



METHODOLOGY APPLICATION

APPLICATION NO: VM003

APPLICATION TITLE: Store Development

INDUSTRY: Retail

VALUE METHODOLOGY APPLIED: Value Management

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INTRODUCTION

The Value Methodology was applied to align the efforts of all members of the Store Development Department to maximise efficiency in work processes in support of the Company's strategic direction.

The Objective was:

Establish an action plan to deliver all stores on time, within minimum of 97.5% of approved budget by March 200X and ensure:

- appropriately designed stores that permit our products to be displayed to their best advantage;
- stores that are delivered timeously, within budget, and to the correct quality standards;
- store designs that support the use of appropriate technologies and finishes, supporting the company's environmental impact plan; and
- suppliers are managed fairly, paid timeously (within appropriate quality parameters being met) to engender harmonious business relationships

PROCESS EXPLAINED

The process took place within a facilitated workshop environment with full representation of the Store Development Department where the Vision and Mission of the company was reviewed and confirmed. After that the Purpose Statement was created the Value Management Methodology was applied.

The following value management applications have been utilised for this exercise:

- Scope of VM Session (Purpose Statement)
- Fast Diagram of Store Development Process
- Listing of Issues and Concerns
- Objective Matrix - Clearly stating the Goal and related environmental influences
- Results to Achieve / Functional Requirements (Verb / Noun Definitions) translated into established Priority and Level of Importance
- Recommendations
- Allocation of Responsibilities and Time Frame for Implementation



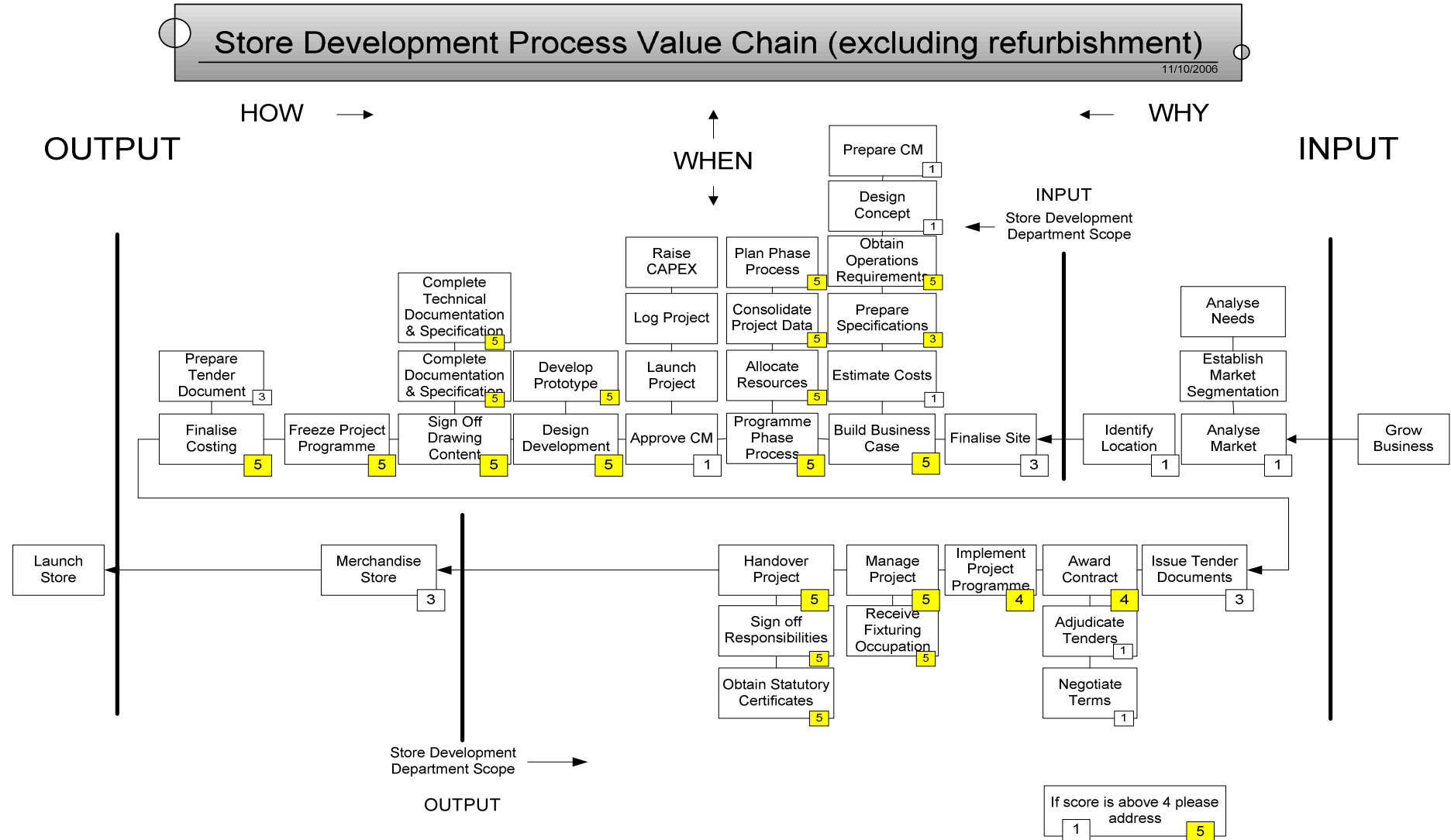
WORKSHOP AGENDA (Day 1)

- 01.) Introduction & setting the scene
- 02.) Discussion on Vision / Mission
- 03.) VM Process Overview & Workshop Guidelines
- 04.) Confirmation of Purpose Statement
- 05.) Issues / Concerns / Opportunities
- 06.) Objective Matrix
- 07.) Establish Functional Requirements
- 08.) Evaluate Functional Priorities

WORKSHOP AGENDA (Day 2)

- 09.) List recommendations
- 10.) Evaluate and prioritise recommendations
- 11.) Allocate responsibilities and time frame
- 12.) Where to from here?

FAST DIAGRAM:





OBJECTIVE MATRIX:

Establish an action plan to deliver all stores on time, within minimum of 97.5% of approved budget by March 200X

RESULTS TO ACHIEVE	RESULTS TO PREVENT
<ul style="list-style-type: none"> A. Establish common goal (Group with SD) B. Agree on scope of work C. Clarify roles D. Manage variations (changes) E. Standardise documentation F. Establish project phase process G. Secure specialist IT support H. Optimise resources (including external) I. Enforce / manage contractual obligations J. Understand clients business K. Develop skills L. Ensure job satisfaction M. Hold post project mortem N. Strengthen leadership O. Enhance performance management 	<ul style="list-style-type: none"> ▪ Compromise: ▪ Quality ▪ Customer experience ▪ Integrity ▪ Ethics ▪ Productivity ▪ Image ▪ Credibility
AVAILABLE RESOURCES	CONSTRAINTS
<ul style="list-style-type: none"> ▪ Network with people (internal / external) ▪ Technical expertise ▪ Contractors ▪ Suppliers ▪ Developers ▪ Consultant ▪ HR Department ▪ Specialised knowledge base 	<ul style="list-style-type: none"> ▪ Suppliers ▪ Developers ▪ Contractors ▪ Specialised resources ▪ Shortage of materials ▪ Shortage of suppliers

FUNCTIONAL REQUIREMENTS ⇒	Establish common goal (Group with SD)	Agree on scope of work	Clarify roles	Manage variations (changes)	Standardise documentation	Establish project phase process	Secure specialist IT support	Optimise resources (including external)	Enforce / manage contractual obligations	Understand clients business	Develop skills	Ensure job satisfaction	Hold post project mortem	Strengthen leadership	Enhance performance management
ISSUES & CONCERNS / FUNCTIONAL REQUIREMENTS MATRIX															
ISSUES / CONCERNS															
Misalignment of Expectations (SD / Client)															
Lack of brief															
Custodianship of brand															
Last minute changes															
To many decision makers															



Unnecessarily outsourcing																									
Quality of documents and drawings																									
Flow of information (not process driven)																									
Project phase process & time lines																									
Lack of communication (within the department)																									
IT support																									
Passing the buck																									
Work overload (from Chain to SD)																									
Lack of resources																									
Management of resources																									
Clients discard of due process																									
Conflict between stakeholders																									
Definition of job function																									
Lack of delivery by external developers																									
Impact of changes																									
Appropriate tools and equipment																									
Clarification of communication lines																									
Suppliers disregard due process																									
Not understanding client's business (SD)																									
Gathering of information (lack of site survey)																									
Reactive than proactive																									
Lack of site exposure																									
Outside influence affecting SD output																									
Time management																									
Travel time & cost																									
Leadership (directions)																									
Praise & reward																									
Physical environment																									
Accountability																									



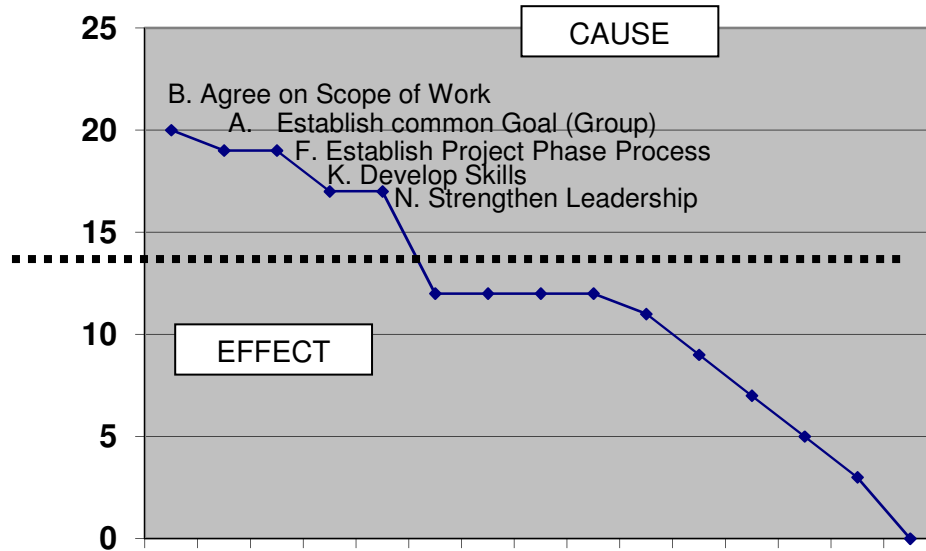
PRIORITISED FUNCTIONAL REQUIREMENTS)

Objective:

Establish an action plan to deliver all stores on time, within minimum of 97.5% of approved budget by March 200X

															Functions	S	R
A	A2	C1	A3	A1	A1	A3	H1	A1	A3	K2	A1	A2	N2	A2	Establish common goal (Group with SD)	19	2
	B	B2	B3	B1	B1	B3	H1	B3	B3	B1	B1	N1	B1	Agree on scope of work	20	1	
		C	C1	E1	F2	C3	H1	I1	C3	C1	C1	N2	C1	Clarify roles	12		
			D	E1	F1	D3	H1	I1	D3	K2	D1	M1	N1	O1	Manage variations (changes)	7	
				E	F3	E2	E1	E1	E3	K1	E1	E1	N1	E1	Standardise documentation	12	
					F	F3	F1	I1	F3	F1	F2	F1	F1	F1	Establish project phase process	19	3
						G	H2	I2	G3	K2	L2	M2	N3	O2	Secure specialist IT support	3	
							H	I1	H3	K1	H1	M1	H1	H1	Optimise resources (including external)	12	
								I	I3	I1	I1	M1	N1	O2	Enforce / manage contractual obligations	11	
									J	K3	L3	M3	N3	O3	Understand clients business	0	
										K	K3	K1	K1	K1	Develop skills	17	4
											L	M1	N1	O2	Ensure job satisfaction	5	
												M	N2	O1	Hold post project mortem	9	
													N	O1	Strengthen leadership	17	5
														O	Enhance performance management	12	

CAUSE & EFFECT GRAPH:





RECOMMENDATIONS

Example only

Functional Requirement	Recommendation	Responsibility	Time-Frame
B.) Agree on Scope of Work	01.) Deign Scope of Work checklist format allowing for signing off project content 02.) Format must include: <ul style="list-style-type: none">▪ Survey (as build drawings)▪ Site information▪ Design brief▪ Specifications for estimates▪ Quantities▪ Special requirements▪ External Consultants▪ Etc. 03.) Obtain buy-in from Property, Development & Chains	XXX	Mid Nov.

CONCLUSION

The Store Development Department personnel aligned all their Critical Success Factors with agreed on Strategic Directions and action plans.

In short by applying Value Management this department created their own strategic plan in line with the senior management expectations.