



AGC of America Statement on IPD-ish and IPD-lite

IPD-ish and IPD-lite have been used to describe projects using lean without an IPD agreement. These terms have caused confusion because they cover a wide range of projects with varying degrees of lean experience, understanding, and implementation.

AGC of America does not support the use of IPD-ish or IPD-lite. Instead, the lean intensity should be used to describe these projects. The lean intensity is determined by the lean principals and tools implemented on the project. Projects with a higher lean intensity have better project performance. Contractual structure which integrates builders' efforts early and align parties' incentives with project outcomes also facilitate implementing lean principals and tools.

The correlation between lean intensity and project performance was published by the Lean Construction Institute based on research by Dodge Data & Analytics and the University of Minnesota. Additional information on lean intensity can be found on the Lean Construction Institute website, <https://www.leanconstruction.org/learning/research/>.

Utilizing lean practices will produce success. The team needs to use the tools while always focusing on the principals of lean:

- Respect for People
- Optimize the Whole
- Removal of Waste
- Focus on Process and Flow
- Generation of Value
- Continuous Improvement