



INSTITUTE FOR LEAN CONSTRUCTION EXCELLENCE (ILCE)

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ILCE starts Educative Newsletters "LEAN CONSTRUCTION AND ITS APPLICATIONS (BASIC) - 5 Newsletters.

Newsletters will be very brief and any queries on the same will be welcomed.

Educative Newsletter 1

Why lean construction ?

Accepted fact – Confirmed by research – wastages in the construction industry are more than 50% - it could be more in India..

Here in India wastages are defined in broader perspective.

The wastages will include all aspects in the construction of any project –

➤ Poor Design	➤ Poor Constructability	➤ Poor Planning
➤ Poor Layout	➤ Wastages of Material	➤ Inefficiency in Machinery
➤ Excessive Staff	➤ Poor Staff	➤ Slow Mobilization
➤ Poor Procurement	➤ Lack of Flow in work	➤ Overrun in Time
➤ Overrun in Cost	➤ Lack of Co-ordination	➤ Adversarial Relationship
➤ Disputes	➤ Court Cases	➤ AND SO ON SO ON

Comparable wastages in other industries –

Mechanical – 15%	Retail – < 15%	Hospitality - < 15%	CONSTRUCTION > 50%
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Mathematics of wastage :

GDP of India – 1.38 trillion dollars (2009)

Construction industry – Generally 10% of GDP - 0.138 trillion dollars

Wastages in construction industry – 50% - 0.69 trillion dollars – Rs. 30 lac corers – WHEW!!!

MONEY DOWN THE DRAIN.

Need to Arrest / Mitigate – Most Urgently Required.

Solution universally accepted – **LEAN CONSTRUCTION**.

Definition of Lean Construction :-

Lean Construction is a “way to design production system to minimize waste of materials, time, & effort in order to generate the maximum possible amount of value” (Koskela et al.2002).

Optimizing Efforts, Minimizing Costs & Time Reducing Waste, Creating Value

What Best Can be Done , Should be Done

***Any Effort, be it Cost, Materials, Machinery and any one and all activities in a project - MAKE
IT COUNT - Optimize***

And that is Lean Construction

How to Optimize - Application of Lean - in future Newsletters.