Project Conditions of Satisfaction (CoS)

“THERE MUST BE CONSISTENCY IN DIRECTION”

- W. Edwards Deming

1.0 Why

2.0 What

   Examples
   Rules

3.0 When

References/ Sources

Value Definition – Four Phase Project Delivery Paper

Conditions of Satisfaction Exhibit from Sutter St. Luke’s Campus project

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1.0 Why

Conditions of Satisfaction are a decision making guide and align the team’s focus.

Lean/IPD Projects have been shown to out-perform traditionally delivered projects because there is a focus on alignment of interests, organizational integration, and agreement on project priorities for all parties involved. These project priorities are called Conditions of Satisfaction (CoS) in Lean/IPD Projects. These CoS guide decision making throughout development and implementation. When consensus is difficult to reach, these conditions become the measuring point from which to decide.

Co-developing Project CoS is a key element for developing and maintaining stakeholder alignment.

While a project has cost and schedule goals important for project success, CoS are co-developed to keep the Project Team aligned on additional important criteria the team believes to be critical for Project success.

CoS are the criteria that the team uses to make decisions, develop a common language for collaboration, define expected behaviors, drive team culture, and work together to achieve positive outcomes. Well-designed CoS ensure that all participants are fully engaged with their labor, talents, and experience. With CoS, everybody wins.

Think about SMART goals when you are developing the Conditions of Satisfaction.
Typically there are 8-15 CoS established. Usually one CoS will address a budget objective, one will address a schedule objective, and one will address a safety objective. Other options for CoS might be:

- Everyone is profitable – it may be good to get this out in the open and get collective alignment.
- The number of months in which the project is delivered
- Number of RFI’s
- Number of Change Orders
- Number of punch list items
- Percentage of below market cost
- Percentage of operational cost improvement
- Percentage improvement in productivity
- Rapid improvement
- Exceptional teamwork
- Quality at acceptable levels the first time: As measured by:
  - No program schedule impacts due to constriction quality
  - No unplanned factory impacts
- All schedules developed and executed using the Last Planner® System
- Total Project Transparency
- Strong Stakeholder Involvement
- Rapid Mitigation Existing Condition Discoveries

Do not rank the CoS in order of importance. The fundamental truth of a CoS is that it must be met; therefore, all of them must be met. Ranking CoS simply creates opportunities for the team to neglect one or more “lower ranking” conditions.

The CoS should be continually reviewed against the progress and learning of the team to ensure that the CoS remain relevant. One way to do this is to include a graphic on dashboards or other visual management tools. It is acceptable for the CoS to evolve during the life of the project – what’s important is that there is open communication on this subject among all the stakeholders. Equally important is ensuring that there is collective agreement on the changes as they happen. This is also true of the methods of measuring whether the CoS have been met. Conditions may be met early and retired as the project progresses.

There may be a risk and reward tie to the CoS. The team should be rewarded for meeting them, and there should be some penalty if they don’t. The risks and rewards can range from simple and elegant to complex and convoluted depending on project duration and contract structure.

Consider using tension-based language in framing the CoS. For example: “Needs to impress visitors as they approach and enter the building and yet not overwhelm the other buildings in the neighborhood.”
CoS should be co-developed as soon as possible, but should not be finalized until all the key players are engaged to have input and agree to the CoS. Typically it gets harder to add new or modify existing CoS the longer the project goes on. Some owners attach the CoS to the contracts and tie the ability to earn added profit to meeting the CoS, or the inability to meet them to reductions in profits. Be wary of having too many CoS. Focus on what is critical and what would cause the project to be a failure if it does not happen.

3.0 When

Once the CoS are developed, make sure they are widely and regularly communicated to the team. If teams are co-located, have CoS publicly displayed on the wall where they are easy to find and to read.

Measuring how the team is doing against the CoS should be done as often as is reasonably possible. There should be a process in place to ensure the team responds to negative deviations from the CoS.