

# A TAXONOMY OF CLIENT PRODUCT VALUE IN CONSTRUCTION PROJECTS

Frode Drevland<sup>1</sup> and Ole Jonny Klakegg<sup>2</sup>

## 1 BACKGROUND

- Delivering customer value is central in Lean Construction
- What constitutes customer value is poorly understood
- Classification schemes, such as taxonomies and typologies, are in many fields used to better understand the terrain in which one is operating.

## 2 OUR UNDERSTANDING OF VALUE

- Value is particular, i.e. must always be considered from someone's point of view
- Value is the relationship between what you give and what you get
- Maximising the value delivered to a customer is about arriving at an optimal balance of what they give and what they get.

## 3 RESEARCH AIM AND METHODOLOGY

- The aim was developing a classification scheme to map out the major get and give factors that goes into a client's value judgment.
- The problem been attacked using a pragmatic research approach.
- This is conceptual research done using abductive reasoning based on a scoping study of relevant literature.

## 4 GUIDING PRINCIPLES FOR CLASSIFICATION STRUCTURE

In the process of developing the taxonomy, four guiding principles were formulated

- *P1 The classification scheme must contain all relevant factors*
- *P2 Factors should be mutually exclusive*
- *P3 The classification scheme must be detailed enough for trade-offs to be considered*
- *P4 Factors must be ends – not means*

---

<sup>1</sup> Assistant Professor, NTNU - Norwegian University of Science and Technology, Trondheim, Norway, +47 920 64 262, [frode.drevland@ntnu.no](mailto:frode.drevland@ntnu.no)

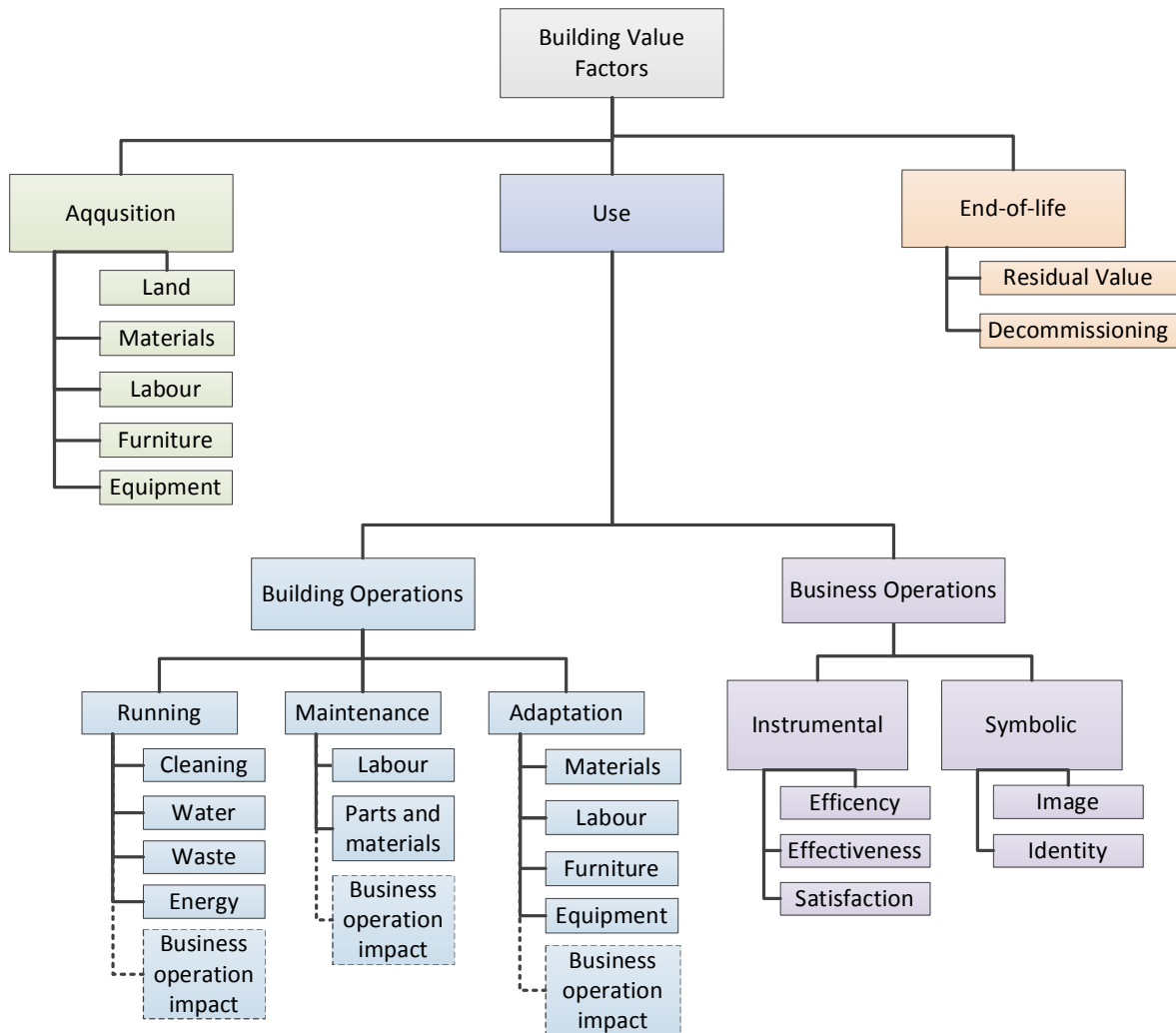
<sup>2</sup> Professor, NTNU - Norwegian University of Science and Technology, Trondheim, Norway, [ole.jonny.klakegg@ntnu.no](mailto:ole.jonny.klakegg@ntnu.no)



## 5 SHORTFALLS OF EXISTING CLASSIFICATION SCHEMES

- Schemes based on the Vitruvian values of *firmitas* (solidity, durability), *utilitas* (utility) and *venustas* (beauty, delight) are flawed per the fourth principle we set forth.
- Other schemes typically break P3, i.e. they are not sufficiently detailed for trade-offs to be considered.

## 6 TAXONOMY OF CLIENT PRODUCT VALUE



## 7 DISCUSSION AND CONCLUSION

- All factors should be considered functions of time
- The taxonomy could be used as a tool to facilitate decision making processes, e.g. by using the factors in a CBA analysis, but could also in facilitate a better understanding of client value in general.
- The taxonomy should be considered a starting point or template for developing tools for practical use, not a definite value taxonomy

