# LEAN, IPD, and Construction Partnering

It is extremely important for the building industry to understand what the benefits are to each and why we believe Partnering is the most enduring solution for your project needs.

- **Lean Construction Tools** (Lean) focus on eliminating waste from the project. This can be through improving schedule coordination, closely coordinating when materials are ordered and when staff comes to install them, and can even extend to measuring "reliable promises" so team members are accountable for when they make a promise to complete a deliverable. **Lean tools focus on project process in a granular way to improve daily performance and therefore, project performance.**

- **Integrated Project Delivery** (IPD) focuses on establishing contracts (commercial terms) that are intended to promote collaborative behavior. In other words, each of the key signatories to the construction project agrees to share risk so that they will work in a collaborative way. Often times, there is a pool of money set up so if the project is successful, all benefit and if the project runs long or over budget, they all take a financial hit (gain-share, pain-share). **IPD works to integrate the team by sharing risks**.

- **Construction Partnering** is a structured process that enables the team to meet face to face at regular intervals to co-create project goals and accountability to those goals, establish a dispute resolution procedure, identify issues and resolve them, and identify opportunities to improve project outcomes. **This structured process establishes a collaborative project culture regardless of the contract delivery method used.**

What is important to recognize is that each of these approaches grew out of the Total Quality Management (TQM) movement of the 1980's and more specifically out of President Ronald Reagan's Council on Productivity Improvement [1]. Several of today's thought leaders in collaborative construction participated with this group and what emerged was the concept of "Tripartite." The three areas of focus for Tripartite were the improvement of ***contracts*** **with the "Integrated Form of Agreement** (IFOA), which is commonly referred to as Integrated Project Delivery, ***process*** **(Lean)**, and ***project cultures*** **(Partnering)**. The ultimate collaborative project would employ all three concepts. (See the page three for the image on the history of Partnering.)

Establishing a collaborative culture is the first step and allows Lean processes and IPD to work more effectively. Project teams with extremely challenging low-bid public works contracts can perform magnificently if they establish the cultural norms to identify issues, co-create resolution to those issues and work together even when issues get tough.

So what does that mean for your projects?

Recent research by the Charles Pankow Association and DBIA [2] reveals that construction teams tend to perform better when they have qualifications based selection and a contract delivery systems that enables the team to get together early… this confirms the advantage that IFOA, design-build, and CM at Risk project teams have where they can form and gel early during programming and design, rather than after the Notice to Proceed.

That being said, when an owner agency focuses on routinely establishing a collaborative culture and follows through with the partnering effort, they are able to successfully deliver projects, regardless of the contracting methodology. Best Practice is for owner agencies to develop the culture to collaboration both internally and with industry and then select the most appropriate (or available) delivery method for your projects. This way, the project team can layer in Lean tools to improve scheduling and hit key milestone dates and can also use partnering and Integrated Project Delivery.

https://www.linkedin.com/in/robreaugh/

[1] Public Papers of the Presidents of the United States (accessed 7/11/17)

[2] http://projectdelivery.weebly.com/guide-download.html (accessed 7/11/17)

# A BRIEF HISTORY OF PARTNERING