

KEEPING YOUR VALUE MANAGEMENT PROGRAM "ALIVE" AND FOCUSED AFTER THE "HIRED GUN" HAS DEPARTED



Anselm T. Almeida, CVS

Manager, Value Analysis
Timberjack Inc.

President: Anselm Almeida Consulting
Woodstock, Ontario, Canada

Diploma in Internal Combustion, Engine Design, First Class. Field Service Engineer - Caterpillar. Diploma - McGill University, Managing Manufacturing Operation. Certificate - University of Madison, Wisconsin "Reducing Product Cost and Getting Customer Satisfaction". Certified trainer for Canadian Manufacturing Association in Leadership for Manufacturing Operation - Team Building and Problem Solving & Value Management. Value Analysis Manager for Timberjack Inc., leader of Forestry Equipment. Responsible for in-house and supplier Value Analysis Program.

ABSTRACT

This paper will provide reasons why the Value Analysis (VA) Program loses its momentum and eventually fades away. At the same time it provides you with something you may be able to use to keep your vital program working over a long period. It will also deal with necessary culture changes and Employee Empowerment which are the heart and soul for program longevity.

participants. The hired professionals are now on their way out, and this vital program is left to the newly appointed VA Manager. The Manager now has to perform to the very high expectations of the management and fill the big void created by the departure of the "hired gun" and now has to carry the ball and run.

WHY DOES THE PROGRAM LOSE ITS MOMENTUM AND EVENTUALLY BECOME NON-EXISTENT?

INTRODUCTION

Before we start to look for ways to keep the program alive, let's review how the program got started.

Remember "Eve", the perfect woman, who lived in paradise. Initially, everything was running smoothly until negative influences came into the picture, trouble started brewing and the rest was history.

This same logic can be applied to the VM Program. At the start, everybody is involved and motivated, the key management staff is committed and becomes part of the Steering Committee. For this reason, the program is top driven.

The result of this effort starts to pay-off, further adding enthusiasm to already motivated

- Management commitment and support starts to decline once the consultant leaves,
- The process was used as a short-term fix on special product family,
- Change in Management bringing in a style which does not complement the existing programs,
- Value Management (VM) becomes secondary to the organization,
- Flavour of the month approach,
- Lack of enthusiasm from past key management,
- The process is too complex and cumbersome for people to understand without proper training,
- The process is difficult for people to use as a day to day problem-solving tool,
- Fear of change and the unknown,
- Participants don't fully understand the principle of selling idea and persuasion. This

- causes frustration and de-motivation among team members,
- Major corporate cost cutting during downturn,
- Trying to win against the HIDDEN organizations that exist in most corporations,
- Lack of training in the process,
- The breakdown of the Steering Committee. Now the VA Manager reports to the single department (mainly Engineering or Purchasing). This could cause it to lose its importance.
- Untrained Managers think they can manage and start on their own, resulting in failure, hence the process gets a bad name.

TO MAKE THE PROGRAM WORK, THE ROLES AND RESPONSIBILITIES OF THE MANAGEMENT AND VA MANAGER MUST CHANGE IN THE FOLLOWING WAYS:

ROLES AND RESPONSIBILITIES OF MANAGEMENT

- Revise and make changes to the position charter of key management, supervisor and leaders. The position charter MUST include key result areas which are measurable, attainable, support VM process and team participation.
- Provide support for training of Leaders, Supervisors and key management staff in the process of VM.
- Develop a mission statement that supports and commits to employee involvement and participation, eg. "Our Employees are the cornerstone of our organization"; "Our people make the difference"; "Our product is steel, our strength is people", etc.
- Live by the mission statement.
- Develop internal business partnership with employees by empowerment.
- Develop a strong Employee / Management / Union relationship, eg. "Walk the Walk and Talk the Talk".
- Provide full support to VA Manager.
- Show sincere interest in developing skeptical employees.
- Provide tools for tapping Human Resources.
- Select leaders from each department for leadership training with VM.
- Advocate and install cultural changes within the organization.
- Develop a team working agreement between union and management. This agreement goes

beyond the union contract.

- Find out who the members of the hidden organization are and find a way to win them over.

ROLES AND RESPONSIBILITIES OF VA MANAGER

- Developing and delivering a leadership training program for leaders within the organization (show and tell).
- Extending the same training program to all supervisory staff.
- Providing training of the process to as many employees as possible. The greater the number, the better your chances of program success.
- Assisting management in installing a cultural change within the organization through empowerment, get personally involved and committed.
- Recognizing team effort and rewarding team members.
- Explaining and reinforcing the "function" element in the day to day problem solving process through training process.
- Making department management teams as partners rather than adversaries.
- Acknowledge value of teams.
- Learning and practicing connecting with employees at various levels within the organization.
- Providing the answers to the basic question "What's in it for me?"
- Developing a win-win situation - all the time.
- Getting special training in communication, dealing with difficult people and handling conflict.
- Be an asset to other departments rather than threat.
- Getting an AVS/CVS certification as quickly as possible to establish credibility.
- Develop and extend your Value Management program to suppliers with result sharing goal.

Let's look for a moment at the Olympic Torch. The flame starts in one part of the world, and is carried to other destinations. It has to pass on through many hands and the flame keeps burning by the provided fuel.

The Management team must provide the fuel and the VA Manager must, along with the leaders/supervisors, carry the torch to its destination and keep it burning.

TAPPING THE HUMAN RESERVOIR

- Workers must have reasons for what they are asked to do - the era of blind ignorance is gone.
- They must be able to see mutual benefits for company and themselves as a result of their efforts.
- They would like to know how their work affects the direction in which the company is moving and they help the ship move, so they need to know the direction it is going.
- This can be termed as participative management and employee involvement. The whole idea is to tap the creativity and knowledge of the Human Resources within the organization.

INSTALLING CULTURAL CHANGES WITHIN THE ORGANIZATION

The key elements of the cultural change in an organization are: Attitude, Goals, Action

- The attitudes of the organization can only be altered by members of the organization changing their Action.
- The values of the organization can only be changed by members of the organization changing their Actions.
- The goals of the organization can only be changed by the members of the organization changing their Actions.

Conclusion: Changing the Actions of the members of the organization leads to support, commitment and involvement. For VM, this is the key to keeping the program "alive" within the organization.

A RECIPE FOR EMPOWERMENT

- serves an organization of any size

- 1 large measure of leadership
- 1 measure of long-term commitment
- 1 bunch of fresh attitudes, beliefs and principles
- 1 generous dash of open communication
- 1 generous dash of sharing and support

Method:

Put leadership into a large bowl and stir to remove layers. Add long-term commitment and blend

thoroughly to a consistent texture. Add fresh attitudes, beliefs and principles and stir. Set mixture aside to allow commitment, attitudes, beliefs and principles to marinate the leadership. Once thoroughly marinated, add to the leadership mixture a generous dash of open communication. Stir employees and add training and support, blend well. Pour in a large pan, bake and serve. The more times you make this recipe, the better it gets.

TROUBLESHOOTING

Problem: Mixture goes flat while baking.

Cause and Solution: Not enough long-term commitment - add more.

Problem: Leadership and employees separate into layers.

Cause and Solution: Not enough open communication fresh attitudes, action and principles - add more.

Consider this:

Efforts only fully release their rewards when a person refuses to quit. *Napoleon hill*

History has demonstrated that the most notable winners usually encountered heartbreaking obstacles before they triumphed. They won because they refused to become discouraged by their defeats.

BC Fobres

Remember, a person who has no problems is out of the game. *Elbert Hubbard*

REFERENCES

1. *Business Partnering for Continuous Improvement*, Charles C. Poirier and William F. Houser; Bennett - Koehler Publishers, Inc.; San Francisco, CA.
2. *Second Helping of Chicken Soup for the Soul*, Jack Canfield and Mark Victor Hauser; Health Communications, Inc.; Deerfield Beach, FL.
3. *Breaking the Paradigm with New Culture and Empowerment*, A. Almeida, Consulting Training Handbook
4. *Leadership Training for Value Management Process*, A. Almeida, Consulting Training Handbook