Hello everybody, Dennis Engelbrecht with The Family Business Institute, and the CEO Performance Roundtable Program, here with our blog, Digging Deeper. Trying to dig a little bit deeper into a few problems in the construction industry. Today we want to talk about job planning, and I really want to talk about LEAN construction.

And this may get a little humorous, but I really do believe in LEAN construction, and I've seen many of the contractors in our program really have great success. And the reason for that is the principles behind LEAN are really solid. The whole idea of pull planning, planning from the back to the front. I was in miscellaneous metals as a sub-contractor here in the past, and I always found it amazing, the contractor has to get their CO tomorrow, and we have to get the dock rail in for them to get their CO.

Well, you would think that's a simple thing, but actually it's a very difficult thing. First of all, it has to be engineered, approved, and all of that. And then with the dock rail particular, we have to field measure. So, we have to field measure before we can produce it. And then ship it to your site and have an erector meet it, and actually get installed. But before you can do that of course, you have to pour the dock, right?
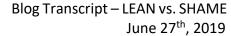
So, thinking back to front, the problem we oftentimes encounter is, they're screaming at us that we got to have the dock rail tomorrow. Well, that's great, but until the cement's done we can't field-measure, and we can't produce until we field-measure, can't ship it up there and all of that.

So, it's really a four, five-day back-to-front process, and of course most folks in construction understand that. But the whole idea is, everything in construction follows in sequence. So, the idea of LEAN is to get all those sequences planned in advance, and have the trades appropriately communicating and stacked properly, so this all can happen without interruptions, and you get your CO hopefully early, if not on time.

So anyway, LEAN works, but I do have this humorous story. So, one of our contractors in our program had seen how LEAN worked out at another company, and he decided he was going to implement LEAN at his company. So, he decided he was going all-in. So, he hired the LEAN trainers, brought them out, got all of his project managers, all his superintendents to go through all the segments of that, ready to go. They go out for their first LEAN project out in the field, and the first day three subcontractors don't show up.

So, the bottom line is, they decided to go away from LEAN and go toward what they called SHAME, that they thought they'd have better success just shaming the subcontractors into showing up on time and getting their work done. And obviously that doesn't really work and doesn't work that well, and they certainly learned plenty in the LEAN process, but in thinking about it, we did think that SHAME might be an acronym for Subcontractor Harassment And Mentoring Experience.

And you know, when you're communicating with subcontractors, it's interesting because you really have to influence them to get what you want. And they have five other jobs, and three other customers that they're trying to serve at the same time. So, they're probably doing the best they can. And jobs have moved, and jobs have stacked, and all of that. But what it really boils down to is the art of influencing your surroundings. And LEAN is a great system, it's a difficult system, takes a while to get people to buy in.

And like any system, it has to be well-executed. And most of your greater superintendents have a planning system that works, and that's why they're great superintendents. They can look forward, they communicate well, their subcontractors trust them, and it all comes together. So, the point of this is whether you operate with LEAN or SHAME, it's really about controlling and influencing your surroundings, and get with your superintendents, your job foreman, and just make sure that they're skilled at accomplishing that.

Again, Dennis Engelbrecht, digging a little deeper. Thank you.