Value Management – A Vehicle for Project and Team Learning*

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ABSTRACT

This paper deals with the concept of learning and the way in which Value Management may be used to enhance individual, team, and project learning. The notion of Organisational Learning is attracting worldwide interest. Private and public sector organisations are embarking upon deliberate strategies to develop cultures based upon learning principles. It is strongly argued that the only area for sustainable competitive advantage that one organisation can have over its competitors is in the ability to learn more effectively. The paper describes the role of the facilitator in creating a learning environment, and it emphasises the impact that effective learning, undertaken during the information phase of a value management study, has on subsequent phases of the workshop structure.

Introduction

The notion of Organisational Learning is attracting world-wide interest. Private and public sector organisations are embarking upon deliberate strategies to develop a culture based upon learning principles. It is strongly argued that the only area for sustainable competitive advantage that one organisation can have over its competitors is in the ability to *learn* more effectively. As part of an action research initiative pursued through the University of Canberra and the Australian Centre for Value Management, the connections between the theory and practice of learning and the theory and practice of Value Management have been explored. This action research has led to the development of a particular model of Value Management in which learning (individual, team and project) is seen as a key characteristic. This, in turn, requires an appropriate methodology as well as effective facilitation to achieve the learning outcomes.

It is during the early stages in the life of a project that the need for effective learning is most critical. The early stages are often characterised by unclear and sometimes conflicting client and user needs. There may be a lack of definition of the client organisation, lack of definition of stakeholders' needs, wants and expectations; varying and frequently conflicting assumptions. There may be a need to integrate a wide rage of factors including environment, heritage and cultural issues.

Frequently, the principal reason for commissioning a Value Management (VM) study during the initial stages of a project is to establish an understanding amongst the project stakeholders of the

breadth and depth of the problem situation. This enables the stakeholders to develop useful knowledge needed to resolve it. In order to develop such understanding, learning must occur.

Learning can be defined as a change in behaviour that results from experience. Kolb maintains that learning is a cyclic process of concrete experience, followed by reflection, conceptualisation, experimenting and (re-doing). Dixon argues that learning occurs in the context of work and reflection and requires deliberate effort. There is no doubt that some learning occurs in ad hoc manner, or even by accident. It is argued, however, that to meet the needs of a wide range of stakeholders in a specific situation, that an organised, deliberate effort to facilitate the learning is required.

The timely and appropriate intervention of the VM study not only impacts upon project outcomes, but it can significantly enhance the knowledge and awareness of the participating stakeholders. This occurs as a direct result of planned intervention by a skilled facilitator who systematically creates a learning environment. The VM job plan lends itself to the establishment of a learning environment which enhances the development of creative ideas and options leading to value-improved outcomes, which are owned by the participating stakeholders - the people who are concerned about and affected by the problem in question.

The methodology used by the facilitator focuses on encouraging the participants to adopt a learning paradigm. This is achieved by leading the group through the steps in the Information Phase and creating a safe environment in which participants feel able to explore ideas, gather information, question assumptions and test ideas. The facilitator models the behaviour necessary to sustain the environment and controls any behaviour which has the potential to impact negatively on the process or upon individuals.

Planning for the full participation of participants, sometimes in small groups, sometimes in the large group serves to secure ownership of the project vision, the mission, goals, objectives as well as the outcomes that emerge from the workshop process. The success of the approach is dependent upon skilful management of the workshop process itself, an understanding of learning and learners and the level of skill and experience of the facilitator.

Another distinguishing features of this approach to Value Management apart from the facilitation methodology, is the use of large groups, up to 30 people.

Value Management, for the purpose of this paper is considered to be a broad, inclusive methodology. It is a system which:

- uses professionally facilitated, consensus-seeking workshops;
- creates a supportive environment in which the stakeholders can work together;
- enables the generation, development and evaluation of value-improved outcomes such as strategies, concepts, detailed plans etc.

The less tangible outcomes include :

- Sustained learning
- Ownership across the range of participating stakeholders;
- Commitment to the outcomes;
- Resolution of complex issues.

The VM Workshop

The majority of workshops are of two days duration and are conducted in the format of the traditional Value Management job plan. The first day is structured so that "divergent thinking" is encouraged. All ideas are accepted and judgement is suspended. In contrast, day two involves the convergence of ideas and thinking. Day one is essentially about "finding out" about the situation being explored followed by a period of idea creation. Day two is essentially about evaluating those ideas and developing them into options and proposals.

Whilst the entire workshop is a rich learning experience, it is the "finding out" part of the first day which presents the most significant learning experience. This part of the workshop typically take up to three quartets of the day and is carefully structured.

Finding Out about the Situation being considered

The Information Phase of a Two-Day Value Management Workshop is typically structured as follows:

- The Problem Situation
- Project Givens
- Project & System Functions
- Project Overview
- Assumptions
- Key Learnings / Shared Vision

This Phase, which can take up to three-quarters of the first day of the workshop, is critical to the success of the VM study. During the pre-workshop phase, information will have been gathered, coordinated and distributed to participants. In the majority of studies conducted by the ACVM, the workshop is often the first opportunity project stakeholders have met as a group. As such, it is the first opportunity for people to share knowledge and experiences and discuss issues and concerns about the project in a forum specifically designed to facilitate synergistic outcomes, for example, developing a shared vision.

The steps in the Information Phase represent building blocks in the learning process. Initially, the ***Problem Situation*** is the focus of attention. The purpose of this step is to commence the processes of sharing information in an interactive way and workshop participants are asked to identify the situation as they see it. A rich picture is built up comprising facts, perceptions, feelings, and apprehensions about a range of technical, economic, social or environmental factors. These details are carefully recorded by the facilitator.

Project Givens are identified and recorded. These may include commencement dates, budgetary constraints, starting and finishing points of a transportation route, political imperatives and so on. Many participants are unaware of many of the givens.

System Functions are then identified at various levels of abstraction. These functions may be described as *purposive actions*. This part of the Information Phase assists in crystallising needs and

also provides the basis for creative thinking to produce alternative solutions. By identifying these system functions at this point in the workshop, attention is focused on need. This serves to provide participants with an appreciation of where the common ground lies, that is, what is in their mutual interest and how this can serve to advance the learning process to enable a truly shared vision for the project to be developed.

Other steps in this Phase provide a formal ***Project Overview*** and a review of ***Assumptions*** which underpin or influence the project proposal or project specifications, project objectives, key issues or concerns.

The 'Systems' Context of the Information Phase

In project management, there is seldom a single problem but, rather, an array of problems which is sometimes referred to as a *problem situation.* This will include factors such as client needs, wants and expectations, financial and management issues, environmental constraints, processes and activities to be accommodated within the completed facility, personalities and viewpoints of stakeholders and so on. The problem situation needs to be identified such that the richest possible picture of the situation is created. This is achieved through the direct interaction between key stakeholders in the workshop. This process, which requires careful facilitation, leads to improved understanding of the problem situation and to the creation of goals and objectives and outcomes which are holistic.

Team Learning in Practice - Three Case Studies

Three recent case studies illustrate the power and practicality of this approach.

This case concerns a regional health care organisation that was seeking to develop a robust business case for progressing a major investment proposal to fund compliance upgrade works and associated reconstruction of existing facilities. Two neighbouring health care providers were co-operating in a combined strategy to service the area.

The key learnings identified by the participants immediately following the information phase are summarised below:

- this is a service organisation - facilities, in their conception and design, must reflect derived demand in order to facilitate service delivery in a customer-focused environment;
- lack of recognition of the sub-standard nature of the present facilities;
- compliance issues were real and expensive to address;
- extent of user group consultation and buy-in needs to be appreciated;
- what had been achieved to-date was not appreciated in the wider community;
- limited awareness / appreciation of the length and magnitude of the project;
- what is understood by the project team about the project needs to be communicated to and appreciated by "others";
- a compelling business case would have to be prepared and submitted to funding agencies;
- barriers / opportunities have not been challenged;

- existing provider organisations could work more closely together;
- minimal planning for growth in the present facilities;
- need to challenge the "Givens";
- project offered opportunity to re-think the approach to regional health management from a systems perspective and this would inevitably lead to changes in community perceptions about those sectors of the health care business that regional authorities were required to provide.

As a result of these learning outcomes, the workshop team went on to devise a business case for investment in the project, designed strategies based on a shared vision of improving service delivery based on a regional perspective, set deficit reduction targets and planned asset divestments.

The second case study concerns a major national performing arts Centre which was to undergo renovation. The key learnings from the Information Phase of this study as identified by participants were as follows:

- the renovation project may, in itself, be too ambitious within the given time frame;
- targets could not be achieved without a considerable degree of pain and this may involve an unacceptable degree of compromise to construction and performance arrangements;
- non-critical functions and staff would have to be accommodated off-site during the project;
- cost and performance program implications were not well understood at this stage;
- presentation of the changes to the community would have to be carefully managed;
- building precinct issues would have to be carefully assessed as part of the project plan;
- no decision taken as to "where the buck stops" with this project;
- there were unresolved tensions within the design community in relation to this project;
- there were unresolved tensions between the commercial and non-commercial or "traditional" functions of the building.

The third case study concerns a VM workshop at which the framework for an environmental strategic plan was developed for a major vocational educational and training provider. The key learnings from the Information Phase of this study as recorded by participants were as follows:

- the team felt reassured that there was a shared vision as to how future goals could and should be achieved;
- environmental issues could be marginalised by the adoption of policies guided only by the rhetoric of the day;
- the "solutions" to these problems are more complex than anticipated;
- there is less actual control over the management of assets than was thought;
- there was surprise that environmental issues did not feature in the corporate plan;
- there was concern that environmental issues had not featured, at least to-date, in the organisation's overall Quality System;

- the framework must encompass a holistic strategy that integrates, rather than simply coordinates, curriculum, asset management and operations
- both staff and students need to be educated and trained about the framework and its implementation
- while life cycle costing is an important concept that underpins the VM framework, it needs to be defined and its application in this organisation carefully thought through;
- tools for measuring environmental issues, costs and benefits are, apparently, not readily available;
- the legislative framework for compliance with environmental standards is not readily understood and may not exist;
- implementation of the framework will involve designing and implementing a change process in both curriculum and facilities / asset management;
- traditional project management, both as a concept and project delivery methodology, has been inadequate;
- a much more inclusive and holistic approach to facilities and asset management will be a critical success factor for the adoption of the framework;
- the level of skill required to manage organisational resources will be high and the move to centralise functions may impede the development of those skills.

In the light of these learning outcomes, the workshop team went on to devise a framework for the development of the environmental strategic plan. The shared vision for the framework reflected agreed environmental management principles for curricula, asset management and operations on the basis that the organisation must identify and embrace its environmental management responsibilities and leadership opportunities in those three key result areas.

Actual Workshop Experiences with Developing Key Learnings

In each of these workshops, it was interesting to observe reactions of participants at the time of recording key learnings. For some, particularly those who have been involved with the project for some time, there appeared, at first sight, to be very little new learning. However, after a few moments of reflection, extensive lists of key learnings were identified even from those who were very familiar with the project.

Moreover, as the key learnings were at first identified within table groups and then shared with the whole workshop in a plenary session, the importance of the process was appreciated and the power of the sharing process was reinforced.

Conclusions

The role of the workshop in a VM study has typically been cast as bringing stakeholders together to exchange information in the hope of generating new insights. That role has evolved to one that now focuses on facilitating individual and team learning as means of increasing significantly the prospects of achieving meaningful outcomes.

The paper has argued that the Information Phase in the VM workshop has a pivotal role to play in creating an environment within which learning can occur. As the case studies show, significant learning occurs during the Information Phase. This learning can help overcome inertia and provide the critical momentum the workshop needs to proceed to the Analysis and Creative Phases. During these phases paradigm shifts are likely to be made, clearing the way for substantial value enhancements. While the structure of the Information Phase is clearly crucial, the ultimate success of the strategy relies on the skills and experience of the workshop facilitator.

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