A Perception of Value Management as Supporting the Interface Between the Brief and the Design Phase

- **Søren Wandahl**
  Assistant Professor, PhD, MSc
- Department of Production
  Aalborg University, Denmark

- [www.wandahl.net](http://www.wandahl.net)
Introduction to problem field

✦ Building
  - a process aiming at deliver value (products, services, functions, etc.)
  - which fulfills the reasonable needs, requirements, and wishes
  - of the client organization

✦ Not an easy process:
  ✦ Value: Two value paradigms: Traditional perceived as products – client.
    New paradigm, process values – project participants
  ✦ Reasonable requirements: vision vs reality (value for money)
  ✦ Client organization: Often more than one person, complex, including users
PhD “Value in Building”

- Interest i value obtained through PhD
  - “Value in Building”
  - 2002-2005

- Research areas
  - Theories of value and values
  - Values in a building context (product and process value)
  - Current use of value in Danish construction
  - Management concepts based on values
    - VM, VE, VBM
  - A contribution to understand value in building

- Further information
  - Download thesis and papers / [www.wandahl.net](http://www.wandahl.net)
  - Interest in contact
Look at value before value delivery

- Different categories of value(s): Architectural, functional, material, price, social, etc.
  - In relation to the building process

- **Product value** and **Process Values**:
Value delivery at two stages

- Literature study => difference in VM and VE
  - VM definition
    - “VM is concerned with defining what ‘value’ means to a client within a particular context.” (Green, 1996)
  - VE definition
    - “VE is a proven management technique used to identify alternative approaches for satisfying the requirements of a project while lowering costs” (Acharya et al, 1995)
- Purpose of VM & VE: increase “Value for Money”
  - VM: Capturing client requirements + communicate for incorporation in design solution
  - VE: Optimization of design solution (buildable) + construction process for decreasing production costs
Value delivery at two stages

- Two methods for dealing with value delivery in the building process

- Value Management remains focus point
- Two challenges in VM
  - Capturing of requirements
  - Communication of information to design team

- Interface between Brief and Design is important!
Purpose: “To comply with the client’s reasonable entitled needs”
- Elaboration & presentation of requirements
- Communication process

VM should ensure that we are building the right thing (from a client perspective)
- Stating the aim, uncover the needs, quality level
  => Strategic phase with long term consequences

- Location of building,
- architecture,
- fitness for user’s purpose,
- costs,
- time,
- technical performance,
- environmental impact,
- etc.

**Product value**

**Purpose 1:**
Capture and define the client’s values
**Brief-Design interface & VM**

- Traditionally view of building process as serial
  - Brief | Design | Construction | Use
  - Clear boundaries, no overlap => interface challenge

- Concurrent Engineering focuses on phase overlap
  - "Physical overlap": real activities of a phase begins before the end of the prior phase.
  - Coordination overlap: e.g. operational concerns is considered in the briefing process (Facilities Mgmt.)
  - Aim of CE: Optimize consumer needs through out life-cycle

**Purpose 2:**
Communicate the client’s values to design team
VM to support brief-design interface

VM (Purpose 1 and 2) illustrated in the building process

Old model:

- Brief phase
- Design phase
- Construction phase
- Use phase

Diagram showing the involvement of VM in the building process.
Outcome of value delivery

- Client perspective
- Generalization
Final thoughts on VM and VE

- VM: should ensure that the client’s and the users’ values in play (captured and communicated) (”To make the right things“)

- VE: Should optimize the client’s and the users' values in regard to production costs (”To make things the right way“)

- A simplification (provocation):
  - VM: Increases value
  - VE: reduces costs (prices)
  - From the client’s perceptive of achieving most value for money