



AIA/GBCA JOINT COMMITTEE WHITE PAPER

LEAN DESIGN & CONSTRUCTION: TARGET VALUE DELIVERY

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INTRODUCTION

Target Value Delivery (TVD) is a management system that is used throughout design development, budgeting, construction, and commissioning to assure the project meets the values and needs of the end user, stays within budget, maintains quality, and eliminates waste.

HISTORY

The origins of Target Value Delivery can be traced back to the Toyota Motor Corporation and its founder, Sakichi Toyoda. Toyota's principles and philosophy have since been identified as "Lean Manufacturing" and "Just in Time Production" which they are credited with developing. These principals have been carried over to the construction industry with great success.

DESIGNING THE SOCIAL SYSTEM

With any TVD project, communication and collaboration are imperative to achieving a successful project. Goals are developed at the beginning of the project between the stake holders involved (owner, architect, engineering firms, construction manager, key subcontractors, etc.). Each party defines what is important to them as it relates to what they consider a successful project. This list is tabulated and kept for future tracking purposes. These goals include, but are not limited to targeted costs, quality control items, future maintenance requirements, time sensitive processes, and an overall sense of how well the project team is communicating.



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MOVING FORWARD

After the initial goals are recorded, the project progresses and the stake holders meet periodically to evaluate their actual results vs. the initial goals. These meetings often establish a scoring system where the project members all score themselves on how the project is progressing vs. the goals that were set. One key component of a TVD project is to provide a co-location area on the project as a home base for all project members. Having design members, construction members, and end users work in the same area promotes an environment of continuous communication which mitigates potential issues that would otherwise go unnoticed or snowball into larger issues. This also gives the team members a feeling of accountability and willingness to provide ideas or make concessions that may not be in their individual best interest but would be in the overall best interest of the project.

By breaking down these traditional barriers, all members of the project are able to realize and participate in the rewards.

PAST RESULTS & FUTURE PROJECTS

TVD projects have been shown to perform admirably. Financially, projects have been completed with costs averaging 15% below the market value. These results were achieved without compromising schedule, scope, or quality. Additionally, these projects formed close relationships between the working parties. In the future it is probable that Target Value Delivery will only increase in popularity and be utilized on a greater number of projects in the construction industry.

AIA/GBCA Joint Committee Mission Statement:

The purpose of the AIA/GBCA Joint Committee is to promote cooperative efforts between designers and constructors to enhance the value of the design and construction process for the owner and to provide a more satisfying and successful experience for designers and contractors.

For more information, contact Angela Hendrix at ahendrix@gbca.com or Julianne Foley at juli@aiaphila.org.



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