

# Facilities Management from A to Z



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## **L**ean Management

Lean management is an approach that uses the principles of Lean Manufacturing in a wider context. Lean Manufacturing was a term coined by John Krafcik, an Massachusetts Institute of Technology (MIT) researcher in the late-1980s who had been involved in a study into best practice in automobile manufacture at Japanese auto giant Toyota under the direction of production engineer Taiichi Ohno.

The core philosophy behind lean is that customers do not pay for mistakes or waste but for value. As such, companies need to increase the value of their products or services in order to maximize profit. Lean management offers an opportunity to drive up value and promote continuous improvement.

Lean management entails the elimination of waste by examining processes and striving for continual improvement. Ohno identified seven wastes ("the 7Ws"): Defects, Over-Production, Waiting, Transporting, Movement, Inappropriate Processing and Inventory. Once wasteful activities have been identified then process improvement techniques are used to reduce, minimise or eradicate the waste.

Based on the belief that companies should compete against perfection rather than each other, Lean Management has had a positive effect in many sectors and there is no reason why it should not succeed in FM. The Construction sector has successfully adopted the technique.

The Construction Lean Improvement Programme (CLIP) was created in 2003 to support the UK construction industry in its drive, inspired by the Egan report 'Rethinking Construction', to improve its financial performance, provide a better product and service to its customers, and cope with a skills shortage. CLIP operates across the whole construction supply chain, from raw materials processors to clients. It provides the knowledge and practical skills needed to make change happen and to bring about real business benefit.

They claim impressive returns including an M&E contractor with a major street lighting maintenance contract that reduced the man hours needed to replace each lighting column from 22 to 9; A construction contractor that reduced the amount of non-productive time on a project to extend a hotel, from 19.5% to 2.5%; and a building contractor who reduced the time taken to refurbish a room by 12%, and all snagging by 69% when refurbishing student accommodation.

*A number of interesting case studies and examples of Lean Management techniques are available for download from [www.bre.co.uk/CLIP](http://www.bre.co.uk/CLIP)*