



**Lean
Construction
Institute**
Transforming Design and Construction

The LCI Update

Lean Construction Institute

The LCI "**State of the Union.**" One of the features we have offered at the last couple of Congress meetings has been the opportunity for the chairman of our board, Victor Sanvido, to provide thoughts from the board's perspective on where we are as an organization in our efforts to develop and execute on big picture goals to support Lean Construction. Below are some excerpts of what Victor covered in the talk.

The **LCI mission statement:** We serve as a catalyst for transforming the design and construction industry to deliver value using lean principles and practices. What are some **BHAG-style metrics** by which we will measure our success? The number and percentage of the market using IFOA-type contracts; 100 major owners using Lean; 100 Communities of Practice; 100+ Corporate Members; 15 university partners; 100 qualified and active LCI trainers; 1000 documented projects; 10,000 people having taken classes.

Goals that were set and addressed for 2013 include: Develop a financial model and business plan for a solid base of operations; hire an executive director; define strategic goals of committees, staff them and get them running; develop a new website; and engage in a strategic planning process. Each of these has been accomplished. Committee activities now include the following:

Research – Classifying Items on Website

Standards – Glossary

Education – Three versions of Last Planner Training

Practice – COP evaluation, formation guidelines

National Meetings/Conferences – Congress (500 attendees) and Design Forum

Finance – sufficient funds to ensure stability and new program growth over time, meeting approved plan

IP/ Website/Branding – New website, Logo

We now have five major initiatives being addressed by the committees above, as well as other staff- and board-managed activities: Create industry demand for lean; Grow and sustain members; Develop lean knowledge; Develop lean capacity; Develop collaboration and distribution channels. More on these initiatives will be forthcoming in the next newsletter.

Congress videos now available: If you registered for multiple days of the Congress program, videos of the presentations are now available to you. You should have received an email from us

with the access information. If you missed this, please let Julia Shellhouse know at jshellhouse@leanconstruction.org. If you did not register for Congress, full video access is also available now for purchase by going to www.prolibraries.com/lci.

As previously announced, LCI's **annual Pioneer award winner for 2013 is Leo Linbeck III**. I wanted to provide you with a paraphrased text of the remarks he made upon accepting the award October 23. Even on brief meeting, it is clear that Leo is an individual who combines great personal humility with significant personal and professional accomplishment. His thoughts on what Lean at its core is all about, how Linbeck first got involved, and LCI's continuing role in making Lean a reality, are at once enlightening and profound, and I wanted those of you who were unable to attend the event to be able to see them:

I'm delighted to accept this award on behalf of my last name. Because the reality is, my role in this has been overstated by what you have heard. The people who've really made this happen are the people in the Linbeck organization, in terms of the adoption of Lean. So, if everyone here who is from Linbeck would please stand up, I would really appreciate it. [Applause] Because these are the folks that really have made a difference. It was their commitment to this idea - I can remember when this first struck me...I think it was Peter Nosler who said to me, "You need to read this book, The Machine that Changed the World. And I said, "Sure, I need to read a book about the car industry." But I read it, and it was like a bolt of lightning. I remember going back and talking to Mel Hildebrandt who was my boss at the time and was running Linbeck, and Chuck and Bill and whoever would sit down and listen long enough, about how this could really transform the way we do things. And they all sort of nodded like they usually do when I say stuff like that, and said, "Gee, that sounds great Leo, really appreciate it...Ah, look at the time." But they really embraced it, and they made it real in a way that I could never have expected. Kind of like the conversation about LCI has now been made real in a way that we could never have expected it.

And I've reflected a lot on why that is. I mean, why has Lean become such an important concept and been adopted? I think it's because, at its core, there is a moral claim that's made. At its core, Lean is, very simply stated, the elimination of waste. It's the elimination of waste. And we talk about value, value stream, flow, pull, perfection, kanban, pokey-yokey, yada, yada, but at its core, it's about the elimination of waste. And that's something that transcends, it transcends dollars and cents, it transcends the way the building looks, it's something about doing things with the minimal amount of waste. The fact that we've been endowed as a people, as a nation, and as a race, the human race, with access to all these amazing resources that God has given us, and we're called to not waste them. We're called to use them as efficiently as possible. And that single-minded focus on the elimination of waste carries this sort of moral gravitas. It brings teams together, it brings communities together, it brings organizations together like LCI, and it gives it that sort of singular focus that's so important...I think that's all I have to say. I really appreciate this award, and am happy to accept it on behalf of all of my associates at Linbeck. Thank you very much.

The Henry C. Turner Award is to be presented to LCI December 4 at The Building Museum in Washington DC, and we hope you will join us. We all know that Lean Design and Construction strives to create a safer workplace, reduce costs and promote faster delivery by emphasizing collaboration and a culture of continuous improvement. After many years of being at the forefront of encouraging and educating the industry about the benefits of lean methods, LCI has been selected to receive the 11th annual *Henry C. Turner Prize for Innovation in Construction*. To mark the occasion, LCI co-founder **Greg Howell**, executive director **Dan Heinemeier**, and board chair

Victor Sanvido will speak on the benefits of lean and share their vision of Lean's future. Following this talk, a panel of property owners, designers, and builders will discuss how a lean approach benefits the building industry. Panelists include: **Chris Jahrling**, vice president, General Manager Federal Services, Turner Construction Company; LCI board members **Victor Sanvido**, vice president, Southland, **Bill Seed**, vice president, Design and Construction, Universal Health Services, and **Tom Sorley**, CEO, Rosendin Electric. **Jan Tuchman**, editor in chief, Engineering News-Record, will serve as panel moderator. For more information and to register, please go to: http://go.nbm.org/site/R?i=J21IOA_ICwhZxtU7eT_ng

Thanks again for all you are doing to promote industry transformation through Lean design and construction tools and techniques.

Sincerely,



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