



# **VALUE ENGINEERING**

## **LECTURE 6**

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# **WORKSHOP (JOB PLAN) ACTIVITIES** **DEVELOPMENT PHASE**

# WORKSHOP (JOB PLAN) ACTIVITIES

## DEVELOPMENT PHASE

### **Purpose:**

Further analyze and develop the short list of ideas and develop those with merit into value alternatives.

### **Fundamental Questions:**

- What is an informed description of each selected idea?
- What is the rationale for making this change?
- Which ones are mutually exclusive and are independent?

# WORKSHOP (JOB PLAN) ACTIVITIES

## DEVELOPMENT PHASE

### Common Activities:

- Compare the study conclusions to the success requirements established during the *Information and Function Analysis Phases*
- Prepare a written value alternative for each idea selected for further development
- Assess and allocate risk judgments and costs, where appropriate
- Conduct cost-benefit analysis

# WORKSHOP (JOB PLAN) ACTIVITIES

## DEVELOPMENT PHASE

### **Common Activities:**

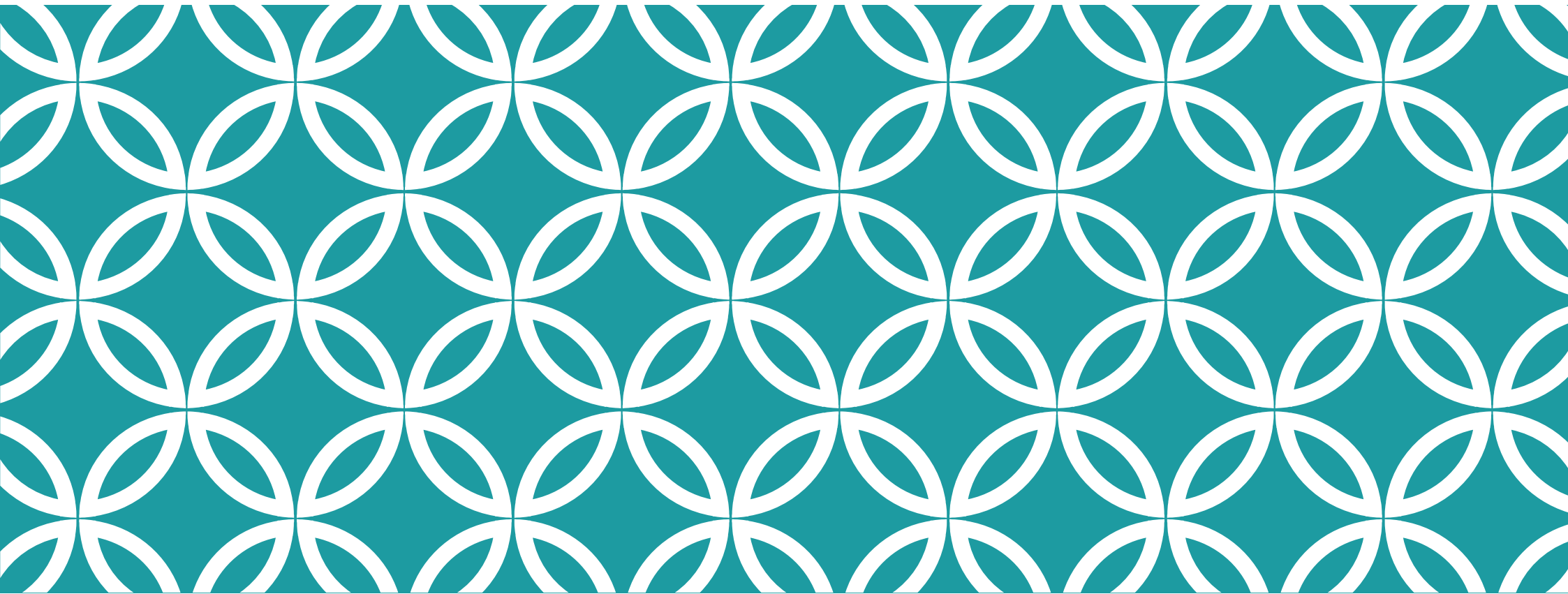
- Generate sketches and information needed to convey the concept
- Confirm that an alternative should be further developed
- Finish initial alternative development
- Develop an action plan to define implementation steps, dates, and responsibilities for each value alternative

# WORKSHOP (JOB PLAN) ACTIVITIES

## DEVELOPMENT PHASE

### **Typical Outcome:**

- The Value Study team creates alternatives and low-, medium-, and high-risk scenarios and offers these alternatives to senior management as options that address the Pre-Workshop strategic objectives.



# **WORKSHOP (JOB PLAN) ACTIVITIES**

## **PRESENTATION PHASE**

# WORKSHOP (JOB PLAN) ACTIVITIES

## **PRESENTATION PHASE**

### **Purpose:**

Present value alternatives to management team and other project stakeholders or decision makers.

### **Fundamental Question:**

How can we help the project team and senior managers make more informed decisions so that they can select ideas that fit their strategic plans?



# WORKSHOP (JOB PLAN) ACTIVITIES

## **PRESENTATION PHASE**

### **Common Activities:**

- Prepare presentation and supporting documentation
- Compare the study conclusions to the success requirements established during the Information and Function Analysis Phases
- Offer to management “risk-reward” innovation scenarios to select value alternatives for implementation

# WORKSHOP (JOB PLAN) ACTIVITIES

## **PRESENTATION PHASE**

### **Common Activities:**

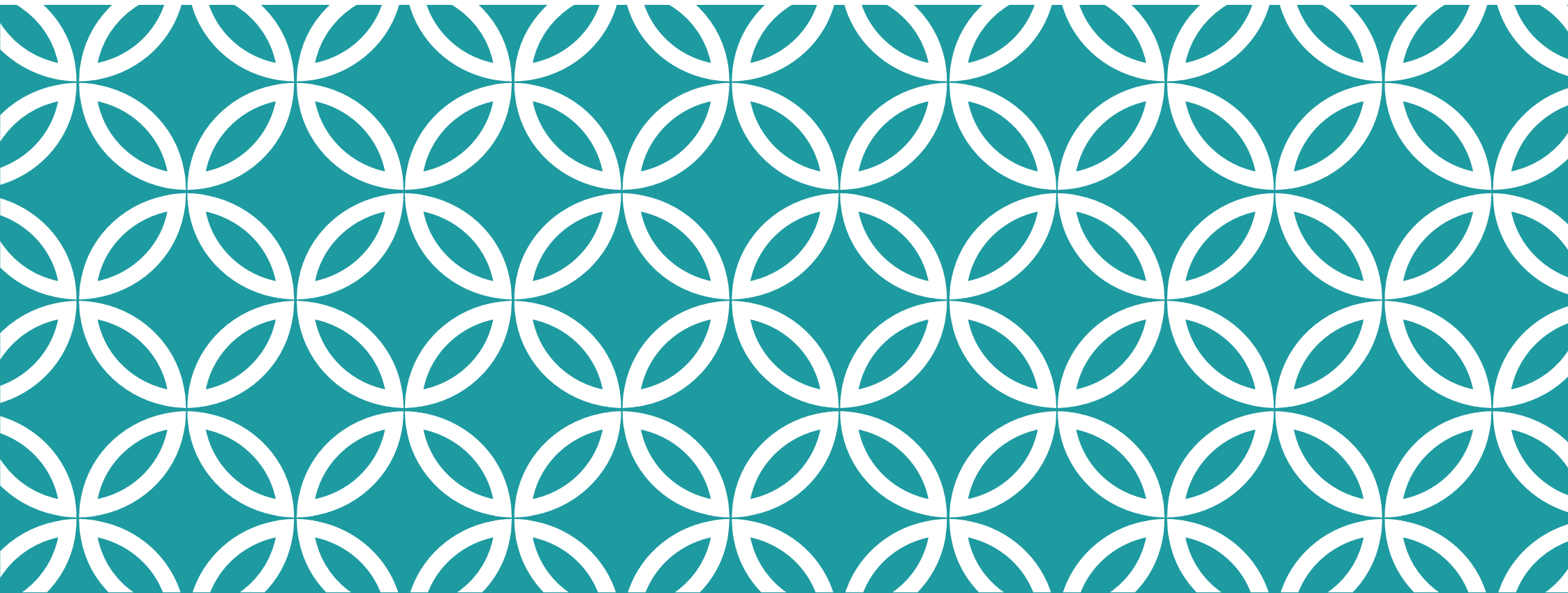
- Exchange information with the project team
- Ensure management has full and objective information upon which they can make decisions
- Outline an anticipated implementation plan
- Prepare formal report

# WORKSHOP (JOB PLAN) ACTIVITIES

## **PRESENTATION PHASE**

### **Typical Outcome:**

- Ensure management and other key stakeholders understand the rationale of the value alternatives.
- Also generate interest to sanction implementation.



# **POST-WORKSHOP ACTIVITIES**

## **IMPLEMENTATION PHASE**

# POST-WORKSHOP ACTIVITIES

## IMPLEMENTATION ACTIVITIES

### **Purpose:**

- Ensure accepted value alternatives are implemented and that the benefits projected by the Value Study have been realized.

### **Fundamental Question:**

- What are the program changes, and how will the project team manage them?

# POST-WORKSHOP ACTIVITIES

## IMPLEMENTATION ACTIVITIES

- Following delivery of the value study preliminary report, management and the project team should consider and agree upon the value alternatives to be implemented and then **how** and **by when** the implementation will occur.
- In some instances, additional study and information may be required.
- Implementation of alternatives is the responsibility of management with assistance from the project and value teams.

# POST-WORKSHOP ACTIVITIES

## IMPLEMENTATION ACTIVITIES

### **Common Activities:**

- Review the preliminary report
- Conduct an implementation meeting to determine the disposition of each value alternative.
- Establish action plans for those alternatives accepted and document the rationale for the rejected alternatives
- Obtain commitments for implementation

# POST-WORKSHOP ACTIVITIES

## IMPLEMENTATION ACTIVITIES

### **Common Activities:**

- Set a timeframe for review and implementation of each value alternative
- Track value achievement resulting from implemented alternatives
- Sign off deliverables
- Validate benefits of implemented change

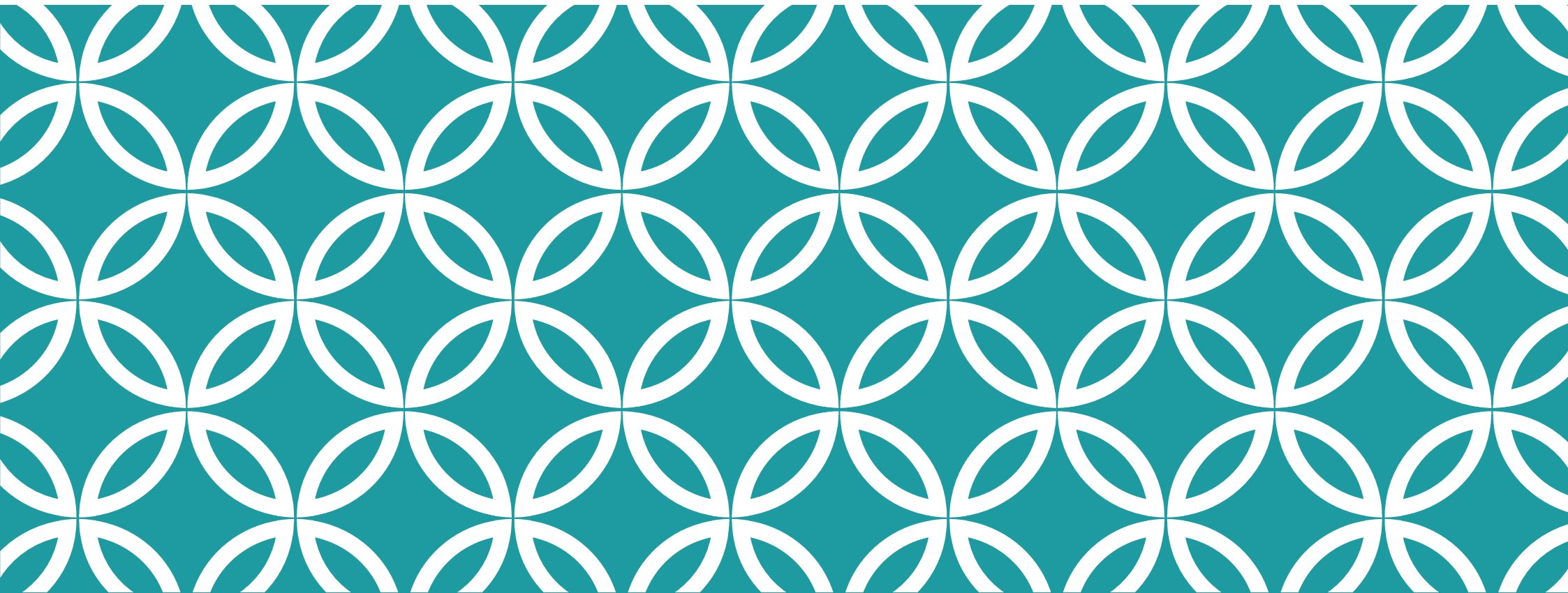


# POST-WORKSHOP ACTIVITIES

## IMPLEMENTATION ACTIVITIES

### **Typical Outcome:**

- The project stakeholders determine what will be changed in the project as a result of the Value Study.
- These are changes to the original concept or base case of a study, resulting from the value alternatives, that the project development will incorporate in future design or product development activities.



**POST-WORKSHOP ACTIVITIES**  
**VALUE STUDY FOLLOW-UP**  
**ACTIVITIES**

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## POST-WORKSHOP ACTIVITIES

# VALUE STUDY FOLLOW-UP ACTIVITIES

### **Purpose:**

- Follow up on implementation of the Value Study results and improve the application of a value methodology for future studies.

### **Fundamental Question:**

- What have we learned about how best to create or improve value of the subject under study?

## POST-WORKSHOP ACTIVITIES

# VALUE STUDY FOLLOW-UP ACTIVITIES

### Common Activities:

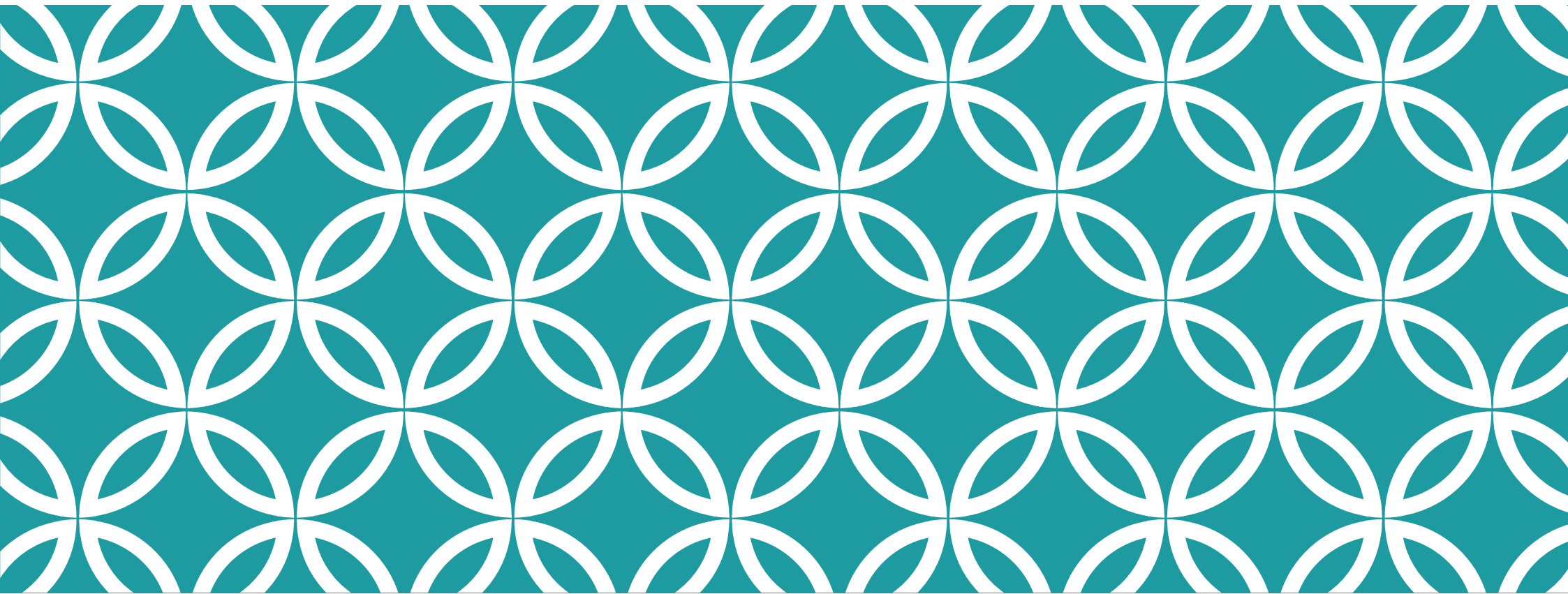
- Prepare a report of the results of the study, lessons learned, or other items to be recorded and/or tracked through Implementation
- Identify where opportunities were missed
- Identify roadblocks to innovation record lessons learned
- Integrate Value Study results into organization's lessons learned or program reporting

## POST-WORKSHOP ACTIVITIES

# VALUE STUDY FOLLOW-UP ACTIVITIES

### **Typical Outcome:**

Individuals become better value creators by reflecting on theories they held before the value study, comparing the way things turned out, and ascertaining how that knowledge affects the way they believed their own theories in the first place. This is a key step in learning what will help the organization become better at managing innovation.



**THANKS FOR LISTENING** |