

# What is LEAN Construction?

#### **LEAN focuses on:**

- Maximising value from the customer's view;
- 2. Eliminating waste (non-value adding processes); &
- 3. Creating smooth and reliable activity flows.

# LEAN understands that project delivery:

- 1. Is a collective enterprise relying on collaboration;
- 2. Requires work to be undertaken through complex integrated supply chains that can only run smoothly with impeccable coordination; &
- Construction is a production system and, to operate efficiently, it requires information and resources to flow smoothly and reliably.

### **LEAN Processes**

When applied to design & construction processes, the outcomes of LEAN are:

- The facility and delivery process are designed together to better reveal and support customer purposes;
- Work is structured to maximise value and reduce waste;
- Effort is aimed at improving total project performance; &
- "Control" is redefined from "monitoring results" to "making things happen".

### **LEAN Reality**

Australia needs to reduce construction inefficiencies to rectify and improve cost differences with competing international markets.

Application of LEAN has the proven ability to optimise projects and deliver greater productivity, quality construction, profitability, customer satisfaction and improved safety (Source: McGraw Hill Construction SmartMarket Report 2013).

### The LEAN Facts

## Australia's economic growth and productivity is declining:

- \$149 billion dollars lost (2012 2013) due to cancelled or delayed major resource feasibility stage projects in Australia.
- 30% higher costs for Australia to supply Japan with LNG vs. competing projects in Canada and Mozambique.

#### LEAN delivers proven outcomes for practitioners:

- 80% Greater Customer Satisfaction
- 77% Greater Productivity
- 84% Higher Quality Construction
- 77% Improved Safety
- 64% Greater Profitability

• 67% Improved Sustainability (Source: McGraw Hill Construction SmartMarket Report 2013)



LEAN challenges the belief that there must be trade-offs between time, cost & quality

### What is the LCIA?

The Lean Construction Institute -Australasia Ltd ('LCIA') promotes and teaches LEAN Construction principles, tools and techniques in Australasia to improve productivity.

A not-for-profit organisation, the LCIA is led and supported by a cross section of highly regarded industry representatives.

Their objective is to change the construction industry and enable productivity best practice throughout the region.

The LCIA, a nationally incorporated entity, partners with industry, service organisations, government agencies and academic institutions and they are attracting support from Woodside, Chevron, BHP, BGC, Brookfield Multiplex and McKinsey & Company, as well as interest from global organisations such as Total, Petrobras and Eksom.

### LCIA Membership

Members can explore how LEAN techniques enhance projects, boost productive collaboration, save time, reduce costs and increase competitiveness.

They connect with colleagues, practitioners and innovators from different areas of construction and location.

Unique Member opportunities include:

- Discounts
- Extensive members' only research
- Networking opportunities
- Regular workshops & events
- Access to those making the most of LEAN

Join the industry body that is helping make construction LEAN by visiting www.lcia.org.au

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