



Questions  de société

# VALEUR(S) & MANAGEMENT

DES MÉTHODES POUR PLUS DE VALEUR(S)  
DANS LE MANAGEMENT

Coordonné par  
Olaf de HEMMER GUDME et Hugues POISSONNIER

VALEUR(S) ET MANAGEMENT

EMMS



Le Management  
par la Valeur

W.A.V.E.S.  
for a Wider Application of Value(s)  
across the Enterprise System

November 2013

Olaf de Hemmer



## Is there's Value everywhere ?

- ⊙ We have screened 'Value-based' methods in various management areas :  
how many have we found ?

**63 !**

- ⊙ We believe they could be used in synergy and lead to  
a Wider Application of Value(s) across the Enterprise System

**W.A.V.E.S.**

Part 1 : There's Value everywhere ? 


WHAT ? 

WHO ? 

WHAT FOR ? 

EXAMPLES 

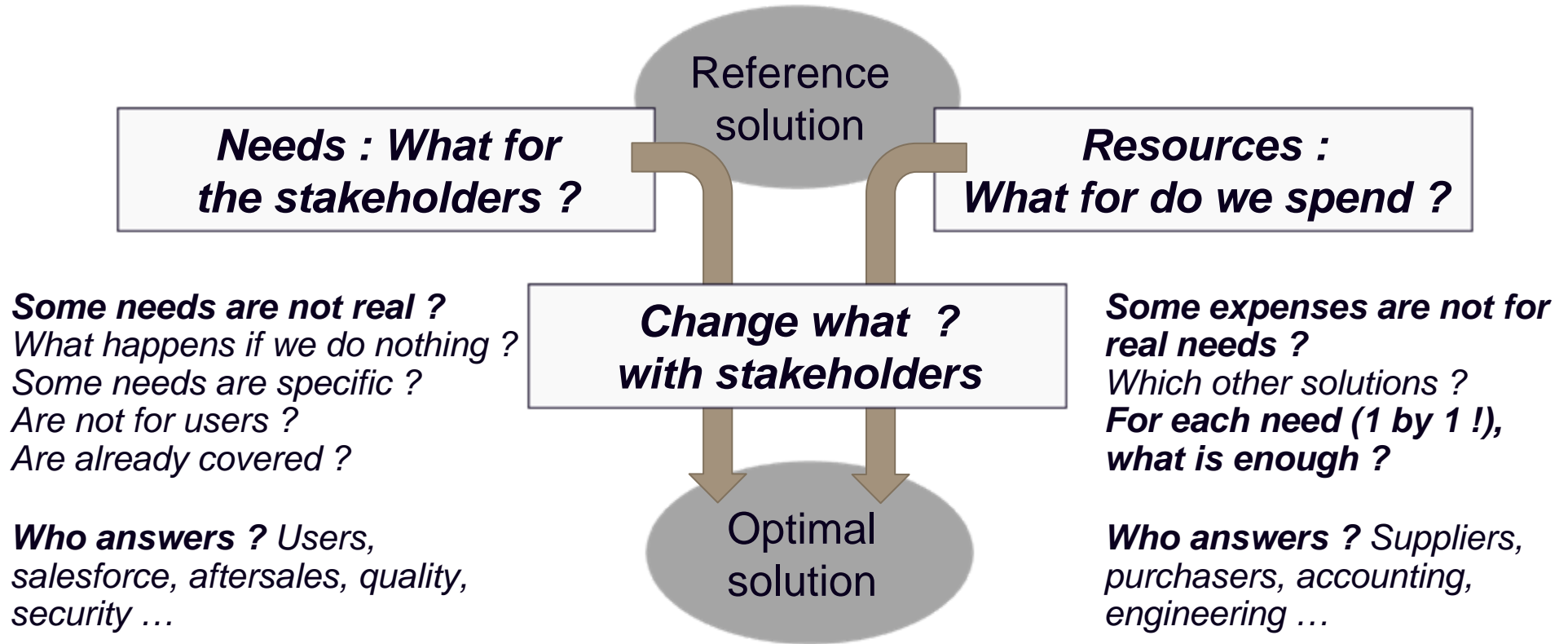
COMMON CONCEPTS 

PART 2 : for a Wider Application of Value(s) across the Enterprise System 



Value is a « state of mind », fueled by 3 simple questions

| What ?



**Methods and tools only help answer these questions.  
If they do not simplify : use your common sense !**

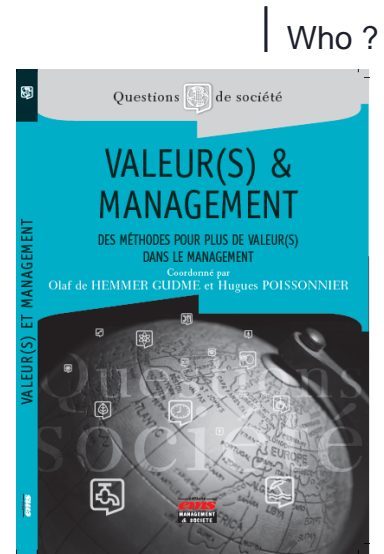


## Who is speaking ?

- Olaf de Hemmer  
International Business Manager at Lowendalmasaï Purchasing  
President of AFAV - Value Management France



- 18 authors of the collective book « Value & Management » (to be published in Q1 2013)  
each specialist and author of performance improvement method



Marc Beauvois-Coladon Banian Consulting  
Cédric Berger Mark International  
Paul-Hubert des Mesnards PHM Conseil (Créargie)  
Alexandre Engel Allianz  
Eric Fromant Periculum Minimum  
Christophe Gobin Vinci  
Alain Guercio e-Media Management  
Laurent Jehanin InPut<sup>2</sup>  
Rima Nouri Real Solutions

Hugues Poissonnier EM Grenoble Management School  
André-Yves Portnoff Futuribles  
Michel Raquin Club des Pilotes de Processus  
Michel Santi HEC  
Philippe Schiesser EcoEff  
Emmanuel Toniutti IECG - International Ethics Consulting Group  
Clément Toulemonde  
Philippe De Lapoyade Interactifs  
Anne Vinagre AVL Consuting  
Bernard Yannou Ecole Centrale Paris Engineering School





## Screen 'Other' Value-based methods : what for ?

| What for ?

⊙ For 50 years, 'Value' is a such a powerful way of thinking that it should be used by everybody on any topic ?

⊙ Value Analysis has been successfully used for optimal design in many areas

Product / Industrial Processes / Construction / Organization / IT ...

⊙ Functional Analysis is at the root of successful methods : VA, FMEA, Triz, QFD, ...

⊙ Value Management has proven its relevance as a problem solving tool

BUT 'engineers' tools seldom are legitimate in managers eyes ...

⊙ Other smart people are 'reinventing the wheel' ?

BUT do not take advantage

of the 50 years of VAVE experience !

⊙ Many methods are revolutionizing management

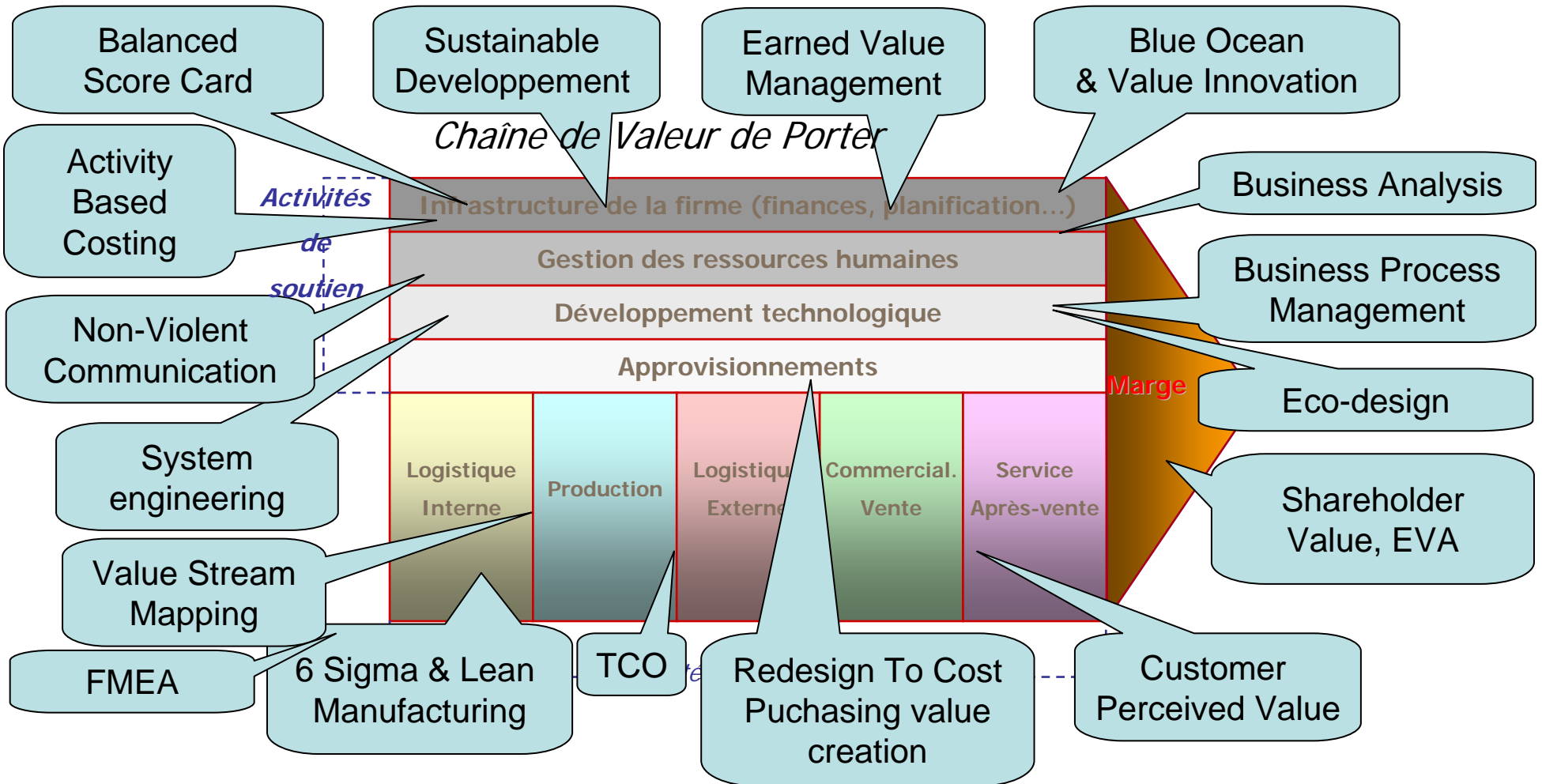
BUT few synergies are done with VAVE

The screenshot shows the McKinsey Quarterly website interface. At the top, it says 'Member Edition' with a user email 'odehemmergudme@lowendalmasai.com' and links for 'Member Center', 'My Profile', 'Executive Panel', and 'Log Out'. Below this is a navigation bar with categories like 'Functions', 'Industries', 'Regions', 'Big Ideas', 'Multimedia', and 'Voices'. The main content area features an article titled 'Designing products for value' with a sub-headline: 'Learn how leading companies combine insights about customers, competitors, and costs to develop more innovative and cost-effective products.' The article is dated 'OCTOBER 2012' and authored by 'Ananth Narayanan, Asutosh Padhi, and Jim Williams'. To the right of the article is a sidebar with 'Related Thinking' and 'Also of interest' sections. The 'Related Thinking' section includes an article 'Sparkling creativity in teams: An executive's guide' and another 'Winning the \$30 trillion decathlon: Going for gold in emerging markets'. The 'Also of interest' section features 'Design-to-value' with a small image of a factory floor.



Many methods were recently developed to improve companies performances at various levels of the 'value chain'

Examples





# Blue Ocean changed the strategy paradigm from fighting competitors on 'red seas' to creating new 'blue ocean' offers

Examples of methods

## ➤ Optimizing the value offered to the customer

- ⊙ Understanding client needs
- ⊙ Segment the offers attributes
- ⊙ Design a product/service aligned to segments needs



- ⊙ Focus on orphan needs



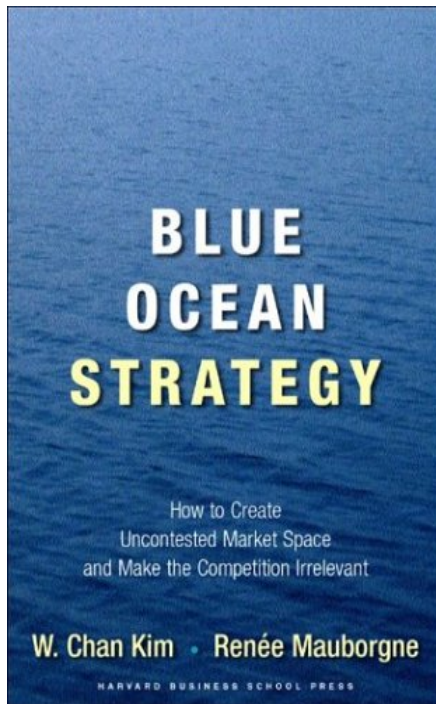
- ⊙ Align costs on clients attributes



- ⊙ Organize the company to answer clients needs



Sheer  
Driving Pleasure



W. Chan Kim et Renée Mauborgne  
INSEAD



Lean manufacturing methodology is based on a general approach and tools very similar (and complementary) to Process Value Analysis

Examples of  
methods



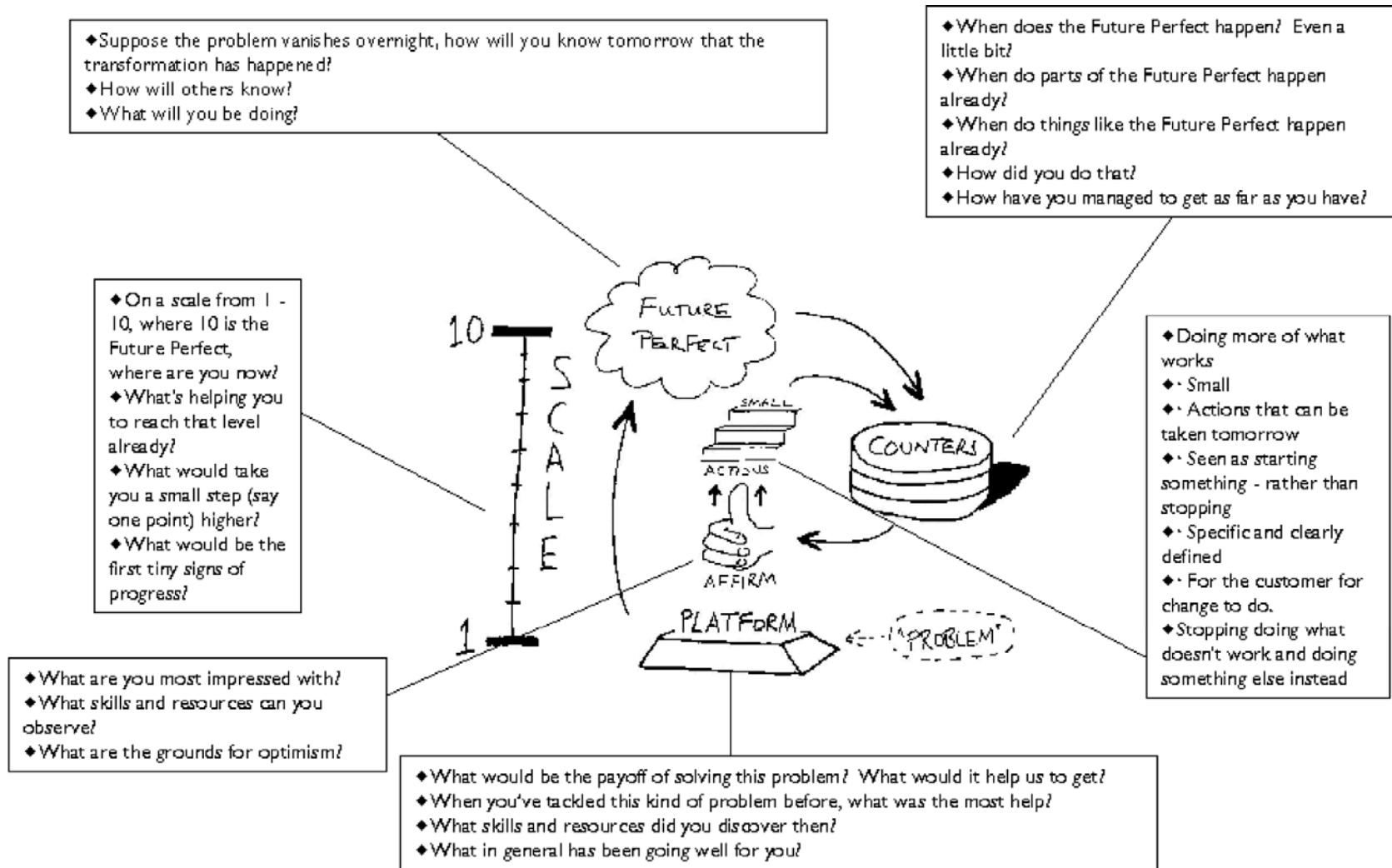
**SIPOC**

Process description	Outputs = step function	Inputs = step cost	Why ?	Challenge ?
Step 1	A + characteristic 1	Input A + manpower + energy ...	1 is in final output	Cheaper manpower, less energy ...
Step 2	A1 + characteristic 2	manpower + energy + scrap ...	2 is not in final output	Skip it ? <b>Muda</b>
... <b>VSM</b>	... <b>Voice of the customer</b>	...	... <b>Value Adds / Non adds</b>	...
Step X	B = required process output = A13...X			= SUM



# Solution Focus® is a coaching approach based on defining desired objectives and implementing actions to realize them, not on 'problems'

Examples of methods





These methods use the same terms -including 'value'- with different meanings, but a thorough analysis underlines 3 common concepts

- ⊙ -a **Value** approach, targeting to improve a solution by:
  - improving its usefulness, and so better answering its purpose, in terms of stakeholders satisfaction,
  - avoiding unuseful costs, or spending unuseful resources, by a costs/benefits analysis.
- ⊙ a **System** approach, where each actor is depending on the others:
  - things get meaning by their interactions with their environment, in a continuous flow of transformation of inputs in desired outputs,
  - every analysis must be placed in a broader view, considering the whole life cycle and distinguishing different levels of goals and objectives (in a what for >< how way),
  - actors and objects interact and evolve continuously
- ⊙ priority is given to **meaning/purpose** and **dialogue** with **Stakeholders**:
  - no value without people
  - analyses must be done with people involved,
  - needs must be expressed by/with users,
  - a change is effective if accepted or –better- proposed by those concerned and implemented with them in short loops easing quick results and retroactions.



These common concepts allow simple tools to model how value is implemented and can be improved

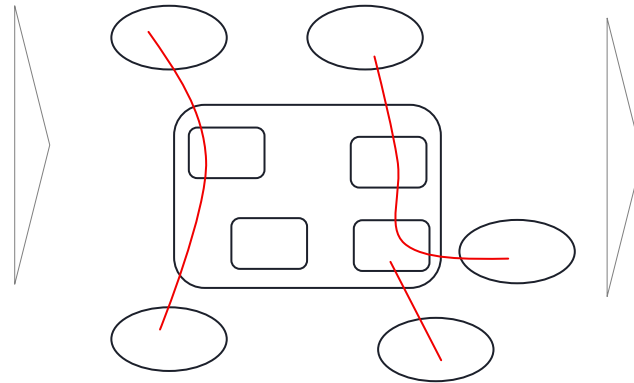
System : interactions with environment and stakeholders

Value = needs satisfaction / costs

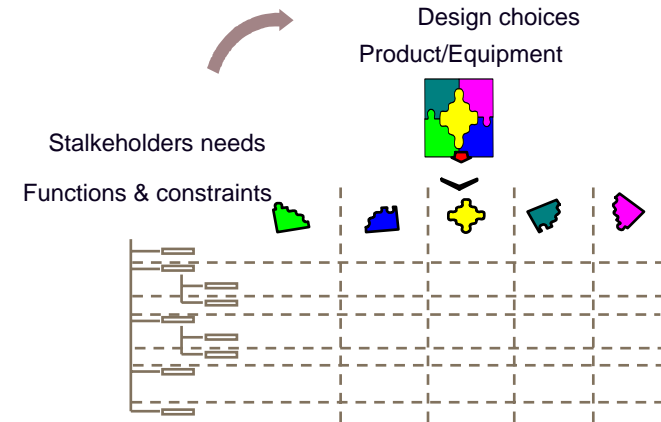
Life cycle

- > Before use
  - Design
  - Manufacturing
  - Qualification
- > In use
  - Performances
  - Constraints
- > After use :
  - Maintenance
  - Evolutions
  - End of life

System modelling



Costs of functions

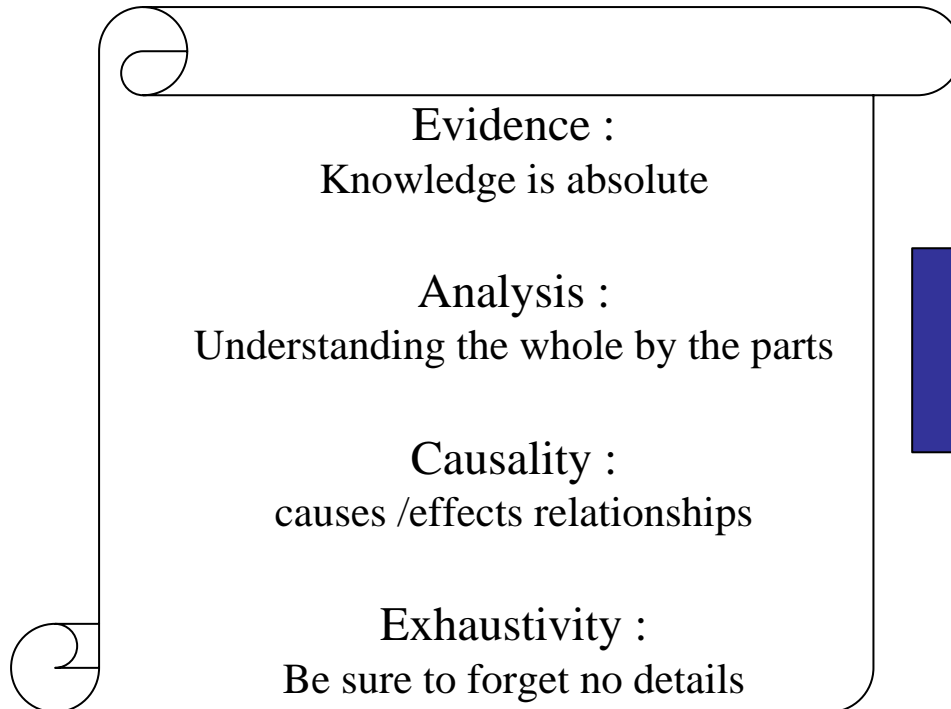




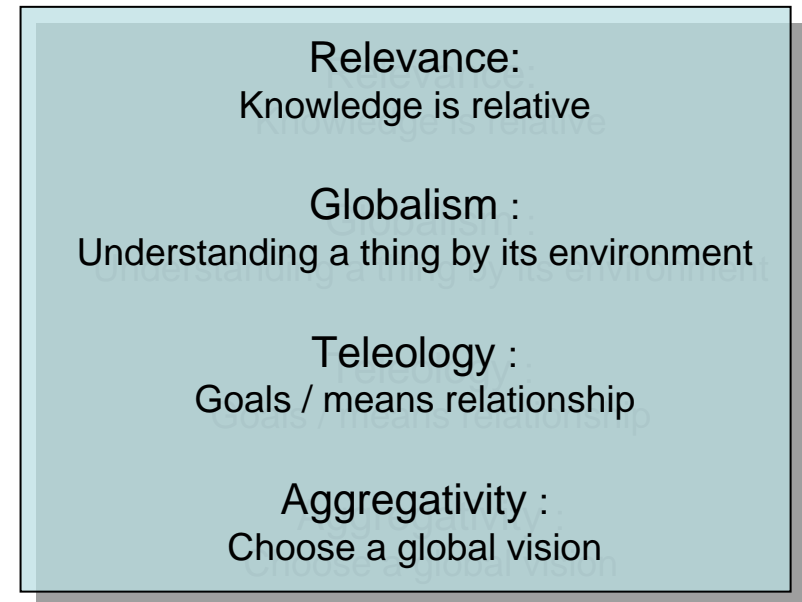
## The 'system' way of thinking they have in common completes the Cartesian 'Discours de la Méthode'

Like Newton's mechanics (still actionnable) was completed by Einstein's (more 'true') ...

... Descartes' 4 rules for « well governing one's reason » :



... are completed by those proposed by Le Moigne,  
after Ludwig Von Bertalanffy :



(from « La théorie du système général » JL Le Moigne 1994)

Part 1 : There's Value everywhere ? 

PART 2 : for a Wider Application of Value(s) across the Enterprise System 

PRODUCT 

INDUSTRIAL PROCESS 

INFORMATION PROCESS 

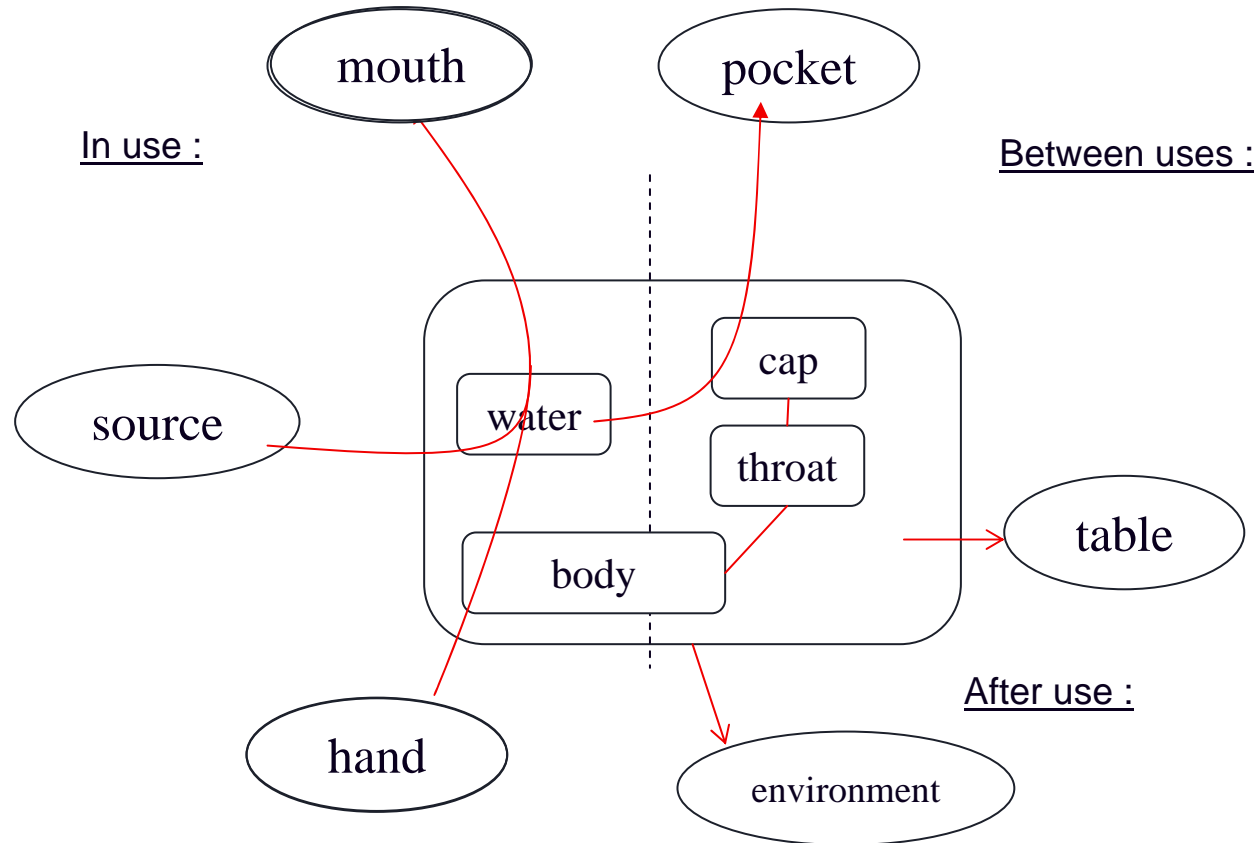
COMPANY 

W.A.V.E.S. 



This Value/system approach -of course- applies to products

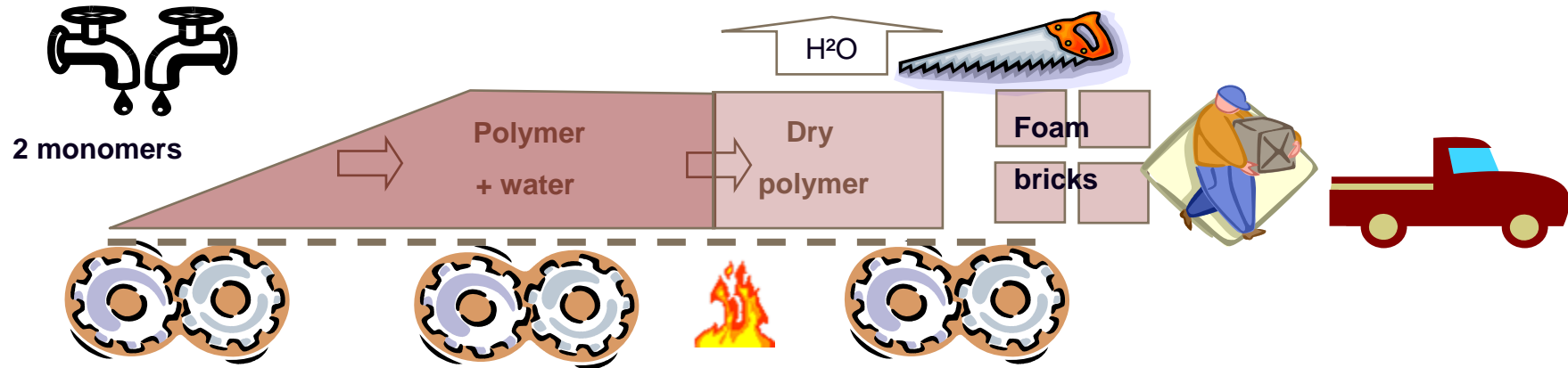
| Products





## System modeling helps increasing value of industrial processes

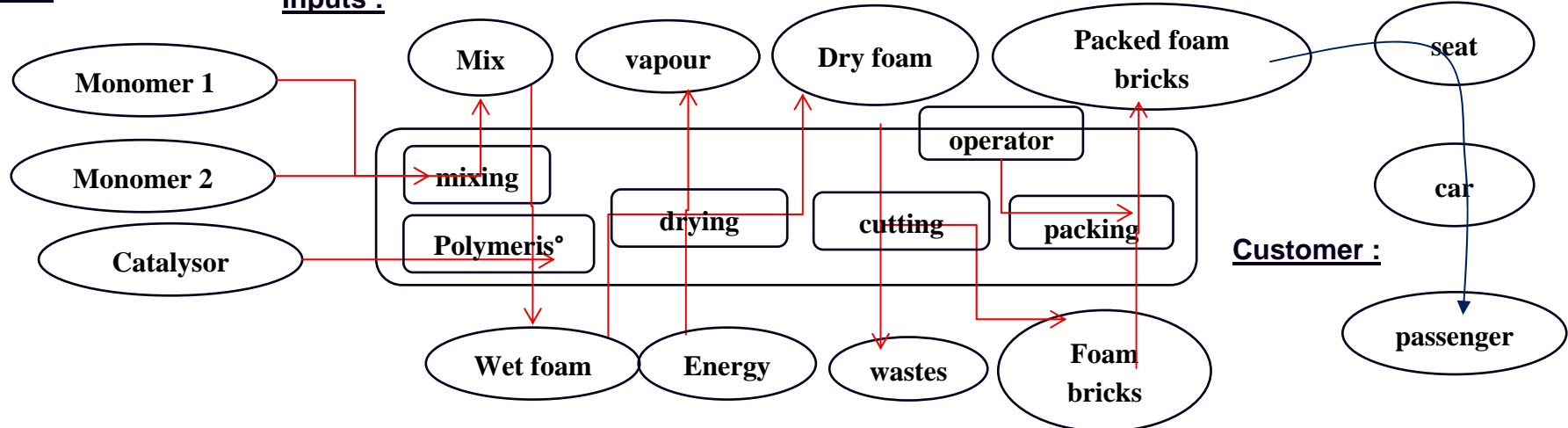
A rank 2 automotive supplier manufactures foam bricks for car seats :



Suppliers :

Inputs :

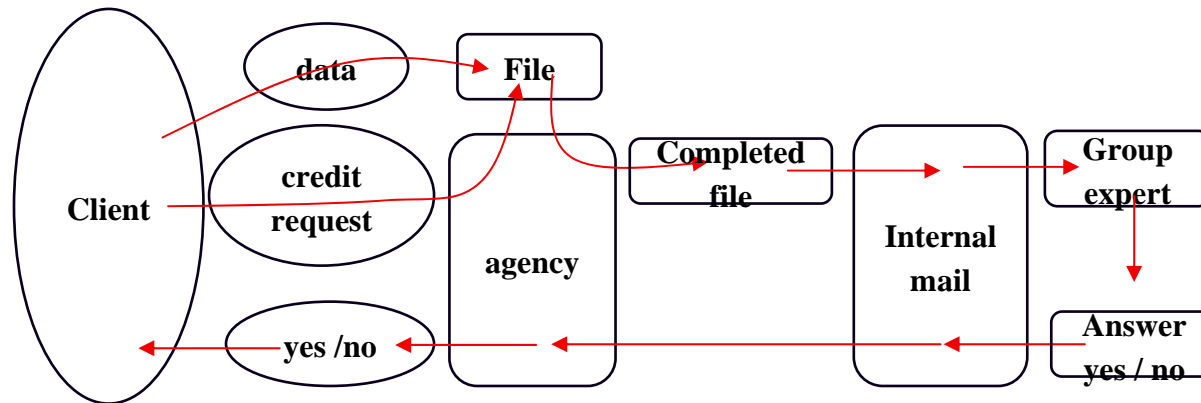
Outputs :





## System modeling helps increasing value of information processes

A bank takes 2 weeks to agree on a client's request for credit :

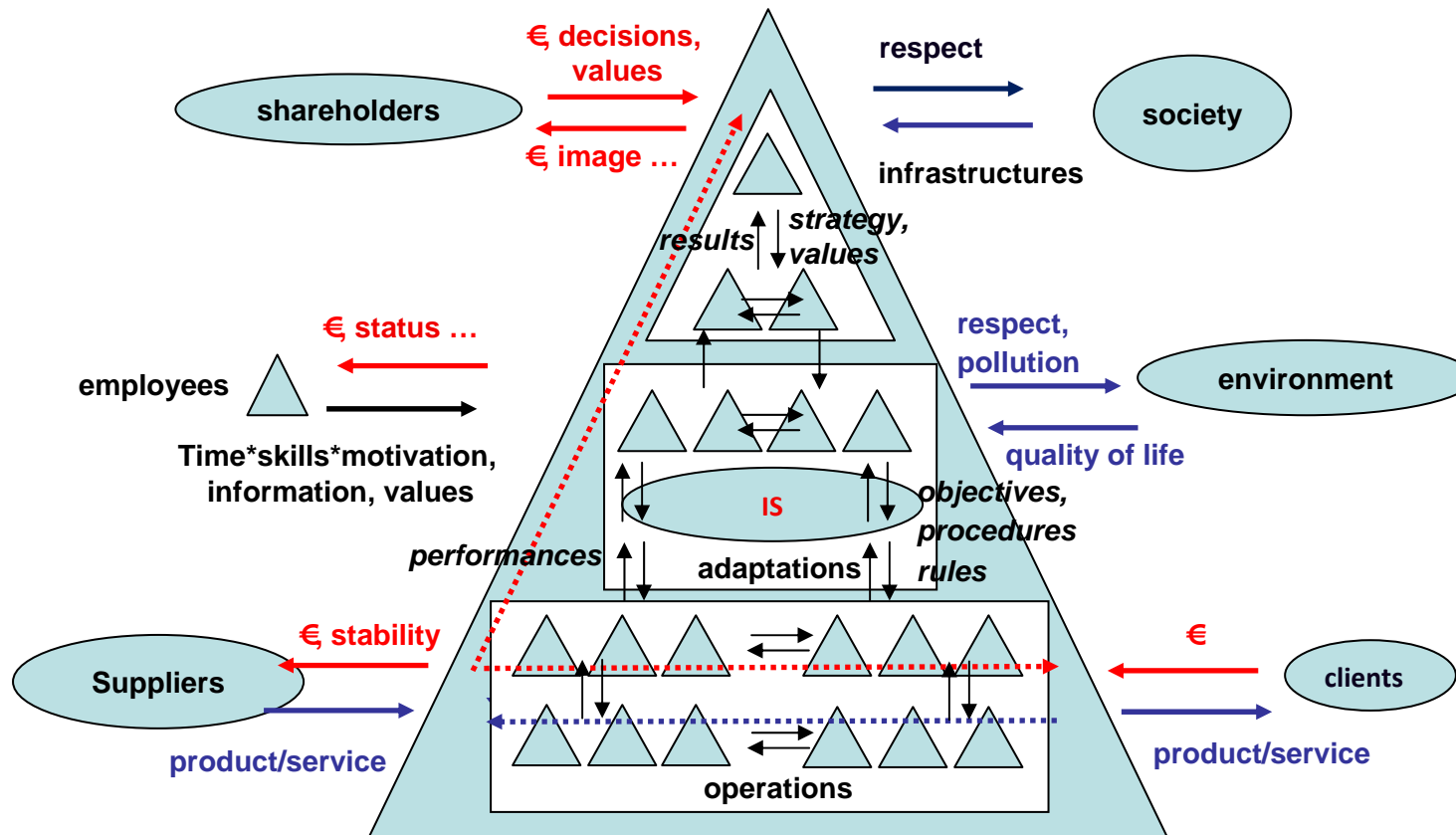




System modeling helps defining value(s) created by a company, managing/transforming flows between stakeholders

by

Company

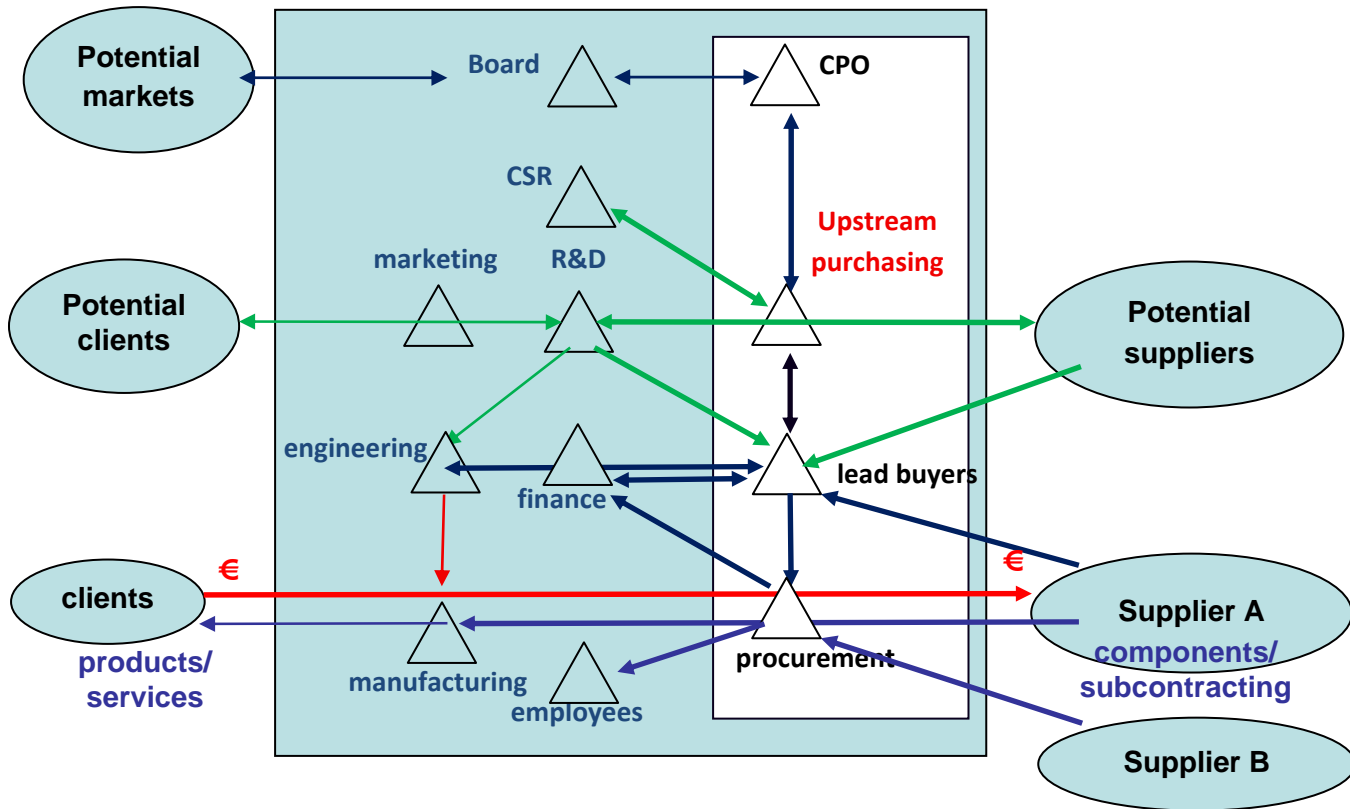




# System modeling helps defining value(s) created by a company function, for their internal & external stakeholders

Different Purchasing actors create different value(s), with different performances

Long term :



Contribution to :  
Competitiveness  
/ Strategy

Mid term :

Improvement of :  
Costs /  
Innovation /  
Risks

Short term :

Compliance with :  
Quality /  
Delays /  
Costs

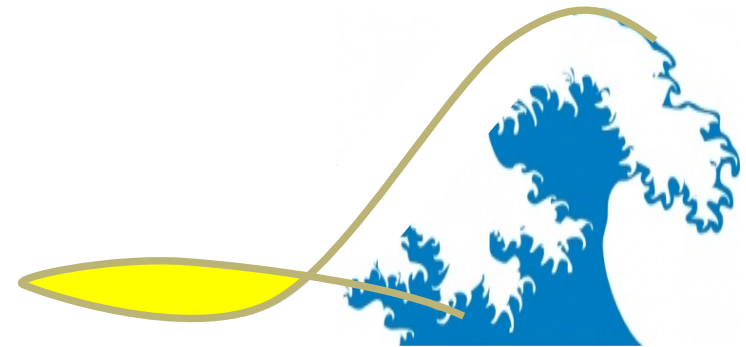


## A 'System Value Management' may be possible, built on synergies between the 'value' methods already used ?

| W.A.V.E.S.

Let us dream of a company where:

- ⊙ Strategy would target delivering to all stakeholders –shareholders, clients, suppliers, employees, environment, governments, and society- more value: more satisfaction at lesser costs
- ⊙ Products and services would enthusiasm current and future clients, making employees proud and suppliers loyal
- ⊙ Functions, services and units are managed according to indicators showing their contribution to the company goals and values, as well as the success of the other functions
- ⊙ Processes, in industry and services, would produce only outputs useful to their internal and external stakeholders, driven with efficient information systems and tools
- ⊙ Each actor would exchange his time, energy, skills and motivation against not only money but also quality of life, a sense of collective usefulness and long term personal development
- ⊙ Everyone would achieve his goals and objectives by collaborating to the other ones, in the respect of their own values.
- ⊙ All this with the same performance improvement methodology ...



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 Entreprise System*

*w-a-v-e-s.com*  
*valeursetmanagement.com*

**A company with more value(s) in its management?**