

# **Paper Title: The VE Report the Overlooked Legacy**

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## **ABSTRACT:**

The Value Engineer (VE) report is often overlooked during value training with little or no guidance for the future value practitioner and as an afterthought by some value practitioners. However, the VE report lives beyond the workshop in the files of the clients and users of those value study. When a project or product has budget or schedule issues or concerns, one of the first documents management reaches for is the VE report.

For many clients, the VE report becomes the primary marketing tool for future value studies and maintenance of their value program. In addition, the quality of many of these reports reflect the lack of focus and reflects poorly on the value community. This paper identifies the functions of the typical report and opportunities for improvement.

## **INTRODUCTION:**

The VE report is typically the single document capturing all the information from the value study. I've had the opportunity to review multiple reports during my temporary assignment with OBO and other discussions with users and clients of the value process. These reviews and discussions have revealed some dissatisfaction and inconsistency between VE reports which reflects negatively on the value practice.

## **WHO USES THE VE REPORT:**

The first question for any paper, report or presentation should be defining the audience or user of that item. Who will read and use the information. In the case of the VE report, the audience is typically project management and the decision-makers. Each group uses the report and reviews the report in different ways with different requirements. The ease of use and readability is reflected in the perceived success of the study.

Project management, PM, and designers for projects and products are directing and guiding the project, process or product to maximize resources. The PM may need to use the report to work with the decision-makers and examine the details of the alternatives.

The decision-makers and decision-influencers may or may not include the PM. The decision-makers often rely on the PM and the project team to brief them and focus on the summary results. Some decision-makers lack any technical background or versed on the study subject focus.

## **FUNCTIONS:**

The VE report needs to accomplish multiple functions and some functions may alter depending on the type of study and user. The primary, basic, function of the report is **Encapsulate Analysis**. The report and collects the study information in a single source document.

In addition, the following are some key secondary functions:

- Store Information, the report needs to collect all relevant data providing the study context for any current and future potential user.
- Inform Decision-makers, the study information should be easily organized making consensus and decisions easier to reach.
- Market VE, the report is a reviewable deliverable. A well-organized professional report enhances the success and opportunity for the future VE studies.
- Report Results, some reports may include this information but not all. Some organizations reports the decisions as a separate document and others not at all.

## **CHALLENGES AND OPPORTUNITIES FOR IMPROVEMENT:**

Each challenge provides an opportunity for improvement. The following identifies some areas needing to be addressed and ideas for addressing those issues.

Organization:

Many reports tend to be organized according to the Job Plan but not focused for the user. Although the workshop is conducted according to the Job Plan, the user doesn't use the report in the same way. A well-organized report should reflect these layers of use. The summary information toward the front with more detailed and less used information toward the end. The report needs to be user friendly not process friendly.

Executive Summary:

The executive summary needs to be clear, concise and focused on the specific topic of the study. Often, the executive summary includes detail unnecessary for the decision-maker or user. This can result in a lengthy summary. Lengthy summaries result in frustrated and disappointed users. Frustrated report readers can result in lower acceptance rates of the alternatives and impact any positive outcomes. Decision-makers have limited time and not concerned about the process, get to the point and move forward. If the reader wants to learn more, they will research the report to find out.

Alternatives:

The write-ups of the alternatives is the heart of the report. For many readers and users, this is the only information they have about the idea presented and is the basis for their decisions. Each alternative needs to well thought-out making the compelling discussion and supporting information why the VE team recommends the alternative, why the PM or designer should support implementation and why the decision-maker should approve implementation.

The discussion of any concerns and ways to mitigate implementation are also part of making a well-balanced analysis. Few ideas are without some risk and issues, especially those innovative and far reaching approaches but even with those risks the reward outweighs those risks.

Alternative discussions need to include as many views as possible to give decision-makers confidence in their decisions.

Language:

The report needs to be in clear understandable language. Not all report readers are versed in the value methodology or have a technical background. Again this goes back to who uses the report. As VE practitioners, VE jargon is often used but not fully explained for non-practitioners. Also, not all decision-makers have expertise in the area of the study or the idea being presented. As the study lead, ask the question whether the information contained in the report makes sense if this was your first introduction to the study and the study focus. Ask if the information make sense without attending the study workshop. Another approach is to have someone not associated with the study review and comment on the report.

**CONCLUSION:**

The VE report lives on and becomes the ultimate legacy for the value study. The report encapsulates analysis of the work done as part of the study. This legacy is a direct correlation and reflection of the quality of the study and often improves or degrades the potential to market VE in the future. Improving the quality of the report will enhance the potential for increased idea acceptance and future workshops.