

THE VALUE MANAGER

The Hong Kong Institute of Value Management



Vol. 4, No. 4, 1998 and Vol. 5, No. 1, 1999

Message from the President

Tony Toy, President of HKIVM

I hope your Christmas was all that it should have been and that 1999 and the year of the rabbit will turn out to be much better than your highest expectations.

Our third annual AGM was attended by about half the membership and the subsequent 'Value' Lunch was convivial and lively. The membership also took the opportunity to show its appreciation of Ms Joys Ma's (the HKIVM whip as Ric refers), invaluable contribution to the institute since its inception by presenting her with a small gift.

For those who were unable to attend, I would summarise the salient points of the reports presented. HKIVM's achievements were :

- Paper prepared for French Value Analysis Institute for their Nov 98 Conference "to be read by others".
- Conducted a Talks/seminars, by various member - a presentation was made to the 1st WB VM Committee & to the KCR Project Management Group.
- Promoted the idea that consideration be given to include VM studies in major consultancies of Govt. contracts.
- Introduced the concept to a planning study brief for urban design guidelines.
- Supported Housing Society's initiatives in adopting VM process.
- Reviewed SAVE, the Australia IVM standards and the European initiative on "facilitation qualification" & consolidated appropriate standards of HKIVM.
- 6 lunch in 1997, where the speakers were, Director of FOE, Director of HKSAR's Small Business Unit, and the Deputy Director of the Housing Department.
- It was noted that at least 8 postgraduate studies on VM were carried out last year.
- Geoffrey & Patrick have established strong links & collaborations with the Value Engineering Research Institute of China Association for Higher Education.
- Patrick Fong attended the AACE International's 42nd Annual Meeting at Cincinnati, USA in July 1998. He also attended the SAVE International Conference at Washington, DC, USA in June 1998.

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- 4 newsletter - Quarterly were published.
- 5 VM articles from Hong Kong have been published internationally in USA & UK.
- Support of VM related research projects have been undertaken or set up, e.g. the PolyU's project "bench-marking VM practices" and "Applications of VM in Hong Kong's construction industry". - recently published
- CITA and the University of Canberra's Higher Certificate Course in VM Facilitation has organised a third course in 1999.
- The number of paid members has reduced from 56 to 49 at the end of November 1997 reflecting economic downturn.

Liaison and promotion of VM applications in Government Departments by HKIVM members has resulted in both Planning, Environment & Lands Bureau and the Works Bureau to issue a Technical Circular (TC) (No. 9/89 and 16/98 respectively) in September 1998, which introduces VM and its application to the Public Works Programme. Further, the TC recognises the importance of providing Independent Facilitation and has asked the HKIVM to make available its lists of qualified facilitators. This has now formalise our initiative to introduce the Value Management Facilitator (VMF) status. With this formal recognition of VM the HKIVM should now make preparation to promote & help organisation to make full use of the Value Methodology.

Due to the present economic conditions a decision was made to defer the 98 international conference till May 99. This decision meant that many of the targets set last year was not fully met as they were reliant on the conference to provide a focus for publicity and interaction. Hence, the main focus of the HKIVM for 1999 will naturally be our International Conference in May titled "Management of Sustainable Values". It is hoped that the Institute is able to build on its momentum within the construction industry, and in parallel, to broaden into other industries, in particular manufacturing and the service sectors. Ideas and assistances to achieve this would be most welcome. A Happy and Healthy New Year to all.

***EDITORIAL:** Inside this combined issue, you will be interested in reading President's review of our institute's achievements for the past year. You will also wish to read articles written by two internationally recognised value specialists: Mr. Peter Yeomans from Australia, and Mr. John Kelly et al from the UK. You will also be briefed about the latest development for the 3rd Int.VM Conference and many other important events.*



Welcome New Members

The following applicants have been approved as members or associate members:

MEMBERS

Dr. Stevens, David Richard, Strategic Thinking Pty. Ltd., Australia

Mr. Yeomans, Peter Robert, Yeomans Consulting, Australia

Mr. Phillips, Martyn Richard, Value Management International, Canada

ASSOCIATE MEMBERS

Mr. Lin, Mo Sang, Binnie Black & Veatch Hong Kong Ltd.

DANCES WITH CLIENTS

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Introduction

The objectives of this paper are two-fold; firstly to review and consider the role of the facilitator and secondly to provide a facilitation context meaningful to clients, participants (group members) and current and future facilitators.

Value Management (VM) facilitation is given only meagre coverage in the international texts and journals. Something of a journey therefore must be undertaken beyond the safe parameters of function, the Job Plan and Larry Miles, into a world of group development, socioemotion, technique abuse and facilitation skills and style to enable importation of a facilitator package back into a VM context.

The "client" referred to in the title of this paper is not limited to the one individual who commissions the study or pays the fee, but rather the client group charged with the responsibility to solve specific problems and/or seek better ways of doing things, be the subject matter the bricks and mortar of a construction project, a company restructure or a strategic plan.

Models of group development and facilitation are considered as useful guides in articulating what is actually occurring in group work and a Function Model developed specifically for VM facilitators.

It is acknowledged that both clients and practitioners may question this possibly dogmatic approach to VM facilitation on the basis that it simply "happens". It is the intention, however, that this paper will provide some useful information and cause some reflection to enhance both the quality and quantity of teamwork in VM and in business generally.

What is Facilitation ?

Intensive research over the past fifty years has produced a broad series of observations but no single theory has emerged in answer to the question "what is facilitation ?"¹⁰. Attempts at facilitation definitions have not proved useful. However, analogies and metaphors of and for the role do provide meaningful assistance towards gaining an appreciation of the intention of facilitation. Analogies such as agent of change³, musical conductor¹ and midwife⁵, all identify the facilitation position to be an essential part of a whole, but not party to inception (or conception!) or outcome.

The division becomes clear. Groupwork (and, ultimately, teamwork as the group matures) demands consideration of content and process. In a traditional forum or meeting, the chair essentially controls both the content and the process and is the power base.

The work of Doyle and Strauss in the nineteen seventies effectively formalised the advantages to be gained by vesting the power and the process in two separate

individuals. The job of the process manager or facilitator is not to solve the problem but to engineer the culture and social climate for generating answers from people, who may not realise they have the answers, by "benign exploitation of group dynamics" ^{3, 8}
9.

Facilitation, and particularly VM facilitation, is a science and an art with the need for both task and socioemotional specialisation to be in abundance in the one person ^{3,8}. Some commentators suggest that such duality is rare or even impossible. This may cause some reaction from practising facilitators however, it is probably fair to suggest that there is more to facilitation than memorising a few techniques and having the courage to stand up in front of a group of strangers.

One of the continuing problems for facilitation as a process management device lies in paradigm entrenchment whereby group participants expect the person running the forum to be the leader and court all the responsibility associated with such a role. A leader is a position but leadership is a process⁷. In a VM context, the client with executive authority will continue to be the leader in the study but leadership of the study will be provided by the facilitator.

It is beyond the scope of this paper to discuss the weaknesses associated with in-house facilitation however, key problems with this arrangement lie in the understanding of, and possible vested interest in, the content of the study at the expense of process issues and the difficulty in maintaining the requisite neutrality in the company of the boss - the leader's presence may disable leadership .

Process Issues

Process issues are concerned with the understanding of group and participant behaviour and having the skill to implement a toolkit of interventions and techniques to create and maintain a buoyant team progressing towards a shared goal.

Group development considers the manner in which an aggregate of people are caused to form a group and the interactions and relationships which occur as the group matures into a team. A team may be considered as a group which is interacting and communicating within a framework of agreed rules (norms) with a shared set of values and working in a culture of consensus towards a common goal ¹⁰.

Whether the status of "team" arrives early in the process or later, the group/team will go through a series

of stages that will dictate levels of performance. Although some thirty years old, the Tuckman Model of group development still holds true and is possibly the most well known attempt to encapsulate group evolution:

- *Forming* is the tentative stage of first encounter and questioning the reason for being there and who is in charge.
- *Storming* flushes out the personal agenda, in-fighting, hierarchy and early conflict.
- *Norming* builds on the catharsis of storming, norms are established for appropriate behaviour and a sense of tolerance and cohesion evolves.
- *Performing* has the team attending to tasks and working with potential solutions.
- *Adjourning* sees the team assessing goal achievement, closing with a sense of meaning and planning for the future.

Heron⁵ provides a similar but more analogous description of this negative to positive shift by the notion of the four seasons of group development:

- *Winter* is the season of defensiveness, low trust and anxiety.
- *Spring* witnesses a working through defensiveness and the creation of a fresh culture as trust increases and anxiety diminishes.
- *Summer* enjoys a high level of trust and a period of growth for the team indicated by risk-taking, flexibility and "authentic behaviour".
- *Autumn* represents closure and something of a celebration.

When applied to the VM Job Plan, it can be seen that the VM team is required to be concentrating on various tasks and stages within a shifting atmosphere and level of maturity (Figure1). It would be interesting to be able to assess impact of early and late group maturity on the Creativity and Judgement Stages of the Job Plan.

| TUCKMAN | JOB PLAN | HERON |
|------------|-------------|--------|
| Forming | INFORMATION | Winter |
| Storming | | |
| Norming | ANALYSIS | Spring |
| Performing | CREATIVITY | Summer |
| | JUDGEMENT | |
| Adjourning | | Autumn |

| | | |
|--|-------------|--|
| | DEVELOPMENT | |
|--|-------------|--|

Figure 1

Group development will be unique for each study or workshop. The manner in which the group develops will be as a result of group structure which in turn is the result of participant behaviour.

Group structure is concerned with the organisation of group process. There is a wide variety of groups in terms of size, composition, history, length of existence, criteria for membership and the nature of operating procedures within the group. Three structural variables may be said to affect structure¹⁰:

- *Membership variables* address group size, physical or symbolic boundaries and personal characteristics of age, gender, race and skills.
- *Behavioural variables* consider roles, norms, the value system of the group and communication patterns between its members.
- *Relationship variables* are involved with status, perceived or actual power, sociometry, the influence of one member over another, the emergence of cliques or sub-groups and the willingness of the group to remain a cohesive unit.

The structure of the group provides a framework for the management of group process.

Participant behaviour will impact on the structural variables. Individuals act and perform differently in a group than they do in isolation. Recognition and management of positive and negative tendencies of participants is critical if the team is to evolve and perform optimally. One of the process challenges is the management of the dichotomy of the collective needs of participants to either dominate or conform. Both states might be considered to be negative forms of the group dynamic and not particularly helpful in structuring the group or team.

The reasons for positive and negative participant performance lie in the field of psychology and are beyond the scope of this paper. Briefly however, positive participants become almost self-regulating and self-managing. Enthusiasm is high on the agenda, fears and anxieties are articulated and shared and task crystallisation is assisted by participants clarifying issues, resolving conflict and taking proactive steps to nurture the process. Negative performance may result in one participant disabling total group performance by inappropriate behaviour such as pursuing hidden agenda, interrupting or being critical of others and the

process. Alternatively, there may be a genuine nervousness, suppression of feelings, confusion and misunderstanding¹¹.

Process Management

It will be proposed subsequently that the primary objective (function) of the facilitator is to manage group process.

Facilitation is complex to define and describe and demands a wide range of attributes and a certain style if the group is to evolve into a successful team.

There are three broad categories of facilitation that may be collectively termed dominant, collaborative and transparent¹². (Within these categories also dwells similar characteristics of traditional leadership (power and process) and it is important to distinguish between this and facilitation).

- *Dominant* facilitation has the facilitator taking total control of the process and direction of the group with the participants simply attending to a variety of tasks at the facilitator's behest.
- *Collaborative* facilitation has the facilitator working in a more co-operative way by working with the group. The facilitator acts as guide and catalyst but the responsibility for much of the process rests with the group.
- *Transparent* facilitation sees a total transfer of process issues to the group with the facilitator merely providing a loose framework and occasional prompting. It is suggested by some commentators that this is the ultimate state for a team to be operating in, however care must be taken that the group does not disintegrate due to this less structured culture and that the facilitator does not abdicate the role¹¹.

The structured nature of VM requires a mixture of all three categories with possibly the collaborative approach the most in demand. The ability to switch between the three is considered vital.

Eighteen Snapshots of Facilitation

The three categories outlined above are useful and readily recognisable in any groupwork situation. In the late nineteen eighties, John Heron developed a facilitation model⁵ taking the discussion further. In addition to the three categories (referred to as the modes of hierarchy, co-operation and autonomy) there

are six dimensions, making a potential eighteen snapshots of facilitator activity at any one time.

The dimensions are more subtle and require some consideration. The planning dimension considers ends and means and selects the most appropriate vehicle to achieve outcomes. The meaning dimension finds the facilitator explaining and reassuring participants what is going on and why. The confronting dimension deals with avoidance and resistance issues and raises group consciousness. The feeling dimension protects the emotional well-being of the group.

The structuring dimension is concerned with how the group is going to deal with the problem and which meta processes will be employed. The valuing dimension possibly addresses a higher spiritual level of human value, integrity and genuineness.

In VM, it is fairly straight forward to "freeze frame" a study at any point and categorise what is going on in terms of this matrix of eighteen facilitation states. Combined with the six stages of the Job Plan, the VM facilitator has the potential to operate in ninety different formats!

Facilitation Techniques

Clearly, the task of the facilitator is a broad and complex one, requiring constant attendance to process identification and intervention within the scope of the Job Plan and in the even broader picture of group development.

Techniques go some way to equip the facilitator to deal with certain situations. Techniques provide a loose set of rules - the "what to do" in a given situation. Techniques embrace many macro and micro processes, for example, an evaluation matrix is a simple and powerful micro process whereas a "one hundred uses for an empty bottle on a desert island" exercise represents a macro process in setting a creative culture to enable a Job Plan requirement to be addressed more effectively. Both have their place in VM and both are techniques available to the facilitator.

Techniques do not stand alone however. Some facilitators make the mistake of becoming so focused on task and technique that they fail to build teams' full potential⁶. This issue revisits the historic debate concerning the requisite skills and professional background of the VM facilitator. It is simply insufficient to have a construction background and memorise the Job Plan and a few associated micro processes or techniques.

An appreciation of some of the general psychological factors of individual and group behaviour would appear to be essential but this is not to suggest that VM facilitation rests with psychologists. Something of a professional mix is required. This has been raised on many occasions by IVMA members, is being addressed by the National Centre's post-graduate program and requires no further comment within the scope of this paper.

Facilitation Attributes

Facilitation attributes are many-fold and difficult to rein in to one convenient statement or set of actions. Many series of observations can be made in isolation varying from the specific, such as the necessity to record proceedings, to the general requirement to create a positive climate in and for the group.

An attempt has been made to crystallise these many attributes by applying function analysis. By recording random VM facilitation "must do's" (potentially in the hundreds), patterns and clusters of function-based activity evolved. A Function Model was eventually developed which, by no means exhaustive, attempts to display critical VM facilitation performance in a concise, easy to comprehend, one page presentation. The Function Model may be found at Figure 2.

Whilst acknowledging higher level functions, the highest function in the hierarchy for this exercise was that the primary objective of the VM facilitator is to manage (group) process. Two levels are included below this hypothesis utilising the "how" and "why" dogma of function analysis. Lower level functions would then include techniques of how to, for example, maintain energy flow or develop trust. The Function Model has been tested in a series of case studies and generally held to be reasonable. There is some overlap and repetition as may be expected in endeavouring to express a profoundly subjective role in an objective manner. Applying the Model to the Heron Model and the Job Plan stages is beyond the mathematical ability of the author! (However, the issue is again reinforced that facilitation is a many-faceted vocation).

Facilitation Style

Possibly the most complex and fundamental trait is that of facilitator style. Techniques, like any tool, are only as good as the person working with them. Something more is called for. The way in the facilitator both intervenes in group process and contributes his/her value system is of significant importance for group survival and optimum performance. Intellect, honesty,

ethics, temperament and a genuine interest in the group are essential attributes of style. A facilitator's character, personal qualities and philosophy on life are more important than any technique for facilitating group process^{4,5,10}. Such qualities may be exhibited by a relaxed alertness, realistic optimism, genuine care for the welfare of the group, flexibility, responsiveness and objectivity⁸.

An excellent analogy of style is that of two master violinists playing the same piece of music. Their techniques may be impeccable and the script identical but their own unique style will produce a different outcome¹.

Finally, on the matter of style, Heron proposes the following in support of the "criteria of excellence" for facilitators:

"Facilitator style, in my view, transcends the rules and principles of practice, although it takes them into account and is guided by them. There are good and bad methods of facilitating any given group, but there is no one right and proper method. There are innumerable valid approaches, each bearing the signature of different, idiosyncratic facilitators"⁶.p21

Summary

One of the problems facing VM in construction alone is the shortage of trained facilitators commensurate with work potential². The study of facilitation opens up a Pandora's Box of requisite skills and an ultimate and unique style. There is the need for facilitators to view the process management of a VM study as something of a dance whereby the facilitator sometimes leads and sometimes follows but always glides with a shared movement towards a common goal⁴.

There may be practising facilitators who fail to see the need to analyse what they do in such a light. If so, and

business continues to boom, there is a chance that such practitioners are fortunate enough to have made the shift from being unconsciously unskilled to being unconsciously skilled in this area. There may be current and future facilitators who concentrate too much on skill acquisition and miss the point by ignoring the human factors involved in process management. This paper challenges those involved in facilitation, teamwork or the introduction of group problem solving to their business to take stock of some of the crucial aspects of facilitation and to renew, replenish and implement accordingly.

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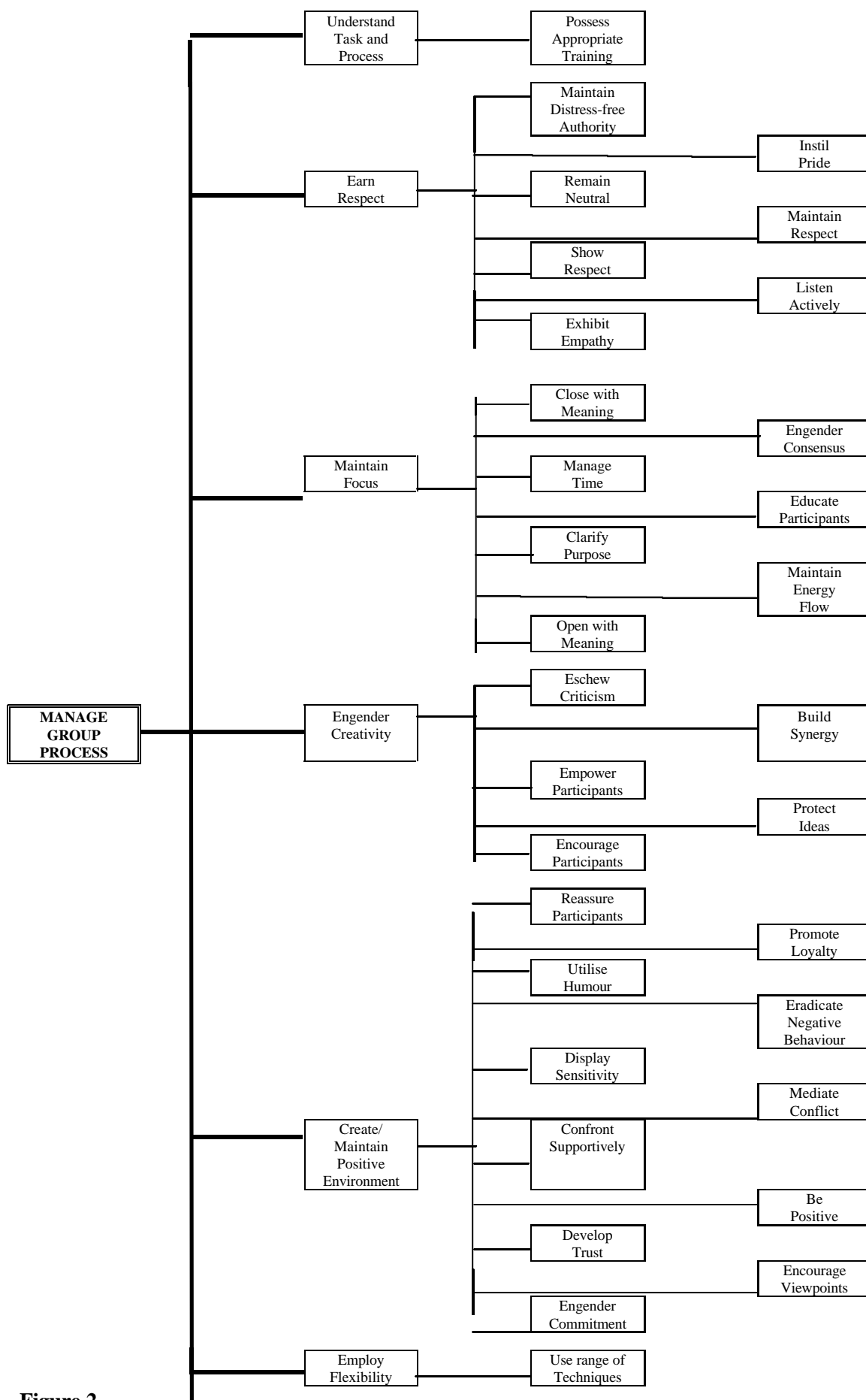


Figure 2

International Benchmarking of Value Management: The Establishment of Best Practice

Steven Male¹, Marcus Grönqvist¹, John Kelly², Scott Fernie², Graham Bowles²

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PRELIMINARY RESULTS OF THE BENCHMARKING STUDY

Results are presented for North America, the UK and Australia, which have formed the major part of fieldwork to date, in construction and manufacturing. Fieldwork on mainland Europe has been conducted and is still ongoing. However, results from this aspect of the study are incomplete and are not presented in this paper.

The Institutional and National Frameworks for VM

Figure 2 below indicates the institutional frameworks and diffusion processes that have taken place between North America and the UK and Australia.

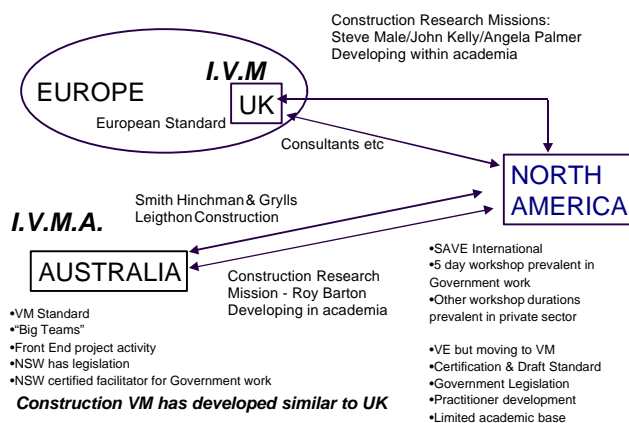


Figure 2 – The Institutional and Cultural Framework of Construction VM

Figure 2 indicates that VM diffusion in parts of academia in Australia and the UK has occurred as a result of research missions. Interestingly research study missions by construction academics from the UK and Australia concluded independently that North American style VE, with independent teams and 5-day workshops would not fit in host country cultures. Equally other diffusion mechanisms have been in operation, with consultants, contractors and other types of organisations bringing VM/VE practices back to each

host country. VM developments in the UK and Australia, as a consequence, have developed in a different manner in these countries. Furthermore, VM in the UK and Australia has taken root in academia. However, in North America VE appears to have had a more limited impact on academia. Other issues to have emerged from the national and institutional comparisons are those associated with facilitator certification and also whether legislation hampers or hinders the deployment of VM throughout industry and government.

In manufacturing diffusion of VM appeared to have taken place in a number of different ways. This is set out in Figure 3 below.

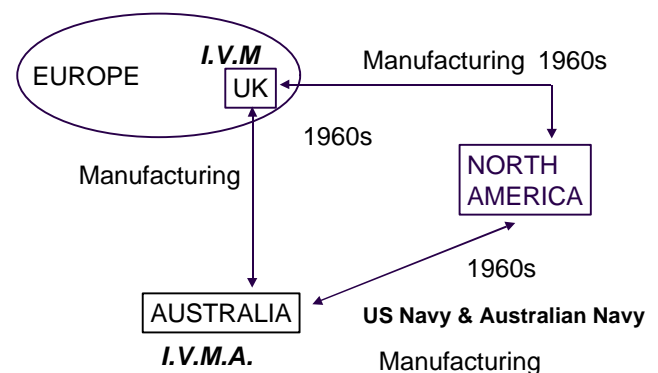


Figure 3 - The Diffusion of VM in Manufacturing

Diffusion of VM from North America to the UK occurred during the 1960s. However, in Australia diffusion in manufacturing appears to have come through a number of different routes. First, practitioners from North America visited Australia in the manufacturing and government sectors. In addition, the Australian Navy also adopted North American VM procedures within its own operations. Furthermore, the close Commonwealth ties between the UK and Australia during the 1960s also resulted in UK VM practice diffusing into Australian based UK manufacturing subsidiaries.

ISSUES WITHIN THE VALUE MANAGEMENT PROCESS

Construction Versus Manufacturing

The benchmarking study has revealed that VM/VE/VA in manufacturing has gone “underground”. It is seen as a method that can provide a competitive advantage and therefore it is also part of a broader “tool-kit” of management techniques that are applied by manufacturing companies to provide a competitive edge. It is also mainly components oriented but manufacturers want to bring VM forward into the early stages of product development. VM in construction, on-the-other hand is a separate service covering both VM & VE. It is also used throughout the project life cycle.

Process Issues

The role of the facilitator has been identified as crucial to the whole process. The facilitator occupies the role of “process manager” in a workshop. A number of questions have arisen during the study with respect to the role of the facilitator;

- Should a workshop be undertaken by one or two facilitators, given that it is a dynamic and intense process
- Should there be a certification system and how should it be conducted
- Good facilitators are in short supply and this may limit the spread of VM
- Should internal employees of a company act as facilitator or should external consultants be used
- Construction clients are requesting facilitators they feel comfortable with. They are not necessarily going to the same consultancy if they cannot obtain the facilitator(s) they want. Clients appear loyal to facilitators and not necessarily to consultancies.

The study has also identified the important role of clients in diffusing VM practice. It is the large, knowledgeable and regular procuring clients that are using VM on a regular basis. They will often have sophisticated methods for choosing facilitators and VM is likely to be embedded in a project delivery manual as a formal review procedure. However, in the UK another VM research study that has involved the authors has revealed that small & medium sized, less knowledgeable clients are often difficult to identify and hence diffuse practice and procedures to them.

The study has also confirmed that there is a danger that VM may fall into the trap of “executive boredom”. The VM process, to work effectively, needs executive

representation at the workshop but they may well become bored with constant attendance at these events. There is also a danger that VM may be seen as another management fad. Equally, it may stray very easily into a ‘going through the hoops’ procedure and hence lose the creativity inherent within the VM process. Also, there is pressure from commissioning clients to reduce workshop time to a minimum. The benchmarking study also came across many examples where VM is a mandatory requirement. This may initially assist VM dissemination but can lead to box ticking.

Preparation for a workshop by the facilitator has been seen as critical for a successful workshop. This is often undertaken by interview, file search and documentation analysis, facility walk throughs and pre workshop orientation meetings. In terms of workshop duration, two-day workshops with evening the before is the norm in the UK and two-day workshops are the norm in Australia. There appears to be a wide variation in duration in the US, from half day, one day and up to five days encountered. Another issue to have emerged in the study is where the workshop should be residential and off-site or on-site. Practice favours residential in the UK and North America but not Australia. The residential and off site workshop has the advantage of focusing the team on “the project”, it is intense but gestation occurs during workshop process. Equally, it commits the team and militates against partial attendance if it is on-site.

The institutional and hence territorial framework within which VM develops is also important. For example, influences on and interest in VM in the UK is coming from a number of quarters;

- Royal Institution of Chartered Surveyors
- Institute for Value Management
- Institution of Civil Engineers
- Association of Project Managers
- Chartered Institute of Building Services Engineers
- Chartered Institute of Building
- Academia

Taking the long term view, it is unclear as yet which of these Institutes may form the natural home of value management or whether any one Institute can claim a territorial right over it exclusively. However, what is certain is that institutional interest is moving forward, especially among some of those that have power and influence in the UK construction industry due to their historical longevity.

Equally, there have been other influences in terms of its deployment in the UK;
An HM Treasury CUP Guidance Note
A British/European Standard for VM has been produced
The “Latham” Construction Industry Board has a Special Interest Group
There have been European Union initiatives - the SPRINT programme

The Emerging Benchmarked Process

Figure 4 below sets out the process diagram that has emerged to date from the case study and interview based data collection. However, this should only be viewed as a preliminary process model that requires further refinement and development. Each of these processes will have associated with them a set of tools and techniques and issues to consider. In addition, workshop intervention points will also be identified.

Figure 4 – The Preliminary VM Benchmarked Methodology

POLICY ISSUES

The important policy issues for consideration by government departments, clients or professional associations that to have emerged to date from the

CONCLUSIONS

The paper has presented the background to an international benchmarking research study funded in the UK by government. A literature review on benchmarking has raised a number of issues for the research of which the following are seen to be dominant:

Identifying the critical success factors and determining which of these to benchmark

Establishing quantifiable performance metrics (defined as measurable outcomes that indicate a degree of success in achieving some value management objective). However, in the VM study the research team has moved away from the use of metrics to benchmark practice but investigated the process itself.

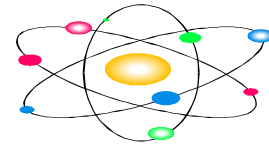
In terms of value management the critical success factors have been established as:

- Structuring the project information
- The structured approach through the “Job Plan”
- The skill of the facilitator
- The team composition, skills and working relationship
- The attitude of project stakeholders
- Planning for implementation
- Participant and senior management support for VM

However, “what to measure?” has posed a dilemma for this research project, this is especially true for value management where it is largely customer satisfaction which is to be measured as the final output. The research team decided strategically to commence by benchmarking the VM process itself. Case studies have supported the intermediate conclusion that the analysis of any one complete value management study alone is unlikely to yield much benefit. However, an analysis of; a range of VM interventions throughout the project life cycle, including multiple interventions on any one

project; across projects and industries internationally; with VM consultants and their clients will yield considerable benefits. The research team has concluded that the demonstrable success of VM lies in the process itself and the associated toolbox. This

HKIVM NEWS



On 19-21 December 1998, the 1st National VE Congress was organised in Beijing Beiren Hotel. More than 200 delegates and distinguished guests from all over the country attended this very important event. Upon invitation from the organising committee, Dr. Geoffrey Q.P. Shen gave a keynote address entitled "Development of VM Theories and Applications" at the congress. President Tony Toy wrote the following letter to congratulate the organiser for the successful organisation of the congress:

17 December 1998

Prof. Shen Min
President of VE Research Institute, China Association for Higher Education
Beijing 100085, P.R. China

Dear Prof. Shen,

China National VE Association's 1st VE Congress

Hong Kong, like the rest of the region, is now experiencing the economic turbulence that China has had to address for so many years. The resource constraints that existed when Larry Miles developed the Value Methodology now abound, though the economic trend for the present is in the reverse for Hong Kong. The value that existed then differ greatly from the values of today, and as this rate of change is accelerating at an unprecedented pace, your initiative to focus on the values and means to consolidate a national approach is both appropriate and well timed.

I, on behalf of the Hong Kong Institute of Value Management's executive and its members, offer our heartiest congratulations to all the conference participants for every success in this worthwhile endeavour.

Yours faithfully,

(T. Toy)
President, The Hong Kong Institute of Value Management

FORTHCOMING EVENTS



- ◆ 23 February 1999, Prof. John Worthington will present "Management of Value: The Client Paradigm" at lunch meeting at the Fraser Room, The Hong Kong Club. All are welcome.
- ◆ 8 March 1999, The Honourable Ronald Arculli, JP, Legislative Council Member, will present "Management of Values from a Legislative Councilor's Point of View" at the Caernarvon Room, The Hong Kong Club.
- ◆ 6-7 May 1999, HKIVM will organise the 3rd International VM Conference at the Convention and Exhibition Centre, Hong Kong. For detailed programme, please see page 15.
- ◆ 9-10 May 1999, immediately after the HK conference, The Chinese Society of Value Engineering (preparing committee) will organise the 1st International VE Conference in Hangzhou, one of the most beautiful cities in China. For detailed information, please contact Prof. Yiqun Xing, School of Business Administration, Zhejiang University, No. 20 Yugu Road, Hangzhou, 310027, P.R. China, Tel: 0086-571-7951218, Fax: 0086-571-7965716, E-mail: xyq@sba.zju.edu.cn.
- ◆ 27-30 June 1999, 39th Annual SAVE International Conference, Dallas. For further information, please contact Barbara Scott or Melanie Epel, SAVE International, 847/480-1730.

3RD INTERNATIONAL CONFERENCE UPDATE

The following is the preliminary programme for the conference, which is subject to finalization as some speakers have not yet confirmed their attendance. The flyers calling for participants will be sent out in early March and that we will appreciate the assistance of all members to promote the conference and help us to secure attendees. We are still following up on sponsorship items but are finding it very difficult, and we would therefore be very grateful to have any potential contacts for sponsors or even better sponsors themselves. If you want to get further information about the programme or the sponsor package, please contact our conference secretariat ICC (address attached).

| May 6, 1999 | |
|--------------------|---|
| Time | Programme (subject to finalisation) |
| 0815 - 0855 | Registration |
| Session One | WELCOME AND KEYNOTE PRESENTATION |
| 0900 - 0910 | Welcome by Mr. Tony Toy, President, Hong Kong Institute of Value Management |
| 0910 - 0930 | Introduction/Welcome by Representative from the Secretary of Planning, Environment and Lands Bureau |
| 0930 - 1015 | Keynote Presentation (Speaker to be announced) |
| 1015 - 1050 | Incorporating the Values of Ecologically Sustainable Development into Project Definitions Using Soft Value Management by Associate Professor Roy Barton, Australian Centre for Value Management, School of Professional and Community Education, University of Canberra, Australia |
| 1050 - 1115 | Tea and Coffee |

May 7, 1999

| Time | Programme (subject to finalisation) |
|---------------|---|
| 0900 - 0905 | Welcome by Day Chairman |
| Session Three | VM HELPING BUSINESS |
| 0905 - 0940 | Drastic Enhancement of Companies' Competitiveness and Profit by the Consequent Application of VE/VM As A Key Management Tool by Mr. Axel Peter Ried, Dipl. rer. oec., President, Ried Management Methods, Hamburg and Berner + Ried Design Engineering Services, Pfullingen, Germany |
| 0940 - 1015 | Sustainable Management of Value Versus Managing Sustainable Value by Professor Alan Michel, President, AFAV, France |
| 1015 - 1035 | Tea and Coffee |
| 1035 - 1100 | Developing Value Engineering – Effective Way of Increasing Enterprise Profit by Professor Zongoi Wang, Director, Economy and Management Department, Beijing Institute of Petrochemical Technology, China |
| 1100 - 1125 | |

CALL FOR ARTICLES

THE VALUE MANAGER is the official publication of the Hong Kong Institute of Value Management. It intends to provide a lively forum and means of communications for HKIVM members and those who are interested in VM. To achieve this objective, we need your strong support by writing to us with your articles or comments. The following are some notes for contributors:

(1) Articles submitted to HKIVM should fall in one of the following categories: New VA/VE/VM techniques or methodologies, Review of conference VM papers, VM case studies, VM research trends and directions, Reports of innovative practice.

(2) Papers or letters should be submitted on a 3.5" or 5.25" disc for IBM PC and A4 hard copy. Discs will be returned to authors after editing. Figures, if any, should be sent separately, in their original and preferred sizes. The length of each paper should be around 1000-1500 words.

(3) The preferred software for processing your article is MS Word for Windows V6, other packages such as Wordperfect 5.1 are also acceptable. If none of the above word processing packages is available, please find a computer with scanning capabilities, the typewritten copy can be transferred to a file as specified.

(4) All articles and correspondences should be sent directly to The Editor of HKIVM, Dr Geoffrey Shen, Department of Building and Real Estate, The Hong Kong Polytechnic University, Hung Hom, Kowloon. Tel: 2766 5817, Fax: 2764 5131.



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