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THE VALUE MANAGER

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AIMS AND OBJECTIVES OF THE HKIVM

- To create an awareness in the community of the benefits to be derived from the application of Value Management in Hong Kong (HK).
- To encourage the use of the Value Management process by sponsors.
- To establish and maintain standards of Value Management practice in HK.
- To contribute to the dissemination of the knowledge and skills of Value Management.
- To establish an identity for the Institute within HK and overseas.
- To encourage research and development of Value Management with particular emphasis on developing new applications of the process.
- To encourage and assist in the education of individuals and organisations in Value Management.
- To establish and maintain a Code of Conduct for Value Management practitioners in HK.
- To attract membership of the Institute to support these objectives.

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EDITORIAL

Welcome to the second issue of The Value Manager 2009. I believe most of you are planning your summer holidays now, may I take this opportunity to wish every one of you have a wonderful holiday. In this issue, we are happy to re-print two keynoted papers presented in the 9th International VM Conference (IVMC08) organised by our Institute. The first paper is written by Prof. John Kelly who is a famous researcher in the domain of VM. His paper discusses the nature of whole life value in the context of sustainability examining the relationship between time, cost and quality and the commonly cited sustainability variables of economy, society and environment. The second paper is written by Ms. Ada Fung Yin-suen who is the Deputy Director of the Housing Department in HKSAR Government. Community engagement plays an important role to integrate aspiration from multiple sectors to achieve the goal of sustainable community. Her paper shares their experience of community engagement in public housing development, moving progressively from informing, consulting to engagement. The paper highlights engagement philosophies applicable to various scenarios with examples of realizable actions, and summarizes tangible results for industry's reference. Lastly, we would like to share a report on the first series of VM workshops and seminars by international experts and some photos of our recent events.

Jacky Chung

Editor, The Value Manager

A SUSTAINABLE WHOLE LIFE VALUE AGENDA

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ABSTRACT

For value management to continue to be relevant to a world focused on sustainability it has to move its emphasis from a predominantly cost orientated agenda to a more balanced whole life value orientated agenda. In the context of sustainability this means addressing the challenge of the development of a whole life value agenda that is described in sufficient detail to enable stakeholders to explicitly define their requirements and for that definition to be adequately expressed to allow future audit and benchmarking. This paper explores the nature of whole life value in the context of sustainability examining the relationship between time, cost and quality and the commonly cited sustainability variables of economy, society and environment. In the context of asset creation and renewal, manufactured or constructed, a method of accounting for the consumption of renewable and non-renewable resource and energy is required to enable effective evaluation, option appraisal and benchmarking. To set the agenda therefore it is necessary to breakdown and define the component facets of whole life value in order to propose a system of value management conducive to operating effectively within a sustainable environment. The conclusion of the paper outlines the challenge to the value management community in the development of a whole life value agenda bringing on stream new tools and techniques to efficiently and consistently enable evaluation, option appraisal and benchmarking based on value.

KEYWORDS

Value Management, Whole Life Value, Whole Life Cost, Sustainability.

INTRODUCTION

The title of the paper is deliberately ambiguous to reflect the twin demands on value management of developing an agenda which will last into the future and also an agenda for value management which reflects the requirements of sustainable developments. In this context the Brundtland (1987) definition of sustainability is used namely "sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs".

In developing the agenda for whole life value it is necessary to consider a number of key questions:

- Why are the tools and techniques commonly associated with value management inadequate to address a whole life value problem?
- Under what situations does whole life value need to be managed?
- Is whole life value comprised of a unique but identifiable number of facets which can be measured?

- Are the measurement units of sustainability currently understood?
- If a whole life value approach is taken then how are the results validated and audited?

A case is presented for the development of whole life value and an agenda proposed for further work necessary to undertake whole life value studies of project.

DEFINITION OF VALUE

Kelly (2007) states that the contemporary definition of value stems from the work of Perry (1914) who poses the question "what is value generically?" and then rehearses the argument that value cannot be defined, value being adjectival rather than substantive. Hence a valuable gemstone can only be defined as a stone which has value i.e. value has no meaning in the absence of the stone. Perry's argument is that the adjectival criteria is only sound if value were incapable of analysis and this is clearly not the case since a stone in a gold setting is likely have more value than the stone alone and

therefore there is some attribute of the setting which is capable of description.

The English philosopher, G E Moore, supported realism in debates on inter alia axiology. In the work on ethics, "Principia Ethica" (1903) Moore debates the meaning of "good" (Audi, 1999). Discussing Moore's assessment of value in relation to "goodness", Perry states that Moore's definition is too narrow as value exists when something can be described as "good for" taking the concept of "goodness" as relative to the importance something has when interest is taken in it. Perry claims that for something to be of value it has simply to meet the requirements for interest and pleasure. Perry distinguishes between "intrinsic values" as being possessed by the object - interest complex, whereas "extrinsic value" is possessed by the object itself. Perry asserts therefore that it is possible to admire one's neighbour's yacht and derive pleasure (goodness) and therefore obtain value from it, without partaking in the object - interest complex which would be a necessary part of owning the yacht. Zimmerman (2001) consolidates and develops the theory of intrinsic value in which it is stated that in any value system no parts of the variables are correlated and all variables should have intrinsic value.

Rice (1943) introduces a debate on quality and value stating that the term quality as applied to values has a multiplicity of meanings giving the example of a piece of cloth being better quality than another because it is warmer and more durable. However, an alternative piece of cloth may be better quality because of its exquisite sensation of sight and touch even although it is flimsy. Rice concludes with the observation that value in this context is intrinsic i.e. it relates solely to the perspective of the user.

In the context of construction Burt (1975) refers to the components of value as being quality and cost whereas Best and De Valance (1999) refer to quality, cost and time. The project management tool for determining value; the time, cost, quality triangle is attributed to Dr Martin Barnes although academic debate is thin and citations are dominated by Atkinson (1999).

An analysis of value management texts (O'Brien, 1976, Crum, 1971, EUR 14394:1993, ICE, 1996, Hayden and Parsloe, 1996, RJ Park, 1999) demonstrates that the most usual expression for value is its relationship with

function and cost most usually expressed in mathematical terms as a) below.

$$\text{Value} = \frac{\text{Function}}{\text{Cost}}$$

a) most common

$$\text{Value} = \frac{\text{Benefits}}{\text{Price}}$$

b) customer – Fallon (1980)

Fallon (1980) states that value from the perspective of the producer is function divided by cost whereas value to the buyer is perceived as benefits divided by price. Shillitoe and De Marle (1992) define value as the need related to the ability to satisfy divided by cost.

$$\text{Value} = \frac{\text{Need} \times \text{Ability to Satisfy}}{\text{Cost}}$$

BS EN 1325 - 1: 1997 defines value as the relationship between the contribution of the function (or value analysis subject) and the satisfaction of the need and the cost of the function. In more recent work (Austin et al., 2005) sees value as:

$$\text{Value} = \frac{\text{Benefits - Sacrifices}}{\text{Resources}}$$

DEFINITION OF WHOLE LIFE VALUE

Whole Life Value takes the definition of value further by relating a further dimension –time, specifically to the life of the subject under review which gives focus to the issue of sustainability. The concept of sustainability in a value context imparts three elements to the subject under review:

- The investment of renewable and non-renewable resource to create the subject under review.
- The life of the subject under review.
- The residual value of the subject under review at the end of its life. This value is dictated by whether the subject can be re-used, refurbished, re-cycled, adapted to a

new use or whether the subject has to be discarded.

RICS(1986) defines life in terms of:

- Economic life – the period during which the subject is considered to be the least cost option to satisfy a required functional objective.
- Functional life – the period until the subject ceases to function for the same purpose as that for which it was initially conceived.
- Legal life – the time until the subject no longer satisfies legal or statutory requirements.
- Physical life – the point in time when physical collapse is possible.
- Social life – the point in time when human desire dictates replacement for reasons other than economic or physical considerations.
- Technological life – the life of the subject until it is no longer technically superior to alternatives.

$$WLV = \frac{\text{Benefits – Sacrifices in initial stage related to Resources in initial stage}}{1} + \sum_{n=0}^n \left[\frac{\text{Benefits – Sacrifices in each period related to Resources in each period}}{1} \right] - \text{Residual Value}$$

Figure 1: Whole life value

Whole life value is therefore the benefit given less the sacrifices required, related to the renewable and non-renewable resources used in the construction or manufacture and maintenance stages over a number of time periods in a given length of time, less the residual value at the end of the study, as illustrated in figure 1

THE FACETS OF VALUE AND SUSTAINABILITY

In discussing types of value Crum (1971), Zimmerman and Hart (1982), Mudge (1996), and Thiry (1997) all list; use value, esteem value and exchange value. In the analysis of architectural design Vitruvius (100BC, translated Morgan 1960) states that the value system for architecture depends on order, arrangement, eurhythmy, symmetry, propriety and economy. Kirk and Speckelmeyer (1993) cite image, efficiency, expansion, flexibility, human performance, technical performance, life cycle cost, community, energy conservation, and security. Peña and Parshall (2001) list four “considerations” function, form, economy, and time. In October 2003 the UK Construction Industry Council launched the Design Quality Indicator (Construction Industry Council, 2006)

under three headings, functionality, build quality, impact, with additionally; finance, time, environment and resources.

Kelly (2007) examines these lists and describes action research aimed at clarifying the lists ensuring that the selected facets of value are discretionary i.e. each facet could be represented by a continuum, and are not correlated. Kelly proposes that none correlated, discretionary facets of value are; capital cost, through life costs, time, esteem, environment, exchange, comfort, flexibility and politics. The latter facet politics includes local popularity, community and local cultural issues.

The three facets of sustainability are society, economy and environment. It is argued here that these three facets are highly correlated with the facets of value since capital and through life costs and exchange are correlated with economy; society with esteem, politics and comfort; and environment with environment. The difference lies in emphasis on the consumption of renewable and non-renewable resources. Therefore in the search for a model for sustainable whole life value it is unnecessary to look further than the facets of value. What changes in the context of sustainability is the relative importance weighting of each facet.

The requirement for a facet of value to have an internal assessment mechanism based upon a continuum and an external assessment mechanism based upon relative weighting means that facets of value are Performance driven rather than Basic target driven. In this context Basic criteria have to met 100%. Safety and security are two good examples of Basic criteria; for example a situation is either safe or it's not. Bicheno (2000) describes the Kano identification of Basic criteria as that which must be satisfied 100% for a customer to be satisfied. Performance criteria can span from dissatisfaction to delight.

There are a number of sustainability assessment schemes for example, LEED, BREEAM, CEEQUAL and DREAM, which generally focus on the facets of; Biodiversity, Energy, Procurement, Travel, Water and Waste. It is suggested here that these are technical models which evaluate a technical solution against defined norms to assess the technical solution against a predefined scale. While the models are useful in contributing to a whole life value assessment their application focuses on Basic criteria and their application is therefore relatively restricted.

PROCESSES FOR THE STUDY OF WHOLE LIFE VALUE

- Orientation: Consider the reason for the whole life value exercise. The reasons are:
 1. to undertake an evaluation of a single solution such that elements of the solution can be examined.
 2. to undertake evaluations of a number of solutions as part of a comparative option appraisal exercise.
 3. to prepare data in a specified form for entry into a benchmarking database.
- Information: Gather information of the whole life value subject relating to each of the facets of value. Differentiate between Basic and Performance criteria. For Performance criteria undertake a weighting exercise to determine relative weights to the facets of value. Begin to gather data on the objective and subjective measures related to the facets of value. Objective measures are verifiable fact usually physical or financial whereas

subjective measures include verifiable fact, opinion, belief/perception and desire/delight. Consider the method of discovery for subjective measures e.g. questionnaire (open/closed, Likert, etc), case vignettes, focus group, Delphi, interviews, etc. In designing the tools for use with the discovery method ensure that the method gives the same result for a specific case even when used with different groups.

- Speculation: Generate solutions to improve the whole life value subject.
- Analysis: In an option appraisal exercise undertake the whole life value exercise designed at the information stage and compare options. In a benchmarking study prepare the evidence to support the whole life value case considered in a way that can be made explicit at a benchmarking group meeting.
- Development: Plan the implementation of the selected option. Hold the benchmarking meeting. Develop a whole life cost plan.
- Post implementation review or Audit: Store the data such that it can be reviewed/audited after a period of time has passed. Update the whole life value plan if necessary.

WHOLE LIFE VALUE ISSUES

The issues surrounding whole life value are the feedstock for the agenda. The primary issues are:

- Description of the facets of value. What constitutes value has been the subject of academic debate since Vitruvius. However, a fixed set is required before a whole life value methodology can be determined.
- Stakeholder selection. The facets of value will be described and weighted by those with a stake in the whole life value subject. The selection of stakeholders and the determination of whether their value interest is intrinsic or extrinsic is therefore vital.
- Repeatability. The facets of whole life value have to be represented in a way which enables their enumeration/description in a manner which will be repeated even when examined by different groups. This may require the evolution of precise question

sets and relatively constraining codification. However, past example question sets by Rokeach (1973) for human values and EFQM for quality illustrate methodology.

- Units of measure. The units of measure for each facet will require careful description in order to facilitate repeatability. The units of measure may be different for the various facets so a judgement will have to be taken to assist comparability. This may require putting a price on for example a tonne of carbon or the community benefit from an iconic building.
- Data integrity. Sustainability is a relatively new concept and is surrounded by myth and inaccuracy. It is vital therefore to ensure that the data incorporated into any whole life value model or database is accurate.
- Group decision making. Whole life value is a new but promising area for value management. However, it relies on the input from a group who may not fully understand the concept. Help by way of Group Decision Support can go some way to alleviate the problems of "sensemaking" highlighted by Thiry (2000).
- Discounting. In whole life costing options are compared by discounting a present value. The question is whether the same technique can be used in whole life value to take account of value over time.

CONCLUSION AND THE WHOLE LIFE VALUE AGENDA

Whole life costing is a technique used generally in option appraisal to assist decision makers to choose between options based on the total cost during the life of an asset. In recent years there has been interest shown in the collection of database material for use with whole life costing and also to benchmark similar projects over a period of time. A logical development of this technique of interest to the value management community is that of whole life value. Some of the questions posed in the introduction are argued in this paper but much work still has to be done to turn the formula illustrated in figure 1 into an operational reality.

It is an attractive proposition to be able to assess the value of a service or asset over a given period of time, particularly as the sustainability

agenda becomes more embedded in day to day activities. Further, there is a growing interest in benchmarking services on a value basis. It seems that the value management community are ideally placed to service this demand which can be achieved providing the issues raised above can be addressed.

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COMMUNITY ENGAGEMENT IN PUBLIC HOUSING DEVELOPMENT

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ABSTRACT

The Housing Authority is committed to providing happy and harmonious homes with caring and stable communities for the people of Hong Kong. This paper makes reference to the Housing Authority's experience of community engagement in public housing development, moving progressively from informing, consulting to engagement. It highlights engagement philosophies applicable to various scenarios with examples of realizable actions, and summarizes tangible results for industry's reference.

INTRODUCTION

The Hong Kong Housing Authority (HA) is committed to providing adequate and affordable quality housing services to people who are in genuine need. Around 30% of the families in Hong Kong are living in about 680,000 public rental housing units provided by HA in a high-rise high density urban living environment. Indeed, the HA's achievement in resolving the problem of high density overcrowding, infrastructure and improving the quality of life has been internationally recognized.

As a progressive public sector developer, we need to improve our products and services, making the best use of public funds in the best interest of the public. Continuous improvement is the key to it, underpinned by our core values being caring, customer-focused, creative, and committed, as we set forth to build harmonious communities in society through the construction and management of public housing, thus benefiting the society and well being of Hong Kong as a whole. Our commitment in providing sustainable housing goes a step ahead from providing "accommodation" towards "happy and harmonious homes within caring and stable communities for the people of Hong Kong".

In this paper, I shall discuss community participation in the context of community building in the public housing context, our progressive stance to involve the community from informing, consulting to engagement. I shall also share our experience in realizable practice and options and summarizes tangible

results and benefits in our recent endeavours. In the Research & Development (R&D) arena, these are creative work to gain and new knowledge in HA's portfolio of R&D work, and we are looking forward to transforming them from piloting and development stages to mass application after monitoring and reviewing for improvement.

FROM INFORMING CONSULTING TO ENGAGING

There is a "ladder" of participation, reflecting different levels of power exercised by communities (Arbstein, 1969), and there are five different kinds of participation as follows (Lister, Perry & Thornley):

1. Informing - Telling people about what is planned and engaging their interest in it
2. Consulting - Offering people options, getting feedback from them and taking account of their views
3. Deciding Together - Encouraging people to develop ideas or options, and giving them some influence in deciding the way forward
4. Acting together - Joint decision-making on action to be taken, and forming partnerships with residents' groups to carry it out
5. Supporting independent community initiatives - Helping residents to carry out their own plans or initiatives, whilst leaving them in charge of what happens

Since the HA's development has major impact on the lives of our tenants, we make every effort to ensure that our residents will enjoy a rich community life and have a say in the communities they live in. Indeed, our estate management practice has realized the highest levels of tenants' participation in "Deciding and Acting together" plus "Supporting independent community initiatives".

To ensure that estate management is effective, efficient and is attuned to tenants' needs and aspirations, and to encourage residents to be more attentive to and more ready to participate in matters of their concern, we introduced an Estate Management Advisory Committee (EMAC) scheme after successful piloting in eight estates. The establishment of EMACs decentralizes estate management to the local level, aims to help enhance the communication between tenants and the management, and encourage tenants' participation in estate matters since 1996. EMAC is an estate-based committee with tenants' participation.

It provides a forum for the estate management to communicate with and consult tenants on local estate management matters, and an opportunity for us to strengthen our contact with tenants, Mutual Aid Committees and commercial tenants' associations and to enhance the communication with them. It strengthens tenants' sense of belonging to and collective responsibility for the well-being of the estate community through participation in estate management matters, drawing up annual plans for estate maintenance and improvement, as well as events and activities, and implementing them with the use of EMAC funds allocated to them every year. In terms of tenants' participation, this is indeed a marvellous achievement, following the implicit principles of public participation, namely inclusiveness, openness, transparency and responsiveness.

So have we done enough for our tenants and community in terms of tenants' participation and public engagement? The birth of an estate with its tenants follows the heels of the completion of the development phase comprising planning, design and construction. Have tenants had a chance to participate in the provision of estate facilities that they enjoy? To what extent do we engage our community while we plan and design for our new estates?

Towards this end, we have a long-standing

practice of informing the community, consulting various concerned groups and District Councils at the early stage of planning and design of our new estates. That is to say, "Informing" and "Consulting" have been our common practice across the board. Following the turn of the millennium, we have migrated to test the route for higher levels of involvement, as we work in partnership with stakeholders towards providing quality housing. In our recent endeavours, we take a step ahead to engage the community in "Deciding together" and "Acting together". As we partner for change, we have migrated from telling, selling, consulting, to engaging the public more proactively. In the ensuing part of the paper, I will share our experience through six case studies - the first two started with a politically sensitive background, the next two were initiated out of goodwill, the fifth one was a truly open engagement, whilst the last one features "Acting together" being the highest level of involvement amongst them all.

Marble ball saga at Lei Muk Shue

In the redevelopment of Lei Muk Shue Estate, granite balls taking the form of art objects have been ingeniously positioned to accentuate the design of the open plaza outside the shopping centre. Soon after project completion, however, it was captured in the media that the granite balls may pose potential danger to small children in their attempts to climb them.

The Lei Muk Shue case is a rudimentary case of "deciding together". The departure point was the need for direct communication with the community to map out common consensus. We also need a channel to alleviate the politicized sentiment. We believe that -

Strengthening of communication and understanding will strike a balance between the expectations of both sides and alleviate grievance.

A Community Workshop was held involving independent workshop facilitator, project team, property management agency, EMAC and District Council members to jointly solve this problem amongst some other estate design issues. The workshop provided an interactive communication platform for some 40 representatives from all parties concerned. The professional team listened to the concern and grievances and in turn explained the design

intent, constraints and physically possible options for improvements.

Sincere appreciation has dispelled the earlier hostility and criticism, and participating parties have been able to reach common consensus for improvement works or status quo. The experience in this exercise demonstrates that listening to residents is crucial in a way to get right decision and assure them that requisite decisions are grounded on public opinion. Both designers and tenants keep an open mind, in order to achieve win-win solutions.

Conserving environment at Ma Hang Headland Park

The HA intends to develop a park for the community at Ma Hang Headland adjacent to the Ma Hang Estate. The brief aims to conserve the environment and provide the park with basic facilities.

The community engagement at Ma Hang represents a more proactive step to “decide together”. We intend to build commitment, ownership and support for design of the future development. We believe that -

People are most likely to be committed if the ideas come from them or result from their own views about the problem in their area.

Two workshops have been conducted to collect aspirations and views from the local community, government departments, district councillors, green groups and professional on the preliminary design of the project.

Design games were part of the engagement process. They are highly visual way of allowing participants to explore the physical design options. Through games, they were asked to design their ideal park. This provided an enjoyable atmosphere for participants to put them in the shoes as project team in resolving resolve conflicts and compatibility of use.

The community workshops established understanding and support for the Ma Hang Headland project. Stakeholders shared a strong sense of involvement in contributing ideas on the themes, aspirations and facilities of the park. Strong preference to build a park of passive recreational use for the community which could be enjoyed by teenagers, youth, elderly as well as disabled was reached. This symbolizes an

endorsement of vision for a future rooted from community opinion.

Building community – a new look for Yau Tong

The community in Yau Tong and Lei Yue Mun Region has been largely established with majority of phases progressively occupied at the turn of the millennium. In the course of designing the next phase of Yau Tong Estate, primarily involving a community space, we intend to build a sense of belonging, ownership and identity through public participation.

The Yau Tong engagement exercise takes “Consulting” and “Deciding together” in a synergistic whole. The engagement process aims to foster common vision and objectives, build trust and collaborative actions, empower community decision in moulding their future environment. We believe that -

It is the residents who will benefit from the outcome of the development. Their opinion matters because it is the future of their community and homes.

A series of strategically coherent events were planned and organized between 2006 - 2007:

- “The Event” – ‘Let’s Give Yau Tong a New Look’ publicized our intent to join hands with the public to build a “harmonious environment”. Over 50 finalists of the community joint hands to paint a wall mural, capturing the local heritage in a creative composition and showing their determination in promoting sustainable development.
- Understanding the community – A network is created amongst HA, the District Council, local social and religious network, EMAC of Yau Tong Estate and the Hong Kong Mural Society in organizing community events. This reinforces understanding of the neighbourhood and its key stakeholders, thereby paving the way for sustained collaboration and participation.
- Sharing information, power and commitment - A series of workshop/focus groups were held around end of 2007 to develop the planning and design of public open space of Yau Tong / serving 80,000 people at its completion. The workshop

involved them to contribute ideas on themes and uses, engaged them in group discussion to come up with prioritization and design options and empowered them in evaluation and helped them to reach consensus on the preferred layout. The workshops received a lot of support from local community service network, religious and social welfare services providers, green group, artists, academia etc. with over 250 participants.

The series of events brought trust and understanding from the community towards the good faith and goodwill of the HA, helped the community to build local identity as their knowledge expanded in an evolutionary process. It also brought the project team to embrace the everyday issue of the community in reciprocity. As the residents have taken part in making decisions, they have a sense of ownership over the future of their community space, and they are more likely to be appreciative of the outcome. This fosters community pride and contributes towards building a harmonious community.

The ultimate real test, however, has yet to come when subsequent phases of public rental housing development would come into the region in future. Whether the community would welcome its realization could be an acid test of our skills in engaging them in the next round of public participation activities in the district.

Rediscovering heritage – memories of Ngau Tau Kok

As part of HA's Comprehensive Redevelopment Programme, existing tenants moving out of Lower Ngau Tau Kok upon its clearance will be moving into Upper Ngau Tau Kok Estate. This reception arrangement provides a unique opportunity to re-establish neighbourhood and memories in a locality of rich local heritage. The sequence of development allows local residents to get involved in heritage preservation as well as the planning and design of community space at Upper Ngau Tau Kok.

The engagement at Ngau Tau Kok embarked on "Consulting" and "Deciding together" in a sequence. The community engagement takes account of the interests and assets offered by an existing well established community and aims

to build estate identity and ownership. We believe that -

It is important to recognize the asset and potential that local people, building fabric and services provider offers and to creatively extend them into exciting new potential.

A series of strategically coherent events have been planned and organized between 2002-2008:

- "The Event" - A one-month Heritage Exhibition, jointly organized by the HD and the Society of Community Organization was launched. This included more than 100 exhibits such as shop signs, metal gates contributed by estate tenants demonstrating a heritage built upon the old neighbourhood. The heritage value of the exhibition attracted media attention and public interest. These artefacts will be displayed in the redevelopment estates.
- Understanding the community - Starting from 2004, a great variety of communication and events has been launched. These included meetings, briefing, workshops and surveys. Local network with NGOs, concerned group, local District Councillors, community centres, elderly centre and youth centre were established.
- Knowing the neighbourhood - In order to record the collective memories of the local residents as reference for planning and designing the new community, Community Unit from the Department of Architecture, the Chinese University of Hong Kong has arranged further participatory activities including "The Memories of Yau Xia". This involved interview with about 60 residents in Lower Ngau Tau Kok on their favourite space which will be captured in representative shots.
- Sharing information, power and commitment - A series of workshop has been held in 2007 to examine the use of covered open space under two residential blocks of Upper Ngau Tau Kok. It received a lot of support with over 90 participant including local citizens joining the events. The workshop introduced the layout design, involved the participants in discussion and recommendations on the future use

of the covered open space and briefed participants on the design of reception estate.

- Continuous involvement - Upon redevelopment of Upper and Lower Ngau Tau Kok Estate, we shall recapture some collective memories of the old estate. One such venue is the cultural spine at Lower Ngau Tau Kok Estate. The future residents, concerned groups, interest parties, district councillors and academia will be invited to contribute suggestions to the detailed design. It is envisioned that tenants of Ngau Tau Kok can enjoy a welcoming home environment with a rich community and cultural context, plus a sense of belonging and ownership instilled and fostered.

The residents themselves are vital sources of information about the neighbourhood and heritage. They are important asset as they know the inside-out of the place where they live. The community participatory process in Ngau Tau Kok involves the participants to contribute in heritage search, build identity with their own hands and express views in shaping their community. This enables the design and the development to mature with support and ownership, thereby building a sustainable community synergistically.

Open engagement - ideas competition at Mei Ho House

Under our redevelopment programmes, we seek to maintain Hong Kong's housing heritage with conservation programme where and when appropriate. Mei Ho House, one of the oldest six-storey resettlement blocks built in the 1950s, received a Grade 1 historical building designation from the Antiquities Advisory Board in 2005. We have invited the Professional Institutions to work together in organizing an Ideas Competition to invite the views of the public to rekindle the life of Mei Ho House and its vicinity.

Ideas competition is an open invitation to "deciding together". In this case, it involved and engaged the entire public of Hong Kong. The attempt was to reinforce the community's understanding over the conservation of cultural heritage and contribute innovative ideas on

future use and harmonious development of Mei Ho House. We believe that:-

Ideas competitions stimulate creative thinking and generating interest and momentum.

The competition has captured a lot of attention from professionals and the public with close to 50 entries in total; Open House of Mei Ho House including two show flats made with old furniture and household objects collected from vacated flats of Shek Kip Mei Estate and the exhibits of Shek Kip Mei Community Organization (石硤尾人文館) brings and enriched memories of public housing to over 3,000 visitors.

Through competition, open house and associated exhibitions, the rediscovery of Shek Kip Mei and its Mark I block and their historical significance gained momentum. It stimulated public discussion and thinking on the cultural significance of this iconic symbol in Hong Kong's housing story which has been echoed by social, historical and cultural groups and further cascaded to the public through the media.

The competition acted as an incubator for solid actions which could not have been realizable without collaboration of efforts, ideas and vision. Mei Ho House is now included as one of the seven historic buildings in the Revitalising Historic Buildings Through Partnership Scheme (活化歷史建築伙伴計劃) launched by Development Bureau, for non-profit making organizations to submit proposals for converting it into an use that benefits the society. We look forward to realizing some of the ideas generated from the Competition in the adaptive re-use of Mei Ho House.

Hand in hand - action seedling

We have launched a Community Participatory Scheme to enhance our partnership with contractors, public housing tenants and the community at large. "Action Seedling" initiated in 2007 encourages community participation in the greening of new housing estates at an early stage, where contractors have to proactively engage the public during the construction phase.

Action Seedling is a manifestation of "acting together". To effectively accomplish our mission towards green and sustainable community, we need the support of the

construction industry, residents and community organization. We believe that -

Forming partnership to work hand in hand with stakeholders and seeing action to its fruition builds ownership and commitment.

“Action Seedling” has been rolled out in 14 public housing projects due for completion before 2009. Through EMACs, lots of schools and community organizations, seedling plants have been given out by the HA and its building contractors to participants who will nurture the plants at home until they are fit for transplanting into the planters of the new estate.

Apart from creating a greener and more pleasant environment, the programme helps to foster a greater sense of belonging amongst the resident and the community. Furthermore, the initiative will allow our contractor to play their part in greening and environmental protection as part of their corporate social responsibility.

APPRAISALS

Community engagement plays an important role to integrate aspiration from multiple sectors to achieve the goal of sustainable community. In the context of the planning and design of public housing, we have changed our *modus operandi* from the basic levels of telling, selling, consulting, to the tertiary levels of engaging the public to “decide together” and “acting together”.

Experience has proven itself in a number of our case studies and pilot schemes that:-

1. Strengthening of communication and understanding will strike a balance between the expectations of both sides and alleviate grievance
2. People are most likely to be committed if the ideas come from them or result from their own views about the problem in their area
3. It is the residents who will benefit from the outcome of the development. Their opinion matters because it is the future of their community and homes
4. It is important to recognize the asset and potential that local people, building fabric and services provider offers and to creatively extend them into exciting potential
5. Ideas competitions stimulate creative thinking and generating interest and momentum
6. Forming partnership to work hand in hand with stakeholder and seeing action to its fruition builds ownership and commitment

One may ask: Is there any limitation in community engagement? I would like to share that effort put into community engagement may or may not yield a result that can satisfy all parties. It is almost impossible to close the “gap” between the project owner and the residents if such gap is too wide to bridge. Some residents may insist that their proposals be implemented, be it feasible or not. However, most residents would, as a result of work done, feel reasonably satisfied after listening to diverse views and that they have contributed a part in making and owning the decisions. At the same time, it is also important to set limits for each and every attempt. The project owner and facilitator should be clear about the boundaries of each engagement exercise and to make them known at the start of the exercise in an appropriate manner. Over-commitment may raise expectations that cannot be met. Furthermore, public engagement processes may take different forms at different levels, depending on individual circumstances. It can facilitate better understanding and help build mutual trust, but it cannot replace prudent, balanced technical considerations, and it requires proper planning at the strategic level, striking a balance between effective deployment of resources and the obtaining optimum results.

One obvious conclusion can be drawn: In all cases, there is better communication, better understanding, better consensus, with a better product or services where participating stakeholders have a sense of ownership. Forget about bureaucracies and impossibilities for a while, and be a good listener. “Seek first to listen and understand, before one could be understood.” Start from scratch and look at the world from a different view, listen and accommodate others’ views, work with them to arrive at the final conclusion – and on a road less travelled we can derive more satisfaction during the journey towards a win-win destination.

In the long run, I look forward to transforming our experience into mass application after

reviewing the experience we have gained so far. In the meantime, I applaud our professionals' continuous effort in promoting community involvement and engaging the public with professionalism, perseverance and an open mind to make sound decisions in the best interest of the public.

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A REPORT ON THE FIRST SERIES OF VM WORKSHOPS AND SEMINARS BY INTERNATIONAL EXPERTS

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The Hong Kong Institute of Value Management (HKIVM) and the City University of Hong Kong (CityU) have co-operated to hold a series of Value Management (VM) events, including 5 seminars and 3 training workshops, in the period of November 2007 to January 2008. This series of events are funded by a Professional Services Development Assistance Scheme (PSDAS) project under the Government of Hong Kong Special Administrative Region and supported by the Hong Kong Institute of Surveyors (HKIS). Dr. Mei-yung Leung, as the vice president of HKIVM, is the project investigator of the project. The first part of this series, which contains 3 seminars and 1 workshop, has been successfully completed in November 2007. More than 200 Hong Kong and Mainland construction professionals were benefited.

The first series of VM events aims at enhancing the competitiveness of construction professionals through sharing valuable information, knowledge and experiences in the international (i.e. Australia and United States) adoption of various value management tools and techniques (i.e. function analysis and information analysis) in different projects (e.g., science centre project in USA, Al Nahda shopping mall project in Sharjah, UAE, large Railway and Highway project in Australia).



The one-day VM training workshop

Dr. Roy Barton, who is the chairperson of the Australian standards committee on VM and the past president of the Institute of Value Management, Australian (IVMA), was invited to facilitate the one-day training workshop entitled concept and examples of value management to the participants. He has clarified that the function of an object lies in the way people use it. He also guided the participants to identify the real requirement or intention of the clients rather than confining their perspectives into the components of the object itself. A technique of assigning cost to functions is also introduced by Dr. Barton, which is useful in analyzing the value of the component and finding out the part that needs to be improved. “Key VM Phase: Function Analysis” on 16th November 2007 and a seminar named “Successful VM Application in Australia” on 17th November 2007. During the workshop and seminars, he has given a preliminary concept and examples of value management to the participants. He has clarified that the function of an object lies in the way people use it. He also guided the participants to identify the real requirement or intention of the clients rather than confining their perspectives into the components of the object itself. A technique of assigning cost to functions is also introduced by Dr. Barton, which is useful in analyzing the value of the component and finding out the part that needs to be improved.



The VM seminar presented by Dr. Roy Barton in Hong Kong



The function analysis exercises during the workshop

Dr. Stephen J. Kirk, who has more than 25 years experience in VM industry and is the president of Kirk Associates specializing in VE, sustainability, and life cycle costing services, and Dr. Mei-yung Leung, are the facilitator and co-facilitator of the two VM seminars. The one in Hong Kong (HK) about the “Innovative VM Techniques in Complex Project” was held on 17th November 2007, while the other in Guangzhou (GZ) about the “Information Analysis for Complex Projects” was held on 19th November 2007. Information phase is underlined in the seminars as it is the foundation of successful VM study. Several techniques was introduced to investigate the project function cost and value, such as function cost model, operational cost model, quality model, risk model, space model, and time model, etc. At the end of the Hong Kong seminar, the participants are required to analyze the Jardine House through quality model exercised as mini-workshop in group discussion in order to have a better understanding of these techniques.



The seminar presented by Dr. Steve Kirk in Hong Kong



The seminars co-facilitated by Dr. Mei-yung Leung in Hong Kong



The seminar held by Dr. Steve Kirk & Dr. Mei-yung Leung in Guangzhou

All in all, the first series of VM workshops and seminars were held successfully with considerable positive feedbacks. More photos of the second series of VM events delivered by Mr. Ken Scott from the Europe and Ms. Laurie Dennis from the United States will be presented in next issue.

HKIVM NEWS AND EVENTS

- A drama workshop for VM facilitator was organised by the HKIVM in The Hong Kong Polytechnic University on 21 April 2009. The workshop trainer, Patricia Chiu, introduced a series of communication skills and exercises from drama performance to promote the interaction between participants and facilitators. These skills were very useful in assisting facilitators to motivate and manage a large group of participants in live VM workshop. The workshop was attended by over 10 members, who enjoyed it very much.



About the trainer:

Born in Hong Kong, Patricia Chiu graduated from Queensland University of Technology with a Bachelor of Creative Industries, majoring in Performance Studies. She currently works as Project Manager of HK Youth Arts Foundation's Art Angels programme as well as a freelance performer, director, choreographer. Having worked as a corporate trainer and workshop facilitator, she strongly believes that the arts can provide a platform for people to explore ideas, issues, thoughts and feelings as well as empower themselves by finding a voice to express themselves.

- A VM training workshop for post-graduate students was organised by the Department of Building and Real Estate of The Hong Kong Polytechnic University in May 2009. This is a 1-day workshop jointly facilitated by our council members, Dr. Ann Yu and Jacky Chung. The workshop was a core training exercise of a master level subject and attended by over 60 participants from the construction industry. They found the workshop very joyful and it provided a valuable opportunity for them to practice the knowledge and skills learnt from books in form of a live VM workshop.



THE VALUE MANAGER **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 support by sharing with us your articles or comments. The following are the notes to contributors:

1. Articles submitted to the journal 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 CD / DVD 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 Microsoft Word, other packages are also acceptable. If the above word processing package is not 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:

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