



LCI Israel's Launch Prof. Aaron Shenar



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A Strategic Industry-Wide Perspective on Lean Construction

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About Lean

Lean = Health = Exciting

Is Lean a Method or Concept?

Lean is Dynamic

Lean is Not New



History

Fredrick Taylor (1911) – 1st Lean Manufacturing

Henry Ford (1923) – Standard'n, flow, no waste

Empire State Building (1931) – “1st Lean Construction”

Toyota Production System (TPS), Toyota way

Tool Based, Flow Based

JIT, TQM, Kaizen, Six Sigma...

Lean Engineering, Lean Entrepreneurship

NASA – “Better, Faster, Cheaper”

Lean Construction



How Successful is Lean?

Most Past Efforts Were Effective

How to Measure Success?

Is there a Limit to Lean? Is there an Optimum?

A Few Notable Failures:

Toyota's Quality Recalls

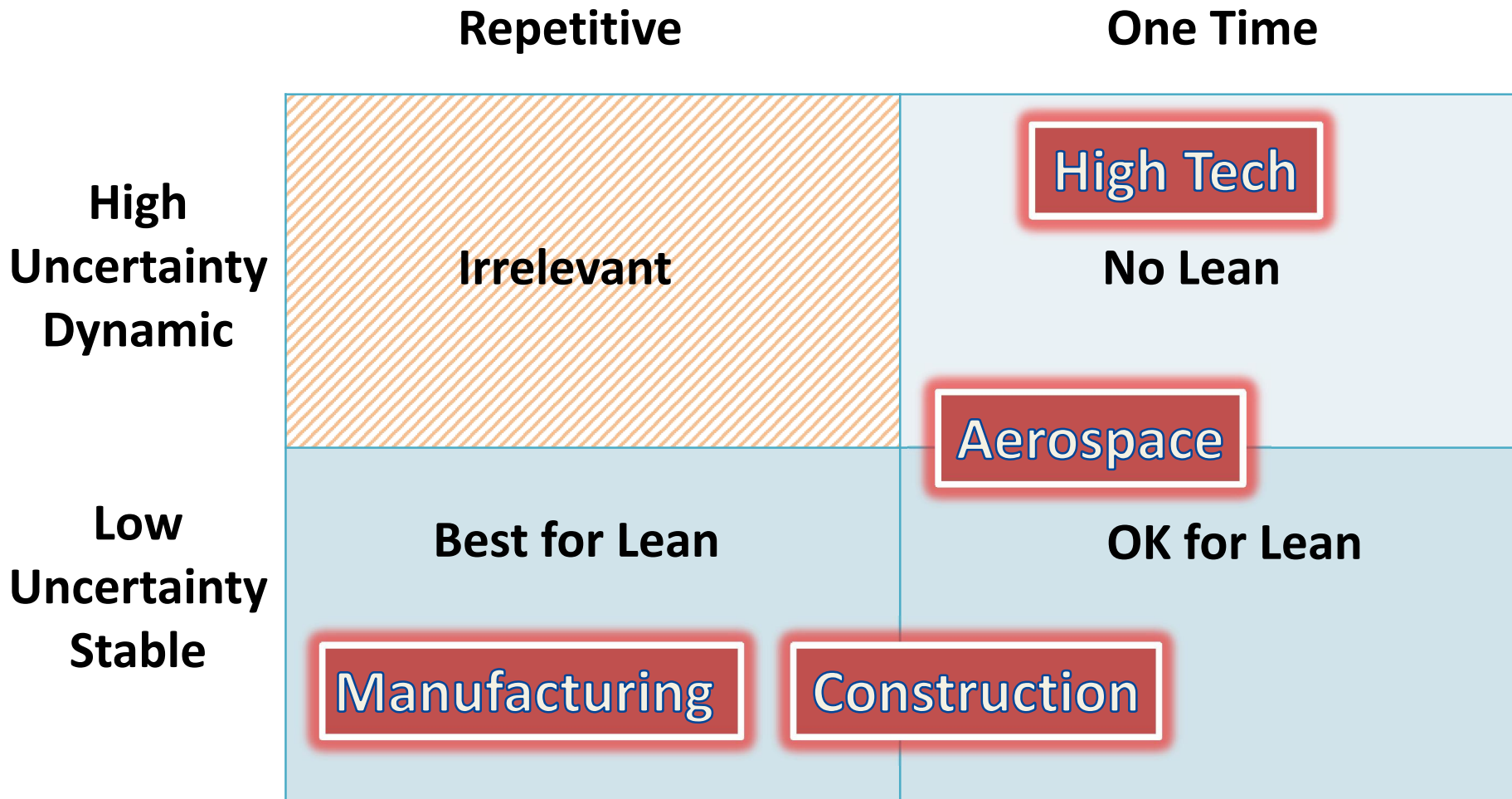
Six Sigma Experienced Failures – 3M

NASA's Better, Faster, Cheaper Failure

Boeing 787 Development Chain Failure

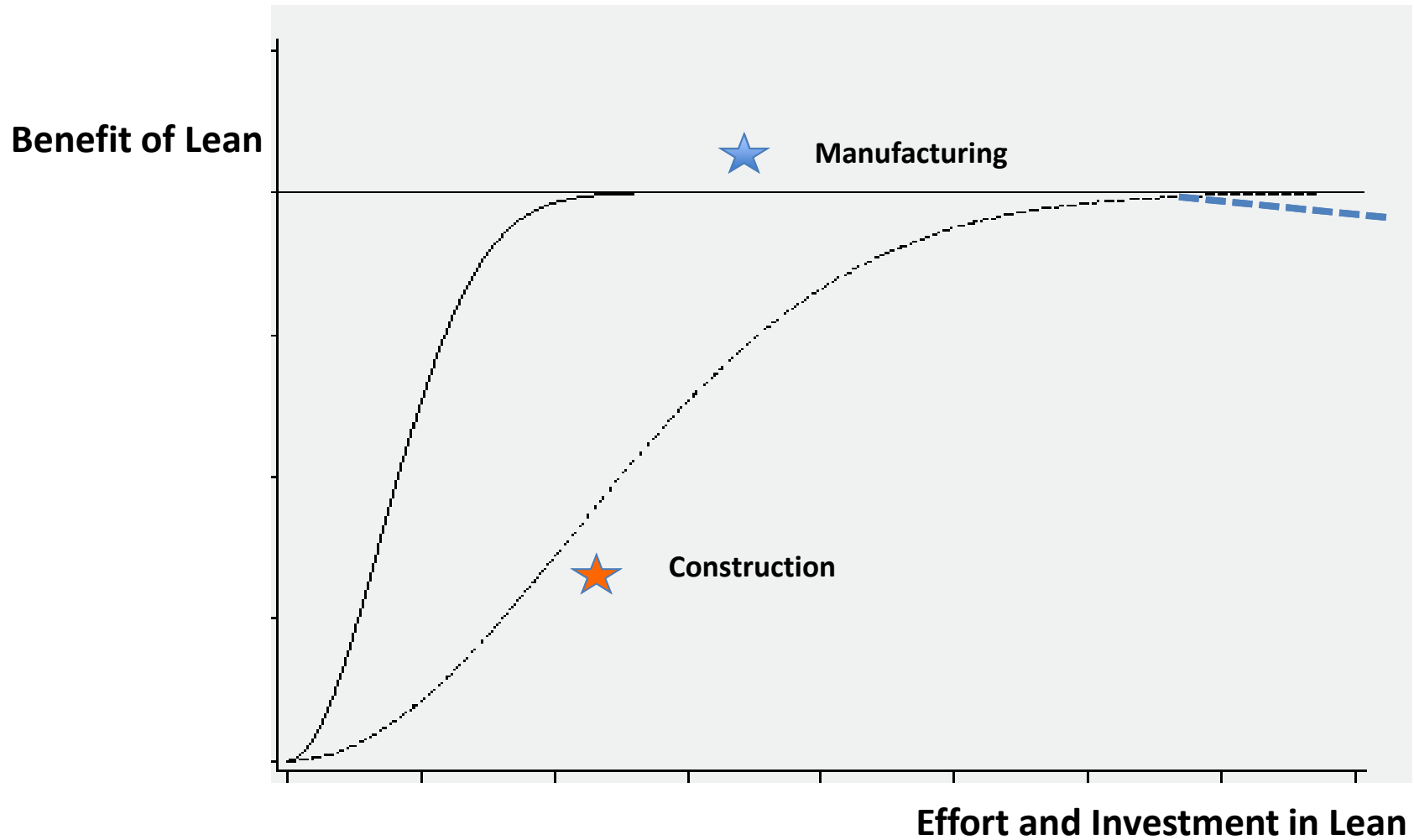


Activity/Industry Comparison





The Rate and Optimum of Lean Improvement is Not Forever





Construction Stories





What's Next?

Why Construction Projects Need a Business Strategy

What is a Project?

Traditional PM

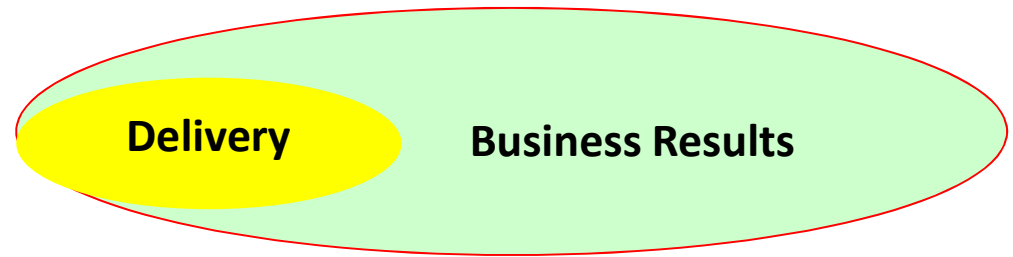
Collection of activities to be completed on time

Tactical
Delivery, Output
Product

The New Paradigm

A leadership process to get business results

Strategic
Value, Outcome
Business



The Strategic Approach to Projects

- **PM Becomes the Business Leader**
- **Success = Delivery + Business Results**
- **Each Project Builds its own Strategy**
- **One Size Does Not Fit All**
- **Leadership is Developed and Required at the Project Level**