

"With traditional preventative maintenance, you perform routine maintenance, such as oil changes, in accordance with manufacturer recommendations and hope it doesn't break down. When you tap into real-time vehicle diagnostics and sensor data, it unlocks the potential for so many innovative approaches. One such example is predictive maintenance, where you utilize data analytics and machine learning algorithms to identify patterns that address potential vehicle issues before they lead to breakdowns."

2. Driver Behavior

How do you know if drivers are safe? Understanding driver behavior helps you protect your fleet, drivers and bottom line. Access to behavioral data can also help reveal patterns in productivity, safety and fuel usage that you may otherwise miss.

3. Fuel Usage

"Because fuel is a commodity, the price is going to fluctuate with inflation, along with other macroeconomic factors," Dinh says. "If you don't keep track of usage and associated costs, it will start creeping up on you. To maintain costs, it's important to keep fuel prices in check and do what you can to reduce usage waste."

Tracking fuel usage helps you monitor costs in real time so you can make informed decisions. Drastic changes in fuel consumption can also help you pinpoint other issues, such as poor driving behavior, vehicle performance problems or inefficient driving routes.

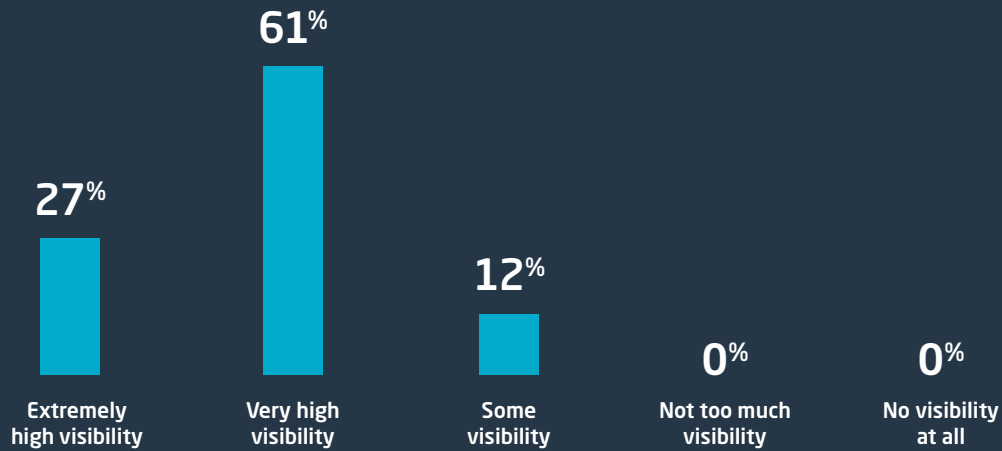| What does your company's current fleet management software lack that you wish it offered?	
Maintenance and diagnostics information	38%
Driver behavior	35%
Fuel usage	34%
Alerts about possible theft or unauthorized usage	26%
Distances traveled	25%
Ability to track assets in addition to vehicles	24%
Idle time	20%
Geofencing	19%
Driver/dash cams	17%
Trip history	13%
Trip reports	11%
Usage	9%
Nothing — current fleet management software meets our needs	3%

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LONG DINH
DIRECTOR OF PRODUCT MARKETING, CALAMP

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How much visibility does your company have of its entire asset portfolio at any point in time?

27%	61%	12%	0%	0%
Extremely high visibility	Very high visibility	Some visibility	Not too much visibility	No visibility at all

End-to-End Data Visibility May Be Misunderstood

Despite lacking data and system capabilities, most construction companies still believe they have excellent portfolio visibility, with 61% reporting "very high visibility" and 27% reporting "extremely high visibility."

This begs the question: Are construction executives fully leveraging the potential of true data visibility to transform their projects and operations?

"In some cases, construction execs may think 'visibility' refers to simply knowing where a piece of equipment is, but there's much more to it," explains Modelevsky. "People may feel like they have good visibility, but when you peel back the layers, you find there are plenty of opportunities for improvement. For example, nearly four out of 10 people struggle with lack of insights on the utilization of their fleet and assets.

If you're missing that, then you're missing out on crucial visibility across the operation. If you have a unified fleet and asset management system, then you can get all the information you need in one place, and that is no longer a concern."

In addition to visibility, construction executives were also asked how quickly they can access the real-time information they need for decision-making. Speed of access is "excellent" for 29%, while 47% report that it's "very good."

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> SENIOR DEMAND GENERATION MANAGER, CALAMP

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Problems with Fleet and Asset Management Equal Problems in Business

When it comes to working through critical fleet management pain points, almost all construction executives (97%) report challenges.
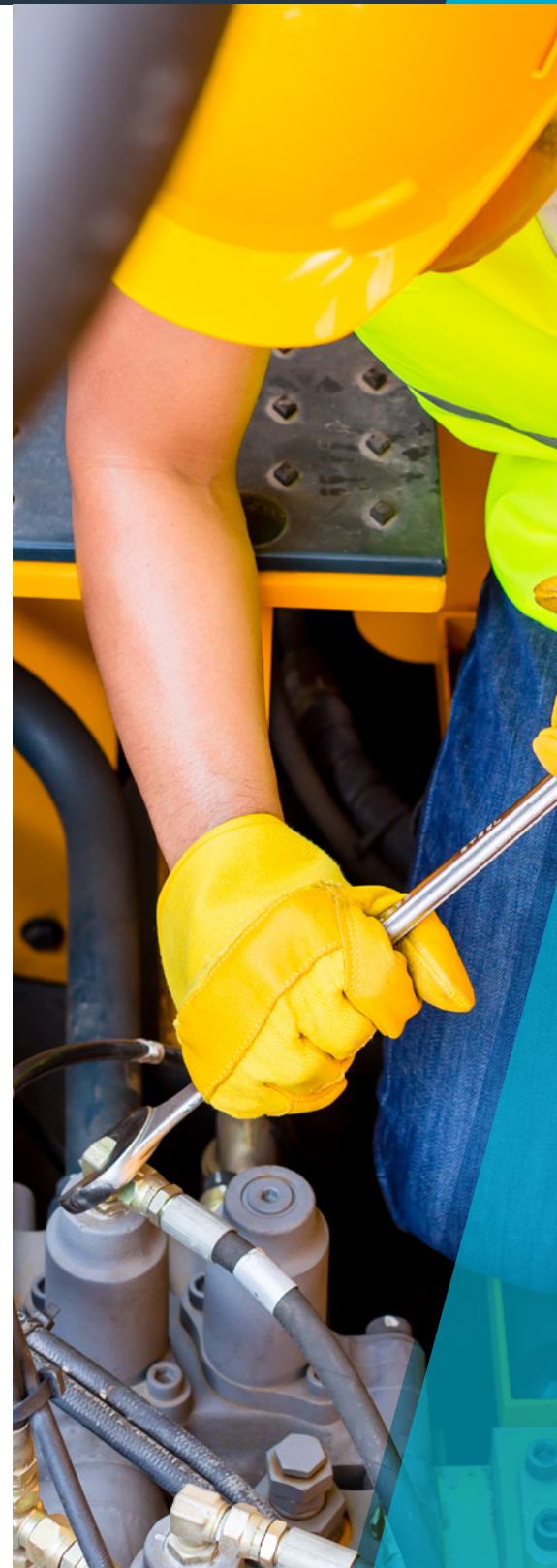
Top Challenges: Maintenance and Inaccurate Data

When it comes to the biggest asset and fleet management struggles, more than 40% of respondents identify these two pain points:

+ **Maintenance issues**
+ **Inaccurate asset data**

These challenges reveal a critical and potentially costly disconnect between respondents' satisfaction with their current fleet and asset management system and the on-the-ground reality. Accurate data is the bare minimum you should expect from a fleet and asset management solution. If nearly half of construction companies struggle with inaccurate asset data or fleet and asset maintenance issues, how can they be satisfied with the systems they have?

Which asset/fleet management pain points do you struggle with most?

Maintenance issues	43%
Inaccurate asset data	42%
Lack of over- and under-utilization information	38%
Jobsite theft	34%
Driver safety issues	33%
Lost/misplaced assets (ghost assets)	24%
Operational visibility	22%
We do not experience any pain points in this area	3%

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Theft Is a Common Obstacle

Although only 34% mentioned theft as a top pain point, it's an issue that nearly every construction company has battled recently.

In the past two years, nearly 90% of construction companies delayed work due to asset or vehicle theft. A majority of respondents estimate that, in the past year, they've spent between $50,001 and $500,000 on loss prevention and recovery.

"Telematics systems can help tremendously with this," says Dinh. "They can learn when a vehicle or asset moves outside a designated zone — a forklift leaving the jobsite, for example. If a vehicle or piece of equipment is turned on outside business hours, then alerts can notify the right person immediately. This not only enhances security but also fosters a culture of accountability and ownership at jobsites."

In the last two years, has your company's construction work been delayed due to vehicle or asset theft?

48%
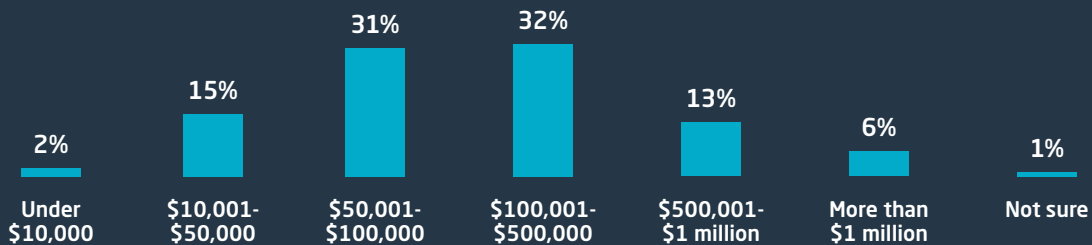Yes, but this is not a significant issue

39%
Yes, and this has been a significant issue

13%
No

Approximately how much did your company spend on loss prevention and recovery in the last fiscal year?

Under $10,000	$10,001-$50,000	$50,001-$100,000	$100,001-$500,000	$500,001-$1 million	More than $1 million	Not sure
2%	15%	31%	32%	13%	6%	1%

In the past two years, nearly 90% of construction companies delayed work due to asset or vehicle theft.

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The Connection Between Fleet Performance and Business Performance

The fleet and asset management pain points that construction companies struggle with, including maintenance issues and data inaccuracy, can lead to bigger-picture business issues, as illustrated in the survey results.

More than one-third of construction executives struggle to establish accurate budgets (39%) and use their time efficiently (35%). But these problems are easier to solve when you deploy a unified fleet and asset management system that drastically improves both business areas.

"The struggles of budgets and asset utilization are likely directly connected to the challenges that construction executives told us they have with their fleets and assets," explains Dinh. "For example, it's very hard to budget if you don't have real-time utilization metrics about your vehicles across jobsites — especially when they're spread out across the country, and you can't gauge efficiency by being on-site. If you know when assets and vehicles are being used, and for how long, you can be much more precise in terms of job costing to develop budgets or build quotes."

Interestingly, the 3% of companies that don't struggle with fleet and asset management also say they don't battle major business pain points.

What business pain points is your company struggling with most?

Establishing accurate budgets	39%
Inefficient use of time	35%
Employee retention	28%
Insurance costs	27%
Lack of repair-or-replace data	27%
Job costing	25%
Driver retention	24%
Customer service	21%
Overspending	19%
Regulatory compliance	10%
Workplace safety	7%
We are not struggling with any pain points	3%

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The Future of Fleet/Asset Management

When it comes to improving fleet and asset management, 2024 will be an important year for construction companies.

More than half of respondents plan to respond to the challenges they experience by investing in three areas:

+ **Efficiency (70%)**
+ **Maintenance (65%)**
+ **Safety (55%)**

"This tells me that construction executives know where their problems are," says Dinh. "They know they're often reacting to issues instead of being proactive. And many might not think it's possible to solve their biggest fleet and asset management problems yet — but it is."

Tracking assets and fleets can be a competitive advantage when you deploy a unified fleet and asset management platform. You can securely connect all your assets and vehicles to unify telematics data into a single platform, saving time and money.

By using the right software to address fleet and asset management pain points, construction companies can access the data they need to create better budgets, optimize their time and make smarter, faster decisions.

In which areas do you plan to make investments to improve vehicle fleet management and asset management in the next year?

Efficiency	70%
Maintenance	65%
Safety	55%
Compliance	35%
Visibility	31%
We do not plan to make any investments in the next year	0%

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About CalAmp

CalAmp (Nasdaq: CAMP) provides flexible solutions to help organizations worldwide monitor, track, and protect their vital assets. Our unique, device-enabled software and cloud platform enables commercial and government organizations worldwide to improve efficiency, safety, visibility, and compliance while accommodating the unique ways they do business. With over 10 million active edge devices and 275+ approved or pending patents, CalAmp is the telematics leader organizations turn to for innovation and dependability.

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