

Control Construction Site Costs With Project Geofencing

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Geofencing is one of the benefits of a telematics platform. The GPS technology enables a company to accurately track and effectively alert administrators when monitored vehicles, equipment, and assets enter or exit a virtually defined boundary or geofence. Until recently, the primary objective of geofencing has been a preventative measure to discourage the unauthorized use of vehicles and tracking assets.

But now, there's an enhanced solution to geofencing: project geofencing.

What is Project Geofencing?

Project geofencing provides construction companies with a more dynamic view of each asset to track their utilization while providing a greater view of the project cost against the estimated cost. Additionally, it can help project managers stay on budget and avoid incurring excessive expenses.

Because project geofencing provides accurate records of equipment usage, contractors can review data frequently to ensure each piece of equipment is being used effectively, maintenance is up-to-date and the asset is at the correct location.

These benefits of project geofencing help make it an essential tool in any project manager's toolbox. Especially because construction site costs often increase due to misplaced equipment, breakdowns, or underutilized assets. Project



geofencing can help project managers contain these costs and boost profits because of the effective deployment and operation of assets.

Why Must Commercial Contractors Accurately Estimate and Track Costs?

Commercial construction involves tight profit margins and requires various types of equipment that cost tens of thousands or millions of dollars. This means that the difference between a firm's profit and loss on a project is knowing where the equipment is located, how often it's being used, and whether it's being properly maintained.

The challenge? Most construction companies struggle with equipment hoarding. For instance, project managers may hoard an excavator on a jobsite because they think they might need it soon. This is problematic for contractors because they don't know where the asset is located. And even worse, the project manager forgets that the excavator is sitting in the back of the yard. As a result, the excavator is underutilized.

Furthermore, hoarding can cause delays in other projects, which could damage a company's reputation. Additionally, suppose the contractor had scheduled that particular piece of equipment and doesn't have it. In that case, more equipment must be rented, adding an unplanned cost and reducing the firm's bottom line.

How to Improve Productivity in Construction

Most construction companies have schedulers whose primary responsibility is deploying assets. Managing a fleet of 20, 50, or 200 assets manually is time-consuming - even simply locating all of the assets. The logistics of maximizing the utilization and maintenance is next to impossible, profitably.

Fortunately, the developments in telematics have opened new doors for fleet management that make operating and deploying assets much easier and more cost-effective. Here are just a few ways construction companies can use telematics data to ensure the optimal utilization and management of their fleets.

1. Ensure proper organization and communication

A project manager should have good processes in place to assign equipment to jobsites and keep tabs on their locations. Fortunately, project geofencing reduces the likelihood of leaving equipment on jobsites or misplacing expensive equipment altogether.

In one example, a project manager thought he lost a \$50,000 piece of equipment while building a bridge in Virginia. Two years later, he revisited the old jobsite and was shocked to find the equipment covered by overgrown grass and trees. By utilizing technological advancements, contractors no longer have to worry about misplaced equipment and expensive replacement costs.

2. Oversee frequent maintenance


Inspection is the first step to effectively reduce costs, but a contractor must also conduct maintenance while the equipment is onsite. All teams and crew members must be aware if any asset has an issue or is due for maintenance.

Fortunately, project geofencing can help. By performing preventative maintenance and keeping a close eye on equipment logs and data presented by project geofencing, project managers can reduce costs while ensuring their assets are being used effectively.

3. Adopt a seamless process for utilization

It is essential for project managers to properly manage equipment from a utilization and maintenance perspective. With such telematics solutions for construction, a contractor will have valuable maintenance records of each asset when the time is right to sell.

These telematics solutions can also help minimize project delays. For example, the foundation crew cannot start working if an excavator is missing. This setback can compound and devastate a construction company, especially if multiple jobs are scheduled in a tight time frame. Utilizing project geofencing can help mitigate the risk of further delays by ensuring all equipment is accounted for at all times.

Project geofencing is an undeniably essential tool that can help keep construction costs down while maximizing the utilization of equipment and assets. Construction companies can get the most value for their money by investing in these telematics solutions and ensuring their equipment is properly maintained, tracked, and ready for the next project. 



About the Author

Chris Shodd is the chief revenue officer at [ASCEND](#), the agile, adaptable, all-in-one, easy-to-use fleet management system that simplifies fleet tracking to work smarter, operate safer, grow faster, and move nimbly through challenging times.

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