



Organisational Diagnostic Assessment



ASSESSMENT INSTRUCTIONS

Before starting your Organisational Value Management Diagnostic Assessment please read the following instructions.

To complete the assessment read the general discussion notes about each theme and think about where your organisation is positioned.

Then complete the answer to the 10 assessment questions which follow, which are numbered (scores) from 1 to 5.

The more you have in place in your organisation the greater the score against the assessment questions.

You can transfer your score to the YOUR RATING line. Clearly this will be a judgement call but only you can give an objective response, knowing your organisation.

When you have completed all 10 assessment questions add up your scores and place the sum on the line next to the TOTAL SCORE.

Finally, compare your total score against the ranges given in the organisational maturity rating actions on the final page.

Think about what your relative position means.

Go back to the specific areas where the scores were low and identify some action areas to address to strengthen your approach and deployment of Value Management.

Seek advice where possible and have a look at the literature to support your development of Value Management

THEME 01

Is Value important to you and your customers?

GENERAL INFORMATION ABOUT YOUR ORGANISATION

Are value concepts made explicit and visible? Yes No

Do you know what drives value for your customers and your organisation? Yes No

Do you have systems in place that you know are maximising this value? Yes No

ASSESSMENT LEVELS

How important is value to you and your Customers?

01. Not important.

02. Has some bearing on how business is conducted but the focus is mostly on financial and other factors (e.g. production rates, cost, price, profit, sales).

03. Value is one concept used as a way of thinking about e.g. Customer's needs, product development, business processes, in support of delivering financial and other performance criteria.

04. Value is at the heart of consideration of e.g. our Customer's and Stakeholder's needs and wants, the way in which we think about our product offering and product functional performance, our manufacturing approach.

05. Value thinking is a way of life in the organisation from Top Management to the shop floor, from Strategic to operational planning, involving individuals and teams at all levels in the organisation, and using effective Value Management tools and methods to deliver results.

YOUR RATING

Score from above criterion chosen

THEME 02

Does your organisation understand what Value and the Value Management Approaches and Methods are?

VALUE

If the definition of value is satisfaction of needs / consumption of resources, what does value typically look like for you and your stakeholders?

The formula can be interpreted in many ways, e.g.

VALUE = SAFETY, ENVIRONMENT, SECURITY,
FUNCTIONALITY/JUSTIFIABLE COST VALUE

VALUE = MEET NEED/MINIMUM COST VALUE

VALUE = POLITICS, PRESTIGE/PREMIUM COST

What Value Management Approaches, Methods and Tools/Products do you use?

ASSESSMENT LEVELS

Does your organisation understand what Value and the Value Management Approaches and Methods are?

- 01. Some awareness of what Value means and of the Value Management approaches and methods.
- 02. Knowledge of what Value means and the Value Management approaches and methods.
- 03. Knowledge of what Value and the Value Management approaches and methods mean.
- 04. A deeper understanding of what Value and the Value Management approaches and methods mean, linked to Customers and Business performance.
- 05. The organisation has captured the meaning of Value in its context linking it to Customers, Users, Stakeholders and Business needs and understood how the Value Management Approaches and Methods can deliver business results.

YOUR RATING

Score from above criterion chosen

THEME 03

How does your organisation rate in terms of Value knowledge and its approach to its practice?

Do you quantify (e.g. in monetary terms) the benefit of Value Management to your organisation?

Never Sometimes Always

How do you quantify the benefits of Value Management for your organisation?

What qualitative benefits does Value Management deliver for your organisation (tick all that apply)?

Tick which ones apply:

- Better business decisions providing decision makers with a sound basis for their choice.
- Increased effectiveness by using limited time and resource to best effect.
- Improved product and services to external customers by clearly understanding and giving due priority to their real needs.
- Enhanced competitiveness by facilitating technical and organisational innovation.
- A common value culture, thus enhancing every members understanding of the organisations goals.
- Improved internal communication and common knowledge of the main success factors for the organisation.
- Simultaneously enhancing communication and efficiency by developing multidisciplinary and multitask teamwork.

Others

ASSESSMENT LEVELS

To what extent is Value Management valued by your organisation?

- 01. Not at all.
- 02. Sometimes – benefits recognised on occasions.
- 03. Moderately – accepted to be a good way of doing things.
- 04. Highly valued – under development, want it to become the way we do things.
- 05. Highly valued – highly integrated into the way we do things.

YOUR RATING

Score from above criterion chosen

THEME 04

Are your Value Management (VM) studies facilitated by trained VM individuals?

Does your organisation carry out the following activities when determining Value solutions? Tick which ones apply:

- Define the objective(s) of the Value Management study/workshop.
- Link objectives to Value Management policy and programme.
- Identify the methods and supporting processes needed to achieve the objectives.
- Enhanced competitiveness by facilitating technical and organisational innovation.
- Select team (please indicate typical number of participants).
- Team includes key stakeholders.
- Team includes suitable wildcard/s.
- Provide training for team members.
- Identify functions which are essential to achieve the objective.
- Identify how to measure changes in performance and use of resources.
- Set targets for performance and use of resources for each of the functions (relative value of functions).
- Apply methods and supporting processes to identify innovative ways of achieving targets.
- Select and validate proposals for improvement.
- Implement the proposals which have been chosen by the decision maker.

ASSESSMENT LEVELS

To what extent does your organisation carry out these activities when determining Value solutions?

- 01. None - 20%
- 02. 20% - 40%
- 03. 40% - 60%
- 04. 60% - 80%
- 05. 80% - 100%

YOUR RATING

Score from above criterion chosen

THEME 05

Are studies scheduled and integral to your processes/procedures?

How would you assess the Value Management program of your organisation?

Advised for all projects.

Applied to selected projects (targeted approach).

Applied to projects randomly dependent on knowledge of individuals.

Others

Are Value Management activities built into project programmes?

Never Sometimes Always

How much notice is typically given of the need for a Value Management study?

Less than a week 1-2 weeks 3-4 weeks 1-6 months

Who requests Value Management (VM) studies?

Project Managers Project Sponsors Client VM facilitators

Other

ASSESSMENT LEVELS

Based on your review of the questions, how would you assess the value management program of your organisation?

01. Value Management rarely applied.

02. Some Value Management approaches and methods used but not programmed.

03. Lots of Value Management activity but not often programmed.

04. Lots of Value Management activity, some programmed some ad hoc.

05. Fully developed program for Value Management activities visibly applied in an organisational framework.

YOUR RATING

Score from above criterion chosen

THEME 06

Is Value Management deployed at Strategic Level?

What sort of Value Management studies does your organisation undertake, please estimate % of studies in each area?

STRATEGIC LEVEL – Determining Company Policy and Business areas to pursue.

PROGRAMME LEVEL – Determining projects that should be on the programme; balancing risk and value (investment, benefits, risks) between portfolios.

PROJECT/PRODUCT LEVEL – Ensuring project/product is correctly focused on stakeholder needs and providing underpinning for key decisions, creating value, delivering best value solution.

ORGANISATIONAL LEVEL – Identifying improvements in structure of organisation, business processes, procurement/supply chain, marketing methods that.

OPERATIONAL LEVEL – Identifying improvements in performance by reviewing design and manufacturing processes, procedures and practices.

ASSESSMENT LEVELS

To what extent is Value Management deployed in your organisation?

- 01. Value Management studies/activities are not undertaken.
- 02. Some activities are loosely using Value Management methods.
- 03. Value objectives are defined, methods and supporting processes are identified and teams are selected to address specific organisational and delivery issues.
- 04. Activities in 3 are built into a systematic approach across the organisation at appropriate levels.
- 05. Value Management studies are undertaken in relation to the Value Management Policy and organisational objectives to meet Customer and Stakeholder requirements at several levels and across the company.

YOUR RATING

Score from above criterion chosen

THEME 07

Does your organisation have a Value Management policy?

Does your organisation have a Value Management policy? Yes No

Does the Value Management Policy address all aspects of Value Management in the organisation? Yes No

Is it based on the general management goals at the highest level and sets the pattern for all other activities and objectives? Yes No

Does it reflect the outward looking views of Customers and Stakeholders by Top Management? Yes No

Does it reflect the internal issues under consideration by Operational Management which deliver the top management outcomes? Yes No

ASSESSMENT LEVELS

How good is your organisation's Value Management Policy?

01. No Value Management Policy exists.

02. The Value Management Policy is part of another Policy (e.g. Quality).

03. A Value Management Policy has been formulated reflecting general management goals but with little recognition of outward facing views and organisational issues.

04. A Value Management Policy has been formulated reflecting general management goals recognising customer/stakeholder views and organisational issues.

05. The organisation's standalone Value Management Policy reflects general management goals recognises customer/stakeholder views and organisational issues and sets the pattern for all other activities and objectives.

YOUR RATING

Score from above criterion chosen

THEME 08

Does your organisation have a Value Manager?

Does your organisation have a Value manager (someone responsible for designing, developing and implementing a Value Management programme)? Yes No

At what level in the organisation is this individual?

Project Managers Project Sponsors Client VM facilitators

Other

Does your organisation have a Value Management Functional Office? Yes No

Does your organisation have a Value Management Steering Committee? Yes No

ASSESSMENT LEVELS

How good is your organisation's Value Management Policy?

- 01. No Value Management Champion or centralised body exists.
- 02. Value Management is carried out on an ad hoc basis in the organisation with no top down-bottom up connection.
- 03. A Value Management Champion or guiding function exists to coordinate Value Management activity at low level in the organisation with little authority explicitly given by Top Management.
- 04. A Value Management Champion and guiding function exist to coordinate Value Management activity in the organisation with authority explicitly given by Top Management.
- 05. A Senior Management Value Management Champion and Steering Group are appointed and Value Management is holistically applied in the organisation.

YOUR RATING

Score from above criterion chosen

THEME 09

Is Value understood/delivered

You can highlight your answers to the following to help gauge your organisation's approach by all in your organisation?

How much awareness of Value Management is there at a corporate/senior level?

Lots Some A little None

How much awareness of Value Management is there at a middle management level?

Lots Some A little None

How much awareness of Value Management is there at a team level?

Lots Some A little None

None How much awareness of Value Management is there amongst your stakeholders?

Lots Some A little None

Does your organisation seek to understand the value drivers of its key stakeholders?

Lots Some A little None

Is Value Management a favoured approach to demonstrating this?

Lots Some A little None

ASSESSMENT LEVELS

Which of the following do you feel best describes the value culture of your organisation?

- 01. Limited awareness of value and limited use of Value Management to demonstrate it.
- 02. Limited awareness of value, some use of Value Management.
- 03. High awareness of need to demonstrate value, Value Management is used to support this.
- 04. High awareness of value, and emerging Value Management culture.
- 05. Highly effective value culture operating in the organisation, Value Management is the way we do things.

YOUR RATING

Score from above criterion chosen

TOTAL SCORE

Score Rating

0 - 10

You need to engage Value thinking in your organisation and begin to embrace Value Management approaches and methods.

11 - 20

You need to develop Value thinking with your Customers and begin to practice Value Management approaches and methods.

21 - 30

You need to develop Value thinking with your Customers and Stakeholders and practice Value Management approaches and methods more systematically at various organisational levels.

31 - 40

You need to agree what Value means to you and your Customers and Stakeholders and ensure your Value Management approaches and methods are targeted to deliver systematically at various organisational levels.

41 - 50

You have embedded a Value culture in your organisation and have an integrated organisational framework and a value focused management style.