



August 1, 2013

Dear Dan,

News this week: The American Institute of Architects just provided LCI with a copy of the results of an environmental scan-type analysis titled, *AIA Foresight Report: The Changing Context, Business and Practice of Architecture 2013*. It is a remarkable analysis of our business from the AIA members' perspective. Here are some quotes that bear directly on the growing acceptance of Lean techniques by the Design community, a profession described as "in transition":

- **Performance-based design**—often called evidence-based design in healthcare architecture—is essentially about serving the client best in both the near- and long-term. **It has an intimate relationship to lean design and construction**, which offers strong enough increases in productivity that it is **quickly becoming the norm in both construction practice and client expectation**. Successful firms will bring lean process to design as well.
- **Come together.** Traditionally separate roles and stages in the design and delivery processes are consolidating. Earlier and more thorough collaboration are the new norm.
- **Prefab and modular.** Older ideas are updated to become part of the design and construction industry's drive for greater efficiency, waste reduction, and speed. It is reported (McGraw Hill) that **76% of architects use prefabrication and modularization** in projects.
- Best practice firms **maintain a relationship rather than a transaction** mind-set.
- Workplace design is also **evolving to accommodate changes in...a younger workforce** that expects a much more flexible work schedule, flatter hierarchy and engaging work experience...**Millennials are characterized as natural collaborators** who...value quality of experience and learning opportunities over extrinsic rewards, and crave regular feedback and encouragement.
- **Pressure to create efficiency and conserve resources are driving the need for greater collaboration:** all parties must have input earlier in the process in order to meet the evolving demands of clients.
- [F]irms throughout the design and delivery chain are finding **semi-structured "IPD-ish" ways to collaborate** that remain in the spirit of integrated project delivery.

This **study's findings are both encouraging and challenging** to a design profession in transition. The study points unequivocally to a future in which firms that are recognized as thought leaders increasingly embrace Lean principles. If this

is accurate, the outlook for more architects to not just participate but **take the lead** in promoting use of Lean on projects is an exciting prospect, and one that will greatly reinforce LCI's continuing mission of industry transformation.

In view of the above, let me insert a direct and unabashed plug here for **the LCI Congress (October 22-25) in Dallas**, since it will afford a great balance of presentations and training for the Design as well as Construction aspects of Lean. Take a look at the current program as it is shaping up at the URL below, and be sure to register today. You will be glad you did. Tuesday, October 22 has been set aside for member training. **Attendees can choose among Intro to Lean, Integrated BIM +AIA BIM, Intro to The Last Planner System®, and Target Value Design.** Full conference registrants will enjoy presentations from: the Owner's Perspective; Case Studies; Featured Speakers and more. The full agenda: (<http://www.leanconstruction.org/media/docs/2013-Schedule072313.pdf>)

Sponsorships for the 2013 LCI Congress are selling fast! New for 2013 are some exciting options: live-stream video, conference bag, lanyard, internet and even a "create your own". This is your opportunity to reach key decision-makers, opinion leaders, and constituencies in the Lean construction community and supply chain. Click here for the complete list: (http://www.leanconstruction.org/media/docs/2013_LCI_Congress_Sponsorship_Form.pdf)

A note from Anne O'Donnell, our director of membership services: "Check out the new Community of Practice "Resource" section of the LCI Website! (URL below) This growing site of CoP resources is designed to serve as a platform to share and learn. Please consider sharing your CoP's resources: annual budget, marketing flyers, e-newsletter samples, bylaws, core-group vetting process, etc. By sharing, we are building stronger communities and furthering the practice of Lean. <http://www.leanconstruction.org/membership/lci-communities-of-practice-resources/> As always, if you have any questions, comments or concerns, please let me know – I'm here to help!" anne@leanconstruction.org

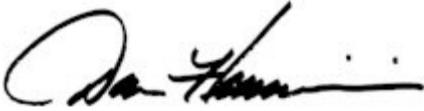
As part of our ongoing program of outreach on Lean to other associations in the design and construction arena, LCI has signed a memorandum of understanding with The **Sheet Metal and Air Conditioning Contractors' National Association (SMACNA)** to allow SMACNA members to benefit from LCI-sponsored educational programs. We also are working with SMACNA to make their members aware of the LCI Congress in October and encourage them to register and attend.

A recent ENR piece by John Voeller of Black & Veatch is entitled, **Global Construction Firms Set to Outpace U.S. in Technology-Driven Improvements.** The gist of the piece is that other nations, particularly China, are working hard to outpace the western construction industry, pointing to Chinese efforts to develop emerging technologies such as RFID and high-performance concretes. Sobering news perhaps, for their competitors. But how much of a competitive counterbalance would it represent if a much larger percentage of their industry competitors decided to embrace Lean tools and techniques as a corporate-wide commitment? The cost and schedule improvements that would result may not fully stave off the juggernaut of international competition. But they clearly would make firms significantly more competitive and effective in satisfying owners. As Voeller concludes, "...*Chinese construction firms will combine better levels of project management skills coupled with the best western firms' assets to beat the U.S. and European majors anywhere in the market.*" Lean Construction affords practitioners more effective means of project management regardless of the market or origin of those performing on the project, and LCI exists to help our member firms fully embrace and benefit from the full array of Lean Construction tools and practices.

Also from ENR (July 29/August 5 edition, p. 76) is **a one-page piece I want to commend to you as quick and fun summer reading.** Architect Paul Fallon writes about the challenges of trying to bring basic, western-style engineering concepts--proven to limit earthquake damage--to the Haitian construction culture, where "He who bangs the hardest with the biggest mallet" is held in highest regard. If the concrete forms are too long, they get banged into submission. Too short, now? – Just bang in some shims! And when (despite specific direction to the contrary) the reinforcing steel is set too close to the forms, everyone comes together, not to work out a solution, but to negotiate the blame. Then, you guessed it, more banging ensues. Maybe it's lucky for Paul that he's not trying to train these guys in Lean concepts at the same time – that WOULD be a stretch. Read his piece, and next time you have to work with a recalcitrant crew, you might reflect on a supervisor toiling away in Haiti who probably has had it even worse.

Here's wishing you a safe and enjoyable rest of the summer with regard to whatever projects or activities you are banging around on. And thanks as always for your role in helping us transform design and construction: one company, one owner, one Lean project at a time!

Sincerely,



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Easy Access Links

15th Annual LCI Congress - October 22, 2013 – October 25, 2013, Dallas, TX

[Registration](#)
[Sponsorship Information](#)
[Room Reservations](#)
[Preliminary Agenda](#)

Coming LCI Community of Practice Events

(See the LCI Website for our full [calendar](#).)

Ohio Valley CoP>>Benefits of Lean Series – Tour of Toyota’s Georgetown Plant and Roundtable Discussion, August 6
Register here: <http://lci-ohio-valley-08-06-2013.eventbrite.com>

LCI Chicago >> Lean Concepts Across Delivery Methods: Driving Collaboration, August 8
Register here: <http://www.eventbrite.com/event/7371854415>

LCI Carolinas>> An Owner's Perspective on Lean Project Delivery, Aug 14
Register here: <http://lci-carolinas-08-14-2013.eventbrite.com>

Bay Area Branch >> Yes You Can! Using Last Planner in ALL phases of design, August 14
Register here: <http://lci-nor-cal-08-14-2013.eventbrite.com>

Central Valley Branch >> Yes You Can! Using Last Planner in ALL phases of design, August 15
Register here: <http://lci-nor-cal-08-15-2013.eventbrite.com>

Central Florida>> Bringing LEAN Manufacturing to Construction Prefabrication, September 25
Register here: <http://lci-central-florida-09-25-2013.eventbrite.com>

(Click [HERE](#) for our FULL Calendar of events)