



# VALUE ENGINEERING ANALYSIS GUIDE

## SUMMARY

The following pages have been established by the Mortar Value Engineering Team with reference to the “Principles of Value Engineering” training course. The pages include a flowchart and worksheet to help determine whether a Value Engineering idea has merit in a timely manner.

## ACHIEVING ECONOMIC VALUE

To achieve economic value, apply the following standard “Test for Value” to an item, if the answer to any of these questions is “yes” then you have not attained good value.

1. Lack of information or functional understanding.
2. Decisions based on incorrect functional understanding.
3. Conventional thinking, not function oriented.
4. Negative attitudes (no functional rationale).
5. Reluctance to seek advice and correctly identify functional requirements.
6. Shortage of time in which to prepare function analysis.
7. Emphasis on performance first at any cost.
8. Failure to take advantage of changing technology or to understand the impact of new processes, products, and materials.
9. Changes in user’s mission (task) or functional needs.
10. Fixation on previous designs or the designs of others without functional considerations.
11. Lack of function yardstick for measuring value.
12. Lack of knowledge of actual user functional requirements.

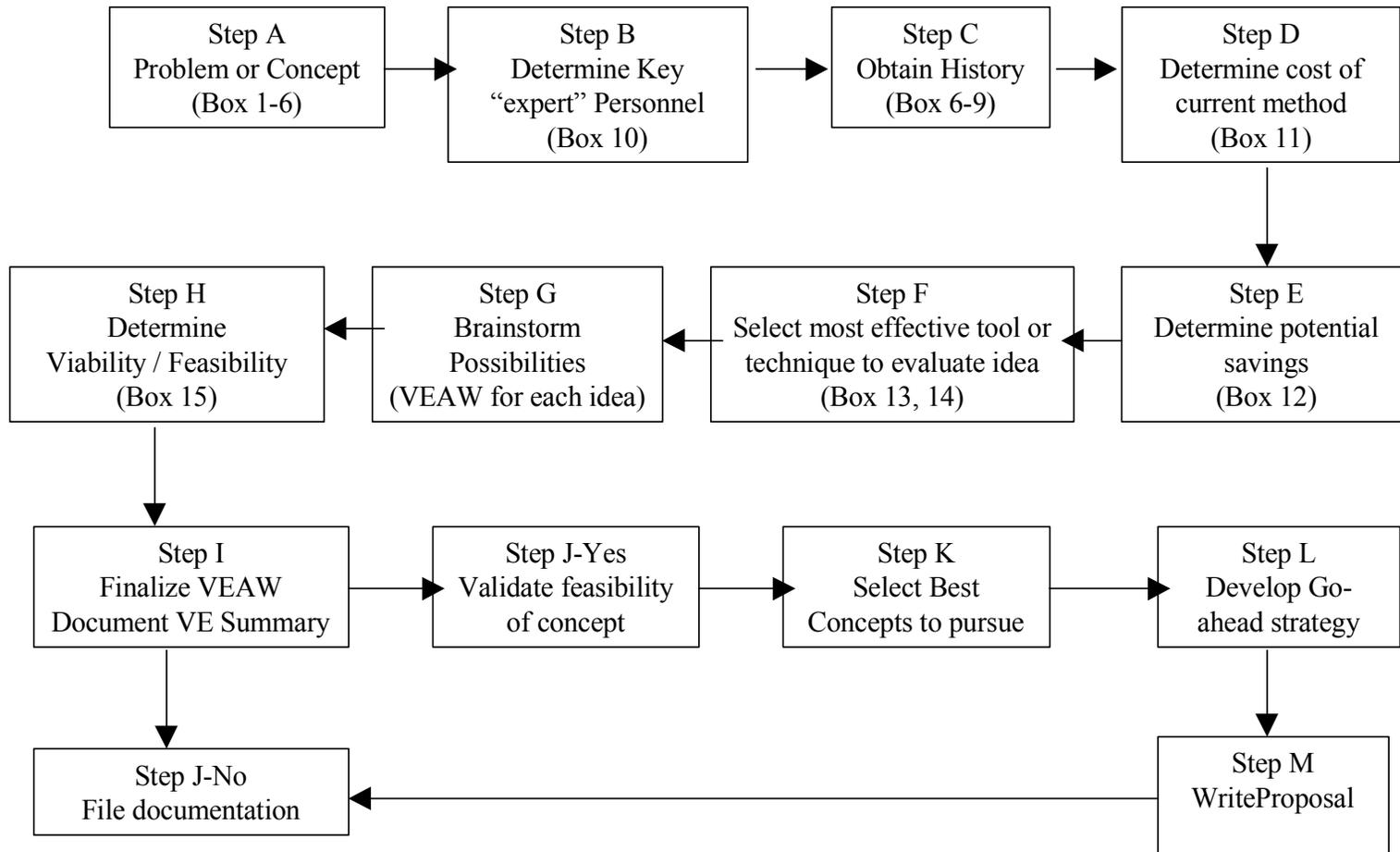
## POOR VALUE INDICATORS

The following may be indicators of poor value:

1. Feedback from tests and field performance.
2. Unused advances in technology.
3. Excessive cost.
4. Design effort and review.
5. Specification review.
6. Excessive maintenance and repair costs.
7. Difficulty of adaptation (not user friendly to soldier).
8. Shortages and high consumption rates (excessive rework, scraps).
9. User complaints.
10. High demilitarization cost.



# Value Engineering Analysis Flowchart





## MOVE: VALUE ENGINEERING ANALYSIS WORKSHEET

1. Initiative/Proposal:		2. Initiator(s):		3. Date:	
4. Items Affected:					
5. Proposed Method:					
6. Current Method:					
7. Advantages of Proposal:					
8. Disadvantages of Proposal:					
9. Possible Future Implications if Proposal is successful:					
10. Key Personnel / Key Information required for analysis:					
11. Cost Associated with current method:					
	Material _____	Rework _____	Scrap _____	Labor _____	Demil _____
	Other _____				
12. Anticipated cost associated with proposed method:					
a. Savings	Material _____	Labor _____	Life Cycle Cost _____	Other _____	
	Rework % _____	Scrap _____	Demil _____		
b. Costs	Engineering _____	Testing _____	Tooling _____		
c. Production	1 yr. _____	2 yr. _____	3 yr. _____	4 yr. _____	5 yr. _____
d. Payoff					
13. Functional Analysis System technique required ?	Yes	(enclosed)	No		
14. Tools & Techniques used to analyze proposal:					
15. RESOLUTION:					
a. Does Preliminary analysis warrant further pursuit of this proposal?	Yes _____	No _____			
b. Does proposal require further analysis before implementation?	Yes _____	No _____			
c. Is Engineering study required and warranted?	Yes _____	No _____			
d. Are prototypes and/or testing required and warranted?	Yes _____	No _____			
e. Other issues:					
16. SUMMARY:					
a. Complete proposal for required effort and summarize:	Cost _____	Savings _____	Time _____		
b. Summarize plans and justification for continuing or discontinuing with proposal:					



# Product Improvement Procedure

