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# Strategic Guidance for Elevating and Modernizing Your Capital Plans

Why Asset Investment Planning is Essential in  
Reducing Risk and Maximizing Returns in the  
Modern Era



Capital planning has long played a central role in helping organizations manage their facilities and infrastructure investments. But traditional methods, built on outsourcing, simple spreadsheets, outdated data, and reactive thinking, can't keep pace with today's demands.

Assets are aging, budgets are tightening (in many cases), and expectations are through the roof, meaning you can't simply rely on a static plan. You need smarter, data-backed direction.

**And Asset Investment Planning (AIP) is the key.**

AIP modernizes and elevates capital planning from a one-time exercise into an ongoing strategy. Think of traditional capital planning as a paper map that provides direction on a general route with key stops along the way. You know where you want to go and how you plan to get there. But there isn't much room for flexibility and any roadblocks along the way will simply need to be reacted to when they're arrived at.

Now think of Asset Investment Planning as your strategic "GPS." With AIP, you can forecast "roadblocks" and necessary "detours" long in advance. AIP technology allows you to process real-time data – like asset conditions, maintenance histories, funding shifts, risk exposure, etc. – and make more informed decisions in advance to determine your optimal path to success.

It's not just about knowing where you're going. It's about getting there in the most efficient and cost-effective way possible.

## What is Asset Investment Planning?

At its core, Asset Investment Planning is simply a methodology and strategic framework that supports smarter, long-term capital planning with data-backed insights and guidance. Using AIP to inform capital plans helps organizations remain proactive to maximize the value of their assets (i.e. facilities, infrastructure, equipment, etc.) over time.

By analyzing centralized asset data – often from systems like a CMMS or EAM solution – and considering factors like condition, risk, criticality, and lifecycle cost, AIP technology can gain a holistic view of asset performance and needs to prioritize investments, model long-term funding scenarios, anticipate future financial constraints, or plan for asset replacements in advance.

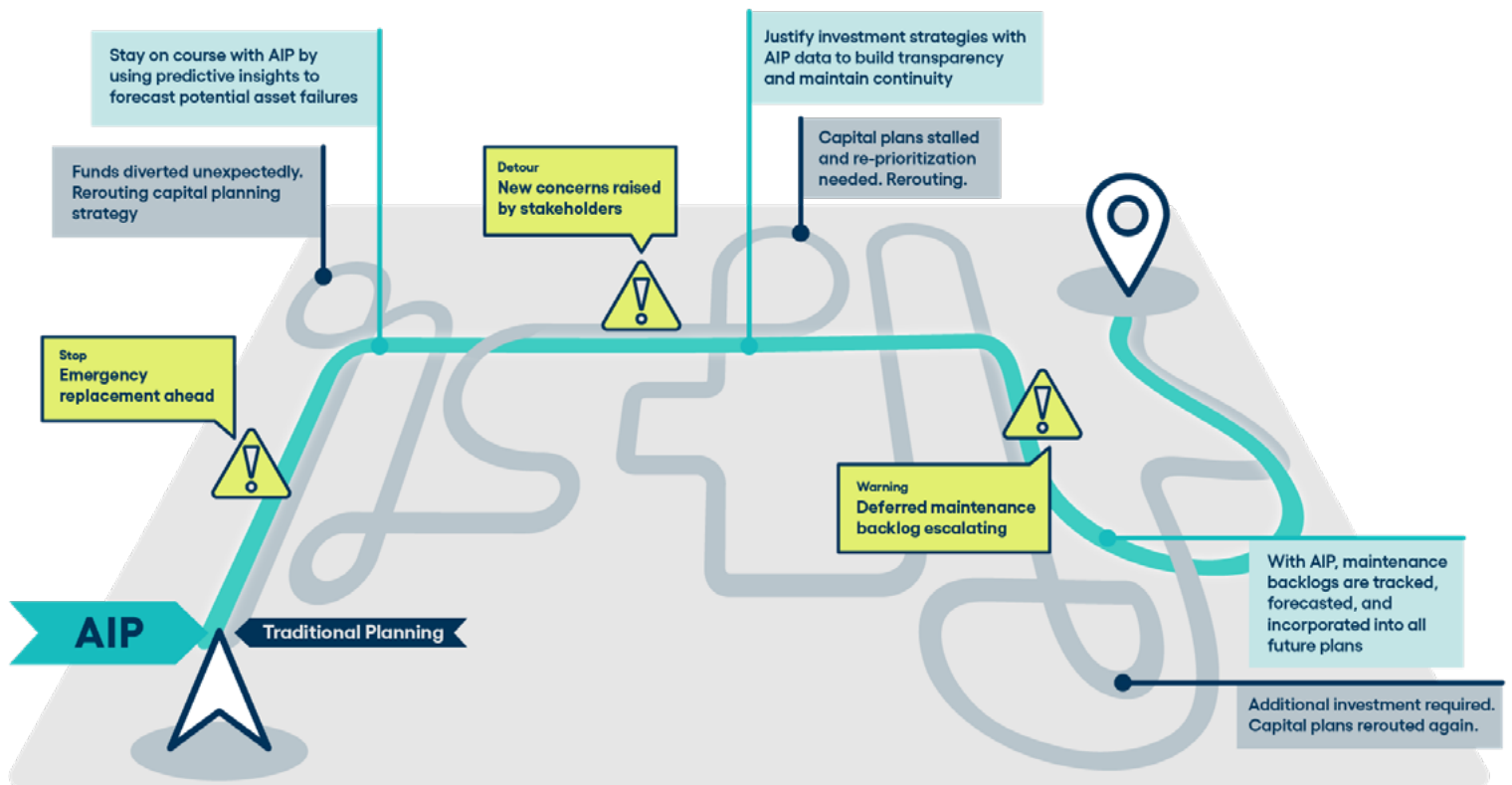
As opposed to traditional methods that rely on static assumptions, AIP incorporates input from operations, finance, compliance, sustainability, and asset lifecycle management teams to create a clearer view of the road ahead.

Instead of reacting to failures and unplanned disruptions, this enables leaders to see what's coming, adjust plans proactively, and communicate decisions more clearly to stakeholders.

Whether that's justifying a funding request or planning around evolving regulatory requirements, AIP provides the evidence needed to justify funding requests and the flexibility to adjust course when needs change.

On top of capital expenditures, the insights gained from AIP can also inform your maintenance strategy by highlighting which assets need more frequent inspections, prioritizing preventive maintenance for high-risk equipment, and identifying opportunities to extend asset life through targeted repairs rather than full replacement. This type of proactive approach reduces unexpected downtime, minimizes costly expenses tied to emergency repairs, and ensures you're investing resources where they'll have the greatest impact on performance and reliability.

Ultimately, leveraging AIP technology means moving beyond short-term fixes to a more modern investment planning framework. It isn't about replacing your capital plans – it's about alerting you to potential roadblocks that can disrupt operations, so you can make more informed decisions to help your organization improve financial and operational outcomes.



The Capital Planning Journey: A Traditional Approach vs. the AIP Approach



## Why Asset Investment Planning matters today

A robust, flexible, and justifiable planning approach is more necessary today than ever before. Global energy prices have surged<sup>1</sup>. Unplanned downtime now costs nearly twice what it did in 2019, according to a recent Siemens report, costing companies an estimated \$1.4 billion dollars each year<sup>2</sup>.

Add to that an increase in the need for transparency with consumers and investors who demand more accountability around organizational spending and sustainability practices.

AIP technology helps address these challenges simultaneously by enabling:



**Real-time asset condition analyses** to inform repair vs. replace decisions, prevent costly breakdowns, and extend asset lifecycles



**Options for multi-year planning** and scenario modeling to forecast potential disruptions and plan around them



**Data-driven prioritization** of projects to ensure alignment between investments and larger, strategic goals



**Detailed reporting** with clearly outlined metrics and expectations to provide greater transparency and defensibility of investment decisions

Asset investment planning isn't simply an upgrade to your capital plans. It's a foundational piece of any complete asset lifecycle management strategy that enables you to bridge the gap between short-term operations and long-term infrastructure health, creating a continuous improvement loop that's fueled by data.

Standard asset tracking and management alone are not enough. Less than a quarter of facilities and asset managers have reduced their reactive maintenance by more than 50% with asset management software alone<sup>3</sup>.

Smarter technologies, like AIP software, allow both public- and private-sector organizations to explore and explain capital expenditure decisions by leveraging data in more diverse ways than ever before. And how they use this data going forward will be one of the biggest deciding factors between failure and success.

**Now let's take a look at how asset investment planning works for some key industries and what the biggest benefits are for each.**



## Why AIP matters in manufacturing

Recent research from Siemens has shown that “the cost of an idle production line at a big plant is now \$695 million a year, 1.5 times higher than [in 2019].” For the world’s 500 biggest companies, unplanned downtime costs roughly 11% of their revenues – a total of \$1.4 trillion and larger than the total GDPs of countries like Indonesia, the Netherlands, and Turkey.

Delayed capital investment in critical assets and reactive maintenance strategies lead to highly disruptive equipment failures. Forecasting these failures and developing strategies to address and prevent them before they occur can have significant impacts on any manufacturer’s bottom line.

AIP (also known as “Strategic Asset Management”) enables finance managers to leverage asset data and anticipate failures, assess production risks, and align capital budgets with operational timelines. With a single view of equipment condition, lifecycle cost, and criticality, decision-makers can model and compare multiple investment scenarios, allowing them to prioritize replacements during predetermined shutdowns and reduce the exorbitant costs of unplanned outages.

This means fewer surprises on the factory floor and smarter, more efficient use of capital. AIP can also support sustainability and energy management efforts by identifying areas that consume excessive energy or produce waste, helping manufacturers invest in efficiency while also maintaining productivity.

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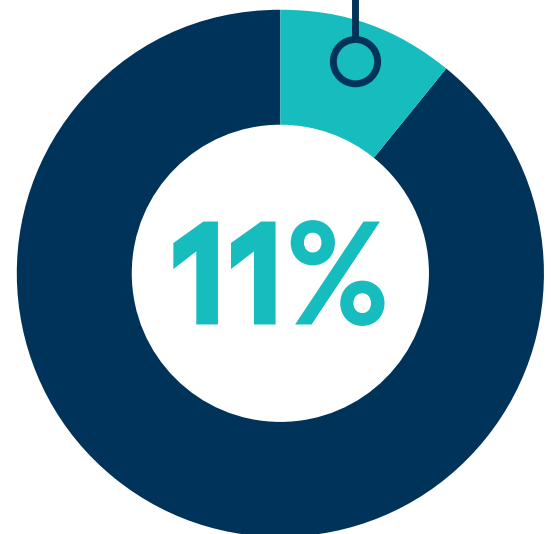
The data has a deep impact on our work... in one case, I used the data to justify the decision to spend money and bring in a technician from the original equipment manufacturer to train the maintenance team, and now the machine is running more efficiently and our team has a new skillset.

**Michael Tran**

CMMS Manager, MSI Express

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Unplanned downtime accounts for **11% of revenue** for world’s 500 largest companies



## Why AIP matters in K-12 and higher education

In the United States, schools and universities operate some of the most heavily used and chronically underfunded facilities in the public sector. According to the American Society of Civil Engineers' (ASCE) [2025 American Infrastructure Report Card](#), only 10% of total school spending for the country's 98,000 public PK-12 schools was directed to facility expenses, despite an estimated \$85 billion funding gap to reach a state of "good repair."

And colleges and universities face an even larger dilemma, with an estimated \$750 - \$950 billion in capital needed to address facilities concerns<sup>4</sup>.

Underinvestment in aging infrastructure, combined with a lack of visibility into facility needs makes it difficult for education leaders to plan effectively and advocate for funding. Asset Investment Planning can give institutions the tools they need to start making progress and get back on track.

By centralizing data from maintenance records, asset inventories, and work orders, AIP software can model funding scenarios and prioritize investments based on criticality and impact. Whether it's a need to modernize classrooms, upgrade HVAC systems, repair plumbing, improve ADA accessibility, etc., AIP technology provides transparent analyses that help education leaders justify funding requests to improve enrollment, reduce disruptions, and improve buy-in from their BoE, community, and donors.



# 1 in 5

**American public schools report that they do not know the construction year of their main instructional buildings.**

Source: [2025 ASCE American Infrastructure Report Card](#)

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Requests used to be just a listing of how we prioritized things. Now we have a new element where we need to provide maintenance data to justify those capital projects... [AIP] gives us a tool to show where we are with our assets and whether money from the state will help us avoid asset failures.

**Patrick McGough**

CMMS Manager, Baltimore City Public Schools

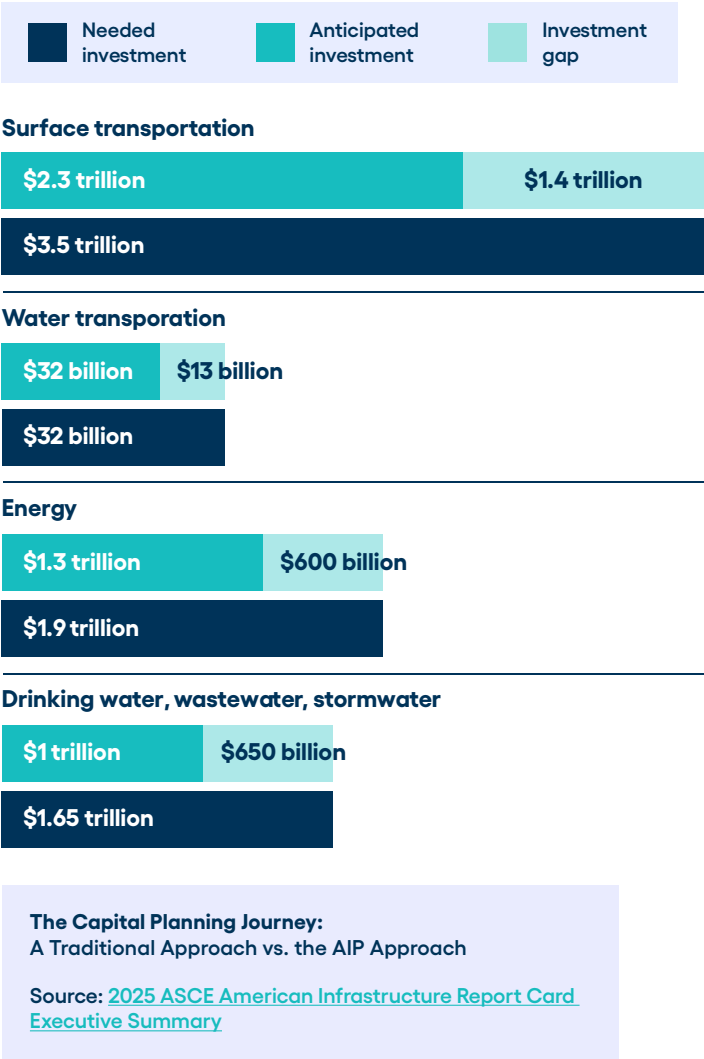
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## Why AIP matters in government

In the U.S., more than 43% of public roadways in the U.S. are in poor or mediocre condition, while over 46,000 bridges are rated “structurally deficient.” That’s according to the American Society of Civil Engineers’ (ASCE) 2025 American Infrastructure Report Card.

Other countries are experiencing similar challenges. For example, in the U.K. “only 205% of British waterways are in, or nearing, good ecological condition.”<sup>5</sup> And in Australia, 35% of all local government infrastructure assets are in worse than “good” condition, based on the 2024 National State of the Assets Report.<sup>6</sup> Replacement costs for these infrastructure assets are estimated to be as much as AUD \$234 billion (just under USD \$154 billion).

Outdated capital planning efforts that rely on outdated systems and reactive decision-making, without tools to forecast long-term needs and justify investments, aren’t going to cut it. Most councils and municipalities don’t have the luxury of replacing multiple high-ticket items at once. Asset investment planning software -- also known as strategic asset management -- can help government leaders build multi-year capital plans that prioritize projects based on their risk, criticality, and return on investment. AIP software can even model and compare different funding scenarios within a community to provide insights into the varying long-term impact of different decisions, allowing leaders to communicate their investment decisions clearly to council members and residents.





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AIP also strengthens operating budget planning. By analyzing work order data and lifecycle costs, local departments anywhere across the world can better predict their fiscal year maintenance needs, make the case for increased staffing, and proactively schedule repairs as needed. And because modern AIP solutions provide clear visualizations and reports, communities can build up public trust by increasing transparency into how taxpayer dollars are spent.

At a time when infrastructure is severely aging and every dollar counts, AIP gives governments a more confident, defensible way to create a resilient future and ensures that decisions aren't just reactive, but strategic and sustainable.

The ability to visualize longterm outcomes based on data is an exciting prospect in helping us to secure funding and unite stakeholders around a common goal – safeguarding Western Australia's people on the water.

**Jimmy Seng**

Asset Management Services Manager,  
Defense & Social Infrastructure (D&SI),  
Ventia

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## Why AIP matters in healthcare

Hospitals in the U.S. are projected to spend a combined \$2.8 billion on Computed Tomography (CT) scanners by 2031, a nearly 50% increase from today's market<sup>5</sup>. And the combined costs of Magnetic Resonance Imaging (MRI) machines are expected to \$10.3 billion by 2030, a 45% increase<sup>6</sup>.

And that's just a fraction of the assets healthcare systems rely on to deliver high-quality patient care. From surgical equipment to HVAC systems and emergency generators, delays in replacing high-value assets can drive up costs, disrupt care, and risk noncompliance.

Asset Investment Planning helps healthcare leaders get ahead of these risks. By using real-time data on asset condition, usage, maintenance history, and lifecycle cost, AIP enables more accurate forecasting, timely replacements, and smarter prioritization of capital projects.

AIP also bridges clinical and financial planning. For example, when a diagnostic machine nears the end of its useful life, AIP software enables finance leaders to compare the cost of replacement now versus in the future, while also factoring in potential revenue loss from things like canceled procedures or events that delay patient throughput. This level of insight greatly strengthens capital planning, helping hospitals safeguard compliance, maintain high levels of patient care, and ensure long-term financial health.

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It allows us to maintain visibility of our needs and continually make adjustments... in the past, it was hard to get capital dollars. Now that we have data and proof of what we need, people trust our data, give us the funding we need, and allow us to do what we need for capital improvements.

**Keith Miller**

Corporate Director of Facilities and Energy, McLaren Health Care

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70%

Healthcare facilities leaders who use capital investment plans to guide asset decisions

38%

Healthcare facilities leaders with a capital investment plan longer than 3 years

Source: [2025 State of U.S. Asset & Facilities Management Report](#)



## Why AIP matters in senior living

Senior living communities must deliver unwavering safety, comfort, and continuity of care, but many face aging infrastructure and increasing demands. According to NIC Analytics, about 41% of senior housing communities are over 25 years old<sup>7</sup>. Add to that U.S. Census data projecting a 35% increase in adults aged 80+ by 2030, and construction and refurbishments for many of these facilities will be in even greater demand.

By integrating data on equipment condition, maintenance history, lifecycle cost, and criticality, Asset Investment Planning technology helps identify which assets – like flooring, elevators, HVAC systems, emergency generators, fire-safety infrastructure, etc. – need immediate attention and which can wait. This allows community leaders to create multi-year investment plans that align capital priorities across their campuses and budgets, reducing reliance on emergency repairs that can disrupt resident routines.



It's very valuable to have hard numbers we can use to easily quantify the needs at 15 different locations. We can quickly access the data needed to show the CFO that we need funding for specific assets.

**Don Johns**

Corporate Operation Engineer,  
Immanuel Communities

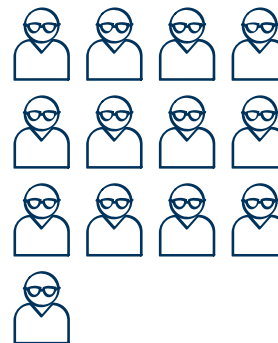
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AIP software also enables more transparent, data-driven communication with residents, families, and boards. By visually demonstrating the rationale for upgrades and replacements, community leaders can build more trust and support for necessary capital investments, which is especially useful when replacing high-value assets or addressing deferred maintenance backlogs.

In a sector built on trust, stability, and resident wellbeing, AIP empowers senior living organizations to plan smarter, reduce disruptions, and maintain the environments their residents deserve.

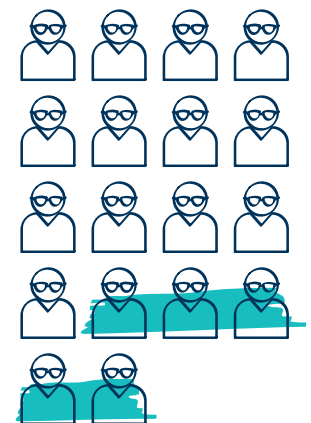
Today

**13 million**



By 2030

**18.1 million**



Projection reflects a near 35% increase in just five years

**Number of Americans Aged 80+**

Source: [Markets & Data, United States CT Scanners Market Assessment](#)



## Why AIP matters in commercial real estate

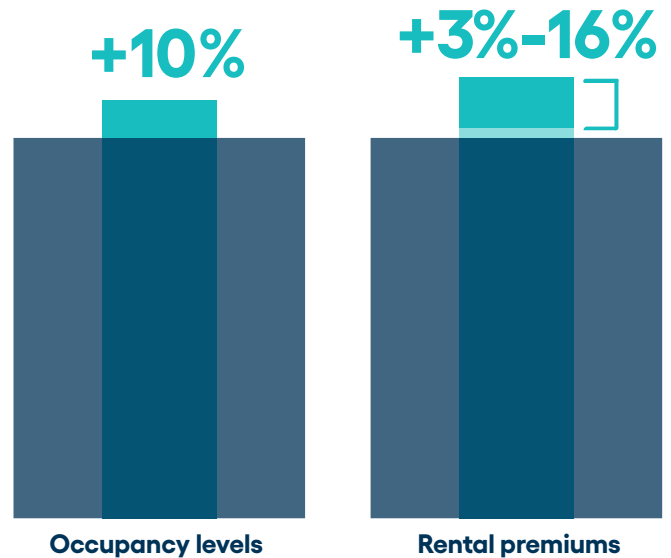
Data from ENERGY STAR shows that creating high performing, energy efficient buildings can save commercial real estate (CRE) organizations an estimated \$0.60 per sq. ft. on annual operations and maintenance expenses and \$0.53 per sq. ft. annually on utility costs.<sup>8</sup> And energy efficient buildings see up to 10% higher occupancy levels and 3%-16% higher rental premiums on average.

For CRE firms, asset performance is directly tied to profitability, tenant retention, and portfolio valuation. Yet many CRE portfolios consist of aging buildings, inconsistent capital planning strategies, and increasing demand for ESG compliance and energy performance.

With rising operating costs and competitive pressure, CRE leaders need solutions like Asset Investment Planning software to make capital expenditure decisions based on real-time data and insights.

AIP transforms how these firms can manage their properties by consolidating asset condition data, maintenance history, and building system performance to identify where to renovations should be prioritized, which energy upgrade are most critical, or what system replacements are likely to reduce long-term costs and increase tenant satisfaction.

This means capital isn't just being spent – it's being invested where it can deliver the greatest return for CRE firms. With AIP, leaders can model multiple funding scenarios, compare long-term impacts, and build transparent capital plans that align with ESG goals, stakeholder expectations, and tenant needs.



Energy efficient buildings see up to 10% higher occupancy levels and 3%-16% higher rental premiums on average.





## Transform operational complexity into clarity

The scale of today's challenges – aging infrastructure, rising costs, limited funding, growing compliance demands – requires a new level of clarity and control. And that's why Asset Investment Planning has become so crucial for today's decision-makers.

It isn't just another software solution. It's a smarter framework for guiding long-term decisions. It functions as a GPS for your capital and maintenance strategies, continuously analyzing the condition, cost, risk, and value of your assets to show you the best path forward. Whether you're facing a funding shortfall, planning for growth, or simply trying to make the most of your existing infrastructure, AIP offers a dynamic, data-backed way to adapt.

This guidance matters more than ever. Facility leaders across all sectors are being asked to do more with less and to justify every dollar they spend. Investors, boards, regulators, and the public expect more transparency and accountability. And AIP helps meet those expectations by turning complex asset data into actionable insights.

The organizations that succeed over the next decade won't be those with the flashiest buildings or the largest budgets. They'll be the ones that plan with intention, invest with insight, respond to change with agility, and utilize their data in the most strategic ways to maximize its value.

Asset Investment Plannings makes that possible. It's not a replacement for your capital plans – it's a way to elevate and modernize them. In a world where the road ahead is anything but predictable, AIP gives you the visibility and flexibility to navigate the future with confidence.

Brightly Software's Asset Investment Planning solutions were built to do exactly that. With intuitive software, powerful scenario modeling, and deep expertise in asset lifecycle management, we help organizations take control of their capital strategies – no matter where you are in your asset management journey.

Learn more about [Brightly's AIP solutions.](#)

Or [request a demo](#) of our Asset Investment Planning software to see how you can build better operational and capital plans by partnering with Brightly.

## Sources

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- 3 [Brightly, State of U.S. Asset & Facilities Management 2025 Report](#)
- 4 [Higher Ed Dive, A “hidden liability”](#)
- 5 [ice, State of the Nation Infrastructure in 2025](#)
- 6 [ALGA, 2024 National State of the Assets Report](#)
- 7 [Markets & Data, United States CT Scanners Market Assessment](#)
- 8 [Grand View Research, Magnetic Resonance Imaging Market Size, Share & Trends Analysis](#)
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## About Brightly Software

Brightly Software, a Siemens company, enables organizations to manage the entire lifecycle of their assets, facilities and infrastructure. As the global leader in intelligent asset management solutions for more than 25 years, Brightly’s sophisticated cloud-based platform is expertly designed to improve capital planning through smarter, data-driven decision making, empower technicians to predict, prioritize and manage preventative maintenance activities, and support organizations to achieve sustainability, compliance and efficiency goals. Combined with award-winning training, legendary support and managed services, more than 12,000 clients worldwide depend on Brightly to optimize their teams, operations and strategic planning initiatives. For more information, visit [brightlysoftware.com](https://brightlysoftware.com)

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