**Value Management Plan**

### Scope

This reference document projects specific value management procedures appropriate to the size, complexity, and nature of the project. Value improvements are also documented and may be included in *After Action Report (AAR)/Lessons Learned – PROC3020*. The Value Management Plan (VMP) is an integral part of the Project Management Plan (PMP), along with *Quality Management – REF8008G*, *Risk Management – REF8007G*, *Communications – REF 8006G*, *Safety and Occupational Health – REF8016G*, and *Change Management – REF8009G*. Plans are developed concurrently in the iterative Project Planning Phase.

Value Management (VM) is a process to facilitate and encourage the understanding, consideration, and integration of the needs of all customers, PDT members, partners, and stakeholders. Value Management seeks the highest value for a project by balancing resources and quality. The VM process emphasizes the use of multi-disciplinary teams and their resulting synergy, using a functional analysis approach for decision-making. It is a management tool that should be applied continuously throughout the life-cycle of projects and programs. VM is applicable to all business processes.

### Policy

ER 5-1-11 U. S. Army Corps of Engineers Business Process

ER 1110-2-1150, Engineering and Design for Civil Works Projects

Office of Federal Procurement Policy Act (41 USC 401 et seq.) as amended February 10, 1996 by Public Law 104-106

OMB Circular No. A-131

Public Law 99-662, Section 911

### Responsibility

- The Project Manager (PM) is responsible for:
  - Including the VM/VE Officer or his designated representative as an integral member of the PDT.
  - Assuring the PDT incorporates a Value Management Plan into the PMP for the project.
  - Ensuring that Value Management techniques are integrated into the project delivery process to optimize overall value.
  - Ensuring that VM/VE activities are scheduled and conducted as needed.
  - Ensuring that Value Management workshops are fully documented.
  - Ensuring a waiver request containing a written justification prepared for signature of MSC Commander, for requests of non-performance of a VM/VE study.
  - Ensuring schedules are developed and adequate funds are budgeted for all VM/VE activities, including proposal review by District, partners and customers.
  - Ensuring implementation of accepted VM/VE study proposals.
  - Ensuring that a request for approval for non-implementation of all VM/VE proposals, and group of proposals, with potential savings over $1,000,000 has been made through the District Commander.
  - Ensuring that the PDT is responsible for project/program quality.

- The Project Delivery Team (PDT) is responsible for:
  - Developing the VM Plan and ensuring that VM/VE activities are properly scheduled and resourced.
  - Including Value Management methodology in all aspects of project development and delivery.
  - Participating in Value Management workshops.
  - Documenting the results of Value Management workshops.
  - Incorporating the results of Value Management workshops into the project or program.

- The Resource Provider(s) is responsible for:
  - Providing subject matter expert advice to the PM, PDT and District Commander.
  - Participating on PDTs to assure appropriate number and type of VM/VE studies are scheduled and appropriate resources (whether in-house or contract) are identified in the PMP to accomplish mandatory VM/VE requirements.
  - Assuring that the VM/VE studies are accomplished in accordance with established guidance and procedures, as the technical expert on the PDT.
- Tracking and recording all district VM/VE costs and savings for upward reporting in the VM/VE channels
- Coordinating with the MSC/Center. Producing and forwarding the district's/center annual plan and quarterly reports to the MSC/HQUSACE. Reporting to the Division/HQUSACE office the status of all VM/VE proposals with potential savings over $1,000,000
- Providing necessary programmatic VM/VE status reports
- Ensuring that VM/VE cost savings and avoidances are considered for use on Sustainable Design project additions. These saving shall be supported by life-cycle saving analysis performed in accordance with established procedures
- Ensuring established procedures for review, approval, and contractor notification for VECPs
- Ensuring that the rationale for not accepting major proposals is valid and documented.
- Ensuring procedures are established for review, approval, and contractor notification for VECPs
- Assisting PM in ensuring projects are on time, and the best quality within budget
- Helping to assure/maintain/enhance Corps credibility, and cost effectiveness
- Ensuring documentation, auditable savings/avoidance for reporting to Office of Management and Budget
- Encouraging credible VM/VE studies earlier in the project cycle and in a less disruptive mode
- Encouraging seamless VM/VE in accordance with PMBP intent
- Ensuring the PDT members are trained in VM/VE Methodology
- Teaching, coaching, and assisting PDT members in the development of the Value Management Plan

Value Management Plan Content

Goals: (Statement of the overall goal of the VM/VE effort; ex. Compliance with Federal Law; Attempt identify possible cost saving and project enhancement options)

Objectives: (Specific items of accomplishment that the VM/VE effort will achieve as specific to the project; for example, Validate current alternative strategies; Identify and address pertinent issues that may impact the implementation and effectiveness of the current alternatives strategies; provide recommendations for future research needs.)

Execution: (Discussion on how VM/VE effort will be implemented; ex. Scheduled VE studies; planning charrettes, design charrettes, etc. and the participation in plan formulation, development and technical review activities)

Work Breakdown Structure:

a. Organization Name:
b. Organization Code:
c. WBS Code:
d. What: (Description of VM/VE effort, i.e., specific VE study(ies), other participation in PDT activities).
e. Why: (Purpose of VM/VE action(s))
f. Who: (Specific staff and/or contractors)
g. When: (VM/VE activity schedule in terms of the overall project)
h. How: (Brief Description of process to be used to execute VM/VE activities)
i. Cost:
j. Time:

Effective: May 2009

Distribution

- Project Delivery Team (PDT)
- Project Manager (PM)
- Resource Provider(s)

Ownership

The PMBP Program Manager is responsible for ensuring that this document is necessary, that it reflects actual practice, and that it supports corporate policy.