THE VALUE MANAGER

The Hong Kong Institute of Value Management

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Table of Contents

Edited by Dr. Geoffrey Q.P. Shen

EDITORIAL: Welcome to this new issue! Pickles introduces what VM is, how it is used in practice, what benefits can be expected and what phases are included in VM studies, and which organisations in HK have used VM successfully. Vandenberg and Hassett argue that creating effective partnerships is about establishing relationships which are focused on win-win outcomes through open communication, common purpose, innovation, broad stakeholder ownership of solutions and the development of a team environment where project success factors are developed and fostered. They see that the traditional VM process is a robust framework for the initiation of partnering relationships. Following the first part of the article in the previous issue, Stevens continued to share his view on strategies for globalisation. In addition to the technical papers, I have reported the Annual General Meeting held on 15 March 2001, and the result of the elections of councilors. We have 10 new members joined the Institute during the reporting period; please join me to welcome every one of them!

Dr. Geoffrey Q.P. Shen

Value Management – What is it and How is it Used

Lindsay Pickles, Director, Pontex Limited

Value Management is 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 the required levels of quality and performance.

The essence of Value Management (VM) is an approach to distinguish between needs and wants. Often this distinction is blurred, and VM seeks to establish the function or purpose of the item under study and provide it at the lowest cost. This ensures that the clients needs are satisfied in the most economical manner. VM is a flexible team oriented approach for assessing the relationship between function, cost and worth.

The process described below can be applied to any problem solving situation, ranging from the implementation of a large scale capital projects to strategic business development. It has been used to generate ideas for a proposed railway link, for flood plain management in Australia, for increasing the use and value of a shopping centre, and to consider the development of a hospital to be financed privately. It could also be used by a group of individuals interested in forming a company to ensure the commercial viability of the potential association.

The philosophy of VM is based on the premise that a certain amount of unnecessary cost is inevitable in design or management processes because of the complexity of the process. Significant cost savings can be achieved by the identification and subsequent elimination of the unnecessary cost. Furthermore, costs can be minimised and inappropriate design avoided by carrying out VM in the early stages of a

project. Often Clients are only aware of the options open to them through such a structured discussion process.

Originally Value Management (also known as value engineering or value analysis) started out in the US in the immediate post war era. A young engineer, Larry Miles, working for the General Electric Company, was forced to design parts from a severely restricted range of raw materials. Instead of focusing on the actual part he was designing, he focused attention on the function it had to perform. He found that the end result was invariably simpler, more economic and performed better.

The emphasis on function remains the driving force in VM today. Many known cost cutting techniques are used and these are organised in a manner which permits systematic evaluation and application to function.

When is VM Used?

VM can be used at any time but best results are obtained early in the programme or before a process of change. The optimum time is at the stage where there is enough substance in the planned action or design and sufficient cost information or procedure timetable to persue realistic alternatives.

Experience has shown that, because of the intense effort by a number of participants over a short period, time is actually saved by carrying out a VM study. The time scale of the workshop can range from one to five days in which relevant personnel interact in a multi-discipline group.

A further premise of VM is that none of us is as good as all of us and there is undeniably an advantage to be gained from working in groups. It is important to obtain a wide range of views and input form external consultants often synergises the process, adding new ideas and 'outside the box' thinking.

In addition, the group should have a clear mandate for senior management to improve value. This provides the environment for input, both verbal and written, from the group and ensures uninhibited contribution from all participants in a controlled manner. Crisp decisive independent facilitation will assist the synergy of all participants towards a successful study.

The Benefits of Practising VM

Benefits of practising VM include savings in cost, improved income potential, lower operating expenses and a more appropriate fit between clients requirement and design.

VM is a well established powerful and complex tool. The benefits usually obtained from studies include:

- Simplification of methods and procedures resulting in less recurrent costs and a more efficient process
- Savings in time cost and energy
- Expedited decision making
- Risks can be better forecast and understood by all
- Resources time wastage can be minimised
- Savings can be redirected to add value
- Programmes can be staged or phased, allowing progress
- Better communications and understanding by all of the project objectives
- Appropriate quality
- Responsiveness to client's priorities
- An opportunity for the client to formally participate in the design process
- Client insight into the project
- Improved communication between the parties

The results of VM studies vary but potential cost savings generated are usually in the region of 3% - 15% of the estimated capital costs and 3% - 7% of annual operating costs. In addition, savings in construction time and increased revenue from enhanced facilities can provide additional tangible benefits.

The VM Job Plan

The VM workshop is an intense forum / think tank exercise where each perspective is heard in a structured safe environment. The group typically agrees on objectives and criteria, generates alternative ways of satisfying the criteria and agrees on an outcome. The five stage job plan is as follows:

Information Stage. In this stage, the workshop participants share information about the project so that all participants can focus on the project and actively listen to peers providing their experience. Relevant information includes customer requirements, specifications, details of any constraints or relevant policy decisions and costs involved in proposed or existing projects.

Analysis Stage. The second stage is where the components of the system are identified and areas of high cost and/or importance are established. In some case a more detailed functional analysis and costing can be carried out. This phase of the workshop serves

to focus the group on where their activities will provide the most benefit.

Creative Thinking Stage. In the creative thinking stage, the workshop participants are divided into groups, each of which is asked to resolve issues identified in the information stage. The spokespersons of each group are then asked to present the findings from their group to all study participants so that further ideas can be created from the other participants. All ideas are welcome, as even those which are seemingly unsuitable, may spark the creative thinking process.

Evaluation Stage. The fourth stage involves the evaluation of those ideas which have been generated in the previous stage, using criteria identified as important during analysis stage. This allows the creative ideas to be culled and only the most likely ones are taken forward for further development. Specialists may be called in to assist in deciding the alternatives which will be developed as recommendations.

Development Stage. The development of the chosen options is sometimes carried out outside the workshop environment. The problems involved in implementing the recommended options, how they can be overcome by whom and by when forms the bulk of this stage of the workshop.

The culmination and final result of the workshop is a detailed report which describes the process, findings and results of the workshop.

The role of the Facilitator during the Workshop involves the selection of suitable strategies to manage the process according to the particular requirements of the study and the needs of the participants at any given time. This involves a complex array of decision making, facilitation, VM and personal management and organisational skills.

The facilitator will create an environment in which the group utilises its participatory commitment to the utmost level in terms of -
- technical knowledge;
- problem solving ability; and
- consensus decision making.

On top of this, the facilitator must stay within time limits and ensure that the workshop overall is on target to achieve the specified objectives. There is a need to develop and explore the range of possible solutions to ensure that the best possible outcome is achieved.

Experience Of Companies Who Have Practised/ Implemented Vm

VM was introduced to the Hong Kong Government through the Architectural Department (Arch SD). In Australia, it is extensively used in the evaluation and implementation of Public works projects and as a result, it is generally used for capital projects in Hong Kong. It's greatest benefit in the United States is believed to be in production works where savings generated by the process are felt over a longer period.

In Government, ArchSD and CED and WSD have carried out VM studies in many projects. Feedback from participants in Government projects suggests that consultants carrying out the studies preliminary feasibility study obtain great benefits from the discussion and background experience of government officials who attend workshops.

The time input is a factor in getting people to attend. The time input required to set up and attend VM workshop is perceived as too valuable to give up. However, often overlooked is that time will be saved later through avoiding crisis meetings, projects requiring less co-ordination and smoother implementation.

Both the Mass Transit Railway Corporation and the Kowloon Canton Railway Corporation have applied VM to assess several major capital investment on existing lines and new extensions. These include:

Platform Screen Doors Retrofitting
MTRC Station Modifications Programme
MTRC Station Improvement Programme – New Entrances & Ceilings
KCRC Westrail and East Rail Extension
MTRC Tseung Kwan O Extension Project, East Kowloon Line Study and Mei Foo Works.

The MTR Corporation has also established a Value Assessment system to evaluate and prioritise capital and revenue works initiatives. Value analysis is also used as a tool in a smaller and less structured way to assess the necessity of some maintenance tasks.

VM was first introduced in Mainland China as one of the 18 modern management techniques in 1978 when the economic reform in China started. VM has been successfully used in many cities and provinces such as Beijing, Shanghai, Tianjin, Guandong, Sichuan, Guangxi, Jiansu, Zhejiang and Fujian. Applications of VM can be seen in a variety of industries including machinery, textiles, agriculture, finance, coals and mines, defence, electronics and services. According to a report publishes in the China Value Engineering in 1990, the annual savings in China were estimated at RMB500 million.

The application of VM is not limited by the size of type of business or organisation– only by the methods of implementation, organisational structures, reporting

procedures, sources of value oriented personnel, and degree of required cost reduction. The greater the competition, the more is the need for VM.

Creating Effective Partnerships -
Building Leadership And Understanding Utilising VM

Michael Vandenberg - MIVMA (Prac), MHKIVM
Gordon Hassett - MIVMA,
Directors, RDT Pacific - Management and Project Consultants - New Zealand

ABSTRACT

Changes in the worldwide business environment, including globalisation, evolving technology, constant innovation and increasing specialisation, require changes to traditional stakeholder relationships contractual forms, structures and the like.

In the new business environment, the success of projects, whether they be informal or contract based, depends upon the management and leadership of well motivated teams. Well motivated teams require a focus on common project goals and objectives. They also require an environment which fosters trust, co-operation and empowerment.

Creating effective partnerships is about establishing relationships which are focused on win - win outcomes through open communication, common purpose, innovation, broad stakeholder ownership of solutions and the development of a team environment where project success factors are developed and fostered.

A key component of a partnering or alliancing arrangement is the successful initiation of the arrangement. By utilising an experienced facilitator and a proven methodology it is more likely that the arrangement will be successful from the start and be robust enough to survive the tests such relationships are designed to deal with.

The traditional Value Management process is in our opinion a robust framework for the initiation of partnering and alliancing relationships.

It must be recognised however that no matter how good the partnering initiation process, or how many of the right words are uttered during that process, the success of the arrangements depend upon individual and organisational commitment to implementation, monitoring, learning and improving.

THE PROBLEM

Changes in the business environment in recent years have not been matched by changes in stakeholder relationships, contractual forms, structures and the like.

The changed environment has led to a drive for more effective use of resources, requiring rationalisation of effort.

Globalisation of business is requiring new approaches to ensure that businesses are internationally competitive - even to compete in their home markets.

Evolving technology and constant innovation are driving shorter product lifecycles which require more immediate responses across a broader band of functions.

Replication of structures occur in all participants in industries.

Increasing specialisation leads to a lack of focus on the total system.

Rapid integration of large populations into the global economy, eg China and Eastern Europe are stressing the ability of developed economies to respond to demands for goods and services.

It is becoming increasingly evident that the macro issues outlined above can not be adequately addressed utilising traditional approaches to contractual and working relationships.

These traditional approaches are often "win-lose" based and as such discourage open communication and the functions which open communication foster, such as common purpose, innovation, broad stakeholder ownership of solutions and the like.

THE OPPORTUNITIES

Deregulation and defacto integration of the world's economies are allowing relationships across international boundaries and are breaking down government regulation which made these relationships problematic. This change provides the opportunity for relatively small specialist players to leverage their knowledge across global markets.

Companies can grow and add value by focusing on doing what they do best, across global markets, rather than being generalists in their home market. Working with other leading edge companies leads to sharing of expertise across what would otherwise be impenetrable boundaries

By joining complimentary skills, opportunities are provided for two or more partners to become involved in accessing new markets which individual companies may not have the expertise or resources to enter separately.

Partners each accessing each other's profile, client base and strategic location are able to offer complimentary, non-competing products and services.

At an individual project level, on-going performance of relationships and promotion of innovation are enhanced, by establishing shared objectives and formalising communication and issue resolution procedures. The consequences are felt on the bottom line of all participants.

THE PRE-REQUISITES

Whatever the form of working alliance being considered, there are a number of pre-requisites for success, which in our experience must be present, these include:

- basic understanding of the concepts of the arrangement at the outset
- high level commitment (CEO level) in each of the main stakeholders organisations
- equity between the major stakeholders
- trust between each of the parties
- respect for other parties' skills and resources
- constructive discontent with traditional approaches
- likelihood of common purpose unfolding
- commonality of main stakeholders' business ethics
- broad stakeholder involvement from each organisation
- competent independent facilitation of arrangement initiation workshop

THE OPTIONS

There are a number of alternative contractual and relationship forms to the dominant traditional approaches. These include:

- the joint venture structure, where two parent companies create a third company as a formal structure to undertake a specific project.
- cross shareholding, involves two or more companies exchanging a minority interest for the purpose of pursuing long term mutual purposes
- joint action groups (JAG's) which usually comprise industry groups focused on a particular aspect of business such as export markets
- soft networks which usually address broad issues affecting an industry and may comprise large numbers of participants
- hard business networks typically comprise 5 - 8 participants with an immediate focus on the bottom line
- partnering, a formal commitment between two or more organisations for the purpose of achieving specific business objectives by maximising the effectiveness of each participant's resources.
- alliancing (in our experience is an inexact term, often interchanged with partnering). In different jurisdictions alliancing may be used to indicate a partnering arrangement with more than two participants or may be used to avoid the possibility of legal interpretations of "partnering" as "partnerships".

This paper addresses in detail the processes and

Partnering study will vary from project to project but will commonly include the following aspects.

Pre-Workshop

Key aspects of the pre-workshop stage include :

- identification and confirmation of the clients objectives for the workshop - the workshop is structured, and the agenda is formulated to ensure the objectives are achieved.
- identification of the workshop participants including representatives from a cross section of significant stakeholder organisations to ensure the most relevant and representative workshop group.

During the pre-workshop stage the Information Phase commences with the assembling and distribution of background information to study participants. This information may include specific information on the relationship and communication issues identified by the senior representatives of the major stakeholders, confirming that there is a level of common purpose as a starting point.

Workshop

Throughout the workshop, participants work in a highly contributory and dynamic environment, in a mix of large - up to 20 people, and small - as few as 4 people groups. The facilitation team keep the groups focused and productively employed throughout.

The workshop stage commences with the continuation of the information phase (which can occupy up to one quarter of the overall workshop time frame). The information phase is divided into a series of steps, structured to ensure the generation of a large amount of information, relevant to the project or operating environment and the focus provided by the workshop objectives.

The function identification process is utilised to identify the Partnering arrangement functions.

At the completion of the information phase the workshop participants will have a common level of relevant project or operating environment knowledge from which to proceed into the subsequent phases. In particular, a clear picture of the specific key issues, objectives and functions has been assembled and thoroughly tested, around which strategies for the achievement of the Partnering objectives are created in later phases.

The workshop stage continues with the analysis phase, during which the information identified in the function

identification phase (having been structured by the workshop facilitation team) is presented back to the group for discussion and endorsement. The function analysis phase is key in setting the direction for the remainder of the workshop as the agreed functional hierarchy will identify the base components of the Partnering Charter being the Mission Statement, Partnering Goal and Partnering Objectives.

The creativity phase follows, during which the participants generate strategies or tactics to achieve the shared Partnering objectives. In addition ideas, systems and methodologies are generated to deal with:

- communication and issue resolution
- Partnering performance monitoring and evaluation
- particular key issues and objectives identified in the information phase.

The Judgement phase involves the evaluation of the ideas (strategies, tactics and methods) created in the previous phase.

This phase will result in a consolidated set of outcomes including agreed:

- Partnering Mission Statement
- Partnering Goal
- Partnering Objectives
- Partnering Strategies or Tactics
- Partnering communication and issue resolution framework and process
- Partnering performance monitoring and evaluation framework and process

The final workshop phase involves the review of ideas and options developed for implementation, what problems are involved in progressing and implementing the developed recommendations and what action is required, by whom and by when.

Post Workshop

The post workshop phase involves the preparation of the Partnering Study report, Partnering Charter, and dependant upon the clients needs, assistance with the management and monitoring of the action plan to ensure that the workshop outcomes proceed as intended.

IMPLEMENTATION

As is the case with all management approaches and systems, the implementation of the agreed system or process is key in fulfilling the potential benefits identified in the initiation phase.

It is our experience that there are two key factors which go a long way towards ensuring the arrangement implementation is successful.

The first factor is championing of the process from the most senior level possible within the main stakeholder organisations. This championing is particularly necessary during the early stages of the arrangement when, in our experience, a culture change is necessary to move individual thinking from:

- a traditional approach to a partnering approach
- an individual approach to a team culture
- a win - lose approach to a win - win approach
- a contractual allocation of value improvement to a partnering sharing of value improvements

The second factor is the ongoing monitoring and evaluation of the performance of the partnering team in achieving the partnering arrangement goals. This evaluation, and the resulting feedback and opportunities for improvement are key in the team becoming a learning organisation. It must be stressed that the evaluation is of the relationship and communication goals, not the project goals, although many of the relationship goals will support the achievement of project goals.

BENEFITS

The benefits of utilising Partnering or Alliancing in a project or general business environment are many and varied.
The following statement from one of our clients - Transit New Zealand summarises the main generic benefits of Partnering.

"The formal Partnering process provides a means to focus the whole team on a number of shared goals, which usually, in a capital project environment are subsets of a joint objective focused on completing a successful project. In addition, the environment created when formulating the Partnering agreement or charter provides an environment which motivates the team towards co-operation.

The communication structure and trust that is built up with a commitment to Partnering means that issues are identified and resolved quickly, saving the costs of unexpected issues, delayed decisions, dispute resolution and litigation. The focus is on issue resolution and dispute avoidance rather than dispute resolution.

In addition there is a real focus on value improvement given the incentive of those involved sharing in the cost benefits of implemented value improvements."

CONCLUSION

Successful projects are delivered by well motivated teams. Well motivated teams require a thorough understanding of shared team project goals and objectives (in addition to individual and company goals and objectives).

To be effective and well motivated teams should also operate in an environment which builds trust, co-operation and encourages empowerment of team members.

The initiation of a Partnering approach, the development of a Partnering charter, the development of a communication and issue resolution framework and the agreement of a relationship and communication evaluation process and criteria ensure that there is a team environment where the teams success factors are developed and fostered.

The traditional Value Management process is in our opinion a robust framework for the initiation of partnering and alliancing relationships.

STRATEGIES FOR GLOBALISATION

By Prof / Dr David Stevens, Strategic Thinking Pty. Ltd.

Continued from previous issue……

The Group Problem Solving Methodologies

Strategic thinking is mentioned above in the context of identifying the appropriate group problem solving methodology in the life of the project. The table below indicates the project status or the life of the project on the left hand column, with the right hand column indicating which is the appropriate group problem solving methodology. Each of the group problem solving methodologies has their own set of

guidelines, techniques and associated approaches. In many instance these various group problem solving

methodologies have their own standards, government appointed panels in various countries, and so forth.

Table 1 - Optimising Project and Product Value

Project Status	Group Problem Solving Methodology
Project / Product Notion	Participatory Strategic Thinking
Project / Product Concept Design	Value Management
Pre Project Approval	Economic Appraisal
Project / Product Concept	Risk Identification & Assessment
Project / Product Detailed Design	Value Engineering
Project / Product Detailed Design	Risk Management
Project Development / Product Manufacture	Partnering
Post Project Completion	Post Completion Review

The time implication associated with group problem solving methodologies is minimum. The next table below indicates what the group problem solving workshop time component could be. Thus the absolute maximum for, a major and complex project in terms of group problem solving could be as little as eight or nine days. But then that eight or nine days does not come at the expense of time programmed for the projects. In many respects the eight or nine days involved in group problem solving leverages the project team in such a way that they could save six months, a year or even 18 months of unproductive problem solving in the normal, traditional way.

Table 2 - Optimising Project and Product Value

Project Status	GPS Methodology	Workshop Component
Project / Production Notion	Strategic Planning	1 day (outside of scope of project interventions)
Project / Product Concept	Value Management	1 day / 2 days
Pre Project Approval	Economic Appraisal	2 days
Project / Product Concept	Risk Assessment	1 day
Project / Product Derailed Design	Value Engineering	1 day / 2 days
Project / Product Detailed Design	Risk Assessment and Management	1 day
Project Development / Product Manufacture	Partnering	1 day
Post Project Completion	Post Completion Review	1 day

The final diagram, below, indicates the participants who would be the sorts of people who would be involved in the particular status of the project in relation to the specific group problem solving methodology and what the raison d'être of that methodology is.

Table 3 - Optimising Project and Product Value

Project Status	GPS Methodology	Raison d'être	Participants
Project / Production Notion	Strategic Planning	Do we need this project, does it contribute to the corporate mission?	Board / Dept. Head / Ministry etc
Project/ Product Concept	Value Management	Check project to product concept meets all stakeholders needs; does it really contribute to the corporate mission? Are there other options?	Key Stakeholders Concept Design Team
Pre Project Approval	Economic Appraisal	Quantify the costs and benefits of each option. Establish preferred option in terms of net economic worth.	Key Stakeholders
Project/ Product Concept	Risk Assessment	Identify all risk areas associated with project or product concept selected.	Key Stakeholders Concept Design Team

Project/ Product Derailed Design	Value Engineering	Check project / product is meeting the stakeholders needs at the lowest overall cost and highest efficiency.	Project / Product Team and Independents
Project/ Product Detailed Design	Risk Assessment & Management	Reviewing risk areas on the basis of value engineering study . Developing management plan to avoid, ameliorate, accept or transfer risk.	Project / Product Team Key Stakeholders
Project Development /Product Manufacture	Partnering	Strengthen supplier / contractor relationships. Avoid litigation. Identify efficiencies in supply and communication.	Project Team Suppliers and Contractors
Post Project Completion	Post Completion Review	Establish whether right project option was adopted. Establish whether it was undertaken efficiently.	Key Stakeholders

Case Studies

Finally, to justify what I have said, I would like to point out several case studies. I don't want these examples to be limited to civil projects although in most instances the major savings of both time and money do emanate from large capital projects, usually government funded or government sponsored.

In the first instance the group problem solving process used to finally arrive at a conclusion on one of nine options for the Tsun Kwan O Railway Line probably saved close to a billion Hong Kong dollars. More specifically a series of three one day Value Engineering exercises on the same project identified HK $ 1.4 billion plus savings on that project which brought the return on investment ratio back to an acceptable level, which then gained government support necessary for commencement. The project is well under way now.

In the manufacturing context Value Engineering identified potential manufacturing cost savings of approx AUS $ 1.1 million in two days for disposable products and identified sales opportunities of AUS $ 2.5 million in two days for sanitary consumables for Kimberly Clarke Australia. The dollar amounts are not so significant but remember these are repetitive savings on an annual basis. In a highly competitive market this enabled the client involved, at a lower cost, to be able to deliver the same level quality product thus enabling them to reduce retail price but retaining the original margins.

Apart from Value Management and Value Engineering, Partnering is another highly effective group problem solving methodology. For the Kuala Lumpur International Airport to ensure its successful completion of construction by the 1st September 1997, a fast tracking dispute resolution process with a strong emphasis on team building between all stakeholders was needed. A one day partnering workshop was held in the middle of 1996. Many of the problems at that stage were related to interface contractors who positioned themselves at an early stage towards litigation on the delays on completion of their components of the work. As a large number of interfacing contract packages were involved, close co-ordination and co-operation between all parties was absolutely essential for the common objective of completing the project successfully and on time to be achieved.

As a result, a workshop of more than 100 people was carried out. This was a challenge, as the usual number for a partnering workshop is around 20. The results of this workshop were however, remarkable despite the large number of participants.

In these cases we generate literally hundreds of ideas, many potentially conflicting. We therefore had a lot of intellectual material. The challenge was to convert these ideas into high value intellectual capital. We also achieved this by utilizing the appropriate group problem solving techniques, very much on a fast track basis. We are being 'Strategic Thinkers'.

With the exception of the Kimberly Clarke case study, the Value Management, Value Engineering and partnering case studies indicated above are all well documented in the book 'Strategic Thinking: Success Secrets of Big Business Projects'.

WELCOME NEW MEMBERS

Title	Surname	First Name	Organisation	Category
Mrs.	Toy	Annie	TFA Technology Hong Kong Ltd.	Honourable Associate
Mr.	Willson	William Henry	Faithful & Gould Ltd.	Member
Mr.	Yiu	Tuen Chi	Hong Kong Academy for Performing Arts	Member
Mr.	Fu	Kwok Kwan	Hsin Chong Construction Co. Ltd.	Member
Ir.	Yuen	Ka Fai, Vincent	Dragages et Travaux Publics (HK) Ltd.	Member
Ms.	Leung	Mei Yung	City University of Hong Kong	Member
Mr.	Zhang	Wei	Crow Maunsell Management Consultant	Member
Mr.	Lam	Man Yau	Yick Hing Construction Co.	Associate Member
Mr.	Chung	Kin Hung, Jacky	Hong Kong Polytechnic University	Associate Member
Mr.	Wardall	Roger Ian	KCRC	Associate Member
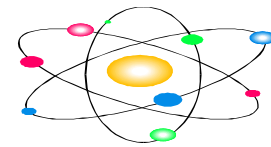
HKIVM NEWS

♣ 15 March 2001, The 5th Annual General Meeting of The Hong Kong Institute of Value Management was held in Hong Kong Room of The Hong Kong Club, attended by 22 members. The president and the treasurer have reported the Institute's development and financial status. Both reports were approved by the delegates.

FORTHCOMING EVENTS

♦ 9-11 July 2001, "Managing Value Management" is a 3-day advanced Value Management Seminar that has SAVE International qualifications attached to it. It focuses on the management of VE and contains unique Project Management tools. The brochure for this course can be read by going to the following URL: http://www.brookes.ac.uk/other/ofavs/Oxford-Brookes-Mod-2-2001-A4.pdf

♦ 12-13 July 2001, Function Focused Thinking and Classic Function Analysis System Technique (FAST)". This is a two-day "hands-on" workshop where learning is achieved by 'doing' and experience. The brochure for this course can be seen at: http://www.brookes.ac.uk/other/ofavs/Oxford-Brookes-FAST-2001-A4.pdf

HKIVM HELD ITS 5TH ANNUAL GENERAL MEETING

Dr. Geoffrey Q.P. Shen, Secretary and Editor, HKIVM

The 5th AGM of the Institute was held on 15th March 2001, attended by 22 members. President Mr. Malcolm Pearson called the meeting to order at 12:30pm.

President's Report & Approval
In his report, the President reviewed the achievements since the last AGM and areas for improvement. The President emphasized the following points in particular: More VM activities in Hong Kong, especially the Housing Department; Successful organisation of another Int. Conference in May 2000 – for which he has thanked the organising team: Tony Wilson, Lindsay Pickles, and Ho-Kin Li, and the day chairman: Frederik Pretorius. HKIVM

should approach Mr. Henry Tang, chairman of the construction industry review committee, to further promote VM. The President thanked Joys Ma for her assistance in the Institute and presented her a gift.

Treasurer's Report & Approval
In his report, the Treasurer Mr. Ric Grosvenor reported the financial status of our Institute, which is in a very healthy situation, with modest surplus.

Election of Office Bearers
Mr. Evenlyn Kwok, the Returning Officer appointed by the Executive Committee reported the result of the election of the Councillors for 2001. Twelve persons have been elected as Councillors, they are: Vaughan Coffey, Ric Grosvenor, Colin Jesse, Ho-kin Li, Richard Lyall, Tony Ng, Malcolm Pearson, Lindsay Pickles, Frederik, Pretorius, Dr. Geoffrey Shen, Tony Wilson, and David Yau.

Subscription of Overseas Members
It was discussed and agreed that subscription of overseas members should be halved with immediate effect.

Any Other Business
Delegates discussed the possibility of publishing all members' interests on the website, and suggested the executive committee to follow up this suggestion.

Meeting Close
There has been no other business, the AGM adjourned at 1:00pm followed by a lunch.

(Right: Photo taken at the AGM)

ELECTED COUNCILLORS

Title	Name	Organisation
Mr.	Vaughan Coffey	Hong Kong Housing Authority
Mr.	Ric Grosvenor	Leighton Contractors (Asia) Limited
Mr.	Colin Jesse	Lappord Company Ltd
Mr.	Ho-kin Li	Architectural Services Department
Mr.	Richard Lyall	Atkins China Ltd
Mr.	Tony Ng	Transportation Department
Mr.	Malcolm Pearson	Crow Maunsell Management Consultants
Ms.	Lindsay Pickles	Pontex Limited
Mr.	Frederik Pretorius	The University of Hong Kong
Dr.	Dr. Geoffrey Shen	The Hong Kong Polytechnic University
Mr.	Tony Wilson	Architectural Services Department
Mr.	David Yau	Henderson Land Development Co Ltd

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.

Application for Membership of the Hong Kong Institute of Value Management

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