

## INTUITION: GOING BEYOND VE

Dirceu (Dirk) Maramaldo

Dirceu Maramaldo is the President and founder of DM-Produtivismo S/C Ltda in Sao Paulo, Brazil, a consulting company specialized in Productivity Improvement Programs and Value Engineering/Value Analysis.



He holds degrees in Civil Engineering from Mackenzie University (Sao Paulo-Brazil), Automobile Engineering from The General Motors Institute (Flint, Michigan), and several others in Business Administration, Human Relations, Social Sciences, Systems and Information, Computer.

Mr. Maramaldo is the best known Value Specialist in Brazil, and with his team has developed close to 1,000 successful VE/VA projects. He has published the first book on this subject in the Portuguese language, among other books on Competitive Management and has developed several new ideas on how to implement VE/VA programs in organizations. He is preparing a new book in English "Organizational Human Engineering".

In 1988 Mr. Maramaldo was awarded the Value Engineering Merit Award by the SAVE, and is one of the founders of ABEAV - Associação Brasileira de Engenharia e Análise do Valor (The Brazilian Society for VE/VA). He is Director of SAVE for Latin America for three consecutive terms.

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### ABSTRACT

This paper explores the use of our intuitive intelligence combined with the VE concepts, in the competitiveness improvement of the organization. It gives a brief description of the method for using intuition, that is like methods for creativity stimulation, and discusses the need for such a method for management in the survival of companies in today's globally competitive business world.

### INTRODUCTION

Larry Miles legacy is much greater than anyone may think, and we keep on finding new and more ample applications of the value concepts, whenever we look for new methods and systems. In developing a leadership model for more successfully manage the future of the organizations, a model called ORGANIZATIONAL HUMAN ENGINEERING, the title of a book I am writing; one of the key aspects of it is the use of intuition in the decision making process.

Intuition is our ability to foresee, to identify possible future happenings, and since future is the real focus for decisions in modern management, intuition is surely the most important human ability to be explored in leadership. Managing for the future, brings up a new frontier for the organizational results improvement techniques, like VE, because if VALUE is what the market looks for in a product or service, it is also what it will be looking for in the future.

Using a method for developing intuitive strategical directions, combined with VE on the value/function approach, makes it possible to achieve decisions with real impact on company's future ability to be competitive. It is the only way to anticipation, to be in the market with innovative solutions before anybody else, with the best assurance of the need for those innovations by the market.

### THE MULTIPLE INTELLIGENCES: VE AND FUTURE VALUES

The Theory of Multiple Intelligences and its application in a VE project was presented by the author in the 1995 35th SAVE INTERNATIONAL CONFERENCE. For the

purpose of this paper, we are reviewing the different intelligences which are in charge of the mental process during any management decision making:

**BASIC INTELLIGENCES**

- Linguistic (also known as "Rational") Intelligence
- Emotional Intelligence

**RESTRICTIVE INTELLIGENCES**

- Instinctive Intelligence
- Social Intelligence

**IMPULSIVE INTELLIGENCES**

- Logical Intelligence
- Creative Intelligence
- Intuitive Intelligence

The basic intelligences are dominant of the mental process, and influence the way any decision is taken through the use of the other intelligences. The resulting behavior is either more emotional or more linguistic (rational), depending on how we manage our basic intelligences, as shown on figure 1.

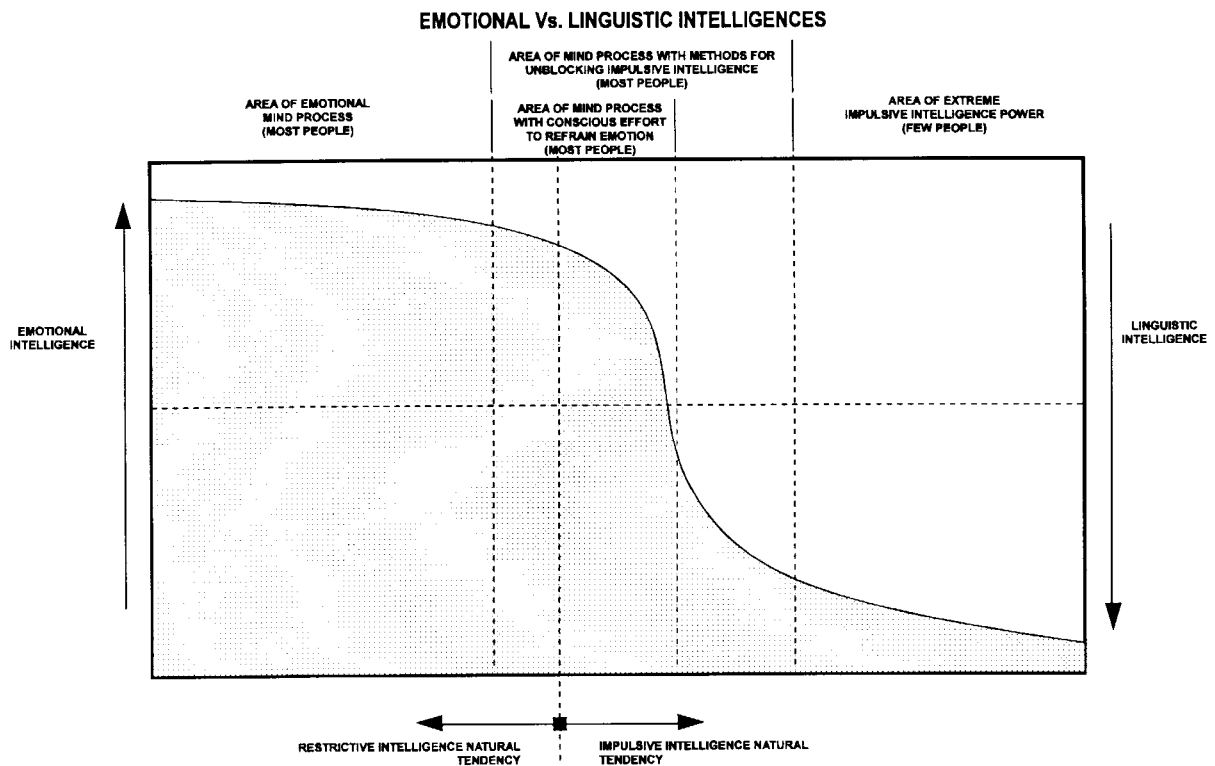


Figure 1

As human beings, it is impossible for us to realize any decision without an emotional interference in the mind process, but if we manage to control our emotions to a point where a sensible influence of our linguistic reasoning is sensed in our mind process, then we will be able to more competitive (logical, creative and intuitive) decisions.

Every individual is able to, using any type of linguistic process, refrain his or hers emotions and improve the decision making process, to a more competitive one, as shown in the figure 1, and with the use of efficient methodologies, this improvement may be even higher.

Like brainstorming is a known method for improving the creative capabilities of individuals and groups, there are ways of improving our ability to use our intuition with specific methods. Intuition is the ability to perceive future happenings and breakpoints, and if we manage to use it in our daily business activities, it is possible to develop for our companies, a system which may give it the leadership in the market, through anticipation.

As presented in the 1995 paper, if an individual develops the ability to use the intuition, automatically he or she will be utilizing also the other intelligences to the needed level, because our intuition has this power to call upon the other intelligences as required for the mental process.

This opens up an all new frontier for the use of our brain power in the decision making process, because we may now be working in resolving the future of our organizations, instead of resolving its past, what is the case when we work on problem solving, on cost reductions, on product or process reviews. This means that this new frontier makes VE to leap over the edge of its current application, and turning into a fantastic competitiveness tool.

The power of VE may now be applied to the generation of FUTURE VALUES, and to the

implementation of the most decisive impact in the company's competitiveness, which is to have it anticipating in the market, with products or services that will offer values impossible to be offered with today's products or services.

#### THE METHOD FOR INTUITION: DEFINING FUTURE VALUES

Future is determined by the occurrence of breakpoints, and by the breaking of paradigms, and if we intend to discuss what the future will be, we must determine ways of finding out what are going to be the possible breakpoints (vision of the future), and what are the possible paradigm changes, affected by these breakpoints (business future opportunities).

The use of our intuitive intelligence therefore, requires a method that have two phases, the determination of possible breakpoints and the determination of possible future values, through paradigm changes.

PHASE 1: Determination of possible future breakpoints

Breakpoints are happenings which affect companies competitiveness, either in a positive or negative way. After each breakpoint, there always is a period of turbulence, during which it is difficult to determine the best path out of it. If a company can determine with some anticipation what are the possible future breakpoints, their intensity and time of occurrence, it is possible to evaluate the turbulence and the actions required to successfully overcome them.

Of course, breakpoints are caused by either the company itself, or competitors, or governments, technology etc, and identifying them ahead of time is the best competitive advantage any organization may have. This is possible through a good strategic information system, based in the step-by-step recognition and follow-up chart shown in figure 2, which is an adaptation of a similar chart proposed by Igor Ansoff.

**BREAKPOINTS DETECTION AND FUTURE VALUES DEFINITION  
(ANSOFF CHART)**

INFORMATION ON FUTURE VALUES	BREAKPOINT ASSURANCE LEVEL						
	(1) BREAKPOINT WEAK SIGNAL	(2) BREAKPOINT ALERT SIGNAL	(3) BREAKPOINT STRONG SIGNAL	(4) BREAKPOINT CLEARLY IDENTIFIED	(5) BREAKPOINT OCCURS	(6) TURBULENCE STARTS	(7) TURBULENCE ENDS
1. FUTURE VALUES POSSIBLE TO BE DESCRIBED	YES	NO	NO	NO	NO	NO	NO
2. FUTURE VALUES SENSED OPERATIONAL FIELDS	YES	YES	NO	NO	NO	NO	NO
3. FUNCTIONS OF FUTURE VALUES MAY BE IDENTIFIED	YES	YES	YES	NO	NO	NO	NO
4. TIMING FOR FUTURE VALUES IN THE MARKET MAY BE DETERMINED	YES	YES	YES	YES	NO	NO	NO
5. FUTURE VALUES FULLY DETERMINED	YES	YES	YES	YES	YES	NO	NO
6. FUTURE VALUES FIRST IMPACT SENSED	YES	YES	YES	YES	YES	YES	NO
7. FUTURE VALUES FULL IMPACT SENSED	YES	YES	YES	YES	YES	YES	YES

Figure 2

In this chart, the key point is the determination of the impossibilities, or of all the VALUES that are not offered by today's paradigms, either because they are not possible with known technologies, or because they are not allowed by law, or because they were never thought of before. This is part of the step 4 of the phase 2.

Once an information system is designed and implemented, based on the figure 2 chart, a follow-up and an up-dating process are required, and of course, the continuous consultation and discussion about the possible future breakpoints shown on the system, to determine what are the needed actions.

PHASE 2: Determination of Future Values (through paradigm changes):

**Step 1: Information**

Define and collect all needed information in the five operating fields:

- Market field
- Economical field
- Technological field
- Human field
- Social and Political field

**Step 2: Paradigms listing (brainstorming) - DIVERGENT**

List all paradigms that are recognized by the user in the object (product or service).

**Step 3: Paradigms selection and configuration - CONVERGENT**

Using the priority definition model, shown on figure 3, select the more powerful paradigms for future value determination. Describe for each selected paradigm its configuration defining its expected life cycle, as shown on figure 4.

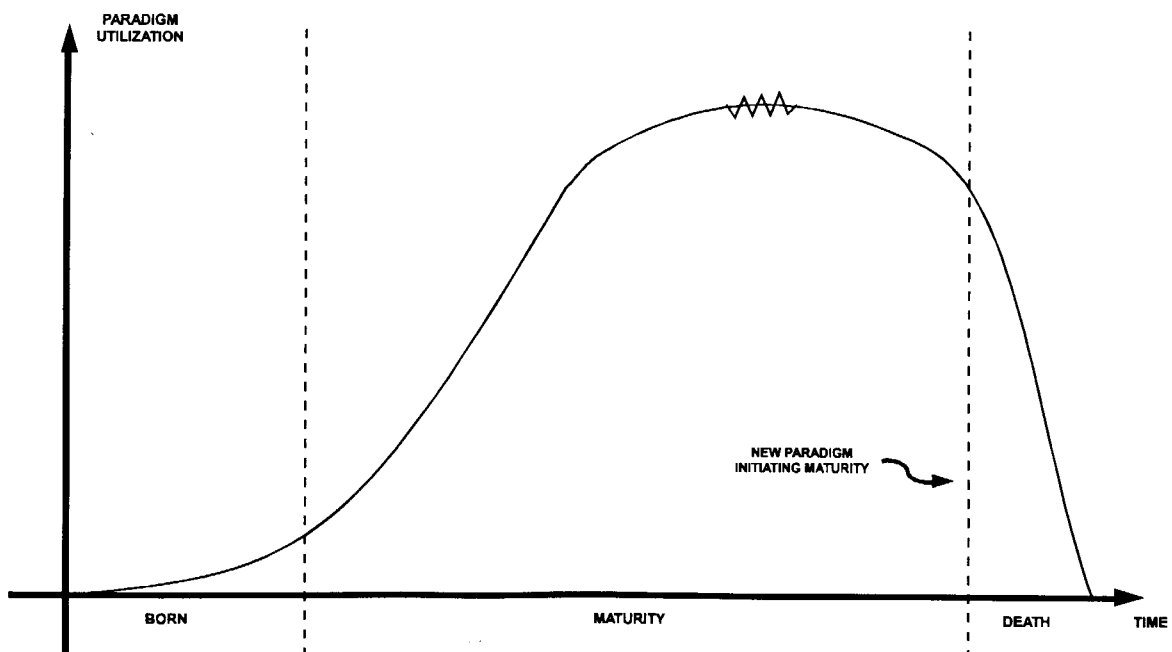
## FUTURE VALUES

### PRIORITY DETERMINATIONS CHART

FUTURE VALUES GRADING	IMPEDIMENT CONSTRAINTS	IMPACT IN RESULTS	TIME FOR OCCURENCE	PRIORITY LEVEL (I x I x T)
( 1 )	VERY STRONG CONSTRAINTS LIKE LEGAL IMPEDIMENTS	VERY LOW IMPACT	LONG TIME	( 1 )
( 2 )	DIFFICULT CONSTRAINTS	MEDIUM IMPACT	MEDIUM TIME	( 8 )
( 3 )	LIGHT OR NO CONSTRAINTS	VERY IMPORTANT IMPACT	SHORT TIME	( 27 )

Figure 3

### PARADIGM LIFE CYCLE



The three main life periods shown, the born, maturity and death, must be very well defined, in terms of dates, and the precision depends on the information previously gathered.

**Step 4: Impossible Functions determination (reverse brainstorming) - DIVERGENT**

Using the reverse brainstorming method, describe all impossible functions, which current paradigms cannot perform, building the IMPOSSIBLE FUNCTIONS SHELF. Go back and complete PHASE 1.

**Step 5: Evaluation of future values - CONVERGENT**

Select via value determination, what are the future functions which deserves VE development for new product or service determination. Compare these future values with possible breakpoints for safer decision making.

**Step 6: Creativity - DIVERGENT**

For each and every selected future function, develop product or service design alternatives.

**Step 7: Design selection - CONVERGENT**

Utilizing the technical and economical feasibility, combined with market evaluation, and considering the chart developed on Phase 1, select and implement the proper design alternative.

### COMPETITIVENESS MODEL

Competitiveness is the business science of the future. There is no way for a company to survive, in current business global world, working with systems and processes which are devoted to resolve the past. This is the case of systems and processes devoted to resolve problems, to reduce costs, to adapt product or services, because they refrain the company to enter the in the future with a solid position, being it a market leader or not. Working with the past, is not only a damaging strategic risk, but also an operational serious risk, because if all company's

talents are devoted to those actions, the pitch is for reductions (costs, investments, personnel) and for loosing best business opportunities, or in other words, the company spends too much time and effort in trying to save money, and forget its main task, which is to make money. This is a killer. To better understand it, let us look at the competitiveness model shown on figure 5, where the two key competitiveness factors are considered for building the graph: to satisfy the market (vertical axis), and to make money (horizontal axis). A company is competitive if it have its market happy and buying its products or services, and if it is making money.

**Bankruptcy Quadrant:** If a company is in this quadrant, that is, it is both loosing money and not satisfying its market, with obvious poor sales, it will go break, if nothing is done in time.

**Quality Quadrant:** Is the case of a company that offers good services or products and have good sales, but do not make money, and in this case, if there are no corrective actions, it will deteriorate in a very fast way towards the bankruptcy quadrant.

**Profit Quadrant:** The illusion of making money without satisfying its market will blind a company to competitors moves, and the market is hoping for an alternative. As soon as this alternative is offered, the market reaction is so fast, that the fall to the bankruptcy quadrant is inevitable.

**Competitiveness Quadrant:** Competitiveness is a matter of survival, because the only way for a company to stay on business long enough, is to be in the competitiveness quadrant, that is, it has to make money and to satisfy its market at the same time. By measuring both, market satisfaction levels, and money making results, it is possible for a company to determine its competitive position in the immediate past.

To understand this statement, we must understand what is time: Time is the continuous move from the past towards the future, and present is just the ever moving junction between past and future. If a company develops a market research, the information collected is about past. If you look at company's financial statements, these are past results. Never current. There is no way to resolve the past, and the only way is to work on the future.

If a company's information system shows that it is in the competitiveness quadrant, that means that it **was** in this quadrant when the research was made. If it continues to research, it will find out that market expectations are in continuous move, making the horizontal axis to move up in the graph. Of course, to cope with this allways increasing market demand for satisfaction, there is an always increasing demand for money, and the vertical axis is in continuous move to the right.

breakpoints ahead of time (and of competition), and defining future values through intuition and VE, is the way out for management to meet this fantastic challenge of driving a company to success. But it requires **courage**.

**COMPETITIVENESS = SURVIVAL**

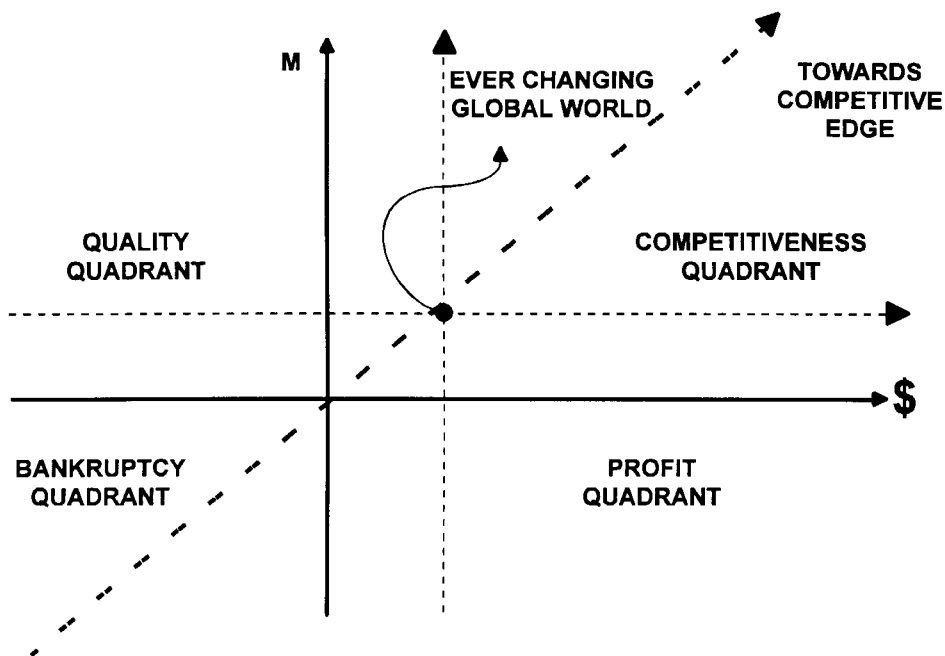


Figure 5

If a company that is in the competitiveness quadrant does not move together with the axis, and at least in their same speed, it will surely be thrown to the bankruptcy quadrant, sooner or later. And the axis moves and speeds are determined by the market leaders, what means, that for survival, a company must stay in the game, at least in **the same speed as the leader**.

If a company is a leader in its market, it must stay in front, moving at least in the same speed as the second place. This devastating race is synonymous of survival in the global world of business, and the solution is in how well a company manages its future. Identifying

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