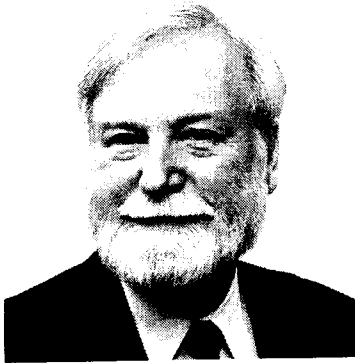


VA/VE SUCCESS REQUIRES A TOTAL SYSTEMS APPROACH: A Participatory Guided Discussion

Facilitated by

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Howard Ellegant has been active in Value Management since 1974 as an in-house Value program manager, teacher and consultant. He is president of his own firm founded in 1982, specializing in customer centered Value studies, Strategic Planning, Continuous Improvement and Project Partnering. His Value practice encompasses construction, manufactured products and business process studies. Howard is an architect, a CVS, a past-President of the Chicago Chapter SAVE and past Chair of SAVE's Certification Board. He speaks frequently on Value and instructs Module I workshops at the University of Wisconsin-Madison and at Heriot-Watt University, Edinburgh, Scotland. Howard continues to search for and experiment with tools to help him help Value teams achieve excellent results.

Don Bushman has over 30 years of professional facilitation, trainer, curriculum design and problem solving experience in developing countries and in the United States. A partner with the Institute of Cultural Affairs since 1966, he has helped in their effort to find ways of practically releasing the creativity of all human beings to make a difference in their own organizations. He has worked with organizations from community based development groups to regional banks and Fortune 100 engineering companies. Don has extensive experience in Human Resource Management and Strategic Planning, organizational development, board development, leadership development, institution systems design and program development and delivery. He completed a Module I workshop and is becoming increasingly more active in delivering Value training and facilitating Value studies.



ABSTRACT

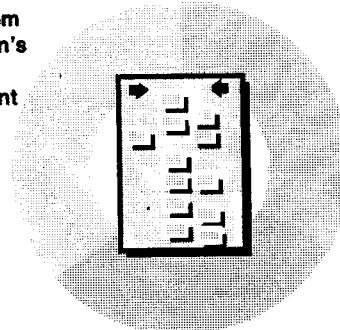
Focusing solely on Value technology, practitioners can lose sight of the importance of managing relationships to achieve end results. During a participatory, facilitated session, we will consider the thesis that a Value study takes place within a larger robust environment which imposes external dynamic behavioral forces on the team. A primary ingredient for success in this environment is understanding the motives of the various players found within it. These players are the organization that produces a product, the customers for the organization's product, and the organization's decision makers. To begin to understand what drives the success of a Value study (and program) in this larger context, the session will focus on the question: "What motivates decision makers to implement Value study results?" The success of the session depends upon your participation!

OVERHEADS

System element views of value

Customer Value
Benefits from organization's product improvement

Decision Maker Value
Benefits from organization improvement



Organization Value
Benefits from the study

Slide No. 1

System element motivation

Product Owner Customer	Organization Decision Maker	Organizational Product Producer
How am I going to use this product?	How does this help me advance my career?	How does this advance the organization?
← Buys product	← Buys VE study	→
$\frac{\text{Benefit of use}}{\text{Acquisition + Ownership Cost}}$	Bottom Line, ROI, Margins, New Customers, Manage/Improve performance	Bottom Line ROI Margins

Slide No. 2

System element value relationships

Organization customer	Organization decision maker	Organization
$\frac{\text{Benefits of owning/using}}{\text{Acquisition + Ownership Cost}}$	$\frac{\text{Benefits}}{\text{Cost of study}}$ + $\frac{\text{Benefits}}{\text{Cost of implementing}^*}$ $^*(C_{imp} + C_{bur} + C_{career})$	$\frac{\text{Tangible + Intangible Benefits}}{\text{Cost of process changes}}$

Slide No. 3

Value program value

$$\text{Value} = \frac{\text{Benefits}_{\text{value program}} (B_{DM} + B_{ORG} + B_{CUST})}{\text{Costs}_{\text{value program}} (C_{DM} + C_{ORG} + C_{CUST})}$$

Slide No. 4

Value program system decisions

Decision	Based on
To buy the study	$\frac{\$ \text{ cost of study}}{\text{Savings}}$
To buy impementation	Political cost

Slide No. 5