



**Institute of Value Management  
ORGANISATIONAL DIAGNOSTIC ASSESSMENT**

Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
1	<b>Is Value important to you and your customers?</b>	GENERAL INFORMATION ABOUT YOUR ORGANISATION	
		Are value concepts made explicit and visible? - Yes/No	
		Do you know what drives value for your customers and your organisation? - Yes/No	
		Do you have systems in place that you know are maximising this value? - Yes/No	
		<b>ASSESSMENT LEVELS</b>	
		<b>How important is value to you and your Customers</b>	



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		1. Not important	
		2. Has some bearing on how business is conducted but the focus is mostly on financial and other factors (e.g. production rates, cost, price, profit, sales)	
		3. Value is one concept used as a way of thinking about e.g. Customer's needs, product development, business processes, in support of delivering financial and other performance criteria	
		4. Value is at the heart of consideration of e.g. our Customer's and Stakeholder's needs and wants, the way in which we think about our product offering and product functional performance, our manufacturing approach.	
		5. Value thinking is a way of life in the organisation from Senior Management to the shop floor, from Strategic to operational planning, involving individuals and teams at all levels in the organisation, and using effective VM tools and methods to deliver results.	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	



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2	<b>Does your organisation understand what Value and the VM Methodology are?</b>	VALUE - If the definition of value is satisfaction of need / resources used what does value typically look like for you and your stakeholders? The formula can be interpreted in many ways, e.g.: VALUE = SAFETY, ENVIRONMENT, SECURITY, FUNCTIONALITY/JUSTIFIABLE COSTVALUE = MEET NEED/MINIMUM COSTVALUE = POLITICS, PRESTIGE/PREMIUM COST  What VM Processes/Products do you use?	
		<b>ASSESSMENT LEVELS</b>	
		<b>Does your organisation understand what Value and the VM Methodology are?</b>	
		1. Some awareness of what Value means and of the VM approach	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		2. Knowledge of what Value means and the VM approach	
		3. Knowledge of what Value and the VM approach means	
		4. A deeper understanding of what Value and the VM approach means, linked to Customers and Business performance	
		5. The organisation has captured the meaning of Value in its context linking it to Customers, Stakeholders and Business needs and understood how the VM Methodology can deliver business results	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	
<b>3</b>	<b>How does your organisation rate in terms of Value knowledge and its approach to its practice?</b>		
		Do you quantify (e.g. in monetary terms) the benefit of VM to your organisation? Never/Sometimes/Always	
		How do you quantify the benefits of VM for your organisation?	



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		What qualitative benefits does VM deliver for your organisation (tick all that apply)? Tick which ones apply:	
		Better business decisions providing decision makers with a sound basis for their choice	
		Increased effectiveness by using limited time and resource to best effect	
		Improved product and services to external customers by clearly understanding and giving due priority to their real needs	
		Enhanced competitiveness by facilitating technical and organisational innovation	
		A common value culture, thus enhancing every members understanding of the organisations goals	
		Improved internal communication and common knowledge of the main success factors for the organisation	
		Simultaneously enhancing communication and efficiency by developing multidisciplinary and multitask teamwork	
		Others _____	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		<b>ASSESSMENT LEVELS</b>	
		<b>To what extent is VM valued by your organisation?</b>	
		1. Not at all	
		2. Sometimes – benefits recognised on occasions	
		3. Moderately – accepted to be a good way of doing things	
		4. Highly valued – under development, want it to become the way we do things	
		5. Highly valued – highly integrated into the way we do things	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
4	<b>Are your VM studies facilitated by trained individuals?</b>	Does your organisation carry out the following activities when determining Value solutions? Tick which ones apply.	
		Define the objective(s) of the VM study	
		Link objectives to VM policy and programme	
		Identify the methods and supporting processes needed to achieve the objectives	
		Select team (please indicate typical number of participants)	
		Team includes key stakeholders	
		Team includes suitable wildcard/s	
		Provide training for team members	



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		Identify functions which are essential to achieve the objective	
		Identify how to measure changes in performance and use of resources	
		Set targets for performance and use of resources for each of the functions (relative value of functions)	
		Apply methods and supporting processes to identify innovative ways of achieving targets	
		Select and validate proposals for improvement	
		Implement the proposals which have been chosen by the decision maker	
		<b>ASSESSMENT LEVELS</b>	
		<b>To what extent does your organisation carry out these activities when determining Value solutions?</b>	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		1. None -20%	
		2. 20% - 40%	
		3. 40% - 60%	
		4. 60% - 80%	
		5. 80% - 100%	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	
<b>5</b>	<b>Are studies scheduled and integral to your processes/procedures ?</b>	How would you assess the value management program of your organisation?	
		Advised for all projects	
		Applied to selected projects (targeted approach)	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		Applied to projects randomly dependent on knowledge of individuals	
		Other _____	
		Are VM activities built into project programmes?	
		Never/Sometimes/Always	
		How much notice is typically given of the need for a VM study?	
		Less than 1 week/1 -2 weeks/3-4 weeks/1-6mths	
		Who requests VM studies?	
		Project Managers/Project Sponsors/Client/VM facilitators/Other _____	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		<b>ASSESSMENT LEVELS</b>	
		<b>Based on your review of the questions how would you assess the value management program of your organisation....</b>	
		1. VM rarely applied	
		2. Some VM used but not programmed	
		3. Lots of VM activity but not often programmed	
		4. Lots of VM activity, some programmed some ad hoc	
		5. Fully developed program for VM activities visibly applied in an organisational framework	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	
<b>6</b>	<b>Is Value Management deployed at Strategic,</b>	What sort of VM studies does your organisation undertake, please estimate % of studies in each area:	



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	<b>Programme and Project levels?</b>	STRATEGIC LEVEL – Determining Company Policy and Business areas to pursue	
		PROGRAMME LEVEL – Determining projects that should be on the programme; balancing risk and value (investment, benefits, risks) between portfolios	
		PROJECT/PRODUCT LEVEL – Ensuring project/product is correctly focused on stakeholder needs and providing underpinning for key decisions, creating value, delivering best value solution	
		ORGANISATIONAL LEVEL – Identifying improvements in structure of organisation, business processes, procurement/supply chain, marketing methods that can improve delivery	
		OPERATIONAL LEVEL – Identifying improvements in performance by reviewing design and manufacturing processes, procedures and practices	
		<b>ASSESSMENT LEVELS</b>	
		To what extent is VM deployed in your organisation?	
		1. VM studies are not undertaken	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		2. Some activities are loosely using VM methods	
		3. Value objectives are defined, methods and supporting processes are identified and teams are selected to address specific organisational and delivery issues	
		4. Activities in 3 are built into a systematic approach across the organisation at appropriate levels	
		5 VM studies are undertaken in relation to the VM Policy and organisational objectives to meet Customer and Stakeholder requirements at several levels and across the company	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	
7	<b>Does your organisation have a Value Management policy?</b>	Does your organisation have a VM policy? - Yes/No	
		Does the VM Policy address all aspects of VM in the organisation - Yes/No	



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		Is it based on the general management goals at the highest level and sets the pattern for all other activities and objectives.- Yes/No	
		Does it reflect the outward looking views of Customers and Stakeholders by Top Management- Yes/No	
		Does it reflect the internal issues under consideration by Middle Management which deliver the top management outcomes.- Yes/No	
		<b>ASSESSMENT LEVELS</b>	
		<b>How good is your organisation's VM Policy?</b>	
		1. No VM Policy exists	
		2. The VM Policy is part of another Policy (e.g. Quality)	
		3. A VM Policy has been formulated reflecting general management goals but with little recognition of outward facing views and organisational issues	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		4. A VM Policy has been formulated reflecting general management goals recognising customer/stakeholder views and organisational issues	
		5. The organisation's stand alone VM Policy reflects general management goals recognises customer/stakeholder views and organisational issues and sets the pattern for all other activities and objectives.	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	
<b>8</b>	<b>Does your organisation have a Value Manager?</b>	Does your organisation have a Value manager (someone responsible for designing, developing and implementing a value management programme?) - Yes/No	
		At what level in the organisation is this individual? - Director/Senior Manager/Management/Other	
		Does your organisation have a VM Functional Office - Yes/No?	
		Does your organisation have a VM Steering Committee? - Yes/No	



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		<b>ASSESSMENT LEVELS</b>	
		1. No VM Champion or centralised body exists	
		2. VM is carried out on an ad hoc basis in the organisation with no top down-bottom up connection	
		3. A VM Champion or guiding function exists to coordinate VM activity at low level in the organisation with little authority explicitly given by Top Management	
		4. A VM Champion and guiding function exist to coordinate VM activity in the organisation with authority explicitly given by Top Management	
		5. A Senior Management VM Champion and Steering Group are appointed and VM is holistically applied in the organisation	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	
<b>9</b>	<b>Is Value understood/delivered</b>	You can highlight your answers to the following to help gauge your organisation's approach:	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
	<b>by all in your organisation?</b>	How much awareness of VM is there at a corporate/senior level? - Lots/Some/A little/None	
		How much awareness of VM is there at a middle management level? - Lots/Some/A little/None	
		How much awareness of VM is there at a team level? - Lots/Some/A little/None	
		How much awareness of VM is there amongst your stakeholders? - Lots/Some/A little/None	
		Does your organisation seek to understand the value drivers of its key stakeholders? - Yes/No	
		Is VM a favoured approach to demonstrating this? - Yes/No	
		<b>ASSESSMENT LEVELS</b>	



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Number	DIAGNOSTIC QUESTION	DIAGNOSTIC	ANSWER
		<b>Which of the following do you feel best describes the value culture of your organisation</b>	
		1. Limited awareness of value and limited use of VM to demonstrate it	
		2. Limited awareness of value, some use of VM	
		3. High awareness of need to demonstrate value, VM is used to support this	
		4. High awareness of value, and emerging VM culture	
		5. Highly effective value culture operating in the organisation, VM is the way we do things	
		<b>YOUR RATING (SCORE FROM ABOVE CRITERION CHOSEN)</b>	

<b>TOTAL SCORE</b>	
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**COMMENT**

<b>0 - 10</b>	You need to engage Value thinking in your organisation and begin to embrace Value Management methodology
<b>11 - 20</b>	You need to develop Value thinking with your Customers and begin to practice Value Management methodology
<b>21 - 30</b>	You need to develop Value thinking with your Customers and Stakeholders and practice Value Management methodology more systematically at various organisational levels
<b>31 - 40</b>	You need to agree what Value means to you and your Customers and Stakeholders and ensure your Value Management methodology is targeted to deliver systematically at various organisational levels
<b>41 - 45</b>	You have embedded a Value culture in your organisation and have an integrated organisational framework and a value focused management style