The VALUE TIMES

His Excellency The Sultan of Kelantan, Malaysia, honours IVMA's new Patron

In September 2022 the IVMA Board invited Mohd Mazlan Che Mat to be our first Patron.

Mazlan, who has been a long serving, active IVMA member based in Malaysia, was excited by the invitation and subsequently accepted the Patron position.

However, just two months later, Sultan Muhammad V of Kelantan, Malaysia eclipsed this honour by conferring a Dato'ship on Mazlan.

The title Dato' in Malaysia is somewhat akin to a Knighthood in the United Kingdom.

This is a tremendous honour that recognises the achievements of our friend and colleague Mazlan Che Mat for his influence and contributions to his country in improving 'value for money' decision-making.

Following his Value Management (VM) training by Roy Barton back in the late 1980s, The Board was aware of the extent to which Mazlan had gone to encourage the application of VM throughout his practice, teaching and mentoring.

Many of the current IVMA Board members have worked on project VM studies in and around Malaysia with Mazlan and for more than 30 years witnessed his key role in the establishment and development of the Institute of Value Management Malaysia.

He has contributed extensively to VM practice across Malaysia and to the education of countless quantity surveyors and other professionals in the critical benefits of effective VM application.

Mazlan's CV and Personal Profile — demonstrating the extent of his efforts and contributions to society — is available on the IVMA website (ivma.org.au).

DATO' Sr Dr. Mohd Mazlan Che Mat, DJMK, CVM, CQS

FRISM, FIVMM-Life, FMIM, MIVMA (Australia), MCIM (UK), International Member SAVE (USA)

PATRON Institute of Value Management Australia (IVMA)

On behalf of all IVMA Members, the Board extends to Mazlan its congratulations on the Sultan's conferral of the Dato'ship and our immense pride in having him as our Patron.

Alan Butler
Hon Secretary, IVMA

President's Message

More on Value for Money Labs

Hint: It's still skilled facilitation that makes the difference

Hello Everyone,

Welcome to the Summer edition of the IVMA's newsletter, Value Times.

In several articles that I've written over the past few months, I've described or at least referred to Value for Money Labs (VfM Labs).

These are short sessions, usually going for about 90 minutes and run via video-conferencing.

By carefully constructing a 'value for money' lab program over several sessions, we can cover all of the content that usually takes place in a two-day, face-to-face workshop.

It's still early days, but we now have sufficient 'runs on the board' to be able to say that the system works and provides many advantages.

In November 2022 we hosted a video conference that specifically summarised our experience in conducting VfM Labs.

Mark Neasbey and I outlined processes and our colleague Yip Kim Seng joined later from Singapore.

Kim Seng is a qualified Value Management (VM) facilitator and has participated as a client in some of the VfM Labs that we've run.

It was from his client's perspective that he spoke in the video-conference and provided us with valuable insights from his client perspective. Here's a **link** to the recording.

I was chatting with someone a few nights ago and a very important issue to do with VfM Labs came up.

The issue was people who participate in later labs who have not participated in earlier labs on the same project and thus do not have the shared knowledge and understanding that those who have participated already.

As we were chatting, I recalled an incident years ago when we first faced this exact issue in face-to-face workshops.

I still recall the day that someone joined one of our two-day workshops on the morning of Day 2. He effectively took the group back to where we had begun the day before. This was because he had not developed the *shared* understanding that the other people participating had.

Specifically, I'm referring to *shared* understanding of the Value Statement, 'givens' and 'assumptions' that we'd all worked on together to develop.

Our response at that time was to make a Ground Rule that we have kept right to the present time. The Ground Rule is simply that people may leave at any time but people may not join the workshop after we have worked through the Value Statement, 'givens' and 'assumptions'.

It's crucial that everyone participates in this task. Again, I stress that it is *shared* understanding that we're seeking.

As my colleague and I were chatting about this, it occurred to me that we would need to set up similar Ground Rules for the labs as we have for face-to-face workshops.

We'll work on this over the next few weeks and months and I'll keep you posted as to our progress.

At our most recent IVMA Board meeting, we discussed progress on the VfM Labs especially Michael Ord's work on producing a formal guideline for the labs.

Amongst other things, we spoke about using standard pro-formas in the labs and noted that there are some companies that offer online pro-formas and services to help with this. Examples are multiple criteria matrices and assumptions registers.

In the ensuing discussion, the Board members were in very strong agreement that whilst these tools are, at times, useful, it is the skill of the Facilitator that makes VM work. It is exactly the same with the VfM Labs. Exactly the same.

The matter of helping a group to develop *shared* understanding of the Value Statement, 'givens' and 'assumptions' is *the* key role of the Group Facilitator.

And this is the thing — whether we're talking about video-conferencing labs or face-to-face workshops, it's still skilled facilitation that makes the difference.

Skilled facilitation is fundamental to the Value Management process. The skilled Facilitator, first and foremost, listens well. The skilled Facilitator works with groups helping them to come to a shared knowledge and understanding of situations and guides them through process steps so that the group can arrive at a conclusion.

The skilled Facilitator will orchestrate discussion leading to group-decisions.

In our case, we are usually working in situations where the best 'value for money' solution is being sought.

Skilled facilitation is crucial to this whether we are engaging in face-to-face workshops or the more recent VfM Labs.

**Dr Roy Barton
President, IVMA**

Value Management Workshops via Video-Conferencing

This is the second article on this subject that focuses on Value for Money Labs (VfM Labs).

The first article is in the Spring 2022 edition of Value Times.

Value Management (VM) Workshops via Video

Something that became a necessity as a result of restrictions due to COVID was the cessation of face-to-face workshops.

It's now more than 2 years and there are still no regular face-to-face workshops, although that is changing progressively.

We still have to work with clients to initiate VM processes via video but. importantly, we have recognised an opportunity to initiate VM processes with clients using short video-conferencing sessions.

Based on our learnings from delivering training courses and the way people learn and interact with new knowledge we limit the video sessions to no more than 90-minutes.

(You might like to access recent research about short-term memory and the relationship to long-term memory. Both of these are crucial to rapidly building 'shared knowledge' and understanding amongst teams brought together for a workshop process; including key stakeholder representatives.)

The other key factor we have taken into account in setting the timing to 90-minutes was to enable Senior Management, including Directors, CEOs and Board Members, to participate.

We suggest a maximum of 30 or so participants to enable their images to be collectively seen on screen by the facilitation team, noting that the various meetings software does not allow us to usefully get more than that number on a single screen.

The video process also constrains the group to have only one person talking at a time, so the usual dynamics of a face-to-face workshop that allow questions and comments to flow are not as fluid on video.

The 'chat lines' that allow participants to progressively submit comments and questions is also not easily managed simultaneously with interactive discussions or presentations of information.

A second person is needed to monitor 'chat' comments and then to intervene to raise those points when pertinent to the process.

Another important point to consider is that the preparations for these sessions need to be particularly carefully undertaken.

This is required to achieve tight focus to the purpose of the session and the achievement of key outputs required. Participants need to be asked to think in advance and have both points and questions ready to contribute in the video session.

#	
1	**Welcome & Workshop Purpose** – Participant introductions / Expectations
2	**Building Shared Knowledge and Understanding** Context overview; Development of the Value Statement [the entity purpose(s), benefits & important features]
3	Givens & Assumptions – capture & clarifications
4	Project scope, objectives and program; Concepts / Options for consideration; Designs / plans overview;
5	Principal issues & concerns; Priority areas of focus for value testing / improvement
6	Function analysis (if appropriate)
7	**Creativity** Generation of ideas for improving 'value for money'
8	Evaluation of the ideas
9	Selection of key themes / ideas for development of proposals
10	Presentation / evaluation of proposals
11	**Directions / Recommendations** Action plan
12	Workshop Conclusions
13	**Thank you & Workshop Close**

Value Management Workshops via Video-Conferencing

A key principle in our logic is being efficient and effective with the time required of the stakeholders in the process.

We need to be purposeful with the sessions to allow them to provide their best input and allow for their best thinking and analysis.

It is essential to have:

- Clarity of purpose
- Adequately shared and only pertinent information
- Promptness in commencing, and
- An appropriate pace through the sessions.

Showing the participants what is being captured and allowing them to endorse the outputs keeps participants alert, interested and actively contributing.

The Sessions – The Logic Sequence

A VM workshop would typically have the sequence of sessions shown on the table on page 3.

Typical face-to-face workshops will be one, two or sometimes three or more days, depending on complexity and scale.

Face-to-face sessions utilise focus groups throughout — to optimise concurrent activities for larger multi-disciplinary / stakeholder groups — with regular points where the whole workshop group reconvenes to hear progressive outputs and consolidate group learning.

Going On-Line

Transitioning the process to on-line video sessions turns out to be feasible using the VfM Labs approach by breaking the process into a series of sessions that still sustain the logic and effectiveness of the VM process.

Keeping the sessions to 90-minutes establishes an efficient means to engage and establish effective shared-knowledge and understanding.

"We need to be purposeful with the sessions to allow them to provide their best input and allow for their best thinking and analysis."

Building Shared-Knowledge and Understanding

The most important opening sessions are to define the Value Statement and then to confirm key 'givens' and 'assumptions',

These combine to give any project team the clearest possible initiation to a project — knowing what is being valued and better appreciating the parameters for the project and where the best opportunities may exist to create and deliver that value.

This approach ensures that the team doesn't have to waste time on a 'fishing' process with the stakeholders nor on 'dud' options.

We can schedule these very soon after of a project team is appointed and readily engage Senior Managers – because they see the time commitment as worthwhile and not onerous.

The opening sessions are then followed, usually days or weeks later, by key information presentations and then any necessary functional analysis.

There could be several of these, either done on the same day, or spread over a series of days or even weeks to suit the availability of the participants and the project program.

To ensure that the overall workshop purpose and logic remains in focus, it is crucial to provide prompt session outputs to sustain the progressive 'group learning', together with the agenda and expected outputs of the next session.

Creativity

The creativity session comprises the development of ideas focused either on key themes or otherwise randomly.

A 90-minute session for the generation of the ideas has proven workable to provide an initial brief, to foster the generation of the ideas and their capture on-screen for validation.

The ideas need to be sorted — to gather like ideas and provide a logical structure for their evaluation. This is usually carried out off-line and then re-shared with the participants as the input to a follow-on evaluation session.

Ideas Evaluation

If we consider a typical number of ideas will rangey from 70 to 100 ideas, then a 90-minute session is feasible for their evaluation using a 'two-pass' rapid assessment:

Pass One: We ask two questions of the group for each of the ideas:

Question 1: Is the idea realistically possible for this project? – 'yes', 'no' or 'perhaps'.

Question 2: If adopted would the idea deliver benefits? – 'yes', 'no' or 'perhaps'.

Pass Two: We ask a final question to get the group's direction on what should happen with the idea:

Question 3: Should the idea go forward for further consideration? 'yes' or 'no'.

Proposals Development

This activity is ideally split over two sessions. The first session will create the proposals, the second will present them and determine a direction.

This is guided by first establishing key themes from the ideas recommended for further consideration, around which focus groups can be established.

Generally speaking, we would have groups of 5 or 6 people, with a mix of requisite knowledge, expertise or responsibility for the theme. Their task is essentially to create a summary description of a proposal to consolidate the ideas or themes into viable project options.

The team prepares a one-page summary of each option with an overview description, key pros and cons and financial implications (qualitative in the absence of reliable cost plan information).

The team then presents their draft proposals for the whole of the workshop group to endorse or amend them accordingly.

On-line video systems allow for the creation of breakout or focus groups but experience has shown that this work is best done offline and the results then presented in a VfM Lab.

Action Plan

Development of an action plan can also be undertaken in a video session but is usually achieved with a smaller core Project Management group rather than having all stakeholder and consultant team representatives involved.

This does not usually require a full 90-minutes thus allowing overall workshop conclusions to be completed as part of the same session.

Preparation

Again, it's important to emphasise that the preparations for each session will involve providing a briefing document to the participants, inclusive of progressive outputs and with simple instructions on what they need to bring into the next session.

This helps to ensure efficient and effective stakeholder engagement is realised.

"This helps to ensure efficient and effective stakeholder engagement is realised."

Case Examples

The Researchers

The project was for a proposed new research facility for an important range of products and specialised equipment of significant scale was required to be developed and imported. Operations were to be spread across four locations, with a fixed timeline to make use of approved grant funds.

The available 'cost plan' for the facility at the commencement of the VfM Lab was well in excess of original expectations despite a team already having undertaken internal reviews to trim costs.

The driver for the VfM Lab was a Senior Executive who wanted to test for 'value for money'.

We facilitated five 90-minute sessions spread over 4 weeks. The first session clarified the Value Statement and the main 'givens' and 'assumptions' while the second session expanded and confirmed the principal options, including possible alternative locations.

The third session tested and clarified the functional performance requirements and captured some additional ideas for consideration. The fourth session clarified the key risks and captured evaluation comments while the final session was able to confirm the preferred option and issues that required Executive direction.

There was a consistency of involvement by Senior Executives and well as key researchers. The Senior Executives encouraged the challenging and frank discussions that occurred enabling a more robust business rationale to be defined.

Value Management Workshops via Video-Conferencing

The Future University Campus

A University was presented with an opportunity to develop a Business Case for the creation of a new campus.

The Board and the President of the University wanted to realise a 'shared vision' for a new campus by specifically engaging their key internal stakeholders, as well as Alumni.

They wanted to hear their perspectives on what a new campus must do. What courses should be provided in the future? How would they be best delivered? What facilities would be needed to support them? What would students need and expect to have at a new campus? How would a new campus engage its alumni? How would the university engage the community, various industries and alumni to participate in 'lifelong learning'?

These were just some of the questions to be addressed.

The client agreed to a program of 22 separate 90-minute sessions, which were conducted through December 2021 and concluded in April 2022 to suit the academic calendar.

The VfM Lab process began with the Board and Executive defining a Value Statement and the key 'givens' and 'assumptions'.

Then the various Schools, Learning Centres and Administrative Units clarified and gained an understanding of the Value Statement, 'givens' and 'assumptions'.

Each of the units then made a presentation of its 'future directions and requirements', that incorporated ideas they wished to have considered.

"The Board and the President of the University wanted to realise a 'shared vision' for a new campus..."

The final sessions were for the Board and Executive to affirm the 'vision' and provide direction on a number of strategically significant ideas and themes that had emerged through the workshop sessions.

These sessions were accorded high priority, as they were most pertinent to the Project Team's tasks to evaluate potential site options and evolve a design solution and associated Business Case for submission to the government in late 2022.

Only three of the sessions went beyond the 90-minutes allocated, and these by no more than 5 to 10 minutes to address specific questions between the stakeholders and the Senior Executive and Board members who were participating.

Overall, more than 290 people participated in the VfM Labs program. Sessions typically involved 25-30 participants. All of the University Leadership Team participated, and the Internal Project Team and its associated Steering Committee had a

determined focus on a 'value for money' outcome.

Approximately 600 ideas were generated and they are being progressed through the Steering Committee. Many ideas that are design matters will be considered once the Design Team have been engaged.

A significant body of information is now available to the Project and Consultancy team providing an excellent basis for the evaluation of potential sites and the development of design solutions.

In addition, as expected, there were many ideas that were more about 'bringing the future forward' in the *existing* University rather than waiting for a new physical campus before realising some important benefits for students and staff.

Mark Neasbey
Chair Education Committee
IVMA