

Lean Construction Institute

Building Knowledge in Design and Construction

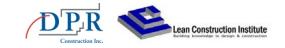
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LEAN CONSTRUCTION

Opportunities | Concepts | Practices

DEAN REED | DPR CONSTRUCTION, INC.

LEAN CONSTRUCTION INSTITUTE CASCADIA CHAPTER INTRODUCTION TO LEAN DESIGN SEATTLE, WA | SEPTEMBER 15, 2008



THREE CONNECTED OPPORTUNITIES

IMPECCABLE COORDINATION

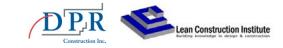
PREDICTABLE WORKFLOW
FREEING HUMAN CAPACITY
TO FOCUS ON
INNOVATION & CONTINUOUS IMPROVEMENT

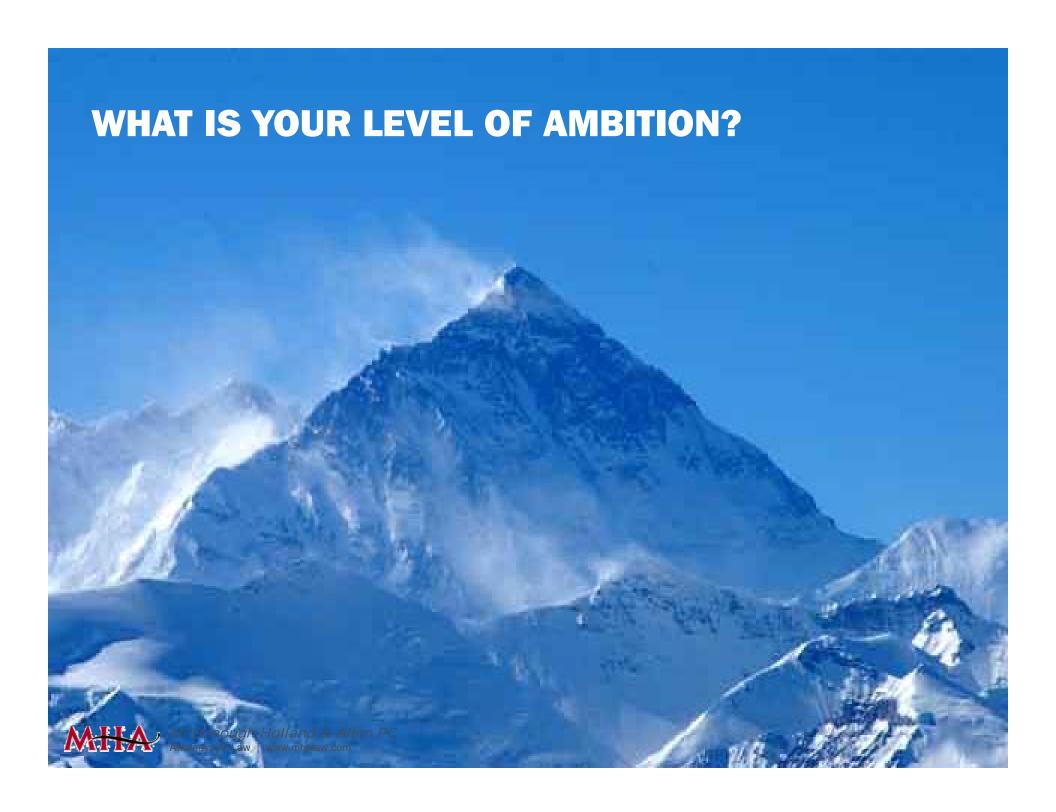
PROJECTS AS PRODUCTION SYSTEMS

CHANGING THE STRUCTURE OF WORK ELEVATING COST & OTHER VALUES TO DRIVE DESIGN

PROJECTS AS COLLECTIVE ENTERPRISE

ALIGN FINANCIAL INCENTIVES
MOVE MONEY ACROSS BOUNDARIES
FOR PROJECT OPTIMIZATION
RATHER THAN TRADE OR SILO FOCUS

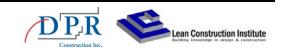




GOAL OF THE TOYOTA PRODUCTION SYSTEM

"To produce the right product at the right time in the right quantity for the customer and to produce exactly what you need and nothing more...".

Taiichi Ohno creator of the Toyota Production System



WASTE

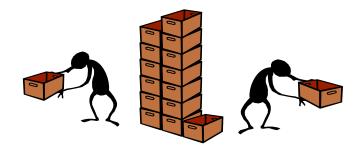
Anything that Consumes Resources but Does Not Provide Value for the Customer



1. Overproduction



2. Waiting



3. Inventory



4. Movement



5. Effort



6. Rework of Errors

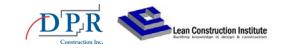


7. Processing

WASTES IN CONSTRUCTION

Overproduction:

- Putting as much work in place as possible, making it harder to do priority work
- Ordering additional material because of poor quality or fit
- Waiting: for materials, direction, information or prerequisite work
- Inventory: information or material delivered before it is needed
- Movement: moving materials from one place to another before installing it
- Effort:
 - Returning to the shop to pick up plans, materials or tools not at the site
 - Hunting for information or tools
- Rework: re-doing work because of errors
- Processing:
 - Recreating work because it cannot be shared
 - Unnecessary reporting
 - Expediting material not ordered in time
 - Excessive coordination of multiple levels of suppliers

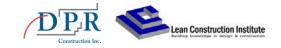


LEAN THINKING

Eliminate **waste** through application of 5 principles

- 1. Identify Value
- 2. Map the Value Stream
- 3. Make value-creating steps flow
- 4. At the pull of the customer
- 5. Strive for perfection

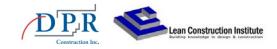
James Womack in Lean Thinking



PRESIDENT OF TOYOTA NORTH AMERICA'S ADVICE

Keep everything simple
Make it visible
Trust your people to do the right thing

Cited by Michael Kennedy in "Ready Set Dominate"



SUTTER HEALTH'S FIVE BIG IDEAS FOR LEAN PROJECT DELIVERY

Collaborate, Really Collaborate

Increase Relatedness

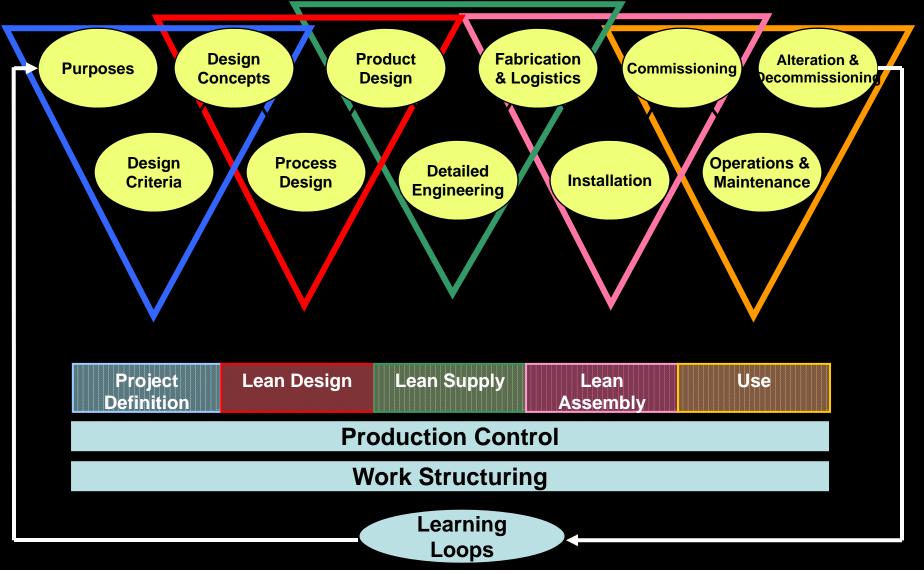
Projects as Networks of Commitment Optimize
The Whole

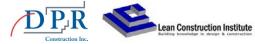
Tightly Couple
Learning w/ Action

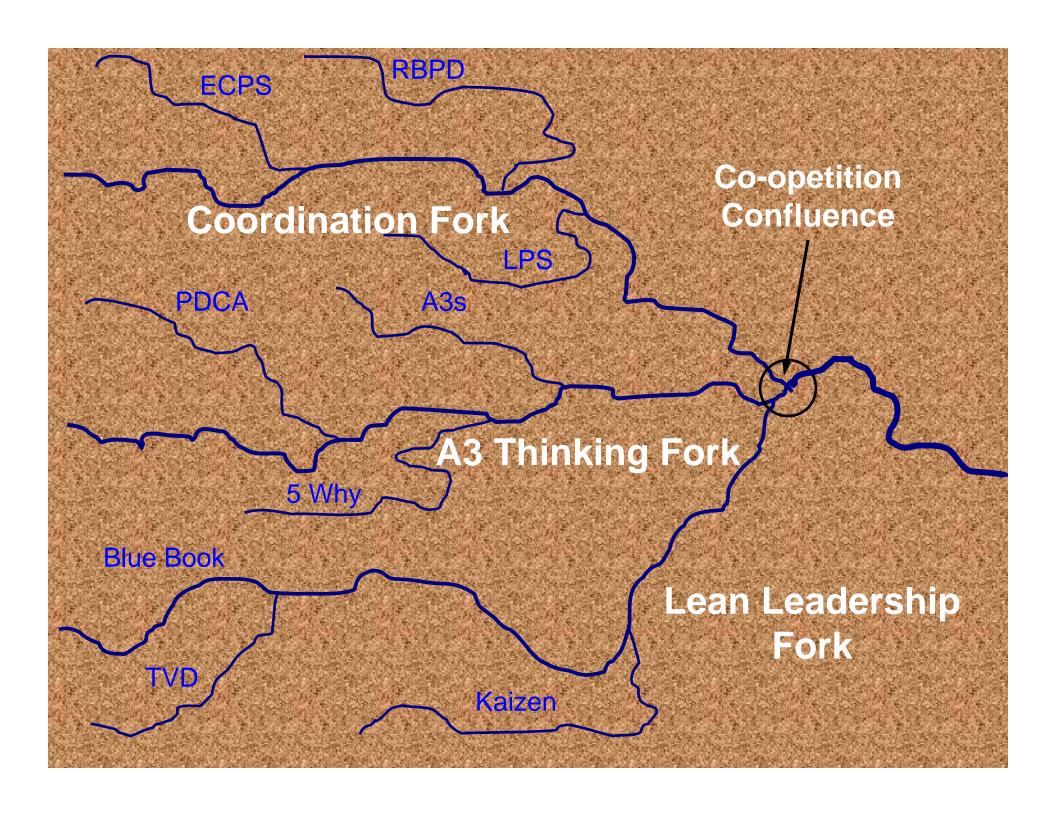


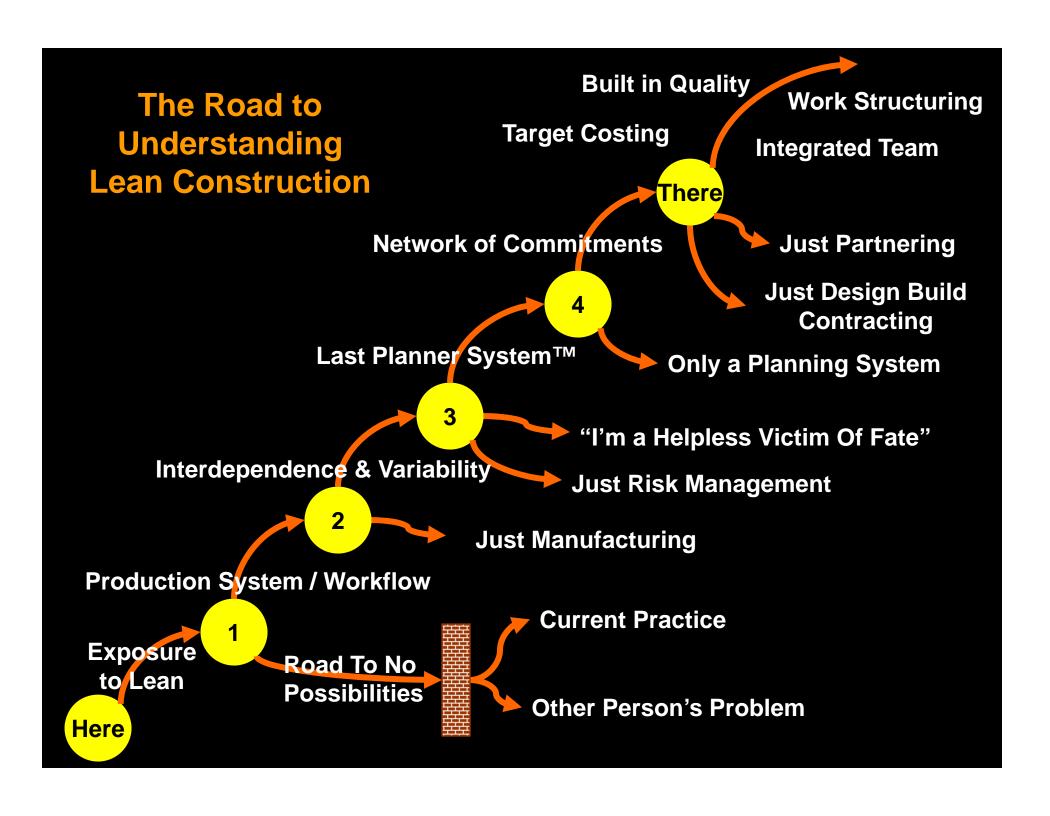


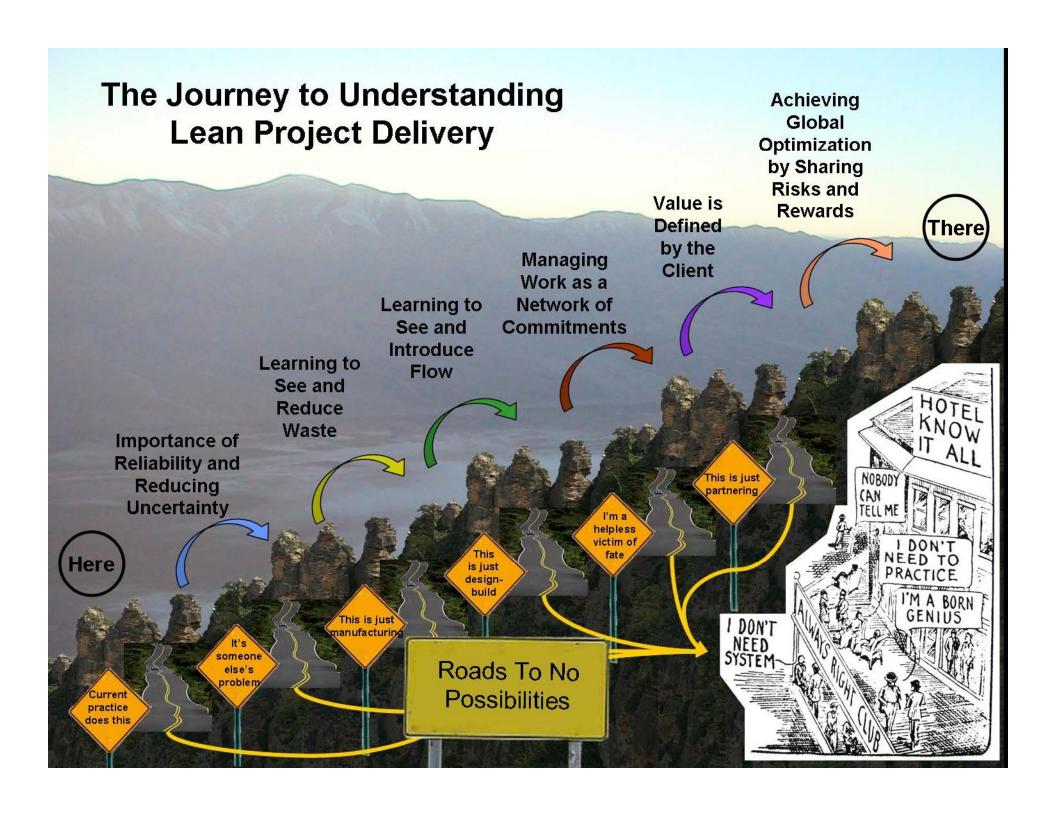
LEAN PROJECT DELIVERY





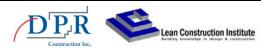




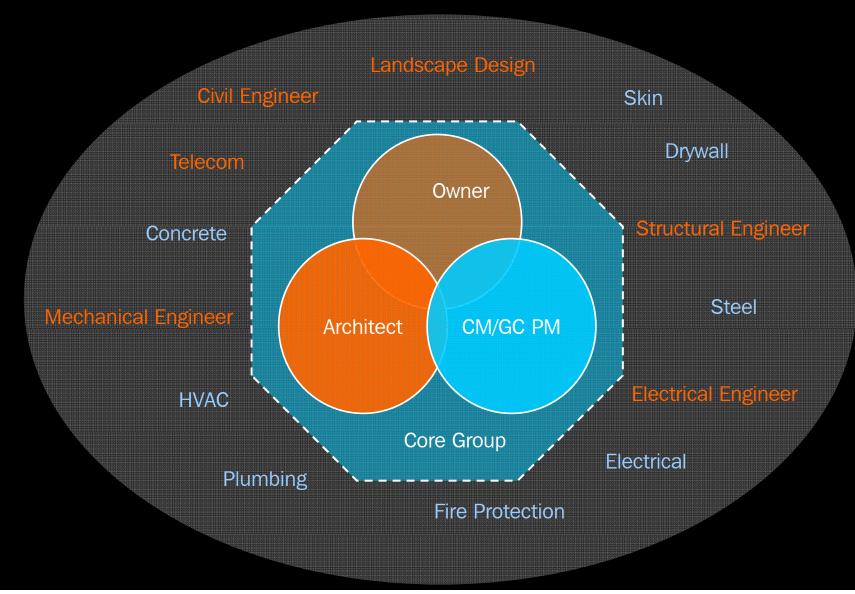


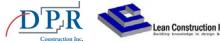
LEAN CONSTRUCTION CONCEPTS & PRACTICES





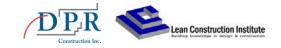
INTEGRATED PROJECT DELIVERY TEAM

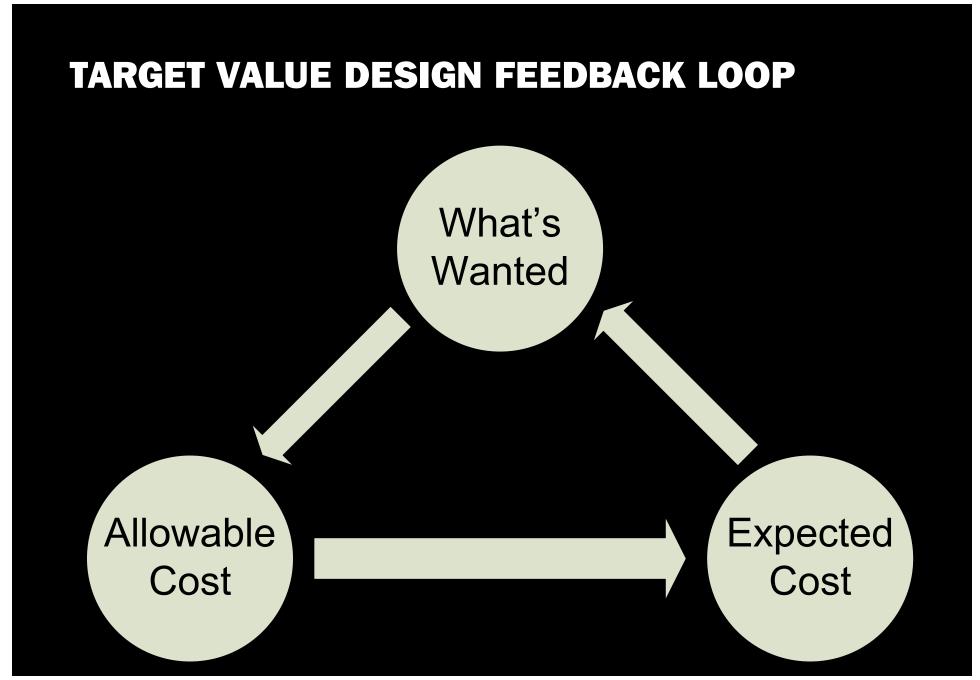


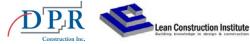


Real value is not the low bid on a higher cost design. It's achieving the lowest true cost on the right design.

Eric Lamb EVP, DPR Construction, Inc.



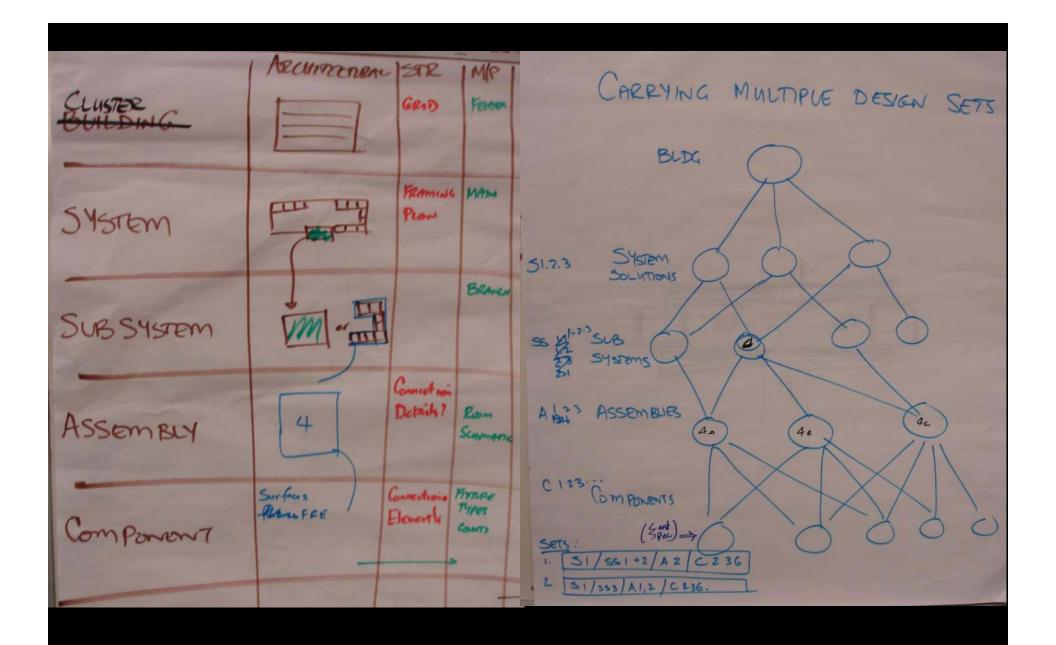


















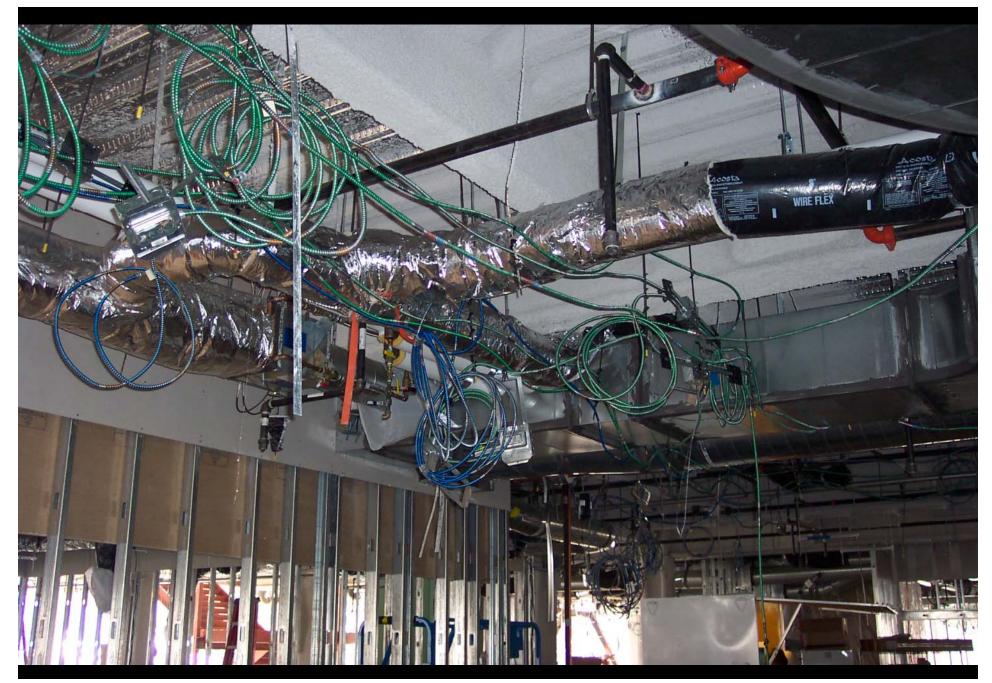










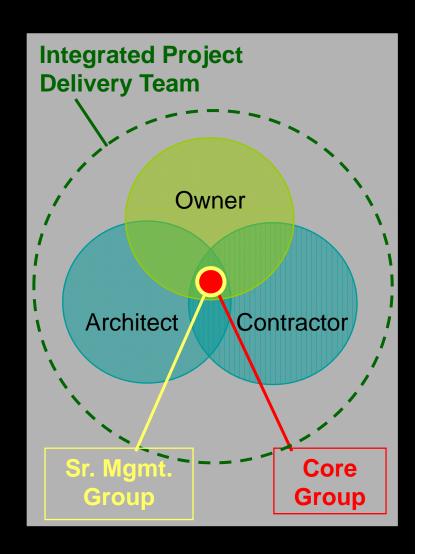


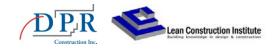


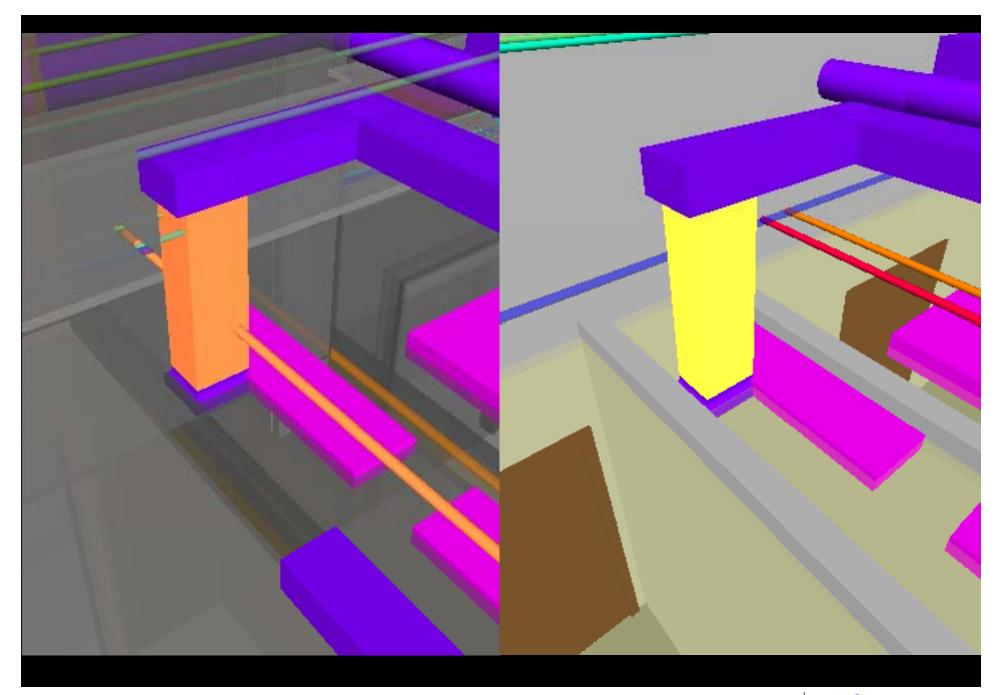


RELATIONAL CONTRACTS

- One Agreement signed by O-A-C
- "Joined" by <u>jointly</u> selected team members
- No separate "general conditions"
- Provides for formation of:
 - Core Group
 - Integrated Project Delivery Team
 - Senior Management Group
- Incentives for team performance

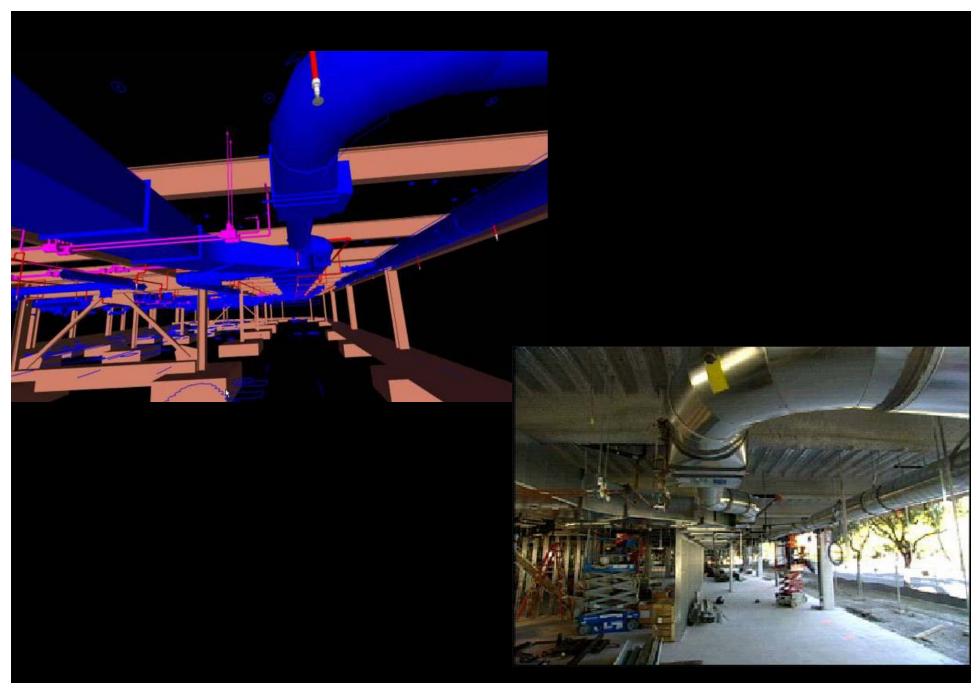












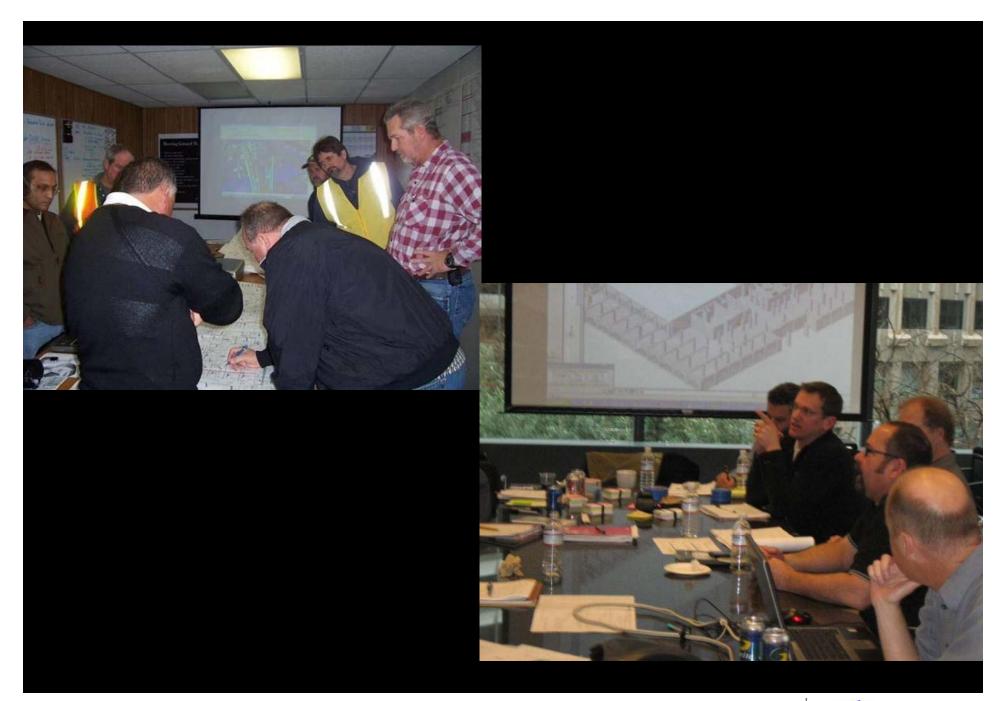


















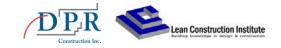


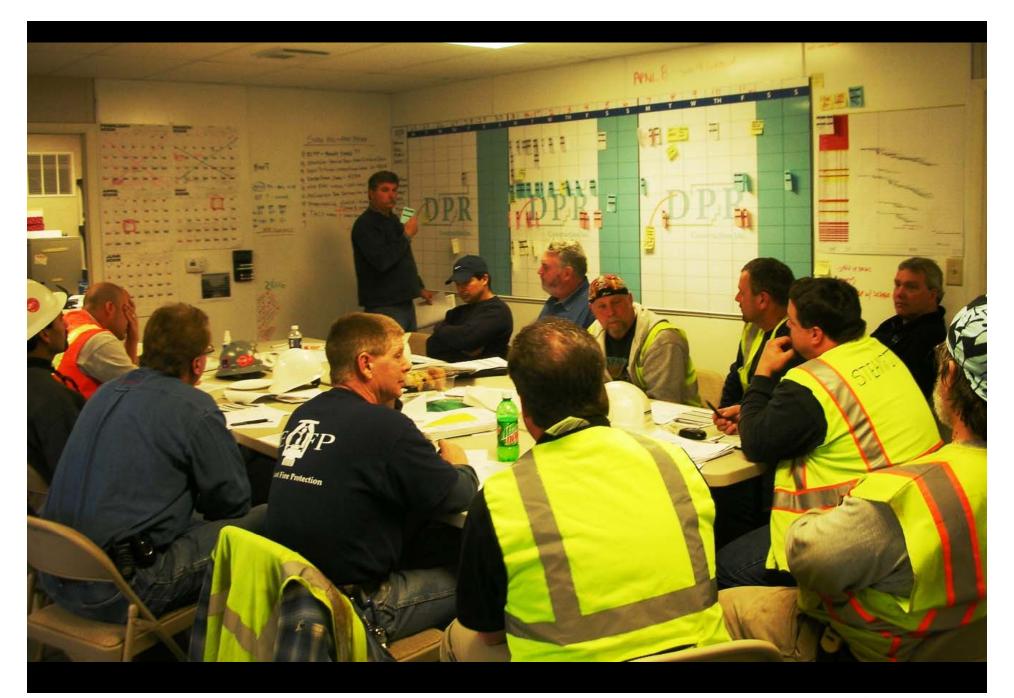




TOYOTA PROVERB

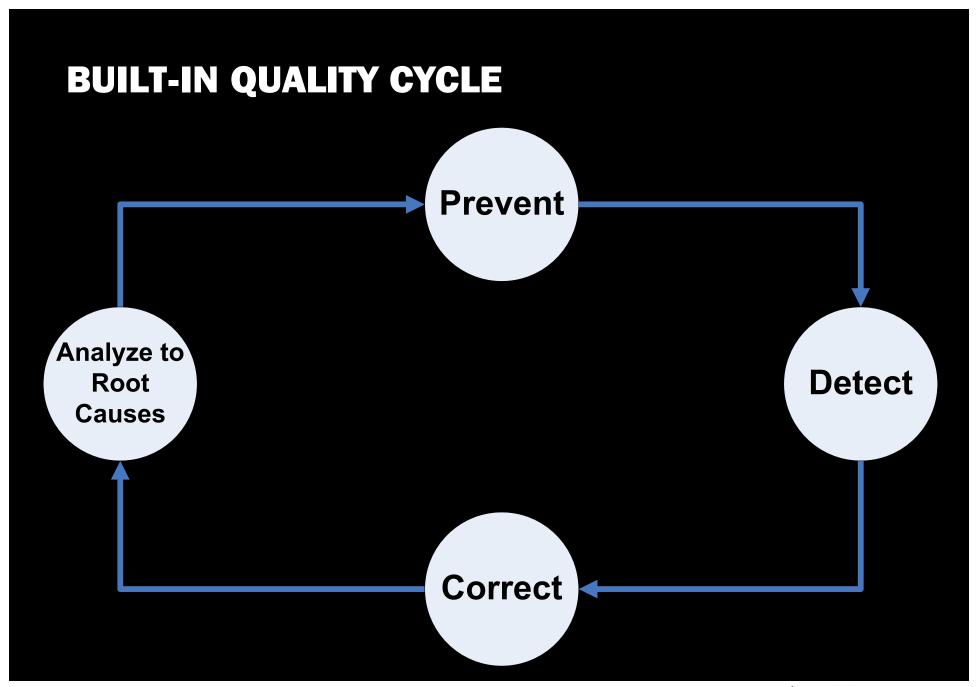
Stop production so production never has to stop





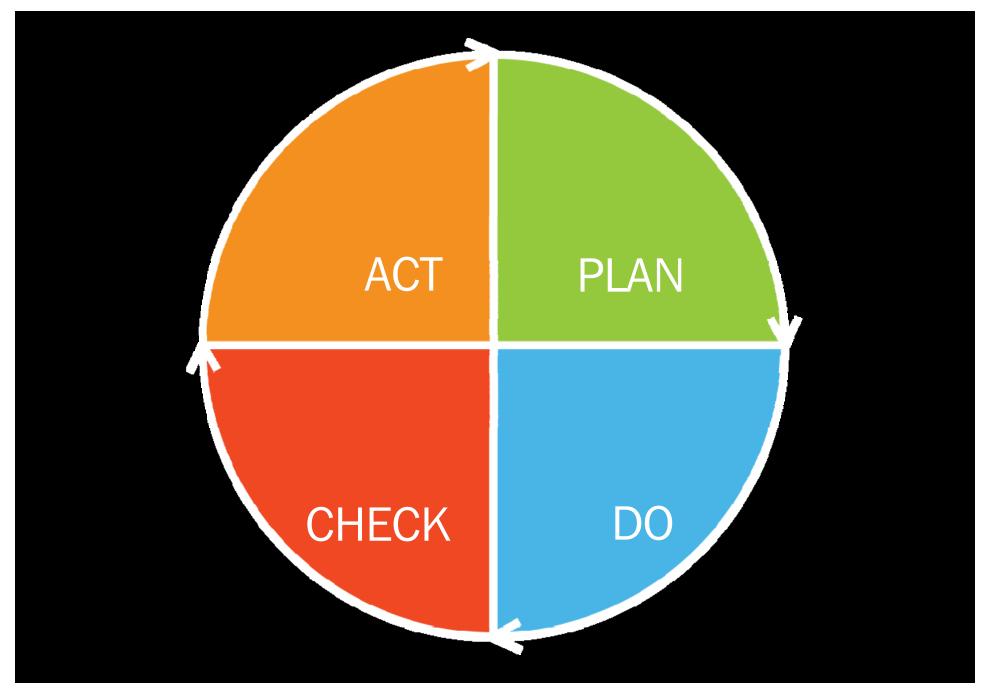














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