



Ontario Ministry of Transportation

Value Engineering/ Value Analysis FACT SHEET

If you know your Values,
Decisions are easy to make.

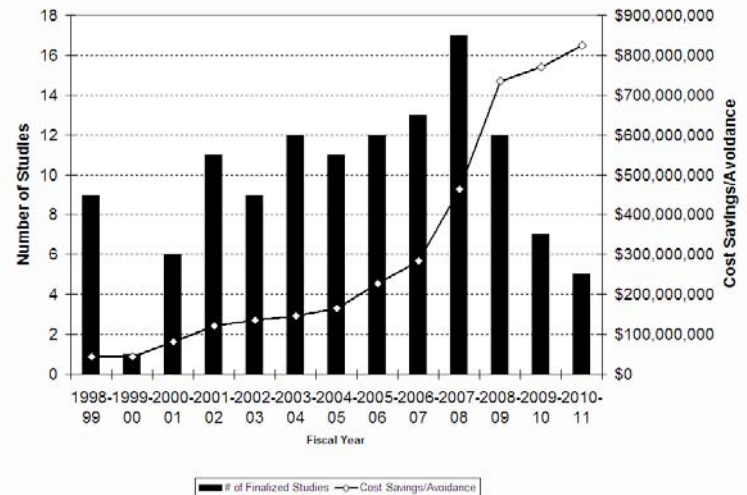
What Is Value Engineering (VE)/ Value Analysis (VA)?

VE/VA is a facilitated and creative process that generates alternative solutions to problems. The solutions maintain or improve function (what something does), while at the same time maximize value.

VE teams offer alternatives to the existing solution using a combination of creative and analytical techniques to seek out optimum value for money.

Its strength comes from the power of the synergy, creativity and the experience of the multi-disciplinary team members and the use of function analysis as the basis for consideration of alternate solutions.

Since 1998 MTO has saved* over \$800,000,000 using Value Engineering



*Cost Savings/Avoidance are tabulated if a VE proposal is accepted and carried through to the end of the project phase.

The payback for investment in Value Engineering / Value Analysis typically exceeds 10:1

How much can your organization save?

What is Value?

Value is a personal perspective of your willingness to pay for the performance delivered by a product, process or project.

Good **value** is achieved when the necessary performance can be accurately defined and delivered at the lowest life cycle cost.

How do you measure Value?

VE / VA follows a proven 6 step Methodology:



Who Uses VE/VA?

- Infrastructure Owners
- Efficiency and Reform Group, U.K. Cabinet Office
- Business areas requiring an I&IT solution
- Business areas challenged to maintain service levels when dealing with fiscal and staffing constraints. Agencies in Quebec and Ontario have used VA in setting business plans and priorities.
- Automotive and Aeronautical Industries
- Energy Sector – Oil, Hydro, Nuclear
- Consumer Product Manufacturers interested in product innovation - Samsung, Whirlpool...
- And you?

Top 3 Reasons to Use VE/VA:

- A simple process that fosters innovation
- Builds a common understanding of key needs and buy-in for change.
- Maximizes use of Resources.

Start a VE / VA Program Today!

Canadian Society of Value Analysis: <http://www.scav-csva.org/>
MTO VE

Program: <http://www.mto.gov.on.ca/english/transtek/ve>

U.K. Office of Government Commerce

www.best-management-practice.com/Value-Management-MoV