

FREQUENTLY ASKED QUESTIONS (FAQ'S) – the “desired dozen”

Value Engineering (VE) – Value Management (VM) – Value Analysis (VA)

Q What exactly is VE?

A *Value Engineering (VE) is a decision thinking/making methodology, with very purposeful, specific steps. It invests time up-front to gather information, set the goal (Objective direction), understand functional needs, then becomes specifically creative to produce a strategy to address the goal.*

Q When did this methodology start?

A *In 1947, in the General Electric Company, the fundamentals of the Systematic Approach were conceived and brought together. It was developed in a time of material shortages. In the search for item replacement it was seen that you actually do not buy items, you buy their functions (expressed in verb – noun terms). Functions are also opportunity statements, i.e. the item currently performing the functions may not be unique, (e.g. the function of a spring washer is to “induce friction”, Loctite (an anaerobic adhesive) does exactly the same. They are very different items. (Such was its power; it was kept company confidential for about ten years!)*

Q What is the difference between VM, VE & VA?

A *The methodology is identical, application differs. VM at concept to optimise cost, VE at design to avoid unnecessary cost, VA at existing things (processes & components) to reduce cost.*

Q Isn't this the same as problem solving?

A *No, problem solving is effective in its own right but is only problem focused, VE & problem solving can be complimentary, however VE is “pulled” towards the developed Objective, this context automatically checks and confirms the appropriateness of respective actions.*

Q Doesn't it take a long time?

A *A typical VE Workshop is best facilitated over two days, in big Projects up to 10 days. To obtain perspective, ask, how long has the issue been around? We have sometimes been told two or three years! Invest the time, it's worth it!*

Q Is this the same as cost cutting?

A *No, it can look similar, but, the VE formula, value = function / cost looks at functionality as well as cost, this ensures you still get the function performed, cost cutting lacks the functional perspective, this can even result in the loss of the function and diminished value!*

Q Who should be involved in a VE Workshop?

A *VE is a participative process, preferably comprising four roles, i.e. those with information, those directly affected, and those included for the sake of etiquette/politics (not always necessary) and the “outsider” with a different paradigm and by default provokes the group. A good Facilitator should be able to play this last role.*

Q Can we use VE to help us manage change in our organisation?

A *Yes, change requires a focus towards a developed goal, the common understanding of which functions are critical, the result is an alignment of thinking, VM will provide the interactive environment, ensuring commitment and buy-in to a change strategy.*

Q What ensures this methodology persists within the Company?

A *“If you don’t use you loose it”, is as real for VE as for any new way of thinking or doing. We suggest follow-up sessions, formal audits, the identification and support of a “champion”. All done to instil the new way of doing / thinking to a point when it becomes the norm.*

Q Is there an Organisation that shouldn’t use VE?

A *A bit of a “curved ball”, we have observed that Organisations not able to manage the truth should not use VE, it will be too searching! And will likely expose the “hidden agendas”!*

Q Can we use in-house facilitators to run VE Workshops?

A *Our belief is that an Organisation should be able to facilitate VE Workshops in-house However, remember, the role of the Facilitator is to drive process and to remain totally neutral, NOT to supply core information. If the in-house Facilitator has information to add to the Workshop, then, he should be part of the group NOT facilitating. Generally an independent facilitator is preferred.*

Q Is there a Value Engineering Institute?

A *Yes, VEMSSA (Value Engineering & Management Society of S.A.), caters for the individual needs of the VE/VM fraternity in South Africa (currently managed by the Standard Generating Group of Value Engineering, Part of Engineering Standard Generating Body within ECSA the Engineering Council of South Africa), SAVE International (Society of American Value Engineers) in the USA, IVM (Institute of Value Management) the UK. There are many others throughout the World. All make awareness of the methodology across respective industries; most serve to maintain quality of service delivery standards.*

Please enter the following Website: http://www.saimeche.org.za/group/g_value_eng

This should get you straight into VEMSSA Webpage.