Welcome to the third edition of the 2020 FMI Quarterly. We are publishing this edition during what is arguably the most challenging period of our careers. The global pandemic is affecting every corner of the planet, creating unprecedented levels of change, complexity and uncertainty across industries, including the Built Environment.

With this in mind, the enclosed articles aim to help leaders and managers understand, contextualize and arm themselves with useful tools and new ways of thinking during this time of extraordinary change.

One article discusses the critical importance of developing a strategic framework for making decisions. Such a framework is important in any business environment, but is especially critical during volatile and uncertain times. In most situations, strategic decisions incorporate three key elements: market potential, market position and state of readiness. The authors take an in-depth look at the role that each element plays in developing a good strategic decision-making framework.

Another article delves into the challenges facing the heavy highway and civil markets. With the FAST Act expiring, heavy highway and civil contractors will face new challenges. Working through these issues will require nimble and dynamic strategies. Just what direction these strategies must take will depend upon the course of events related to surface transportation funding at the federal and state levels.

A third article describes the nature and benefits of agile leadership. Has there ever been a time in any of our careers when we, as leaders and managers, needed to be more agile in our thinking, behavior and decision-making? Probably not.

2020: A Long, Strange Trip
Lastly, we’ve included a timely piece on business differentiation in market cycles where supply versus demand tilts in favor of project owners. In down markets where there is perceived overcapacity, the urge to compete on price (versus adding value) often feels compelling and necessary. From this article, you’ll gain insight into what it means to differentiate your company around demonstrable value that matters to owners (and that they’re willing to pay for), and learn how to compete more effectively through the cycle.

The damage wrought by COVID-19 is winding its way through the general economy and will certainly impact the Built Environment in both anticipated and surprising ways. We believe the biggest challenges for engineering and construction firms are still months away and will be substantial. On behalf of my FMI colleagues, we trust you will find the content of this edition of the Quarterly helpful, and we are ready to connect with you further on these—and any other issues—you and your team are dealing with during this truly extraordinary time.

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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 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.

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.

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

SECTOR EXPERTISE

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

SERVICES

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

EXECUTIVE EDUCATION

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

Over 10,000 industry leaders have completed FMI training programs, which span the entire management spectrum, from new managers to senior executives.

- Emerging Managers Institute
- Field Leader Institute
- Project Manager Academy
- Construction Executive Program
- Leadership Institute
- Leading Operational Excellence
- Construction Selling Skills
- Market & Selling Strategies
- Ownership Transfer & Management Succession
- Acquisitions in the Construction Industry

FMI PEER GROUPS

FMI manages nearly 50 individual peer groups across the industry. Connecting businesses through networking, expanding visions and providing feedback.

- Organizational Structure and Development
- Human Resources
- Business Development
- Information Technology
- Operations Management
- Financial Management

FMI CLIENT HIGHLIGHTS

- 73% ENR Top 400 LARGEST CONTRACTORS
- 65% ENR Top 200 SPECIALTY CONTRACTORS
- 57% ENR Top 100 DESIGN FIRMS
- 56% ENR Top 200 ENVIRONMENTAL FIRMS
- 58% ENR Top 100 CM FOR FEE FIRMS