

Value management

[Business](#), [Management](#)



Q. 1 Using your emerging knowledge of Value Management (VM), critically appraise the report and make suggestions as to how the VM study might have been run differently / more effectively. A Value Management report is the basis to a well-constructed project in the sense that all parties involved or potentially affected will be content with the final outcome. It is vital to understand and elaborate on the key aspects that determine a value management study in order to gain an agreeable conclusion. Often these guidelines are met, yet comparatively and with no due culpability, some guidelines are overseen.

The causes of these significant errors are often mistakes and rarely intentional however they greatly skew the findings and lead to inevitable issues raised in the future. The Value Management Workshop Report, dated 26 November 2009, is focused on the Road and Traffic Authority' (RTA) Mount Victoria to Lithgow Project. It incorporates many of the procedures and strategies that are set out in a report titled Total Asset Management, September 2004, which has been developed by New South Wales Government Treasury's Office.

This particular documents basis is value management guideline. In order to construct an argument as to how the Mount Victoria to Lithgow Project workshop could have been run differently and more effectively I will juxtapose these two documents. There are two main criteria that will be focused on; the stages of a Value Management and when such stages should be initiated and pre workshop planning and what it should comprise of. For a major project/program, several Value Management studies may be needed, for example at the service planning stage, the concept development stage, <https://assignbuster.com/value-management/>

at the construction stage, at the operation and maintenance stage and, ultimately, at disposal'. (Value Management guideline, 2004) There is no question that the 6 major stages of a project listed above require a Value Management Plan. In this particular instance the concept development stage is the main focus of the RTA report. Concept development should include the scope of the project, what the project aims to achieve and the general reasoning behind such a development.

The general concept of this proposed project can be described as 'light' meaning that the reason for undertaking a public infrastructure project, estimated in excess of \$275 million excluding the three phases included in the Mount Victoria section, is a little unclear. It is stated that 'The highway upgrade work that has already been completed [on The Great Western Highway] has led to improved travel times for motorists and a safer road environment for all motorists, pedestrians and cyclists'. RTA: Mount Victoria to Lithgow Project, 26 November 2009) The New South Wales Government's plan to upgrade state roads, is therefore a green light to develop and upgrade new roads as the RTA deems fit. There is no thought or mention of rejuvenating existing infrastructure, which would be presumably economically healthier and time efficient. Although such a consideration may have become immediately redundant once ousted, there should have been ample opportunity for consideration by all members of the workshop, which in fact there wasn't.

It is effective to conduct pre workshops programmes in a smaller group to develop issues that can be readily raised in the major Value Management

workshop. Identifying issues early rather than over the two days of the workshop will give organisers and sub sequentially the members of the workshop the ability to address and answer problems with relevant facts, current data and more importantly directly. This would be a substitute of ‘ball park’ figures and broad/ assumed answers that would have been put forward if pre workshop programmes were not conducted.