



# THE VALUE MANAGER



The Hong Kong Institute of Value Management

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## HKIVM PRESIDENT'S REPORT

members to try to help us obtain sponsors and delegates for the conference.

It is also noticeable however, that most of our eggs are also in the construction and building project basket. I sincerely hope that we may be able to introduce Value Management to other fields over the coming twelve months.

On the networking side, there have been meetings with John Fullager, from the Australian Institute where many items of mutual benefit were discussed. Also meetings with Martyn Phillips, the Vice President of SAVE, Eric Meng from Seattle, Brian Dawson and Peter Yeomans, both from Australia. There has been e-mail contact with Matthew Locke of the UK Institute. David Stevens from Australia has also been in touch by phone.

Addressing the issue of training and accreditation, much work has been put into finding contacts for those who wish to learn more about VM. This has been an area of concern, as it has been difficult to get quick fast responses for members in the past. The addition of information on to the web page should certainly help.

The Tony Toy Award is being progressed. Tony was our founder President and the driver in establishing the Institute in Hong Kong. He was also the key person in establishing VM in the Government. After losing him so suddenly, the Award was set up in his memory. The

aim is to stimulate interest in students in VM both in Hong Kong and also in China. We will make our first presentation at the conference next year.

This year in February marked the passing of Eric Adam in Australia, who was one of the truly great champions of Value Management. Thanks to John Fullager and the Australian Institute of VM, I attach an article about Eric Adam who I did hear talk when doing VM training in Sydney. If you have a chance, try to read his book.

There were 6 nominations for posts on the Council this year. As we have more posts than candidates, we propose to co-opt those who are currently helping and retain the same team for the forthcoming year. Council members have agreed to this.

Finally, it is my pleasure to thank all our Council members for all their hard work, to thank Christopher Howe for being our election returning officer, to our members who regularly assist us to use the Hong Kong Club venue, to our Treasurer for the lunch, and to our secretarial support of Joys and Leona who are our valued essential helpers to assist us with our day to day work.

We look forward to a very productive next 12 months and I wish everyone the Compliments of the Season and a very Happy New Year.

A. R. Wilson



**The office bearers of  
The Hong Kong Institute of  
Value Management  
wish you a**

**HAPPY AND GREAT  
NEW YEAR IN 2002**

# HKIVM 2001 Achievements and 2002 Targets

## HKIVM 2001 achievements

## HKIVM 2002 targets

### 1. To create awareness in the community of the benefits of VM

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| <ul style="list-style-type: none"> <li>- Articles in various journals and conferences.</li> <li>- Presentation to Association of Project Managers, HK Housing Authority Board.</li> <li>- Power point presentation for HKIVM prepared.</li> </ul> | <ul style="list-style-type: none"> <li>- 2 written articles to be published.</li> <li>- 4 Presentations to :-</li> <li>- Henly Alumni, planned for January, Professional Institutions, Universities, Others?</li> <li>- Develop core information and text for presentations for committee members future usage. Collect examples of success stories.</li> <li>- Use of web site?</li> </ul> |
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### 2. To encourage the use of the VM process by sponsors

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| <ul style="list-style-type: none"> <li>- ArchSD has held 1 workshop covering 2 projects.</li> <li>- Works Bureau and Housing guests invited to lunch presentations.</li> <li>- Initial input to WB steering committee on VM.</li> </ul> | <ul style="list-style-type: none"> <li>- Arrange 5<sup>th</sup> International VM conference to target other sectors rather than just construction. Target tourism sector for a VM study.</li> <li>- Invite guests from other sectors for Lunches. List of names required.</li> <li>- Continuous input to WB committee. To recommend insertion of VM in consultancies individual with separate fee sum included.</li> <li>- To consider setting up a "Client Group"</li> </ul> |
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### 3. To establish and maintain standards of VM practice in Hong Kong

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| <ul style="list-style-type: none"> <li>- Established the system for entry to WB facilitator lists.</li> <li>- Manage the WB facilitator lists.</li> <li>- Developed and tested draft VM workshop feedback form.</li> </ul> | <ul style="list-style-type: none"> <li>- Review the system and prepare written guidelines.</li> <li>- Continue to manage the lists, establish target for regular updates and reviews.</li> <li>- Initiate the feedback process.</li> </ul> |
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### 4. To contribute to the disseminations of the knowledge and skills of VM

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| <ul style="list-style-type: none"> <li>- Organised 5 lunch meetings.</li> <li>- Confirmed will input to Poly U. study.</li> <li>- Newsletter issued regularly.</li> </ul> | <ul style="list-style-type: none"> <li>- 8 lunches and 2 other events to be considered.</li> <li>- To provide input to the study as required.</li> <li>- To seek more items for the newsletter.</li> <li>- To consider publication in other sources.</li> </ul> |
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### 5. To establish an identity for the Institute within HK and overseas

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| <ul style="list-style-type: none"> <li>- Networked with UK and Australian Institutions.</li> <li>- Internet home page updated.</li> <li>- Identity now quite well established in VM circles.</li> <li>- Links with VM facilitators maintained.</li> <li>- HKIVM draft brochure proposed.</li> </ul> | <ul style="list-style-type: none"> <li>- President to President contacts to be set up. Exchange of newsletters to be explored.</li> <li>- Stronger links to SAVE to be considered. Consider Japan, Korea, Taiwan and China links.</li> <li>- Brochure to be printed and brought into use. Consider representation at overseas conferences.</li> </ul> |
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**6. To encourage R&D of VM with emphasis on developing new applications of the process**

- Support given to numerous student questionnaires.
- Research into VM in Hong Kong questionnaire for HKIVM under preparation.
- Continue to assist students.
- Issue HKIVM questionnaire and collate results. Publish findings and consider best way forward for R&D in Hong Kong.
- To promote the Tony Toy Award.

**7. To encourage and assist in VM education of individuals and organisation in Hong Kong**

- Notified a training course approved by other recognized Institutions to members.
- Researched relevant institutions holding approval courses.
- Awareness seminar given in ArchSD.
- Input to Tony Toy Award followed up.
- Continue to publish courses and link training data to HKIVM home page for easy access of members.
- Expand and put on home page.
- Continue awareness Seminar to others.
- To promote and present the Tony Toy award at the HKIVM conference in May

**8. To establish and maintain a Code of Conduct for practitioners in Hong Kong**

- Collection of information on going from relevant Institutions.
- To prepare a draft code.

**9. To attract membership of the Institute to support these objectives.**

- The number of paid members has gone up to 76 at the end Nov. 2001 including 10 overseas members.
- New membership categories agreed and introduced. Student members and associates to become full members if they wish after three consecutive years.
- To continue to promote the membership and benefits of joining the HKIVM.
- To introduce a corporate membership and facilitator categories.

*HKIVM's 6 AGM in the Hong Kong Club**Christmas Lunch after the AGM*

# NO MEAN END

Peter Yeomans, Principal of Yeomans Consulting

## INTRODUCTION

Delivering "value for money" and "adding value" remain significant goals for a large number of public and private enterprises. The value sentiment resides both within the organisation itself and the product, project or service the organization produces. Value - easy to say, difficult to define, often poorly delivered. An apparent lack of a mechanism to engineer value is often one of the justifications mooted for poor value for money outcomes. But help is at hand. Developed some fifty years ago, VALUE MANAGEMENT (VM) is hardly a new kid on the block yet remains a relatively untapped resource as a practical methodology in ensuring the maximisation of value in any given context.

## VALUE MANAGEMENT

The Australian/New Zealand Standard 4183:1994 defines VM as being "...a structured, systematic and analytical process which seeks to achieve *value for money* by providing all the necessary *functions* at the lowest total cost consistent with required levels of quality and performance". VM is not about simple cost reduction, it is far more powerful. The "lowest cost" referred to in the definition is that which delivers required or enhanced performance expectations - not the cheap and chatty.

"Function" is a key word in the definition. It is the concept of function and its analysis that sets VM apart from the many other recognised group problem solving processes. Function analysis lays bare the primary *raison d'être* of something, be it a paper clip, a nuclear power plant or an organisation. It cuts through the "wish lists" and challenges the stagnation of "we've always done it that way". It ends and not means orientated, thereby customer needs can be reinterpreted to finally understand that it is not 6mm drill bits that the customer demands but, rather, 6mm holes. Its power is in its simplicity.

## HOW DOES VM WORK?

Three key drivers make the VM process work. The AS definition talks of a "structured" process. This structure is provided by a five-stage journey which demands both convergent analysis to ensure that the right "problem" is being solved, a period of divergent creative and lateral thinking to generate a myriad of potential alternatives (the detachable windscreen wipers to avoid parking fines scenario), and a robust close-out implementing both qualitative and quantitative tools to enable the best potential solution to be selected and buffed and polished into the value outcome.

Secondly, the participant mix of the VM team is critical. Numbers can vary considerably and the jury is still out on what is an ideal number of participants. A more important issue is participant suitability. To overlook an end-user or customer could be a similar folly to excluding executive authority from the proceedings.

The third ingredient is the management of the process. The VM (preferably external) facilitator is faced with, often, large groups of participants, each carrying very different baggage, being required to think in unfamiliar ways. Add to this increasingly compressed workshop time frames of three, two and even one-day duration, and it is clear that the VM facilitator requires high-level group dynamic management skills and a thorough knowledge of the VM process.

## GOLDEN EGGS

So, if the expertly facilitated, five-stage VM process and a best available and committed stakeholder mix represent the "value goose", what are the golden eggs on offer?

- Capital cost savings in excess of 10%.
- Operational and maintenance cost savings.

- Enhanced quality and performance at the same or less cost.
- Significant reduction in production time lines.
- The do nothing/cosmetic changes presenting as the best value option.
- The unleashing of synergistic potential and sense of ownership (intra organisation, community, etc).
- Innovation.
- Positive change.

Yes, another bloody workshop. But that sentiment falls on stony ground in the case of VM. Millions of dollars, often tens of millions of dollars are saved within the larger project environment with attendant go to whoa time frames slashed by months. To the customer seeking to maximise return on investment this tends to register some interest. Within this context, the time and attendant costs associated with implementing a VM workshop become negligible.

## **VM APPLICATIONS**

VM commenced life during World War 2 in the USA and has grown globally and evolved from a value analysis application in the manufacturing sector, i.e. subjecting an existing product to the rigours of the five stage process to improve value to a much broader suite of applications residing under the umbrella of value management. It is widely used still in manufacturing, the project environment (building, engineering, construction and the resource sector) and increasingly in organisational applications. The language of strategic planning requires little translation to fit into a VM context. Or vice versa.

## **IN SHORT**

VM creates more bang for the buck. It consistently delivers if the right players are involved and the facilitator is on the ball. Significant whole of life cost savings are there for the taking utilising VM. Time and risk factors are substantially reduced. Innovative solutions are generated to often complex problems. Performance and quality expectations can be enhanced, even using existing product or process models. Improved communication, understanding and ownership should never be underestimated. In a climate demanding increasingly more from increasingly less, VM goes beyond the rhetoric and gives the value tiger some teeth. It is robust. It is simple. It is gaining momentum. It works. It is good value.

# **Knowledge Management and Strategic Thinking**

David Stevens, Strategic Thinking Pty Ltd.

## **INTRODUCTION**

Knowledge Management is “much ado about something” but I’m sure most people don’t know what the “something” is.

The business community is awash with such terms as Knowledge Management; and also Strategic Thinking, Tactical Thinking, Intellectual Capital, Social Capital and a plethora of other interesting but obscure terms. No two people seem to agree on a conceptual framework that holds all these terms together; or indeed, can describe a conceptual structure that reflects an understanding of these terms. Referring to my book, “Strategic Thinking” (McGraw-Hill 1997) and drawing on the running of over a 1,000 group problem solving workshops for a variety of large and small, public and private sector, organisations world-wide I will try and link all these concepts into a meaningful approach.

## **PROFIT & SUCCESS ARE BASED ON DEVELOPING INTELLECTUAL AND SOCIAL CAPITAL**

There is quite a simple distinction to what constitutes intellectual material and what makes intellectual capital. If I take a pile of telephone books and throw them on the floor in front of me I have a mass of intellectual material. This is undifferentiated information that has not been exploited at all. It has no intrinsic value. However, if I define

a target market and then create a mailing list that relates to the target market I have created intellectual capital. I have leveraged the situation.

Intellectual material is merely the result of brainstorming or bright ideas that anybody can have. Intellectual capital is the stuff of recognised brands, successful positioning etc. Intellectual capital is the difference between bricks and mortar book entries, when assessing the assets of a company, as distinct to its market capitalisation that embodies all its intangible assets.

The process of conversion of intellectual material to intellectual capital is all important. The more opportunities for the creation of intellectual material in an organisation, under the right circumstances, the, more intellectual capital can grow.

But brainstorming by oneself is sterile, monochrome, shallow! It's the collaboration between the members of the organisation that really matters. That's where social capital comes in.

And social capital is all to do with relationships and collaboration. The more effective the relationships between members of a company, and even its suppliers and users, the more social capital they've got. The more social capital they have the more likelihood that they will be able to develop intellectual capital.

## **THE ROLE OF STRATEGIC THINKING**

To develop intellectual capital we need an environment that facilitates the creation of a lot of intellectual material. Intellectual material is useless by itself. It needs to be "transmuted" to create intellectual capital. All this best happens in an organisational culture which promotes lateral thinking, yet does so in a structured group decision making context.

Strategic Thinking is about promoting unorthodox perspectives. Most human societies condition us to believe that there is only one right answer to any problem.

We must train ourselves to resist this to achieve high creativity. Self discipline is required to achieve high levels of creativity just as much as it is necessary to have stimulating environments.

We must learn to challenge the obvious. We must resist the temptation to grasp at the first solution of a problem and seek better, richer solutions.

Strategic Thinking is also about provoking the individual mind in a group problem-solving situation. Strategic Thinking is about facilitating and exploiting group dynamics as a powerful and rapid process for achieving high quality decision-making.

## **PROJECT MANAGEMENT FOCUS**

For effective Strategic Thinking you need to work in a project orientated context rather than an undifferentiated organisational context. The construction industry has historically done well in the utilisation of project management principles. More recently IT and the finance industries have taken the lead in adopting project management techniques. The advantage of working in a project context is that there is a beginning and an end. Outcomes are measurable. Monitoring is relatively easy. Any organisation is capable of breaking up internal components of that organisation into specific projects rather than attacking them on an organisational wide front. This is best done when we identify key project teams and take them through precise methodologies to achieve specific project objectives.

Ultimately Strategic Thinking is using the right group problem solving methodologies, at the right time in the life of the project, with the right people to give the project maximum margins. This ultimately will translate into greater profitability for the organisation.

## **THE METHODOLOGIES WE ARE TALKING ABOUT WITHIN STRATEGIC THINKING**

There are many well-established group problem-solving methodologies. The methodologies start at the concept of a program, product, or business and run right through the life of the same. They include Participatory Strategic Planning, Value Management, Value Engineering, Risk Management, Partnering and so on. These well defined

methodologies have been around for a long time; but not many people seem to know of them. None of them are complicated processes but all of them are based on a creative infrastructure over which a series of techniques are superimposed to generate intellectual material, to in turn create intellectual capital utilising collaborative decision making.

## **MORE ABOUT GROUP PROBLEM SOLVING**

On many occasions I've had to demonstrate to the sceptical the power of group problem solving. In the first instance I talk about the linking of batteries. In one configuration a series of batteries linked to a bulb merely keeps that bulb alight a lot longer than if only one battery was connected. When the series of batteries are re-configured, something magical happens. The light bulb bursts forth with brighter light. There is a surge of energy, but it's the still the same number of batteries. The analogy can be extended to the simple PC. Configured in one way the PC merely communicates with other PCs. If it's configured in an innovative way the same number of PCs re-connected can create a super-computer. Something magical happens again.

And it's the same for the ultimate package of energy. The human mind. If it's linked in one particular way, decision making like the light bulb, just takes a lot longer than it needs to. However, if the configuration of the people is done in a certain way then the decision making process can be enhanced and shortened. Quality in decision making is enhanced in that there is a greater richness in the decision making. Multiple solutions or options are looked to for particular problem areas. Only this can occur with a properly constructed group problems solving groups, collaborating in the most effective way. The methodologies indicated above capitalise on this fact. They determine the style of collaboration.

## **FAST TRACK THINKING**

It's an erroneous belief that the longer it takes to reach a decision the higher the quality of that decision. Some of the greatest decisions ever made have been achieved in a very short period of time. Think of the urgency of war-time decision making. Think of the "eureka" phenomenon. Obviously behind the speed of some decisions is the fact that creative forces might have been at work at a subconscious level for some time prior to the decision making event. However it is the role of Fast Track Thinking to bang out multiple decisions on a very rapid basis; but again doing so within a very structured context. There are certain things that a facilitator can do to expedite Fast Track Thinking.

## **THE ROLE OF THE EXTERNAL FACILITATOR**

One of the roles of the external facilitator is to ensure that the "batteries" or "PCs" are all in good working order.

The most important role of the facilitator is to ensure high quality decisions are being made in a relatively short period of time. There are certain devices that he/she can use to provoke Fast Track Thinking. The facilitator can instill a sense of urgency by asking questions, creating a sense of impending "finish" to the workshop. In my book "Strategic Thinking", I list a series of rules or guidelines for achieving Fast Track Thinking.

The role of the facilitator is to ensure that the "connections" between the batteries are intact and that the "terminals" are not corroded. In other words the facilitator is responsible for super-imposing a methodology that configures the people in such a way that the aggregating of their intelligence problem solving or creativity is vastly superior to any individual operating alone.

## **WHAT'S THIS ALL GOT TO DO WITH KNOWLEDGE MANAGEMENT?**

Knowledge Management to me is a generic title that incorporates all of the above. Knowledge Management is about the exploitation of the individual mind in the corporate context, working within certain specified group problem solving methodologies to produce high value results. Results are expressed as social and intellectual capital. Many sceptics believe because Knowledge Management deals with intangibles that it is hard to measure. The measurement in fact is simple. It is measured by market capitalisation, profitability and over a period of time, data emanating from organisational climate surveys.



## WHERE DOES R&D FIT INTO KNOWLEDGE MANAGEMENT

Knowledge Management is another name for R&D. The real issue is how we encourage R&D within organisations. We must experiment and make mistakes for effective R&D to manifest itself. The risk adverse culture endemic in Australia and the lack of encouragement through lack of tax incentives does nothing to excite us to be creative.

The essence of R&D is for a group of people to get together and ‘bang out’ ideas with Fast Track evaluation that filters the ideas so the organisation ends up with high value ideas relevant to the organisation.

## CONCLUSION

Knowledge Management can’t happen unless there is knowledge production. Knowledge production can’t happen unless there is an environment within the organisation that stimulates the development of intellectual material. Group problem solving naturally generates social capital because of its collaborative decision making. Fast Track Thinking can deliver high quality decision making, and product innovations in a matter of two days, if covered in the appropriate facilitated workshop situation.

The notion of Strategic Thinking is achieved when individuals in groups know which group problem solving methodology to use in the lifetime of a particular project. They must also be able to identify the key people or stakeholders who would need to be involved in a group problem solving situation to resolve whatever issues are at stake.

Tactical thinking is merely the techniques that are used within the methodologies that are identified by the strategic thinker to be the most fruitful in creating intellectual material and then intellectual capital.

To get all this right ‘good’ Strategic Thinking leads to good Knowledge Management.



## Dr. Shen Won the Best Paper Award at the PMI Europe Conference

HKIVM Secretary Dr. Geoffrey Shen attended the PMI Europe Conference in London in June 2001 and presented a paper entitled “A group decision support system for improving VM studies in the construction industry” which was jointly written with Jacky Chung. This is the 4th European Conference organised by the European Chapter of the Project Management Institute. Despite the expensive registration fees, it was attended by more than 500 delegates from all over the world. The Programme Committee has selected 65 high-quality papers from nearly 200 abstracts submitted, they were arranged in eight tracks. Among the 65 papers presented, a total of 8 papers were elected by the participants of the conference as “the best paper”, one for each track. Dr. Shen won the Best Paper for the Value Management Track of the PMI Europe Conference.



## **WTO ENTRY BRING OPPORTUNITIES TO VM IN CHINA - China Manufacture VM Society Annual Conference 2001**

Guiwen Liu, Department of Building and Real Estate, The Hong Kong Polytechnic University

On 26-29 November 2001, the China Manufacture VM Society organized an annual conference in Beihai, Guanxi, China. The theme of the conference was “WTO Entry, Use VM”, which was intended to address the milestone event of China successfully joining the World Trade Organization after a 15-year struggle. While some have highlighted the numerous benefits of membership, allowing the country to prosper and develop, it will bring a number of challenges to some national industries where foreign countries have a comparative advantage. The manufacture industry is considered to be one of the most vulnerable sectors. This situation places an urgent demand on companies in this sector to improve their competitive ability with advanced management methods. VM seems to be one of the best weapons for them.

The Conference attracted over 60 delegates from all around the country, including government officials, academic researchers, consultants and manufacture practitioners. It began with a one-day visit touring Liuzhou Engineering Machine Ltd., which is one of the most successful users of VM in the manufacture industry. The company's CEO made a presentation to introduce their experience in using VM. The fruitful outcome and dramatic story produced by the use of VM in this company deeply impressed and motivated the other delegates.

Jian-yi Liu, the first keynote speaker from the China Manufacture Management and Economics Institute, revealed the existing problems in management with many China's manufacture companies. He argued that improvements at management level are crucial for these companies to survive and develop under WTO rules. He also pointed out that companies used to the protection and support of the government had to make fundamental changes, since China will give non-discriminatory access to the market to all WTO members and gradually end protectionism of its national industries in the near future. Learning and applying advanced management methodologies such as VM were strongly recommended by Liu.

Guo-wei Zheng, a former senior official of the Ministry of Machinery who participated in China's WTO negotiation with other WTO members regarding items related to the manufacture industry, set the scene in his keynote speech about the advantages and disadvantages faced by various manufacture companies after China's entry into the WTO. As an inevitable result of the intensifying competition, many native manufacturers had to lower their product prices to obtain a competitive edge in the newly opened market. The low prices will subsequently lead to a pressing demand to reduce the cost of their products. As a prestigious method in cost reduction, Zheng predicted that VM would attract unprecedented attention and win more development opportunities under the WTO conditions.

After a local style lunch, the Conference stepped into the second section, chaired by Professor Shen Ming, former president of the China Tertiary VE Association. Feng-ming Liu from the China First Tractor Company shared his experience of setting up a continuous VM program within his company. His experience indicated that support from senior managers, integrating VM into the objectives of the organization, co-operation within the organization and a powerful ensuring system for implementing VM proposals are the most important elements. A delegate from the Wulin Automobile Group introduced the reengineering of their business process under the principle of the value chain. This is a success story of applying value-based methodologies. Their presentations were followed by constructive comments from Professor Wan-huang Qiu. She also gave the delegates the idea of combining VM with project management in order to widen its fields of application.

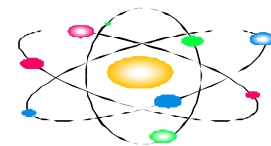
Professor Hao-bang Tan gave a presentation regarding the relationship between VM and the innovation of a company. He explained the creative essence of VM and showed how it enhances the innovation ability of a company. Professor Ge-fu Liang from Guanxi University presented the use of VM principles to diagnose problems in small and medium-sized companies. His experience showed the great potential of VM in strategic management. Mr. Mingxin Gao, the editor of Value Engineer, which is the most influential journal on VM in China, reviewed the current trends in VM development in the world, and anticipated a bright future for VM in China after its accession to the WTO.

Dr. Geoffrey Shen, as an invited representative from Hong Kong, gave a presentation on a comparative study of VM standards used in the USA, UK, and Australia. Different VM processes, procedures, tools, techniques, etc. in these standards were compared in his presentation. It is hoped that this introduction will provide a worthwhile reference for updating China's current VM standard, which was set up under the planned economic system.

The Conference program ended with an enjoyable tour to the famous Silver Beach in Beihai, having successfully enabled academics and practitioners to exchange ideas on one common platform. The consensus of the delegates was that entry into the WTO would provide a driving force for VM development in China. However, great efforts must be made by both academics and practitioners in order to harvest the VM boom in China.



## HKIVM NEWS



- ♣ 26 Sept. 2001, Lindsay Pickles, Dr. Geoffrey Shen and Richard Lyall were invited by the Association for Project Management - Hong Kong Branch as guest speakers to present "Value Management in Hong Kong" to over 60 APM members and delegates, which was very well received by the audience.
- ♣ 11 October 2001, HKIVM President Mr. Tony Wilson gave a presentation on "Powerpoint Presentation of HKIVM and Value Management" at the 34th lunch meeting, organised by the Hong Kong Institute of Value Management, which was very well received by around 20 members and guests.
- ♣ 13 November 2001, The Hong Kong Institute of Value Management invited Mr. Martyn Phillips – a well known value management facilitator from Canada – to give a presentation on "Practical Applications of the Value Spiraling Technique" at its 35th lunch meeting, which included both advanced but simple methodology and some VM success stories. This event was very well received by more than 20 members and guests.

## FORTHCOMING EVENTS



- ◆ 17-19 January 2002, the Canadian Society of Value Analysis will offer value management module II: Advanced Value Management in Edmonton, Alberta.
- ◆ 12-15 February 2002, the Canadian Society of Value Analysis will deliver courses on Client Relationships and Effective Presentations, which are lectured by Dr Owens in Toronto.
- ◆ 20-22 February 2002, The Sixth Australian International Performance Management Symposium: Enterprise Performance Management will be hold in Hyatt Hotel Canberra, Australia.
- ◆ 5-8 May 2002, the 42nd Annual SAVE International Conference "Engineer Change to Elevate Value" Denver, Colorado. For further information, please visit <http://www.value-eng.org/conference/conference.htm>
- ◆ 29-30 August 2002, an Value Management Conference will be held in Hobart Tasmania, Australia. The theme is "Balancing THE SCORECARD - Putting the Focus on People Values in Decision Making". For more information on the conference, please visit the following web site:  
<http://www.value-management.com.au/2002Hobart/conference.html>

## PROFILE OF YOUR COUNCILLORS

**Richard Lyall** is a Chartered Engineer and has degrees in Civil Engineering and Business Administration. He is currently an Associate Director of Atkins China Limited, a member of the WS Atkins group, and has worked for many years as a specialist project manager on major civil engineering projects. He is a member of the HKIVM, a registered facilitator and is now serving on the Council of the Institution as Programme Director.

He has spent seven years in Hong Kong working on multi-disciplinary projects, including the Lantau and Airport Railway and the KCRC's West Rail Project and Light Rail Project. He has also worked as the Director of Strategy for the North-South Transport Link project which was constructed through Lisbon. During the last four years Richard has concentrated on adding value to projects in Hong Kong through the implementation of structured value and risk programs. He is responsible for project management services in Atkins China Limited involving value and risk management. His role includes facilitation of value management workshops for all major projects undertaken by ACL, training staff in project management services, facilitation of risk workshops for major projects and setting up project management systems for major projects.

Through the use of VM he has achieved several notable successes including: 30% reduction in the cost of Tsuen Wan West Station; the preparation of an above ground station for Yen Chow Street MTRC/KCRC Station, saving over 35% of the tender sum for a contractors tender in a period of only five weeks; preparation of an alternative scheme for Tsim Tsa Tsui East Station as part of the consultants tender for the detailed design of this station, significantly realigning the East Rail Extension in a manner that has now been adopted. All of the above have involved significant innovation, adding value to the works whilst reducing cost and program. These projects are a testament to Richard's abilities to lead value based programs to innovate major projects successfully.

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## Application for Membership of the Hong Kong Institute of Value Management

If you are interested in knowing or joining the HKIVM, please download the membership application form from the Institute's website - [www.hkivm.com.hk](http://www.hkivm.com.hk). Alternatively, please fill in the reply slip below and return it to the membership secretary of HKIVM, Dr. Frederik Pretorius, c/o Department of Real Estate and Construction, The University of Hong Kong, Pokfulam Rd., Hong Kong. Tel: 2859 2128, Fax: 2559 9457.

Please send an application form for membership to the undersigned:

Full Name:

Company:

Address:

Position:

Tel:

Fax:

Signature: