COURSEWARE

MoV® Foundation Management of Value

Courseware - English

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MoV® Foundation Management of Value
Courseware - English

Colophon

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Table of content

	--- Slide number	--- Page number
Reflection		7
Agenda		9
Introductions/Objectives	4	12
Foundation Exam Overview	6	13
Introduction to MoV	7	14
MoV in relation to other Best Practices	8	14
What is Value?	11	16
What is MoV?	12	16
Why use MoV?	15	18
Principles	19	20
1. Align with organisation's objectives	21	21
2. Focus on functions and required outcomes	22	21
3. Balance the variables to maximise value	24	22
4. Apply throughout the investment decision	27	24
5 Tailor to suit the subject	28	24
6 Learn from experience and improve performance	29	25
7 Assign clear roles and responsibilities and build a supportive	30	25
Processes	33	27
1. Frame the programme or project.	35	28
2. Gather information	36	28
3. Analyse information	37	29
4. Process information	39	30
5. Evaluate and select	40	30
6. Develop Value Improving Proposals	41	31
7. Implement and share outputs	42	31
Techniques	43	32
Function analysis	45	45
Exercise in Function Analysis	50	35
Function cost Analysis	56	38
Value engineering / analysis	57	39
Techniques commonly used in MoV	58	39
Approach to Implementation	61	41
Responding to the environment	71	46

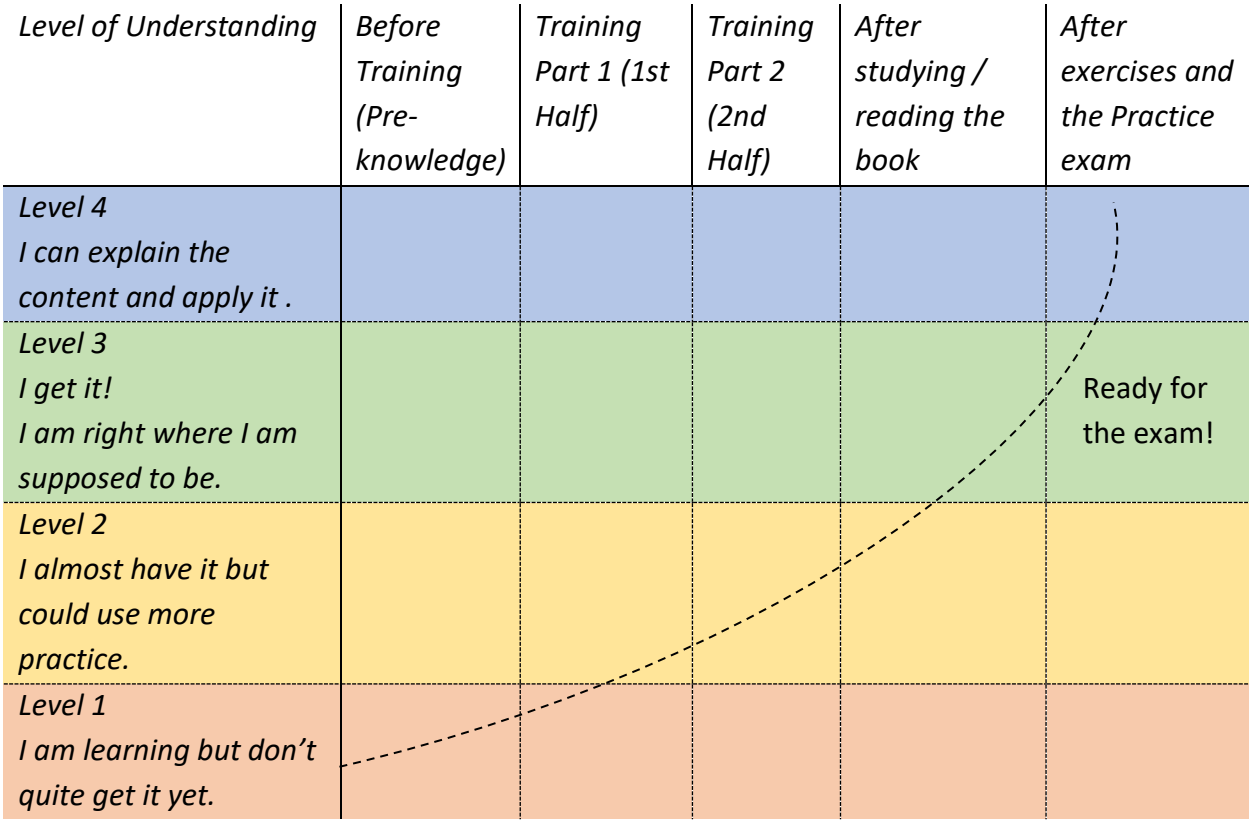
Responding to external and internal influences	73	47
Portfolio considerations	74	47
Programme considerations	75	48
Project considerations	76	48
Operational considerations	77	49
Embedding	78	49
Overcoming barriers to embedding MoV	83	52
Appendices	84	52
MoV Foundation Examination		55
Answer Booklet		74
Answer Key		76
Rationale		77
Syllabus		95

Self-Reflection of understanding Diagram

'*What you do not measure, you cannot control*.'' – Tom Peters

Fill in this diagram to self-evaluate your understanding of the material. This is an evaluation of how well you know the material and how well you understand it. In order to pass the exam successfully you should be aiming to reach the higher end of Level 3. If you really want to become a pro, then you should be aiming for Level 4. Your overall level of understanding will naturally follow the learning curve. So, it's important to keep track of where you are at each point of the training and address any areas of difficulty.

Based on where you are within the Self-Reflection of Understanding diagram you can evaluate the progress of your own training.



(Self-Reflection of Understanding Diagram)

Write down the problem areas that you are still having difficulty with so that you can consolidate them yourself, or with your trainer. After you have had a look at these, then you should evaluate to see if you now have a better understanding of where you actually are on the learning curve.

Troubleshooting

Problem areas:	*Topic:*
Part 1	
Part 2	
You have gone through the book and studied.	
You have answered the questions and done the practice exam.	

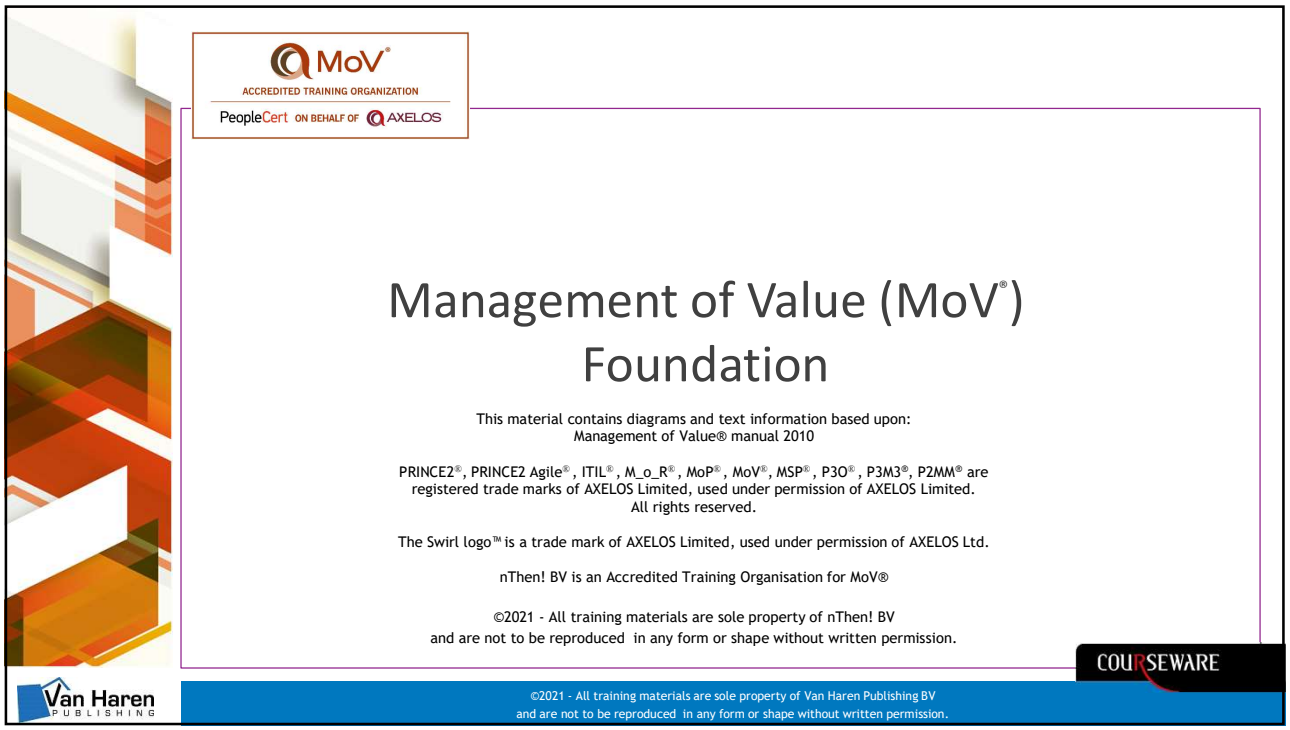
Timetable

Day 1

- Introduction/Objectives
- Foundation Exam Overview
    - Overview of Syllabus and introduction to question types
- Introduction to MoV
- Principles
- Processes
- Techniques
    - Exercise in Function Analysis
- Approach to Implementation

Day 2

- Day Two
- Revision
- Environment
- Embedding
- Appendices
- Sample Exam
-
- Foundation Exam



Agenda (1)

Day One

- Introductions/Objectives
- Foundation Exam Overview
  - Overview of Syllabus and introduction to question types
- Introduction to MoV
- Principles
- Processes
- Techniques
  - Exercise in Function Analysis
- Approach to Implementation

Agenda (2)

Day Two

- Revision
- Environment
- Embedding
- Appendices
- Sample Exam

- Foundation Exam

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Introductions

- Getting to know each other
- Learning objectives

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Objectives

Upon completion of this course, you are able to discuss and explain:

- The main processes and techniques used within MoV and the reasons for using them
- How MoV may be applied at portfolio, programme, project and operational levels
- The differences in applying MoV at different stages in a project and the expected outputs from a MoV Study at each stage
- The circumstances under which MoV should be used
- The concept of value and how value may be improved
- The main benefits arising from the use of MoV
- Approaches for implementing MoV
- How to respond to external and internal influences
- The principles of embedding MoV into an organisation
- The key topics in document check lists, the toolbox, health check, organizational maturity and individual competence

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Foundation Exam

- Simple and complex multiple-choice questions
  - 17 Knowing
  - 33 Comprehending
- Forty minutes examination
- Extra 10 minutes for non-native UK
- Closed book
- Pass mark required is 50%
- All questions based on the Best Management Practice Guide "Management of Value "

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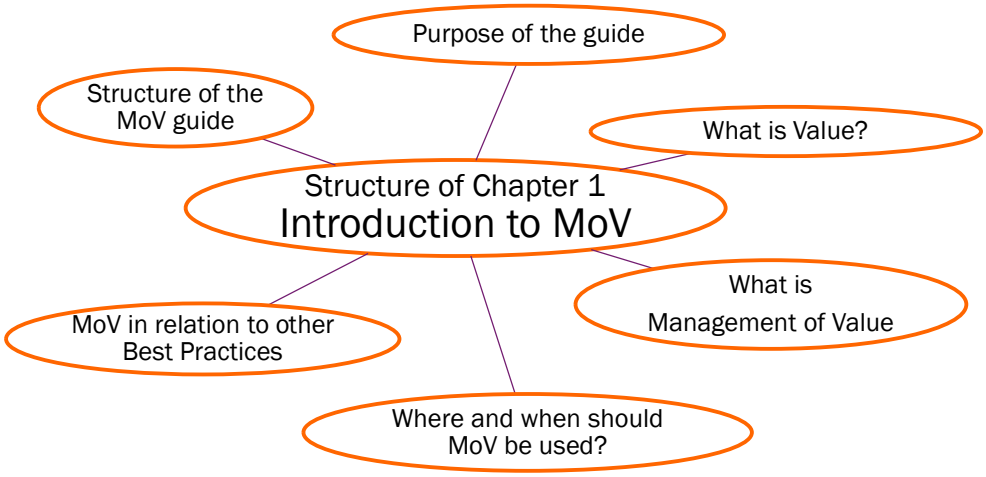
Introduction to MoV



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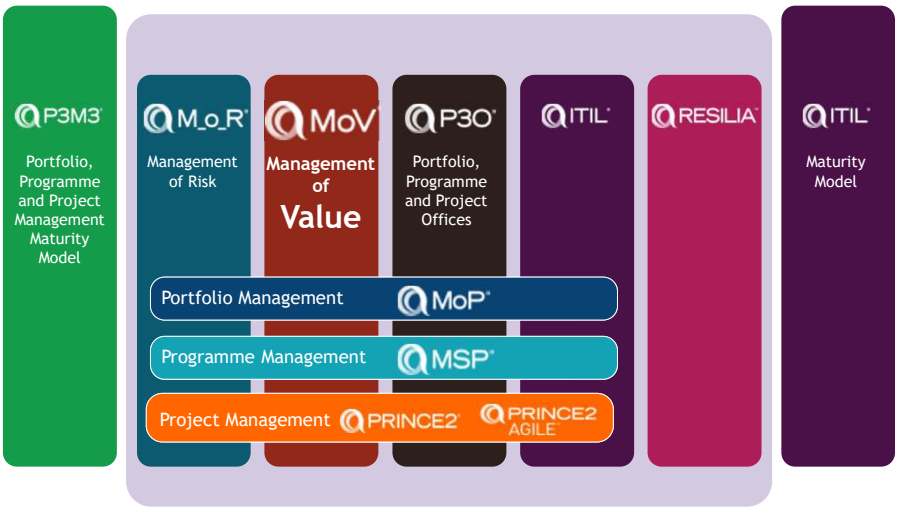
Relationship with Other Best Management Practice Products



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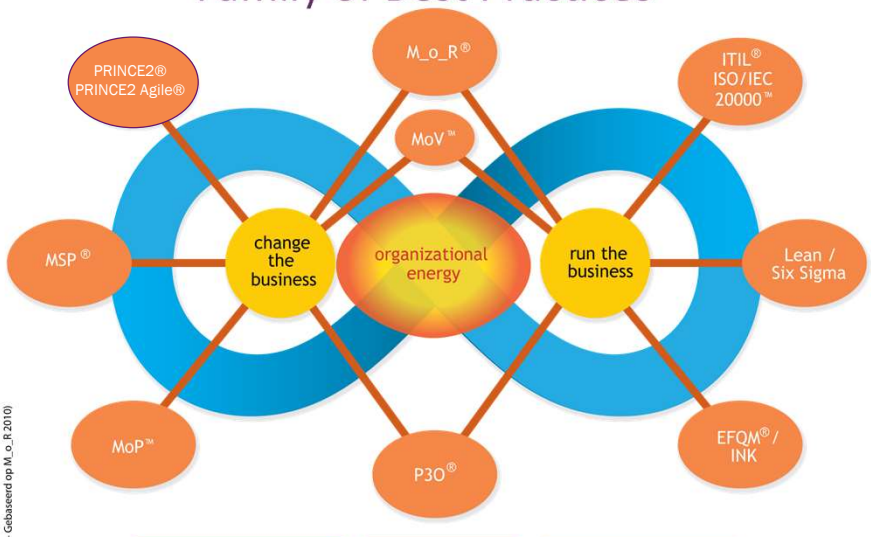
Family of Best Practices



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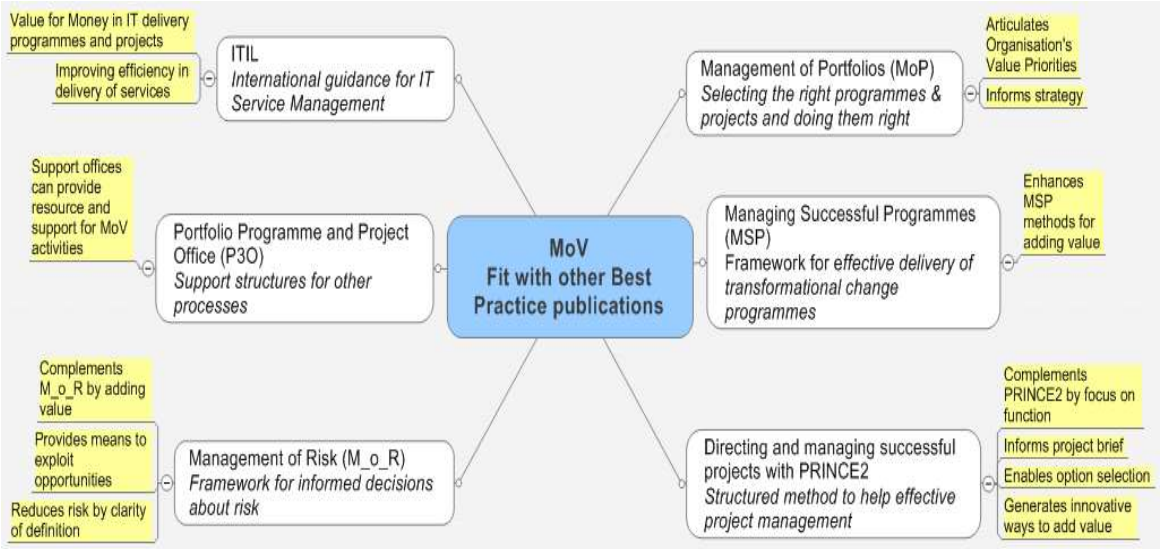
How MoV fits with other Best Practice guides



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What is Value?

The Value Ratio

$$\text{VALUE} \propto \frac{\textbf{Satisfaction of needs (Monetary and non monetary)}}{\textbf{Use of resources (Money, people, time, energy \& materials)}}$$

Alternative forms of the Value Ratio:

Value = Benefits / Expenditure

Value = Function / Cost

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What is MoV?

- MoV Maximises value in line with Programme and Project objectives and key stakeholder requirements – Not simply minimising costs
- Collective term embracing many processes to maximise value
- Supports decision making based on maximising value for money
- Eight key benefits

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8 key Benefits of MoV

1. Enables more efficient delivery → Employing fewer resources and using them to better effect
2. Provide a means to define objectives and scope clearly → In terms of orginization and end users' needs (short and long term)
3. Supports decision making → Based on maximizing value
4. Encourages innovation → Alligned wiht organization's goals
5. Facilitates optimal balance between investment and operating expenditure
6. Provides a means of measuring and auditing Value
7. Enables effective stakeholder engagement
8. Promotes sustainable decision-making → Based on value
   Addressing monetary and non-monetary factors

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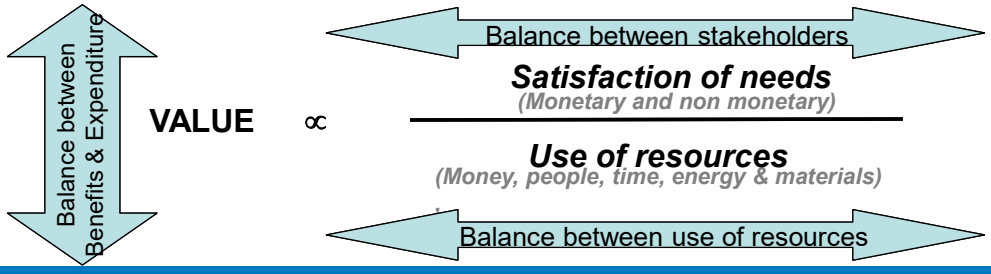
What is MoV (2)

MoV is about balancing variables to maximise value

1. Reconciling the needs and views of different stakeholders to maximise overall benefits by brokering a consensus on their differing expectations to deliver what they need.
2. Balancing the use of resources to reflect their availability and the organisations priorities by re-distributing across the different value drivers to reflect their relative importance.
3. Balancing the overall benefits realised with the use of resources by optimising the value for money ratio



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Why use MoV?

- MoV enhances competitiveness, productivity and profitability
  - Maximising return on investments
  - Making optimum use of resources
  - Providing value for money for customers
  - Streamlining production and improving delivery of services
  - Eliminating wasteful practices
- It also provides a way to
  - Deliver cost savings with minimum impact on essential quality of products and services
  - Cut non essential projects or services

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Where can MoV be used?

- MoV is applicable to hard and soft projects in all sectors
  - Hard projects have tangible outputs
  - Soft projects
- MoV should be used throughout the investment decision

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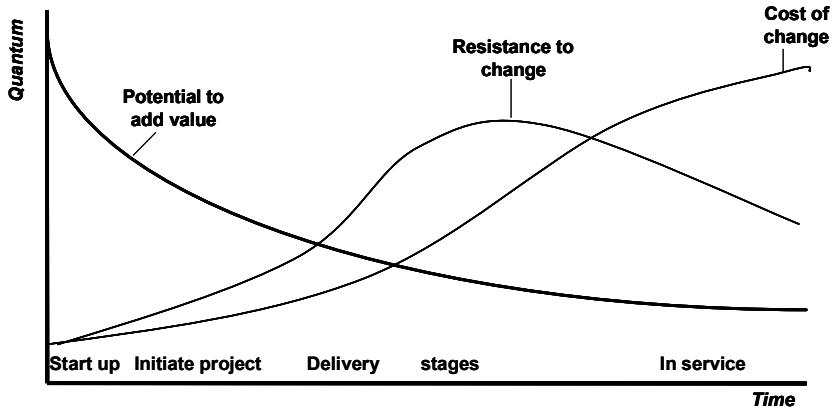
When should it be used?

More opportunities early in project lifecycle



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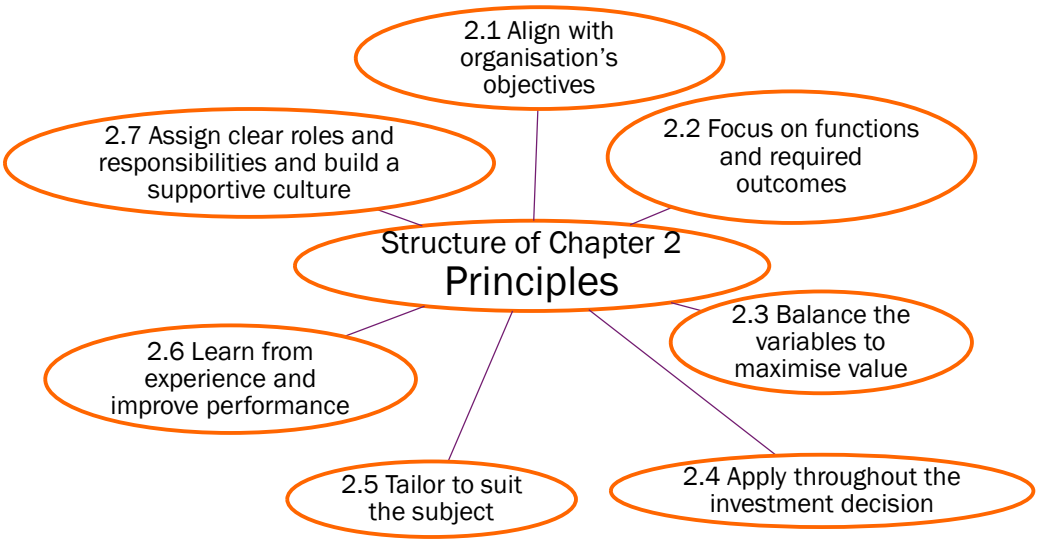
What does it involve?

- Based on 7 principles
- Underpinned by 7 processes
- The use of some unique techniques
- And some commonly used techniques
- Applied in a structured manner
- Supported by sound management and a supportive culture

Principles



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MoV Principles

1. Align with organisation's objectives
2. Focus on functions and required outcomes
3. Balance the variables to maximise value
4. Apply throughout the investment decision
5. Tailor to suit the subject
6. Learn from experience and improve performance
7. Assign clear roles and responsibilities and build a supportive culture

1. Align with organisation's objectives

MoV activities must be aligned with the organization's objectives or portfolio strategy to ensure a consistent and contributory approach across all programmes and projects.

- Programmes are put together in order to fulfil the organization's objectives or portfolio strategy. Every project within a programme is designed to contribute to achieving the objectives of the programme, so every activity to maximize value must be similarly linked.
- Without such coordination, there is a risk that maximizing value within one project in isolation could diminish value across the wider programme.

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2. Focus on functions and required outcomes

- MoV focuses on what things do to contribute to the required outcomes before seeking to improve them. This approach clarifies expectations and stimulates innovation
  - MoV focuses on defining what programmes and projects must achieve before seeking ways in which value may be delivered or enhanced.
  - This ensures that the right questions are asked before leaping to preconceived solutions
- Functions describe what things must do, rather than what they are..
  - Functions may be arranged in a hierarchy to express their relationship to the programme or project objectives. Those that relate directly to the programme or project objectives are termed primary functions
  - The functional approach is central to articulating essential requirements in programme or project
  - It is also one of the keys to stimulating innovation.
  - Value driver is another term for a primary function and expresses how to create value for the organization in line with its objectives.

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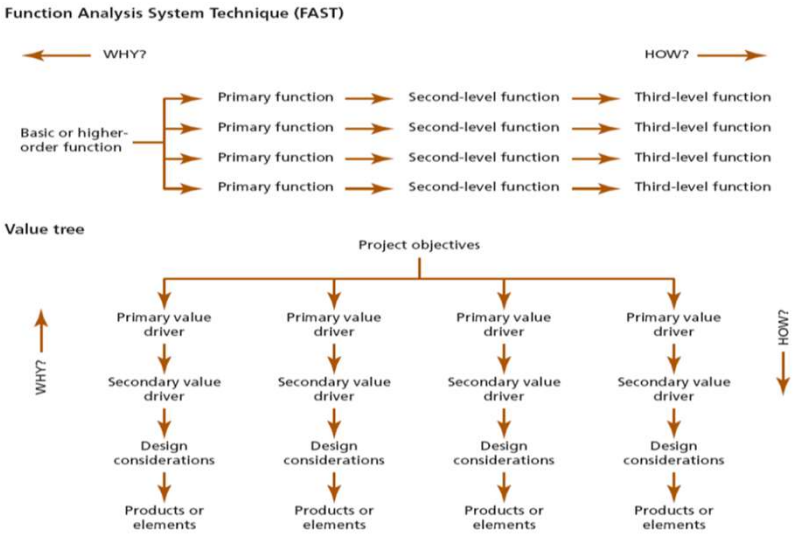
FAST diagrams and Value Trees



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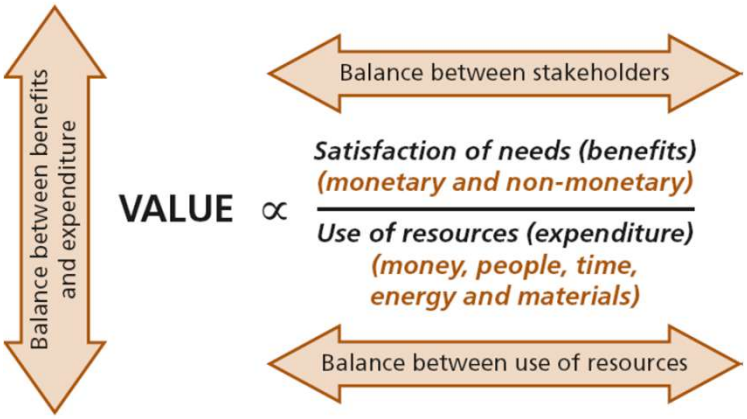
3. Balance the variables to maximise value

- MoV balances the variables to maximize value, taking account of and reconciling the views of all key stakeholders, the use of resources and the overall ratio of benefits to expenditure.
  - There are three main areas where it is necessary to strike a balance in order to maximize value
    - Reconciling the needs and views of different stakeholders
    - Balancing the use of resources to reflect their availability and the organization's priorities
    - Balancing the overall benefits realized with the use of resources
  - **MoV is all about maximizing value in line with the programme and project objectives and the key stakeholder requirements. It is not simply about minimizing costs.**
  - Nor is it about delivering or even maximizing the benefits (at any cost)
  - The greater the benefits delivered and the fewer resources that are used in doing so, the higher the value
  - The ideal situation, of course, is where it is possible to
  - increase benefits delivered and reduce resources used.

Balancing the variables



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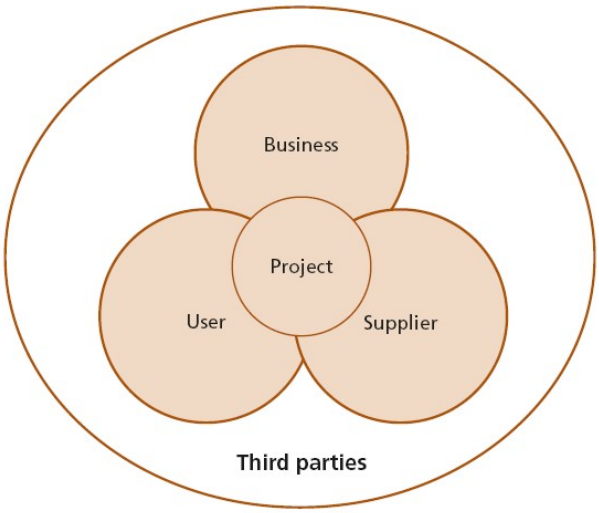
Engaging with stakeholders



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4. Apply throughout the investment decision

- MoV should be planned and applied throughout all stages of a programme or project to reflect the evolving requirements in order to maximize value
  - At project start up, it clarifies the information that is available to assist in the development of a more comprehensive business case
  - At later stages, MoV builds on the information generated to assist in making decisions
  - Once a project is completed, MoV can be used to improve operational performance.

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5. Tailor to suit the subject

- The scope and scale of MoV activity should be tailored to reflect the size, complexity and strategic importance of the programme or project.
  - MoV should be adjusted to suit the scale and complexity of the subject
  - A large and complex project may require that MoV is applied to different parts of the project throughout all project stages.
  - In a small and simple project one or two formal studies throughout its life may suffice.
  - Formal studies should be considered at all key decision points
  - Regardless of the scale of activity, care must be taken to ensure the MoV principles are applied

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6. Learn from experience and improve performance

- It will take time to build up proficiency
- MoV performance should be continually improved by learning from previous experience
  - Continuous learning should address three areas:
    - Individual performance where individuals improve their ability to undertake MoV studies
    - Improvement in the quality of delivery of MoV processes
    - Improving the organization's overall maturity in MoV.

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7. Assign clear roles and responsibilities and build a supportive culture

- MoV should be actively supported by senior management, clear roles and responsibilities and a supportive culture throughout the organization
  - Management structure should be proportionate to the size of the organisation and the level of MoV activity
  - Key roles may include (Ref Figure 7.3):
    - MoV representative on the executive board
    - A steering group, to give guidance
    - The senior MoV practitioner, the person responsible for managing the MoV effort
    - Study leaders, to deliver MoV studies

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Principles PRINCE2, MoV, MSP4th

Strategic intent	P2 principles	MoV principles	MSP principles
Purpose	Continued business justification	Balance the variables to maximize value	Envision and communicate a better future (through transformational change)
Focus	Focus on products	Align with business objectives	Add value
			Remain aligned with corporate strategy
		Focus on outcomes/ functions	Focus on the benefits and threats to them

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Principles PRINCE2, MoV, MSP4th

Strategic intent	P2 principles	MoV principles	MSP principles
Flexibility	Tailor to suit the project environment	Tailor to suit subject and environment	Explain the need for change in context
Governance	Manage by exception	Apply throughout the project	Design and deliver a coherent capability
	Manage by stages		
	Define roles and responsibilities	Assign clear roles and responsibilities and build culture	
Continuous improvement	Learn from experience	Learn from experience and improve	Learn from experience

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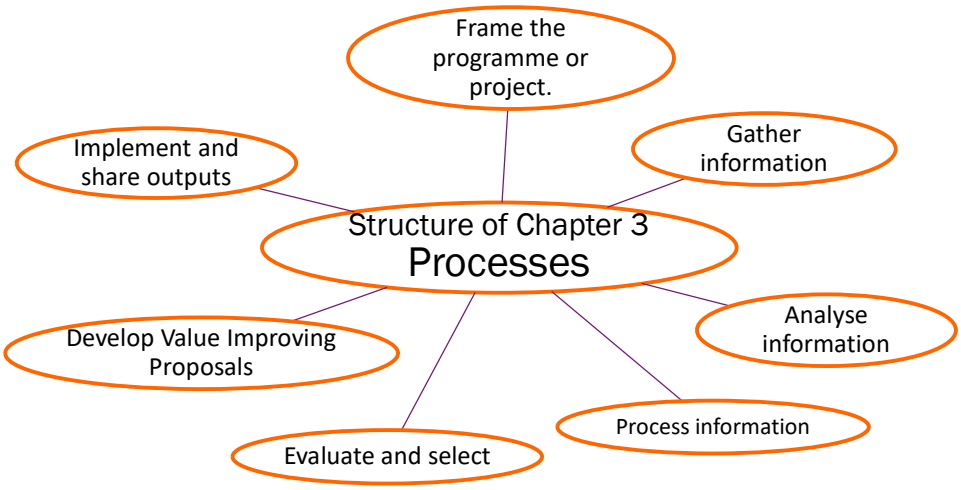
Processes



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MoV Processes

1. Frame the programme or project.
2. Gather information
3. Analyse information
4. Process information
5. Evaluate and select
6. Develop Value Improving Proposals
7. Implement and share outputs

1. Frame the programme or project

- This describes how MoV can assist management to validate or challenge the need for a programme or project and define what is needed
  - Initial briefing meeting
  - Informing the business case
  - Analyse Stakeholders
  - Informing the programme or project objectives
  - Developing the MoV project Plan responding to changes in the business case

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2. Gather information

- As a first step during any MoV study, information must be gathered to compile the MoV study handbook.
  - Briefing meeting
  - Team selection
    - Experience skill and ability to contribute
    - Objective third parties
  - Consulting with stakeholders
  - Research and precedent
  - Scoping the study

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3. Analyse information (1)

- Function analysis is a key component of MoV, one which differentiates it from other management methods
  - 3 fundamental changes in mindset:
    1. Until the purpose of something is defined, it is not possible to assign a value to it
    2. Understanding what things do leads to a better understanding of the project itself
    3. stimulates the generation of innovative alternatives that may perform better at less cost
  - Function cost analysis

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3 Analyse information (2)

- Variables analysis
  - Resource
    - Cost estimation
    - Cost modelling
    - Time analysis
  - Time analysis
    - logic-linked, end-to-end schedule
  - Material analysis
  - Benchmark analysis

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4. Process information

- At the heart of a MoV study is the need to process the information to develop value-improving proposals
  - The most common, efficient and effective way to process the information is by means of one or more structured workshops. Sometimes, convening a workshop is neither desirable nor practical
    - Preparation
      - MoV study handbook
    - Facilitation and dealing with difficult people
    - Creativity and innovation - Consideration of alternative ways to perform a function provides greater scope for innovation than considering alternatives for a product.
      - Why are we doing it and what are the alternatives?
      - How can it be done differently and/or better?

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5. Evaluate and select

- Having generated a large number of ideas, it is necessary to select those that have greatest potential to enhance value.
  - Idea selection

- Different options may need assessment on their merits in order to select the most advantageous.
  - Select options at two levels:
    - At project start up or project initiation
    - During the delivery stages (which include design)
- Cost benefit analysis

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6. Develop Value Improving Proposals

A key output from a MoV study is the acceptance of value-improving proposals for implementation into the project under study

- Proposal development formats
- Balancing the benefits and use of resources
- Value metrics
- Cost estimation
- Assessing time impact including all factors that affect time
- Assessing performance impact
- Scenario building

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7. Implement and share outputs

The agreed proposal implementation plan should be filed together with the MoV study report for later comparison with results delivered. The plan will provide useful information in the lessons-learned database.

- Developing the proposal implementation plan
  - A list of the recommended value-improving proposals and owners for each
  - A short description of how they will be included into the project
  - The timescale for their inclusion
  - Dates and method for monitoring and reporting progress
  - A mechanism for review should progress fall below expectations
- Incentivizing delivery of value
- Monitoring progress
- Reporting
  - Study output reports
  - MoV progress reports

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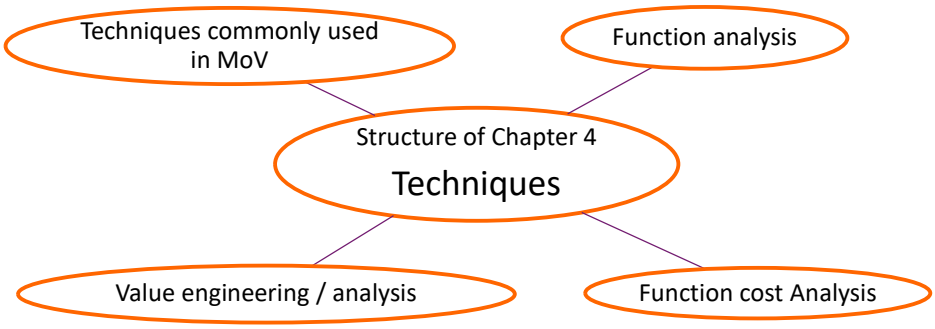
Techniques



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Techniques unique to MoV

- Function Analysis
  - Function Analysis System Technique (FAST)
  - Value Trees
- Measuring
  - Value Profile
  - Value index
  - Value for money ratio
- Value Engineering/Analysis

Key Techniques – MoV Specific

Function Analysis

- What things do rather than what they are
- Better understanding of programme or project
- Informs decisions based on value
- Generates innovative value improving proposals
- Several types:
  - Function Analysis System Technique (FAST)
  - Value Tree
- How/why logic

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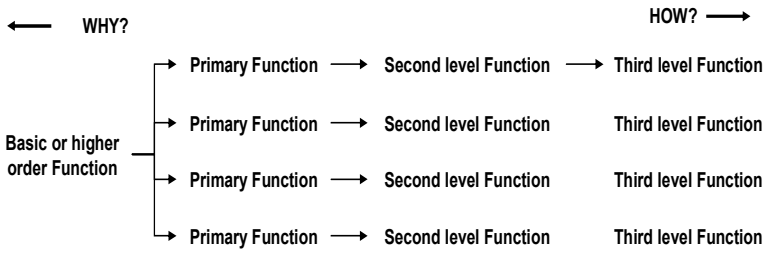
Function Analysis System Technique (FAST)

- Three types:
  - Traditional or classic FAST – for general use
  - Technical FAST – for analysing technical situations
  - Customer FAST – for analysing Customer requirements
- For Portfolio, Programme, Project and Operational MoV studies use Customer FAST

Function Analysis System Technique (FAST)



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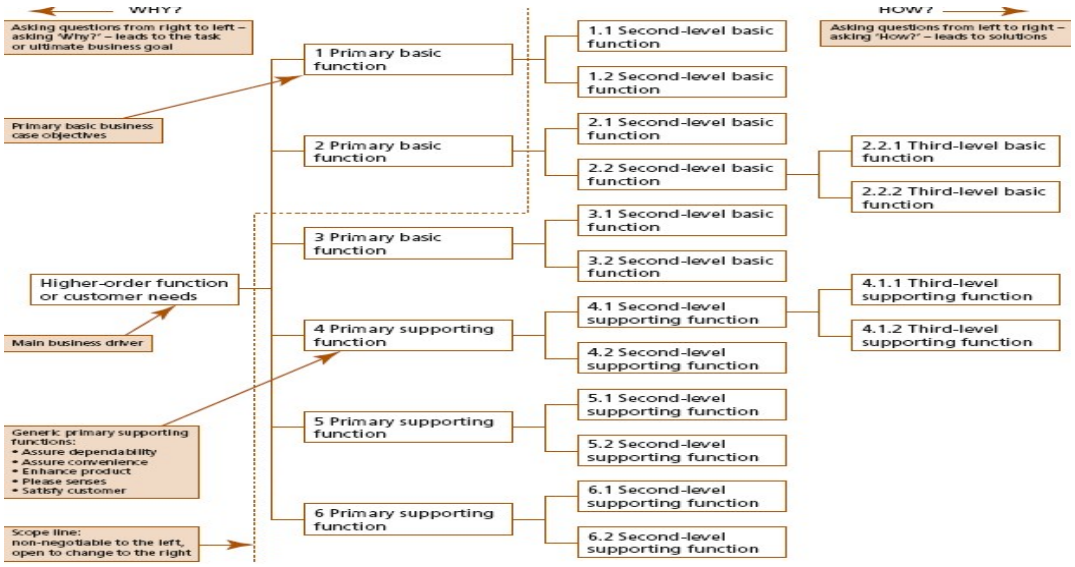
A customer FAST diagram



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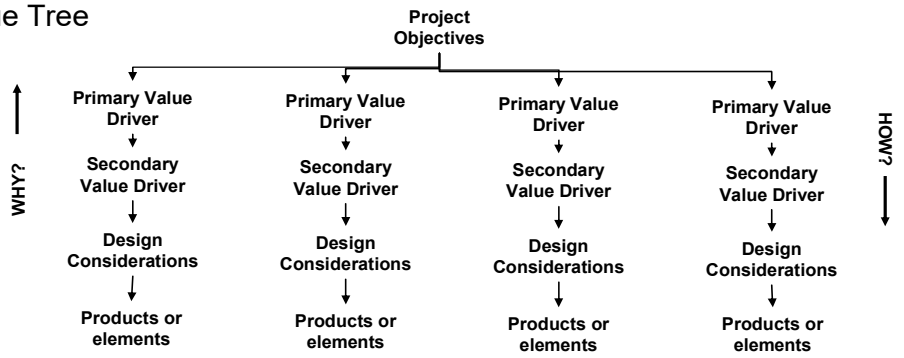
Value Trees

- Similar to FAST and particularly versatile
- Provides a progressive logic to measuring monetary and non monetary value taking account of differing stakeholder priorities

Value Tree



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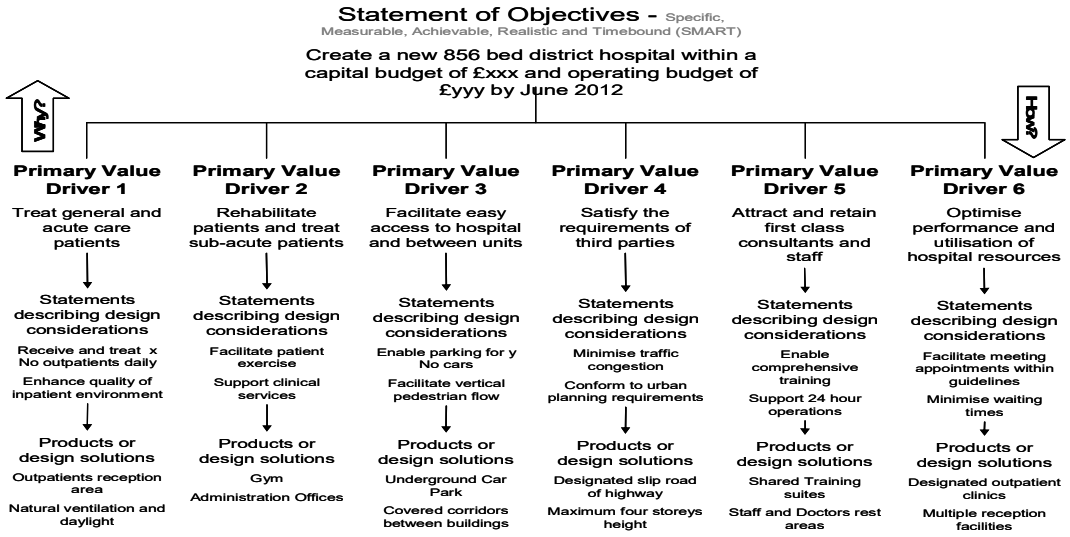
Use of Value Trees to articulate value priorities and measure value – Hospital example



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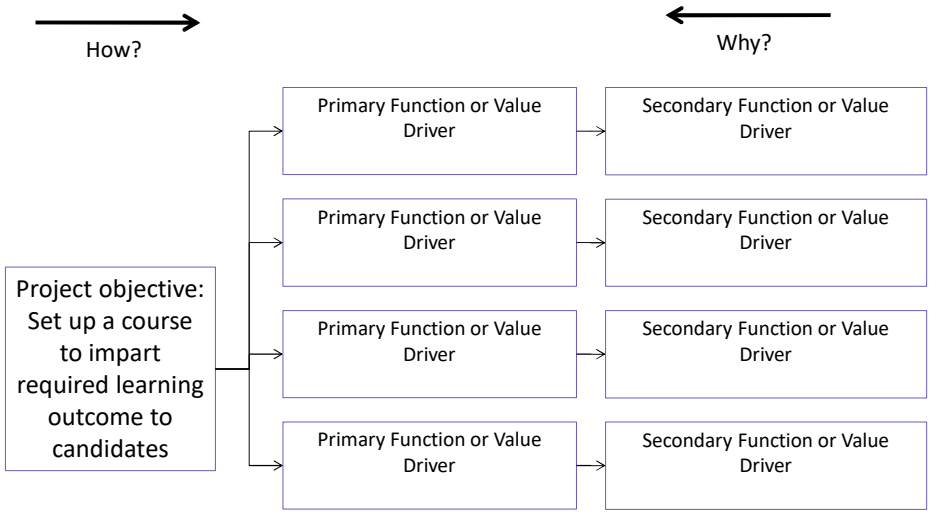
Exercise in Function Analysis

To undertake simple function analysis on the following subject:

- A project (setting up a training course)

- Candidates are invited to attempt completing the blank boxes in the given examples for 15 minutes
- Then to review and discuss a completed example
- This exercise is intended to ensure that all candidates understand the principles of function analysis but will NOT be examined

Blank form for undertaking Function Analysis on a Project (to set up a training course)



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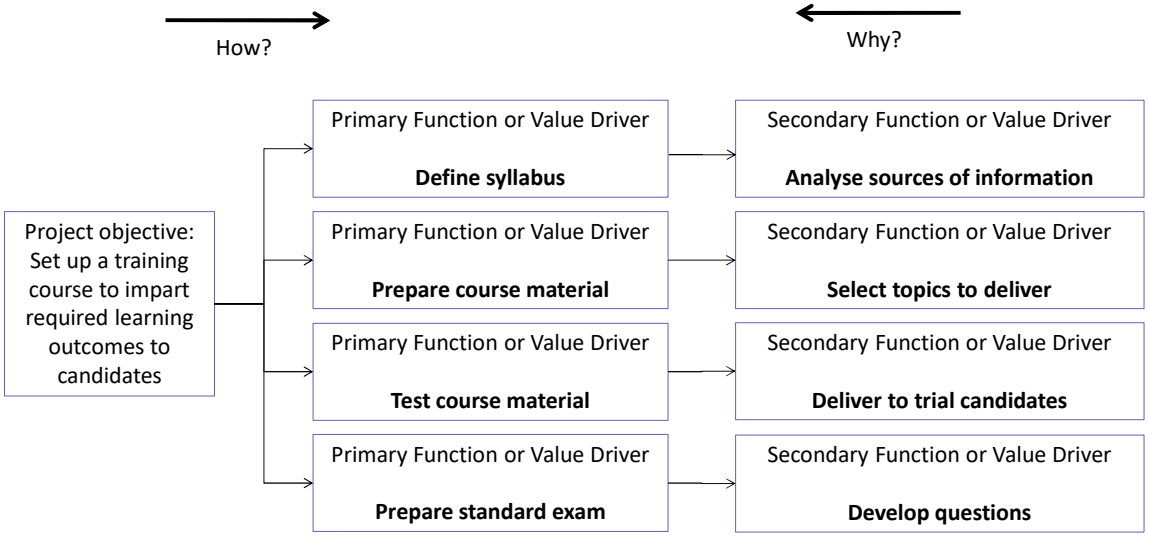
Example of completed Function Analysis on a Project (to set up a training course)



Note: there is no one correct answer. The example above is an illustration of what a group might develop

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A Value Profile for a hospital

Statement of Objectives - Specific, Measurable, Achievable, Realistic and Timebound (SMART)

Create a new 856 bed district hospital within a capital budget of £xxx and operating budget of £yyy by June 2012

Why?

How?

Primary Value Driver 1	Primary Value Driver 2	Primary Value Driver 3	Primary Value Driver 4	Primary Value Driver 5	Primary Value Driver 6
Treat general and acute care patients	Rehabilitate patients and treat sub-acute patients	Facilitate easy access to hospital and between units	Satisfy the requirements of third parties	Attract and retain first class consultants and staff	Optimise performance and utilisation of hospital resources
Relative importance of value driver 1	**Relative importance of value driver 2**	**Relative importance of value driver 3**	**Relative importance of value driver 4**	**Relative importance of value driver 5**	**Relative importance of value driver 6**
30%	**10%**	**10%**	**5%**	**20%**	**25%**

Articulates the Organisation's or Project Stakeholders' Value Priorities

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Value Index for the same hospital

Value driver	Relative importance weight %	Metric	Performance (scale of 1 to 10)	Weighted Value Score (= weight x performance)
Treat general and acute care patients	30	Capacity for treating patients successfully	8	240
Rehabilitate patients and treat sub-acute patients	10	Time to appropriate discharge	5	50
Facilitate easy access to hospital and between units	10	Time to access hospital and between units	4	40
Satisfy the requirements of third parties	5	Obtaining statutory and other consents	7	35
Attract and retain first class consultants and staff	20	Quality of facilities	6	120
Optimise performance and utilisation of hospital resources	25	Management procedures, adjacencies and operating costs	5	125
Total Value Index				**610**

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Demonstrating Value for Money

Value driver	Relative importance weight %	Metric	Performance (scale of 1 to 10)	Weighted Value Score	Cost of delivery (£m)	VfM ratio (= value score or index/ cost)
Treat general and acute care patients	30	Capacity for treating patients successfully	8	240	133	1.80
Rehabilitate patients and treat sub-acute patients	10	Time to appropriate discharge	5	50	60	0.83 (lowest value for money)
Facilitate easy access to hospital and between units	10	Time to access hospital and between units	4	40	30	1.33
Satisfy the requirements of third parties	5	Obtaining statutory and other consents	7	35	20	1.80
Attract and retain first class consultants and staff	20	Quality of facilities	6	120	24	5.00
Optimise performance and utilisation of hospital resources	25	Management procedures, adjacencies and operating costs	5	125	13	9.62 (highest value for money)
				610	280	2.18
			Totals	Value Index	Cost	Value for Money Ratio

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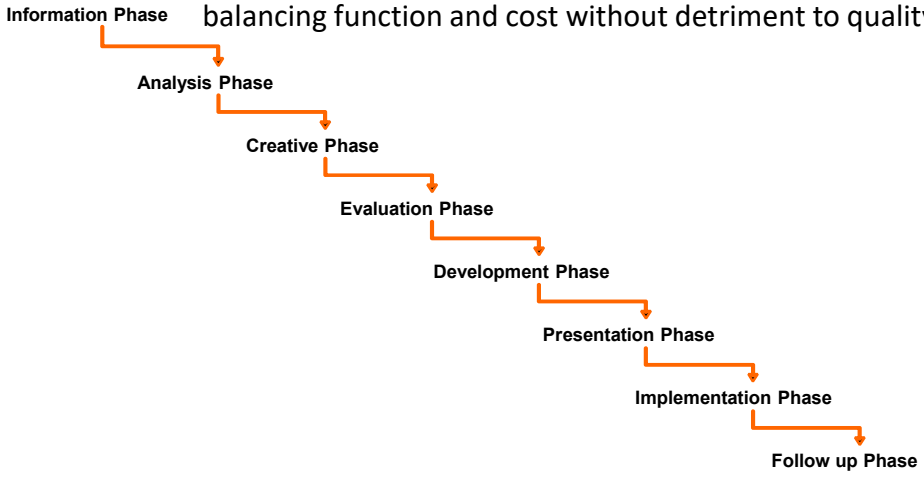
Function Cost Analysis

- Enables the MoV Team to assess whether a particular value driver represents good value for money.
- One method is to draw up a matrix of elemental costs on one axis and functions on the other. The total costs of each component is distributed across the functions that they contribute to
- Another method is Cost/Worth. Assess cost of performing function as above. Assess lowest possible cost of performing function. Compare the two and use to stimulate alternative methods of performing the function

Value Engineering

This is a defined application of recognised techniques for generating alternative actions to improve value through balancing function and cost without detriment to quality



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Techniques commonly used in MoV

- Analysing information
- Generating innovative ideas
- Selecting options
- Evaluating the merits of and selecting ideas
- Building decisions to implement Value Improving Proposals (VIP)
- Implementing VIPs and realising benefits

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Techniques commonly used with MoV (1)

- Analysis of information
  - Benchmarking
  - Process Mapping
  - Root Cause Analysis
  - Discounted Cash Flow Analysis
- Generating Ideas
  - Brainstorming
- Evaluation and option selection
  - Option Selection Matrix
  - Idea selection
    - Allocation to Categories
    - Idea Selection Matrix

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Techniques commonly used with MoV (2)

  - Weighting techniques
    - Paired Comparisons
    - Points Distribution
- Developing Value Improving Proposals
  - Developing Proposals
  - Cost Benefit Analysis
  - Building Decisions
- Implementing Value Improving Proposals (VIP)
  - Implementation Plans
  - Feedback
- Following up
  - Tracking Benefits

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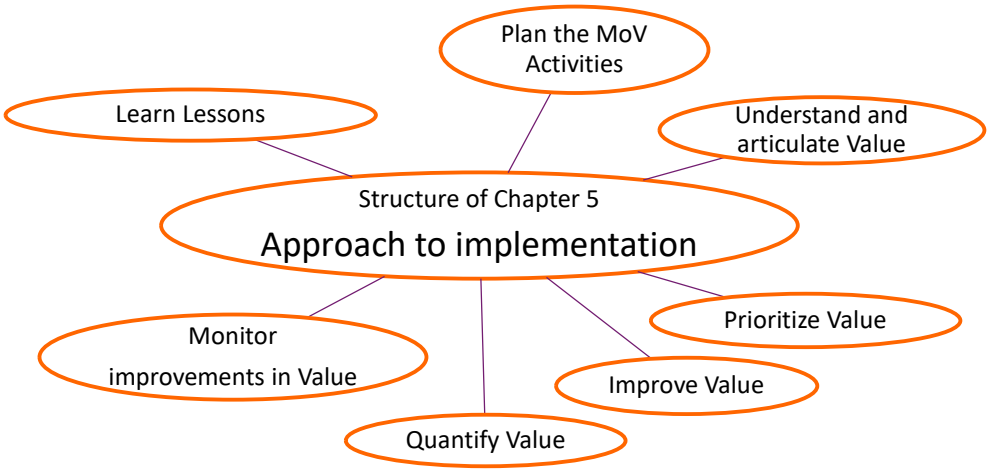
Approach to implementation



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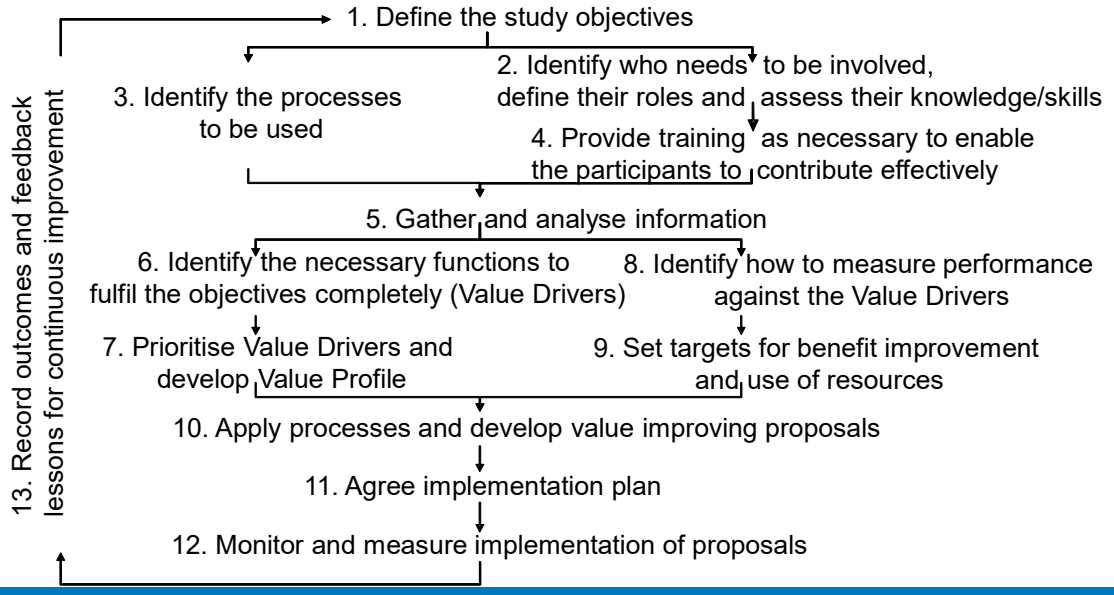
Approach to Implementation (1)

Plan the activities

- The MoV study plan
- Programme or project organisation
- Integrated MoV study team
- Planning for use throughout the project

Generic MoV Study Plan



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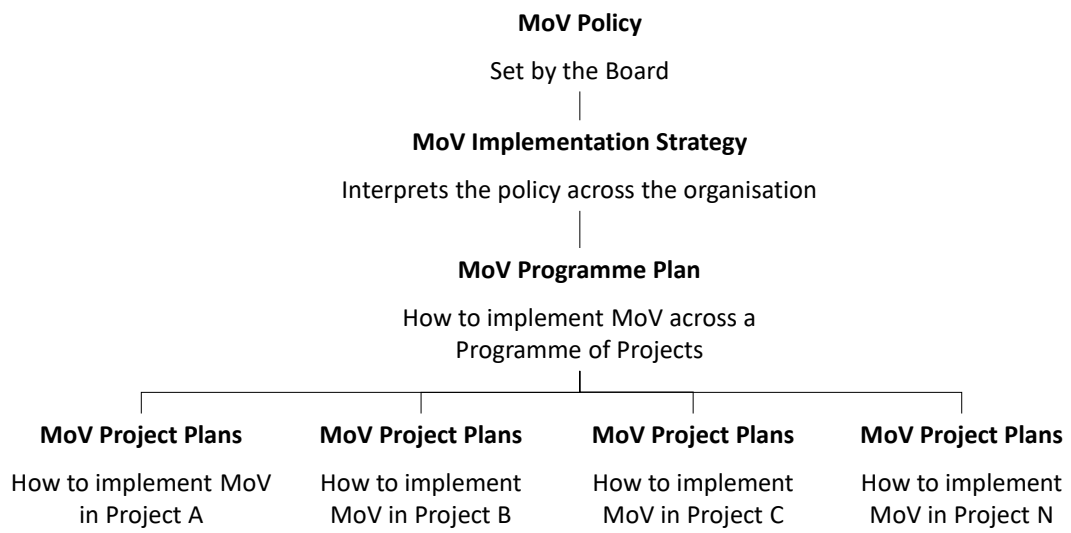
Integrated Programme and Project Plans



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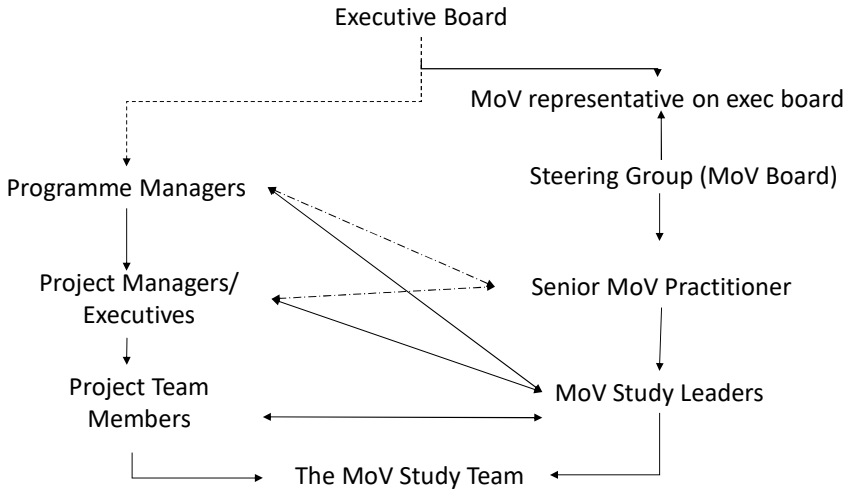
Programme or project organisation



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MoV at key project stages

PRINCE2 Stages	Gateways	Traditional Project Stages	Focus of MoV study	Main Study Output
Start Up Authority to initiate	Gateways 0, Strategic Assessment and Gateway 1, Business Justification	Inception	Validate need for project	Information to improve the Business Case
Initiate Project	Gateway 2 Delivery Strategy and	Concept	Project definition	Functional definition of project
Authority to deliver	Gateway 3 Investment Decision	Feasibility (Note PRINCE 2 can treat this as a separate project)	Assess Options	Information to clarify a viable Brief
Delivery Stages	Gateway 5. Operational Reviews and Benefits Realisation and	Design	Balance benefits and resources	Maximised value
		Implementation	Delivery processes	Optimised delivery
Authority to close	Gateway 4, Readiness for service	Completion	Review outcomes	Lessons Learnt for continuous improvement
Post Project Review	Gateway 5. Operational Reviews and Benefits Realisation	Use	Review outcomes Improve Operations	Improved operational efficiency

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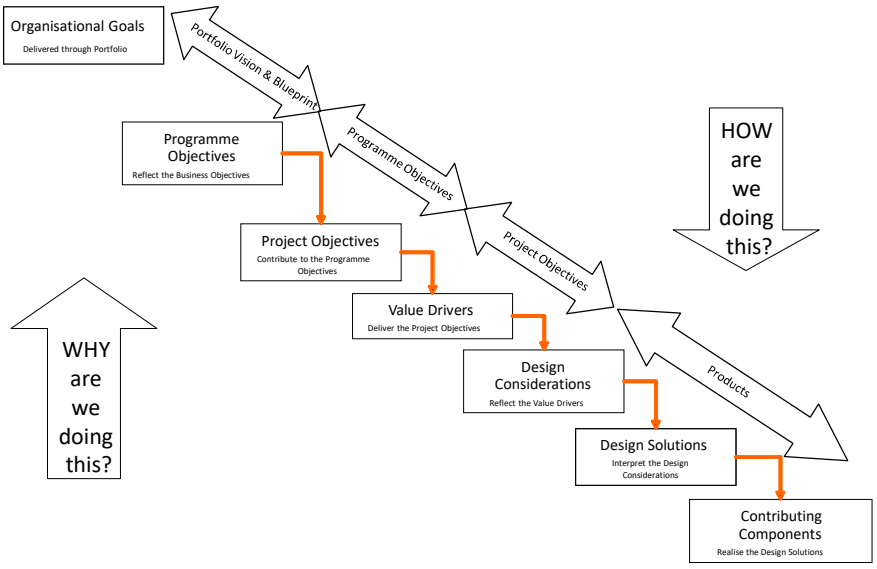
Approach to Implementation (2)

- Understand and articulate value
  - Aligning with organisation's culture
    - Value cascade
  - Prioritise value drivers
    - By owners and end users
    - For aligning with organisational goals
  - Articulate value
    - Value drivers
    - Value trees
    - Relationship with organisations business and market proposition

The value cascade



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Approach to Implementation (3)

- Improve value
  - How else to deliver function
  - Redistributing resources to maximise value
    - Concept of cost/worth
  - Trading off
- Quantify value
  - Value ratio
    - Use of resources easy to quantify
    - Satisfying needs less so
    - Grouping proposals
  - Value Index
  - Value for Money ratio
  - with Benefits Management

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Approach to Implementation (4)

- Monitor improvements in value
  - Realization of expected benefits
- Learn lessons
  - Improve individual and team performance
  - Feed back lessons across a programme or project
  - Feed back lessons to the organisations internal projects

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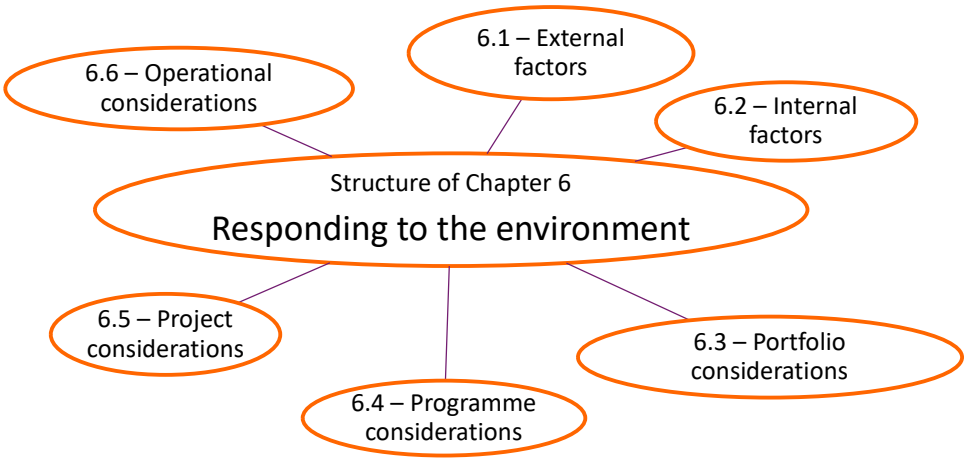
Responding to the environment



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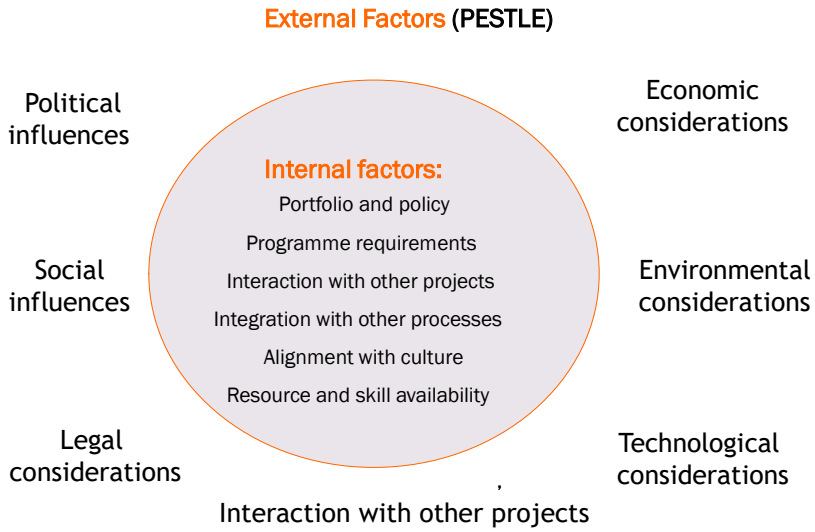
Environment: responding to external and internal influences

- Section 6.1 – External factors
- Section 6.2 – Internal factors
- Section 6.3 – Portfolio considerations
- Section 6.4 – Programme considerations
- Section 6.5 – Project considerations
- Section 6.6 – Operational considerations

- In each of the above the Foundation syllabus does not include subsections. (not in Foundation exam)

Environment –
responding to external and internal influences



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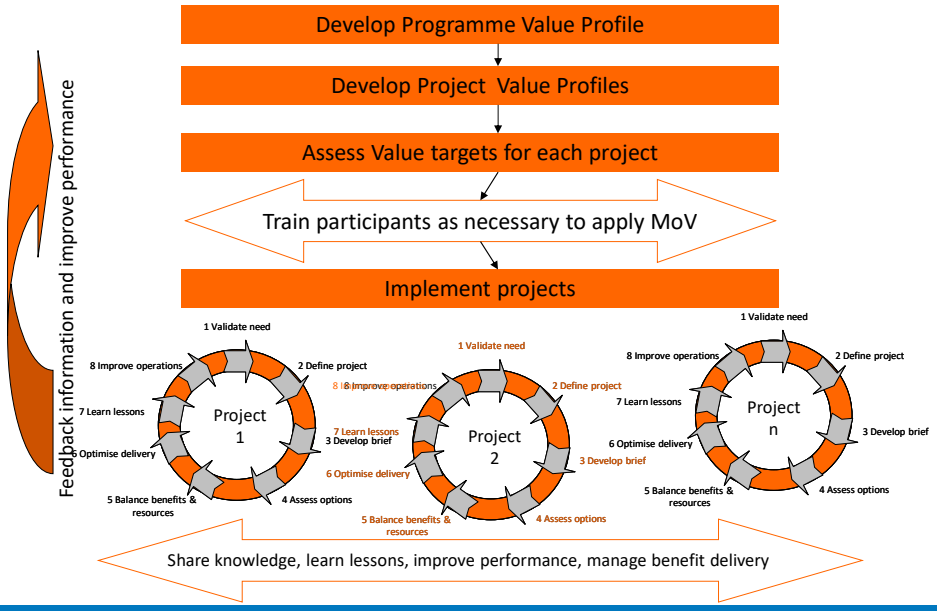
Environment – Portfolio Considerations

- All change activities needed to achieve an organization's strategic objectives are contained in it's Portfolio
- Every Programme must relate back to and reflect the strategic intent of the Portfolio

Environment: Programme considerations



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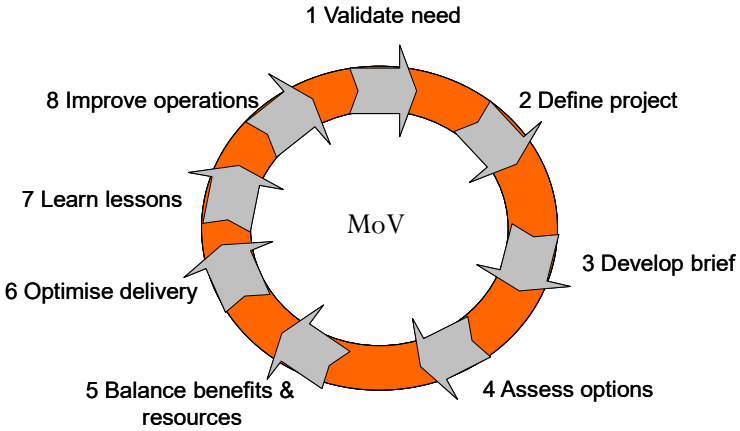
Project considerations

- Rigour, regardless of scale
- Proportionate to complexity of project



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Operational Considerations

- After project completion to improve operations
- BAU (Business As Usual)

- Internal influences
  - Communications of internal changes
  - End user requirements

- External factors
  - Changes in circumstances
  - Interaction with other projects

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Embedding MoV into an organisation

Section 7.0 – Overview
Section 7.2 – Roles and responsibilities
Section 7.8 – Overcoming barriers to embedding MoV

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Embedding MoV into an organisation

- Proportionate to need
  - May introduce on a project by project basis
  - Deliver an internal capability – becomes part of the way in which business is done
  - Should not be discretionary once adopted

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Benefits of Embedding

- Greater efficiency in the delivery of MoV and the benefits gained there from
- Continuous improvement in MoV delivery
- More effective use of internal resources by broadening their capabilities
- More cost effective delivery than procuring external resources
- Better control over delivery and greater responsiveness
- Developing a value conscious culture
- Known Study Leaders and
- Better relationship with users

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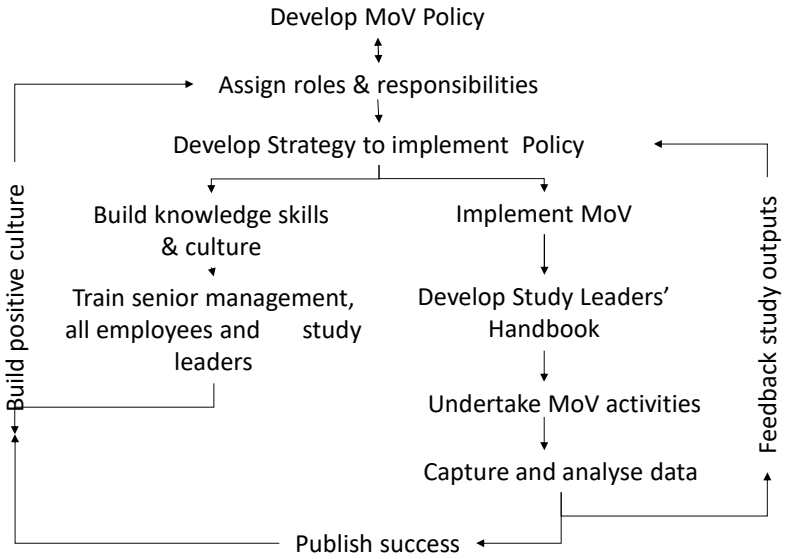
Embedding MoV into an organisation – Key steps



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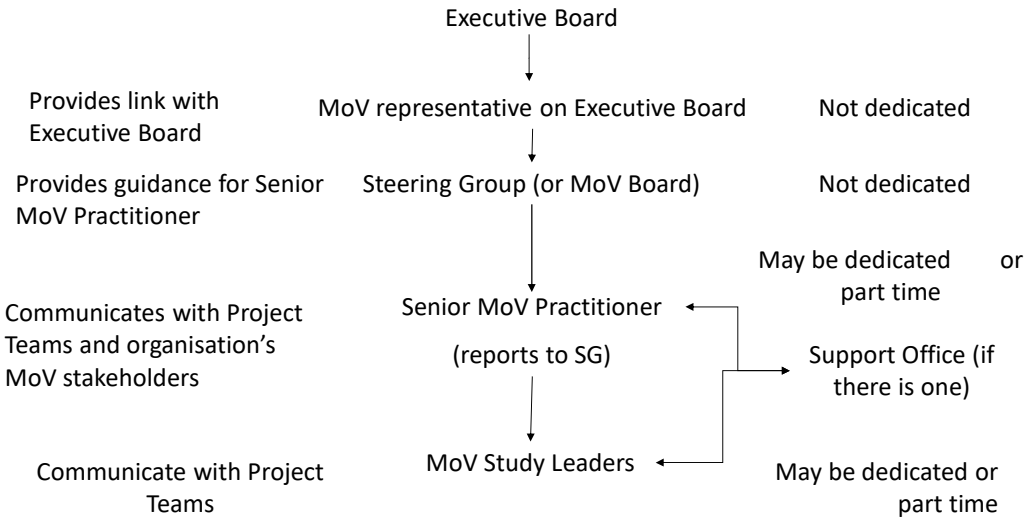
Suggested MoV Management Structure



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Overcoming barriers

1. We do it anyway
2. It takes up too much time
3. We can't afford to make the changes
4. What's in it for me?
5. Don't fix it if it ain't broke
6. Fixed returns on investment

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Appendix A – Document Checklists

- Briefing Meeting Agenda
- Communications Checklist
- Ensuring an Effective Study/Workshop
- Invitation to Join the Study Team
- Recording Idea Selection
- Scoping the Study
- Study Output Report
- Study Plan
- Study or Workshop Handbook
- Value Improvement Proposal Forms
- Value Improvement Tracking Report

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Appendix B - Toolbox

- References to details on techniques
- Available through www.best-management-practice.com

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International Standards in Value Management

- MoV is broadly consistent with a number of international standards in value management

These include:

- (BS) EN 12973: 2000 - the European Standard, adopted by various European nations including the British Standards Institution
  (BS) EN 1325, Glossary to above standard.
- Society of American Value Engineers (SAVE) Value Standard and Body of Knowledge, June 2007
- Australian Value Management Standard, AS 4183-2007

- A statement on international standards has been added to the information repository at www.best-management-practice.com
- This statement will be incorporated in Appendix B in the first reprint of the guide

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Appendix C – Health Check

- Health Checks may be useful for
  - Regular review of the embedding of MoV
  - An integral part of business planning activity
  - When preparing annual operating plans
  - When considering a significant investment or embarking on a major project or programme
  - In response to major changes that may be required, for example by changes in legislation
  - As part of the preparation for OGC Gateway Reviews
  - As part of the process of improving MoV maturity
- Key Steps

  Preparation -> Data Collection -> Data Analysis -> Report and Review -> Implementation

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Appendix D – Maturity and Competence

- P3M3 Model
  - Measures the maturity of Portfolio/Programme/Project processes as applied across an organization
- Individual Competence Model
  - Assesses an individual's capabilities and the type of MoV study for which they are suited

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The Foundation Examination

Multiple Choice

40 minutes Paper

Instructions

1. **All 50 questions should be attempted.**
2. **All answers are to be marked on the answer grid provided.**
3. **Please use a pencil and NOT ink to mark your answers in the Answer sheet provided.**
4. **There is only one correct answer per question.**
5. **You have 40 minutes for this paper.**
6. **You must get 25 or more correct to pass.**

Candidate Number: ……

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1 Which resources does the Value Ratio consider?

a) Money and time only
b) Money, time and quality only
c) Money, people, time, quality and materials only
d) Money, people, time, energy and materials only

2 Which statement describes Management of Value (MoV)?

a) A framework designed to minimise costs
b) A collective term for many processes that are aimed at maximising value
c) A means to establish objectives for an organisation
d) A management approach to encourage teamwork

3 Which statement regarding Management of Value is true?

a) It focuses exclusively on minimizing an organization's costs
b) It ensures that all individual stakeholder needs are met
c) It supports decision-making based on maximizing value for money
d) It focuses on products rather than functions

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4 For which combination of the following situations would an operational MoV Study normally be considered advantageous?

1. A project has just been commissioned for use.
2. There is a need to improve existing service operations.
3. Once a project has successfully delivered its output.
4. There is a need to retain a service without end users.

a) 1, 2, 3
b) 1, 2, 4
c) 1, 3, 4
d) 2, 3, 4

5 Which is an example of delivering a tangible return on investment?

a) Completion of a project
b) A programme delivering a reduction in operating costs
c) MoV processes being followed
d) Expenditure of a project budget

6 Which is **NOT** one of the seven MoV principles?

a) Align with organizational objectives
b) Focus on deliverables and outputs
c) Learn from experience and improve
d) Tailor to suit the subject

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7 Why should MoV activities align with an organization's objectives or portfolio strategy?

a) Because MoV is the mechanism for delivering the outputs which will help an organization to meet its objectives
b) To ensure that measures to maximize value in one area do NOT adversely impact on value across the wider organization
c) To ensure that MoV activities can be carried out irrespective of the broader organizational strategy
d) To ensure that there is an overlap of objectives between projects within a programme

8 Which questions does a Function Diagram answer when relating Value Drivers to project objectives?

a) How and why
b) Who and what
c) When and who
d) How and what

9 Identify the missing word in the following sentence.

MoV reconciles the views of different stakeholders to maximise value by [?] consensus on differing expectations

a) brokering
b) requiring
c) preventing
d) measuring

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10 What an essential responsibility for senior management when establishing MoV?

a) Defining the roles of each team member in an MoV study
b) Identifying key MoV Study stakeholders
c) Monitoring improvements in value
d) Actively backing the use of MoV in the organization

11 Which would **NOT** normally appear in a Business Case?

a) Expected Benefits
b) Expected Timescales
c) Project Team
d) Procurement Strategy

12 What is the main objective of conducting an MoV Study at the beginning of a potential programme?

a) To establish the requirements for the MoV Project Plan
b) To strengthen existing information in order to decide whether or not to authorize the initiation of a programme
c) To describe the purpose of a series of MoV Studies throughout a project
d) To test early models or prototypes before a design is fixed

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13 Which is a key process used to gather information for an MoV Study?

a) Consult Stakeholders
b) Benchmark Competitors
c) Maintain Confidentiality
d) Examine the whole project

14 Which is a selection criterion for an MoV study team member?

a) Is available to join the Study
b) Has the skill and other abilities to contribute positively to a Study
c) Represents an important stakeholder
d) Has a passionate interest in the outputs of the Study

15 What is good practice to strengthen objectivity in a well-balanced MoV study team?

a) Motivating interaction between team members
b) Demonstrating knowledge of the issues and skills in providing a solution
c) Involving people who represent all critical disciplines and stakeholders views
d) Involving experienced people who are **NOT** otherwise involved in the project

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16 Which would be undertaken in the Process Information process?

a) Collate information gathered to date and document the analyses already conducted
b) Meet with key stakeholders to gain consensus on MoV Study objectives
c) Decide to implement part of a Value Improving Proposal
d) Review cost estimates to check for double counting

17 Why is team-building particularly important during an MoV Study?

a) MoV Study participants should collaborate
b) MoV requires a high-performance team to achieve results
c) MoV Studies often must be completed within tight timescales
d) MoV Studies expect all participants to add value

18 Which statement applies when establishing an MoV study team?

a) Each team member should have an interest in every aspect of the project
b) In the early stages of a project it is **NOT** necessary to involve all major stakeholders
c) The Study Leader should be responsible for selecting all roles of the study team
d) Team members should be selected for their skills and other abilities to contribute to a Study

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19 Which is **NOT** a way of assessing performance impact?

a) Reviewing dependencies on the project schedule
b) Monitoring benefits realized
c) Reviewing achievement of Key Performance Indicators
d) Monitoring throughput or output per employee

20 Which statement concerning an assessment of Time Impact in a Value Improving Proposal is true?

a) If a Value Improving Proposal takes a long time to implement it will normally delay the project
b) The time required for project management, holidays, and sickness should be included in the assessment
c) It is essential to involve a professional scheduler to estimate duration and resource requirements
d) Saving time through any Value Improving Proposal will reduce the overall duration of the project

21 Which statement regarding Function Analysis is true?

a) It focuses mainly on the identification of product components
b) It aims to stimulate creative ideas
c) It aims to minimize costs
d) It identifies potential solutions before defining functions in detail

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22 Why is it important to tailor MoV to suit the subject?

a) To ensure the right level of resources are used
b) To ensure that it is applied to the same level on all projects and programmes
c) To eliminate the use of formal Studies where possible
d) To limit the unnecessary adherence to the Principles

23 Which is part of the Development or Presentation phases of the Value Engineering Job Plan?

a) Agree the implementation plan
b) Prepare a workshop handbook
c) Monitor progress of the implementation plan
d) Brainstorm ideas to improve value

24 Which is **NOT** a use of Value Profiling?

a) Testing key stakeholder agreement about requirements
b) Determining the relative importance of key stakeholders
c) Assisting with assessing improvements in performance
d) Assisting with assessing improvements in value

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25 Which value index indicates the poorest performance and therefore has the most improvement potential?

a) 50
b) 280
c) 600
d) 900

26 Which statement regarding the Value Index is true?

a) It shows how well a project satisfies its objectives
b) It must have a range between 1 and 10
c) It forms the basis for developing the Value Drivers
d) It shows whether a project delivers value for money

27 Which statement regarding the Value for Money Ratio is **FALSE**?

a) It enables project resources to be focused on areas offering the greatest value
b) It should only be used at the outset of a project
c) It can be used to monitor progress throughout a project
d) It can be used to inform option selection

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28 Which is **NOT** one of the phases in the Value Engineering Job Plan?

a) Development
b) Creative
c) Implementation
d) Cost

29 Which statement regarding the Value for Money Ratio is true?

a) It enables resources to be deployed where they will provide greatest value
b) It considers only monetary benefits
c) It only applies at the start of a project
d) It should NOT take into account the Value Index

30 What is shown on a Value Tree?

a) All of the required product outputs for a project and the relationship between them
b) All of the cost elements and how they relate to project value
c) The relationship between, and the hierarchy of, Value Drivers
d) What project activities are required to realise desired project objectives

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31 Why is discounted cash flow analysis (DCF) useful in MoV Studies?

a) It calculates total cost by adding together initial capital costs, periodic capital costs over the lifecycle, and regular costs such as staff or consumables for operations
b) It is a reliable and rigorous method for comparing alternative options which involve large capital cost more than 25 years in the future
c) It enables comparison of Projects which involve different cash flow timing
d) It is designed to ensure that Value Improving Proposals will generate positive cash flows in each year

32 Which technique is used to select the most promising option for further analysis from a small number of options?

a) Value Tree
b) Evaluation Matrix
c) Value Driver
d) Value Improving Proposal

33 Which statement regarding Discounted Cash Flow Analysis is true?

a) It shows the effect of discounting prices to increase sales
b) It uses the Net Present Value to show the current value of a proposed investment
c) It adds together project costs without considering when the costs are incurred
d) It is used over a time period of more than ten years

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34 Which describes the 'paired comparison technique' as applied in an MoV Study?

a) A method which combines the two most important Value Drivers and evaluates their combined importance

b) A method which combines the two most useful Value Improvement Proposals and evaluates their combined effectiveness

c) A method which achieves consensus by requiring team members to work in pairs when preparing to make decisions

d) A method which assesses the relative weighting of attributes by requiring team members to compare the relative performance of two items at a time

35 Which combination of the following criteria would influence the choice of weighting technique to use in an MoV Study?

1. Minimize the contributors ability to bias results
2. Eliminate any measure of subjectivity
3. Enable prioritization of Value Drivers
4. Focus on guidance rather than establishing facts

a) 1, 2, 3

b) 1, 2, 4

c) 1, 3, 4

d) 2, 3, 4

36 What technique is **BEST** for generating a large number of ways to improve value and stimulate innovation?

a) Brainstorm in open discussion to trigger ideas and record the best ideas

b) Brainstorm using the Function Analysis model as a guide to focus creative thinking

c) Use creative thinking to evaluate each idea as it is identified, reject the unsuitable, and maximize innovative ideas

d) Maintain live and visible records which assess the financial impact of each idea identified in order to maintain focus on innovative ideas

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37 Which technique produces diagrams representing information flows, roles and principal controls in order to understand how an organization works?

a) Benchmarking
b) Root Cause Analysis
c) Process Mapping
d) Discounted Cash Flow Analysis

38 Which is an output of an Option Evaluation Matrix?

a) Value Driver
b) Criterion Weight
c) Value for Money
d) Option Cost

39 What question does Root Cause Analysis primarily ask to establish the root cause of a problem?

a) What
b) When
c) Why
d) Who

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40 Which is a technique for generating a large volume of ideas?

a) Brainstorming
b) Option Evaluation Matrix
c) Discounted Cash Flow
d) Function Analysis

41 In what sequence would the following steps occur in the generic MoV Project Plan?

1. Gather and analyze information
2. Define the MoV Study objectives
3. Provide training, if necessary, to enable the participants to contribute effectively

a) 2, 1, 3
b) 1, 2, 3
c) 3, 1, 2
d) 2, 3, 1

42 Which statement regarding MoV activities is true?

a) They should only be conducted at the start of a project
b) Their effectiveness should be reviewed at the end of a project
c) Lessons learned from a project should NOT affect 'business as usual' activities
d) In a programme environment, MoV activities should only be carried out at the programme level

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43 Who should establish the Value Profile for a Project?

a) The MoV Study Leader
b) The Project Owners and End Users
c) The Project Delivery Team
d) The MoV Study Leader and Project Delivery Team

44 What should an MoV Study Leader do to gain a better understanding of an organization's business drivers?

a) Understand the organization's culture
b) Understand what the organization does
c) Understand the organization's market proposition
d) Understand the organization's jargon

45 Which question is used to provoke a step change in Value?

a) What alternative product can we deliver?
b) Which component should be replaced?
c) How else can we perform the required function?
d) What cheaper product would be acceptable?

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46 Which is generally true for MoV scenarios?

a) Only the best individual Value Improvement Proposals are implemented
b) Individual Value Improvement Proposals are grouped to show the aggregate effect over the whole project
c) The Value Index of each scenario is maximized
d) The Value for Money Ratio of each scenario is maximized

47 Which statement concerning resource allocation is true?

a) Ways of increasing resource allocation should be considered when a Value Driver is relatively unimportant and few resources are required to fulfil it
b) Ways of increasing resource allocation should be considered when a Value Driver is relatively important and few resources are allocated to fulfil it
c) Resource allocation should be in direct proportion to the Value Profile for a product
d) The Cost/Worth method provides an indicator of whether resource allocation provides good value

48 Why should the plan for implementing Value Improving Proposals be monitored?

a) MoV requires creation of a Benefits Management System
b) It records the person responsible for implementing each Value Improving Proposal
c) It ensures expected improvements in value are actually realized
d) MoV studies are commonly run on tight budgets

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49 Which is **NOT** likely to be an instruction to an MoV Study Leader who works in business operations?

a) Proceed with the MoV Study once the project has delivered its outputs and has been commissioned for use
b) Examine the need to improve existing service operations
c) Initiate an MoV Study whenever organizational circumstances change
d) Conduct an MoV Study with the aim of retaining the business operations which do NOT have end users

50 Which activity should be done first when embedding MoV in an organization?

a) Assign roles and responsibilities
b) Capture and analyze data
c) Develop Study Leaders Handbook
d) Develop MoV Policy

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MoV®

Candidate Number

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	0	1	2	3	4	5	6	7	8	9	+
	0	1	2	3	4	5	6	7	8	9	+
	0	1	2	3	4	5	6	7	8	9	+
	0	1	2	3	4	5	6	7	8	9	+
	0	1	2	3	4	5	6	7	8	9	+

The Foundation Examination Answer Booklet

Use an **HB PENCIL** and only mark the paper where directed.

Enter your candidate number in the space provided at the bottom of the page and also in the 6 boxes on the right. Fill in the associated ovals next to the 6 boxes, e.g.for candidate 597, fill ovals 000597.

Select your answers by filling in the appropriate ovals. Ovals must be darker than the grey square at the top of the page and filled between 80% - 100% as follows:

Do **NOT** use the following marks as they may be ignored.

+	1.	a	b	c	d	21.	a	b	c	d	41.	a	b	c	d	+
+	2.	a	b	c	d	22.	a	b	c	d	42.	a	b	c	d	+
+	3.	a	b	c	d	23.	a	b	c	d	43.	a	b	c	d	+
+	4.	a	b	c	d	24.	a	b	c	d	44.	a	b	c	d	+
+	5.	a	b	c	d	25.	a	b	c	d	45.	a	b	c	d	+
+	6.	a	b	c	d	26.	a	b	c	d	46.	a	b	c	d	+
+	7.	a	b	c	d	27.	a	b	c	d	47.	a	b	c	d	+
+	8.	a	b	c	d	28.	a	b	c	d	48.	a	b	c	d	+
+	9.	a	b	c	d	29.	a	b	c	d	49.	a	b	c	d	+
+	10.	a	b	c	d	30.	a	b	c	d	50.	a	b	c	d	+
+	11.	a	b	c	d	31.	a	b	c	d						
+	12.	a	b	c	d	32.	a	b	c	d						
+	13.	a	b	c	d	33.	a	b	c	d						
+	14.	a	b	c	d	34.	a	b	c	d						
+	15.	a	b	c	d	35.	a	b	c	d						
+	16.	a	b	c	d	36.	a	b	c	d						
+	17.	a	b	c	d	37.	a	b	c	d						
+	18.	a	b	c	d	38.	a	b	c	d						
+	19.	a	b	c	d	39.	a	b	c	d						
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Exam Experience Questionnaire

1. Did you have sufficient time to complete the exam?

   A: Yes B: No

2. How much of your exam time was left?

   A: 0 - 15 minutes
   B: 16 - 30 minutes
   C: more than 30 minutes

3. How much additional time did you need?

   A: 0 - 15 minutes
   B: 16 - 30 minutes
   C: more than 30 minutes

4. Was the exam available in your first language?

   A: Yes
   B: No
   C: I don't know

5. Did you take the exam in your first language?

   A: Yes B: No

6. Did you take the exam in your business language?

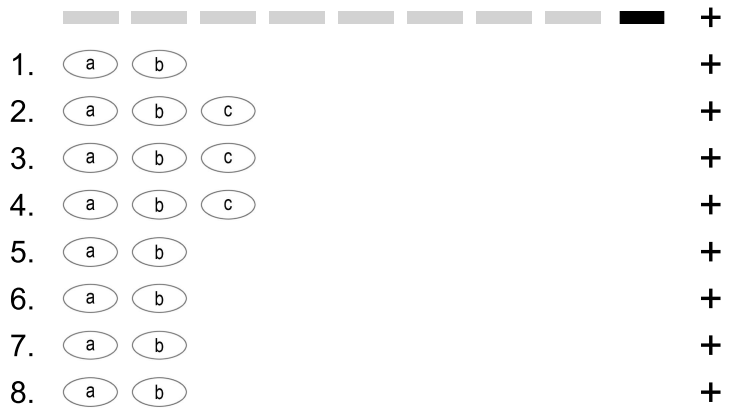
   A: Yes B: No

7. Did you sit a dual language paper?

   A: Yes B: No

8. Were you given extra time to take the exam?

   A: Yes B: No



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MoV Foundation Examination

Week ending :

For Exam Paper :GBP210FSample1-110412SamplePaper1

Q	Ans	Syllabus Topic	Section	Q	Ans	Syllabus Topic	Section	Q	Ans	Syllabus Topic	Section
1	D	IN0101	1.2	**31**	C	CT0103	4.4.1.4				
2	B	IN0101	1.3	**32**	B	CT0103	4.4.3.1				
3	C	IN0202	1.3	**33**	B	CT0201	4.4.1.4				
4	A	SU0101	6.6.1	**34**	D	CT0102	4.4.4.1				
5	B	IN0203	1.4.1	**35**	C	CT0102	4.4.4				
6	B	PI0101	2	**36**	B	CT0102	4.4.2.1				
7	B	PI0201	2.1	**37**	C	CT0103	4.4.1.2				
8	A	PI0102	2.2.3	**38**	C	CT0102	4.4.3.1				
9	A	PR0203	2.3	**39**	C	CT0102	4.4.3.1				
10	D	PI0107	Glossary 2.7	**40**	A	CT0103	4.4.2.1				
11	C	PR0201	3.2.2	**41**	D	AP0102	Fig 5.2				
12	B	PR0201	3.1.2	**42**	B	AP0201	5.1.4				
13	A	PR0103	3.2.2	**43**	B	AP0102	5.3				
14	B	PR0202	3.2.2	**44**	C	AP0202	5.2.2				
15	D	PR0202	3.2.2	**45**	C	AP0102	5.4				
16	A	PR0204	3.4.1	**46**	B	AP0102	5.5				
17	A	PR0202	3.2.2	**47**	D	AP0204	5.4.1				
18	D	PR0202	3.2.2	**48**	C	AP0206	5.6				
19	A	PR0206	3.6.6	**49**	D	SU0101	6.6.1				
20	B	PR0103	3.6.6	**50**	D	SU0102	Fig 7.2				
21	B	MT0201	4.1								
22	A	PI0205	2.5								
23	A	MT0205	4.3								
24	B	PR0201	3.1.3								
25	B	MT0203	4.1.2.4								
26	A	MT0202	4.1.2.4								
27	B	MT0202	4.1.2.6								
28	D	MT0102	4.3								
29	A	MT0202	4.1.2.5								
30	C	MT0102	4.1.2								

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The Foundation Examination

Rationale

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1 IN0101 - Introduction

D

Recall the Value Ratio. Specifically, to recall the composition of MoV.

a) Incorrect. The Value Ratio considers Money, people, time, energy and materials. Sec 1.2

b) Incorrect. The Value Ratio considers Money, people, time, energy and materials. Quality is considered as part of the satisfaction of needs. Sec 1.2

c) Incorrect. The Value Ratio considers Money, people, time, energy and materials. Quality is considered as part of the satisfaction of needs. Sec 1.2

d) Correct. The Value Ratio considers Money, people, time, energy and materials. Sec 1.2

2 IN0101 - Introduction

B

Recall what MoV does. Specifically, to recall the composition of MoV.

a) Incorrect. MoV is not simply about minimising costs. Ref 1.3

b) Correct – MoV is a collective term that embraces many processes that are aimed at maximising value. Ref 1.3

c) Incorrect. MoV can help establish objectives but this is not the primary purpose. Ref 1.3

d) Incorrect – MoV normally involves teamwork but does not set out to establish teamwork as its main goal. Ref 1.3 and 1.7

3 IN0202 - Introduction

C

Understanding the purpose of a MoV Study. Specifically, to test understanding of what MoV comprises.

a) Incorrect. MoV is NOT simply about minimizing costs. Ref 1.3

b) Incorrect. MoV must seek to achieve the optimum balance between all stakeholder needs. Ref 1.3

c) Correct. MoV supports decision-making based upon maximizing value for money. Ref 1.3

d) Incorrect. MoV focuses on functions rather than products. Ref 1.3

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4 SU0101 - Support and Infrastructure

A

Recall of MoV's relevance to improvement of business operations. Specifically, to recall aspects of the environment that should be considered when applying MoV.

a) Correct. A service without end users should be eliminated. It is NOT normal for management to plan a MoV study with the objective to retain such a service. A MoV study would be useful to eliminate the service. Ref 6.6.1.

b) Incorrect. Item 3 - there should be no need to improve business operations once a project has been successfully completed. Ref 6.6

c) Incorrect. Item 2 is an example of an advantageous circumstance. Ref 6.6

d) Incorrect. Item 1 is an example of an advantageous circumstance. Ref 6.6

5 IN0203 - Introduction

B

Understand how to encourage the use of MoV. Specifically, to test understanding of why MoV should be used.

a) Incorrect. Simply delivering a project does NOT guarantee a tangible return on investment. Ref 1.4.1

b) Correct. This is a tangible return on investment. Ref 1.4.1

c) Incorrect. Compliance with MoV processes rather than with improved output is NOT a measure of added value. Ref 1.4.1

d) Incorrect. Delivering a project within budget does NOT guarantee a tangible return on investment. Ref 1.4.1

6 PI0101 - Principles

B

Recall of the 7 MoV principles.

a) Incorrect. This is an MoV principle. Ref 2

b) Correct. This is NOT an MoV principle. Ref 2

c) Incorrect. This is an MoV principle. Ref 2

d) Incorrect. This is an MoV principle. Ref 2

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7 PI0201 - Principles

B

Understand the alignment principle. Specifically, to test why MoV should align with an organization's objectives.

a) Incorrect. Projects and programmes deliver the objectives. Ref 2.1

b) Correct. Without co-ordination there is a risk that maximizing value in one project could diminish value across the wider programme. Ref 2.1

c) Incorrect. MoV activities CANNOT be carried out in isolation of the broader organizational context. Ref 2.1

d) Incorrect. The objectives of each project should be complementary to the other projects within the programme. Ref 2.1

8 PI0102 - Principles

A

Recall the objectives of a Function Diagram. Specifically, to recall the concepts relating to the seven principles.

a) Correct. A Function Diagram relates Value Drivers to the overall programme or project objectives by asking 'how' and 'why'. Ref 2.2.3

b) Incorrect. A Function Diagram relates Value Drivers to the overall programme or project objectives by asking 'how' and 'why', not 'who' and 'what'. Ref 2.2.3

c) Incorrect. A Function Diagram relates Value Drivers to the overall programme or project objectives by asking 'how' and 'why, not 'when' and 'who'. Ref 2.2.3

d) Incorrect. A Function Diagram relates Value Drivers to the overall programme or project objectives by asking 'how' and 'why', not 'how' and 'what'. Ref 2.2.3

9 PR0203 - Processes

A

Understand what MoV does. Specifically, to identify how to prioritise value.

a) Correct. There are three main areas where it is necessary to strike a balance in order to maximize value, one of which is reconciling needs and views of different stakeholders by brokering. Ref 2.3

b) Incorrect. MoV is an enabling mechanism. It does NOT 'require' consensus and may permit 'agree to disagree'. Ref 2.3 / 1.3

c) Incorrect. MoV is an enabling mechanism. It does NOT prevent consensus but may permit 'agree to disagree'. Ref 2.3 / 1.3

d) Incorrect. MoV is an enabling mechanism which may involve measurement, but MoV is NOT an approach to measurement. Ref Sec 2.3 / 1.3

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10 PI0107 - Principles

D

Understand the MoV principles. Specifically, to identify why it is important to assign clear roles and build supportive culture.

a) Incorrect. The detail in the MoV Study is normally set out by the Study Leader. Sec 5 intro

b) Incorrect. The stakeholders are identified during a nMoV Study. Fig 5.1

c) Incorrect. An individual who may be a team member or the MoV Study Leader should be responsible for monitoring improvements in value. Sec 5.6

d) Correct. MoV should be actively supported by senior management. Ref glossary / 2.7

11 PR0201 - Processes

C

Understand the content of a Business Case. Specifically, to understand the briefing, planning and preparation of the Business Case.

a) Incorrect. Expected benefits would normally form part of the content of a Business Case. Ref 3.1.2

b) Incorrect. Expected timescales would normally form part of the content of a Business Case. Ref 3.1.2

c) Correct. The Project Team would be formed in the Gather Information process after the Business Case is signed off. Ref 3.2.2

d) Incorrect. The procurement strategy would normally form part of the content of a Business Case. Ref 3.1.2

12 PR0201 - Processes

B

Understand the purpose of an MoV Study. Specifically, to test understanding of briefing, planning and preparing the Business Case.

a) Incorrect. This is the purpose of the initial briefing meeting. Ref 3.1.1

b) Correct. This will inform the Business Case and provide information for a decision on whether or not to initiate the programme. Ref 3.1.2

c) Incorrect. This is the purpose of the MoV Project Plan. Ref 3.1.5

d) Incorrect. This will be done as part of a project. Ref 3.1.7

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13 PR0103 - Processes

A

Recall the main topics under gather information. Specifically, to recall their key components.

a) Correct. Stakeholder consultation is a key process used to gather information. Ref 3.2.3

b) Incorrect. Research and Precedent is a key process. Benchmarking is an optional technique which may form part of this process. Ref 3.2.4

c) Incorrect. Confidentiality may be a commercial requirement but is NOT a key process of MoV. Ref 3.2

d) Incorrect. Gather Information requires that the initial briefing should establish whether the whole project or just parts should be studied. Ref 3.2.5

14 PR0202 - Processes

B

Understand the criteria for team selection. Specifically, the rationale and composition of the key components of gathering information.

a) Incorrect. Team members are generally selected for the skills and other abilities they possess which enable them to contribute to a Study, and for how they are likely to interact with other team members. Availability by itself is NOT a good selection criterion. Ref 3.2.2

b) Correct. Team members are generally selected for the skills and other abilities they possess which enable them to contribute to a Study, and for how they are likely to interact with other team members. Ref 3.2.2

c) Incorrect. Team members are generally selected for the skills and other abilities they possess which enable them to contribute to a Study, and for how they are likely to interact with other team members. Representing an important stakeholder would be an important criterion if they could contribute to a Study and interact positively with other team members. Ref 3.2.2

d) Incorrect. Team members are generally selected for the skills and other abilities they possess which enable them to contribute to a Study, and for how they are likely to interact with other team members. Having a passionate interest by itself is NOT a good selection criterion. Ref 3.2.2

15 PR0202 - Processes

D

Understand the concept of a well-balanced team. Specifically, to understand selection of participants and involvement of stakeholders.

a) Incorrect. Interaction is a prerequisite for a well-balanced study team. Ref 3.2.2

b) Incorrect. Knowledge & skills are a prerequisite for a well-balanced study team. Ref 3.2.2

c) Incorrect. Representation is a prerequisite for a well-balanced study team. Ref 3.2.2

d) Correct. It is good practice to involve experienced people who are NOT otherwise involved in the project in order to bring greater objectivity. Ref 3.2.2

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16 PR0204 - Processes

A

Identify the composition of key activities when processing information. Specifically, to identify why and how to process information and to prepare for a study.

a) Correct. This information is documented in the MoV Study Handbook as part of the Process Information process. Sec 3.4.1

b) Incorrect. This would be undertaken during the Gather Information process. Sec 3.2.1

c) Incorrect. This would be undertaken during the Develop Value Improving Proposals process. Sec 3.6

d) Incorrect. This would be undertaken when analysing resources as part of the Analyse Information process. Sec 3.3.2

17 PR0202 - Processes

A

Understand the purpose of team building. Specifically, to understand involvement of key stakeholders.

a) Correct. Team building is recommended when people have NOT worked together before. Ref 3.2.2

b) Incorrect. This sets too high a standard. MoV works when participants work collaboratively – creating a high-performance team may be an output from a MoV Study. Ref 3.2.2

c) Incorrect. It is NOT a requirement that MoV Studies run within tight timescales.

d) Incorrect. A Study Handbook briefs the participants on what adds value. Ref 3.2.1

18 PR0202 - Processes

D

Understand the concept of building a well-balanced study team. Specifically, to test understanding of the selection of participants.

a) Incorrect. NOT all aspects of a project will be of interest to all stakeholders. Ref 3.2.2

b) Incorrect. Failure to identify and involve all major stakeholders during the early stages may lead to overall project weakness. Ref 3.2.2

c) Incorrect. The team members will be nominated by the project's management team. Ref 3.2.2

d) Correct. This is a consideration when selecting team members. Ref 3.2.2

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19 PR0206 - Processes

A

Understand performance impact. Specifically, to test understanding of how to develop Value Improving Proposals.

a) Correct. This will help with risk analysis, but simply looking at dependencies will NOT assess performance. Ref 3.6.6

b) Incorrect. This is a valid way to assess performance impact. Ref 3.6.7

c) Incorrect. This is a valid way to assess performance impact. Ref 3.6.7

d) Incorrect. This is a valid way to assess performance impact. Ref 3.6.7

20 PR0103 - Processes

B

Recall concepts relating to the process Develop Value Improving Proposals – assessing time impacts specifically to recall the key components.

a) Incorrect. If a proposal takes a long time to implement it may NOT delay the project even if it is on the critical path. Ref 3.6.6

b) Correct. The schedule should include time for project management, holidays and sickness. Ref 3.6.6

c) Incorrect. Whilst a professional scheduler will have experience in estimating duration and resource requirements, it is NOT always essential to have a professional scheduler involved. Ref 3.6.6

d) Incorrect. Saving time on one proposal may NOT reduce the overall schedule because it may NOT be on the critical path. Ref 3.6.6

21 MT0201 - MoV Techniques

B

Understand the objectives of Function Analysis. Specifically, to identify how to perform function analysis and why it is used.

a) Incorrect. Function Analysis analyses what things do rather than what they are. Ref 4.1

b) Correct. An objective of Function Analysis is to stimulate creativity in the search for different ways to perform the identified functions. Function Analysis establishes a focus for creative thinking. Ref 4.1

c) Incorrect. MoV is concerned with maximizing value, NOT about minimizing costs. Cost reduction is always an option but NOT the only option. Ref 2.3

d) Incorrect. The generation of potential solutions is done later in the MoV process, NOT when defining functions and how they can be carried out. Ref 4.1.1

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22 PI0205 - Principles

A

Understand why it is necessary to tailor MoV to suit the subject.

a) Correct. A small and simple project will NOT require the same level of effort. Tailoring will avoid a waste of resources. Ref 2.5

b) Incorrect. MoV should be tailored to suite the unique variables of the project or programme. Ref 2.5

c) Incorrect. Even a simple, low complexity project will require at least one formal Study throughout its life. Ref 2.5

d) Incorrect. Regardless of the scale of MoV activity, the MoV Principles should be applied. Ref 2.5

23 MT0205 - MoV Techniques

A

Understand the Development and Presentation phases of the Value Engineering Job Plan.

a) Correct. This would be done during the Presentation phase. Ref 4.3.6

b) Incorrect. This would be done during the Analysis or Information phase. Ref 4.3 / 3.2

c) Incorrect. This would be done during the Follow up phase. Ref 4.3

d) Incorrect. This would be done during the Creative phase. Ref 4.3

24 PR0201 - Processes

B

Understand Value Profiling. Specifically, to test understanding of the rationale of the key components of framing the programme or project.

a) Incorrect. Value Profiling provides a method to test that the requirements of the Project Sponsors and end users are in agreement. Ref 3.1.4

b) Correct. Stakeholder analysis is used to do this. Ref 3.1.3

c) Incorrect. Value Profiling, together with value metrics, provides a method of assessing performance improvements. Ref 3.6.7

d) Incorrect. Value Profiling, together with the use of scenarios and their costs, provides a method of assessing improvements in value to the project. Ref 3.6.4

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25 MT0203 - MoV Techniques

B

Understand how to interpret a Value Index. Specifically, how to develop Value metrics, their structure and use.

a) Incorrect - The Value Index must lie between 100 and 1000. As a rule of thumb, a Value Index of 350 or less indicates poor performance which must be improved, signalling an urgent need to carry out a formal MoV Study. Ref 4.1.2.3

b) Correct. The Value Index must lie between 100 and 1000. As a rule of thumb, a Value Index of 350 or less indicates poor performance which must be improved, signalling an urgent need to carry out a formal MoV Study. Ref 4.1.2.3

c) Incorrect. The Value Index must lie between 100 and 1000. As a rule of thumb, a Value Index of 350 or less indicates poor performance which must be improved, signalling an urgent need to carry out a formal MoV Study. At 600 there is room for improvement but NOT as much as at 280. Ref 4.1.2.3

d) Incorrect. The Value Index must lie between 100 and 1000. As a rule of thumb a Value Index of 350 or less indicates poor performance which must be improved, signalling an urgent need to carry out a formal MoV Study. A Value Index exceeding 750 is regarded as good. Perfection at 1000 is most unlikely. Ref 4.1.2.3

26 MT0202 - MoV Techniques

A

Understand the Value Index. Specifically, to identify how to develop value trees and derivatives and their uses.

a) Correct. The Value Index provides a measure of how well a project satisfies individual Value Drivers. Sec 4.1.2.3

b) Incorrect. The Value Index must lie between 100 and 1000. Sec 4.1.2.3

c) Incorrect. The Value Index provides a measure of how well an option satisfies Value Drivers. Sec 4.1.2.3

d) Incorrect. The Value Index does NOT provide any indication of whether Value for Money is delivered. Sec 4.1.2.3

27 MT0202 - MoV Techniques

B

Understand Value and the Value for Money Ratio and its uses

a) Incorrect. The Value for Money Ratios for individual Value Drivers enable a project team to distribute resources to where they will provide greater value. Sec 4.1.2.6

b) Correct. The Value for Money Ratio can be used in option selection and throughout a project. Sec 4.1.2.6

c) Incorrect. The Value for Money Ratio can be used throughout a project. Sec 4.1.2.6

d) Incorrect. The Value for Money Ratio can be used in option selection. Sec 4.1.2.6

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28 MT0102 - MoV Techniques

D

Recall the phases in the Value Engineering Job Plan. Specifically, to recall Value Engineering/Analysis.

a) Incorrect. Development is phase 5 of the Value Engineering Job Plan. Sec 4.3

b) Incorrect. Creative is phase 3 of the Value Engineering Job Plan. Sec 4.3

c) Incorrect. Implementation is phase 7 of the Value Engineering Job Plan. Sec 4.3

d) Correct. There is no Cost phase in the Value Engineering Job Plan. Sec 4.3

29 MT0202 - MoV Techniques

A

Understand the Value for Money Ratio. Specifically, to identify how to develop value trees and derivatives and their uses.

a) Correct. The Value for Money Ratio enables resources to be distributed where they will provide greatest value. Ref 4.1.2.5

b) Incorrect. The Value for Money Ratio considers monetary and non-monetary benefits. Ref 4.1.2.5

c) Incorrect. The Value for Money Ratio should be used throughout a project at key milestones. Ref 4.1.2.5

d) Incorrect. The Value for Money Ratio divides the Value Index by the total estimated project cost. Ref 4.1.2.5

30 MT0102 - MoV Techniques

C

Recall what is a Value Tree. Specifically, how to develop Value Trees and derivatives and their uses.

a) Incorrect. The decomposition of a Value Tree, through Value Drivers to lower order functions then design specifications, can result in the required products to meet project objectives, but it is NOT usual for that level of decomposition to actually occur. Sec 4.1.2

b) Incorrect. A Value Tree does NOT normally incorporate cost. It is possible to add cost to a Value Tree, but the costs are NOT directly related to cost elements on a conventional cost plan. The costs should be derived from cost to function analysis and therefore will bear little obvious relationship to the traditional cost elements. Sec 4.1.2

c) Correct. A Value Tree is a diagram that shows the relationship between, and the hierarchy of, Value Drivers. Sec 4.1.2

d) Incorrect. A Value Tree will NOT show management processes – those project activities required to implement the project. Sec 4.1.2

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31 CT0103 - Commonly used Techniques

C

Recall facts terms and concepts relevant to / know how to apply discounted cashflow analysis. Specifically, to recall the principal uses of the techniques.

a) Incorrect. Present and future cash flows cannot simply be added together to calculate the total cost of a project. Sec 4.4.1.4

b) Incorrect. Care must be taken when evaluating future cash flow as these are notoriously unreliable. For this reason discounted cashflow analysis is usually used in MoV for a relatively short, finite period. Sec 4.4.1.4

c) Correct. Discounted cashflow analysis should be used when comparing projects which involve different cash flow timing. Sec 4.4.1.4

d) Incorrect. Value Improving Proposals may result in future cash flows, positive or negative. Sec 4.4.1.4

32 CT0103 - Commonly used Techniques

B

Recall the techniques available for option selection. Specifically, to recall the principal uses of the techniques.

a) Incorrect. A Value Tree shows the relationship between Value Drivers to gain a common understanding of project imperatives. Sec 4.1.2.1

b) Correct. An Option Evaluation Matrix is used to assess the relative performance of each option. Sec 4.4.3.1

c) Incorrect. The Value Driver is used in the Option Evaluation Matrix but it is NOT an evaluation technique. Sec 4.4.3.1

d) Incorrect. A Value Improving Proposal is developed from the outputs of selection techniques and is used to decide which option to implement. Sec 4.4.5.1

33 CT0201 - Commonly used Techniques

B

Understand Discounted Cash Flow Analysis. Specifically, to identify techniques used when analysing information in MoV.

a) Incorrect. Discounted Cash Flow uses a discount rate to show the current value of future cash flows. Sec 4.4.1.4

b) Correct. Net Present Value shows the current value of future cash flows. Sec 4.4.1.4

c) Incorrect. Discounted Cash Flow estimates return on investment adjusted for the effect of time. Sec 4.4.1.4

d) Incorrect. Discounted Cash Flow is usually used over a relatively short time period. Sec 4.4.1.4

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34 CT0102 - Commonly used Techniques

D

Recall terms and concepts relevant to weighting techniques. Specifically, to recall the steps /actions involved in the techniques.

a) Incorrect. The method requires team members to assess one pair of individual items at a time – NOT compare a pair of items with other items. Sec 4.4.4.1

b) Incorrect. The method requires team members to assess one pair of individual items at a time – NOT compare a pair of items with other items. Sec 4.4.4.1

c) Incorrect. The Paired Comparison Method does NOT require members to work in pairs. Sec 4.4.4.1

d) Correct. The Paired Comparison method provides a very robust means of assessing the relative weighting of attributes by requiring team members to compare the relative performance of two items at a time. Sec 4.4.4.1

35 CT0102 - Commonly used Techniques

C

Recall facts, terms and concepts relevant to weighting techniques. Specifically, to recall the actions involved in the techniques.

a) Incorrect. All weighting methods involve a measure of subjectivity. Sec 4.4.4

b) Incorrect. All weighting methods involve a measure of subjectivity. Sec 4.4.4

c) Correct. It is important to choose a method that minimises ability to bias results. Sec 4.4.4

d) Incorrect. All weighting methods involve a measure of subjectivity. Sec 4.4.4

36 CT0102 - Commonly used Techniques

B

Recall facts, terms and concepts relevant to brainstorming. Specifically, to recall the steps/actions involved in the techniques.

a) Incorrect. Record all ideas (as brainstorming proceeds) in the originators own words and keep visible to spark off other possibilities in other people's minds. Care must be taken NOT to discount any idea, no matter how foolish it appears at first. Sec 4.4.2.1

b) Correct. Use the Function Analysis model to ensure all parts eligible for improvement are brainstormed. Focusing on function also leads to more innovation than focusing on products. Sec 4.4.2.1

c) Incorrect. Care must be taken NOT to discount any idea, no matter how foolish it appears at first. Sec 4.4.2.1

d) Incorrect. Focus on function, NOT cost …also….Care must be taken NOT to discount any idea, no matter how foolish it appears at first. Sec 4.4.2.1

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37 CT0103 - Commonly used Techniques

C

Recall the elements of the Process Mapping technique. Specifically, to recall the principal uses of techniques.

a) Incorrect. Benchmarking is a technique used to compare performance with other examples which have similar characteristics. Sec 4.4.1.1

b) Incorrect. Root Cause Analysis aims to drill down to the root of a problem in order to develop an appropriate solution. Sec 4.4.1.3

c) Correct. Process Mapping helps understand business as usual by showing information flows, roles, responsibilities and controls for each step in a process. Sec 4.4.1.2

d) Incorrect. Discounted Cash Flow Analysis is a method of expressing future cash flows at current equivalent values. Sec 4.4.1.4

38 CT0102 - Commonly used Techniques

C

Recall the Option Evaluation Matrix. Specifically, to recall the actions involved in the techniques.

a) Incorrect. The Value Driver is used in the Option Evaluation Matrix to assess the relative performance of each option, but it is NOT itself an output of an Option Evaluation Matrix. Sec 4.4.3.1

b) Incorrect. The Criterion Weight is used in the Option Evaluation Matrix to assess the relative performance of each option, but it is NOT itself an output of an Option Evaluation Matrix. Sec 4.4.3.1

c) Correct. A measure of Value for Money is an output of an Option Evaluation Matrix. Sec 4.4.3.1

d) Incorrect. The option cost is used in the Option Evaluation Matrix to assess the relative performance of each option, but it is NOT itself an output of an Option Evaluation Matrix. Sec 4.4.3.1

39 CT0102 - Commonly used Techniques

C

Recall the method to establish the root cause of a problem. Specifically, to recall the steps/actions involved in the techniques.

a) Incorrect. Repeated use of the question 'why', not what', provides a rapid way to establish the root cause of a problem. Sec 4.4.1.3

b) Incorrect. Repeated use of the question 'why', not 'when', provides a rapid way to establish the root cause of a problem. Sec 4.4.1.3

c) Correct. Repeated use of the question 'why' provides a rapid way to establish the root cause of a problem. Sec 4.4.1.3

d) Incorrect. Repeated use of the question 'why', not 'who' provides a rapid way to establish the root cause of a problem. Sec 4.4.1.3

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40 CT0103 - Commonly used Techniques

A

Recall the brainstorming technique. Specifically, to recall the principal uses of the techniques.

a) Correct. Brainstorming is a technique used to generate a large volume of ideas in a short period of time. Sec 4.4.2.1

b) Incorrect. The Option Evaluation Matrix assesses the merits of a small number of options. Sec 4.4.3.1

c) Incorrect. Discounted Cash Flow is a method of expressing future cash flows at current equivalent values. Sec 4.4.1.4

d) Incorrect. Function Analysis is the technique of analysing what things do, rather than what they are. Sec 4.1

41 AP0102 - Approach to implementation

D

Recall the sequencing of actions in the generic MoV Project Plan. Specifically, to recall the reasons for the approaches.

a) Incorrect. Competent people should gather information. Fig 5.2

b) Incorrect. It is NOT logical to start work on an MoV study without objectives. Fig 5.2

c) Incorrect. It is NOT logical to start work on an MoV study without objectives. Fig 5.2

d) Correct. This is the sequence in which the actions would be taken. Fig 5.2

42 AP0201 - Approach to implementation

B

Understand MoV activities. Specifically, to identify how to plan MoV activities.

a) Incorrect. MoV activities are relevant throughout a project. Sec 5.1.4

b) Correct. Lessons should be reviewed at the end of a project. Sec 5.1.4

c) Incorrect. Lessons may affect other projects or business as usual activities. Sec 5.1.4

d) Incorrect. Even when a project is run as part of a wider programme, it may be appropriate to run MoV activities for a single project. Sec 5.1.4

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43 AP0102 - Approach to implementation

B

Recall who should assess the relative importance of each Value Driver. Specifically, to recall the reasons for the approaches.

a) Incorrect. This exercise should be conducted with the owners of the project and the end users, rather than the MoV study leader. Sec 5.3

b) Correct. This exercise should be conducted with the owners of the project and the end users, rather than the project delivery team. Sec 5.3

c) Incorrect. This exercise should be conducted with the owners of the project and the end users, rather than the project delivery team. Sec 5.3

d) Incorrect. This exercise should be conducted with the owners of the project and the end users, rather than the MoV study leader and the project delivery team Sec 5.3

44 AP0202 - Approach to implementation

C

Understand aspects of an organization's business. Specifically, to understand how value should be understood and articulated.

a) Incorrect. To gain a better understanding of an organization's business culture, an MoV Study Leader should understand the organization's Value Profile. Sec 5.2.2

b) Incorrect. To gain a better understanding of an organization's business technical expertise, an MoV Study Leader should understand what the organization does. Sec 5.2.2

c) Correct. To gain a better understanding of an organization's business drivers, a MoV Study Leader should understand the organization's priorities, e.g. market proposition. (This may also be reflected in their Value Profile). Sec 5.2.2

d) Incorrect. To gain a better understanding of an organization's business terminology, an MoV Study Leader should understand the organization's jargon. Sec 5.2.2

45 AP0102 - Approach to implementation

C

Understand concepts for improving value. Specifically, to recall the reasons for the approaches.

a) Incorrect. Instead of focusing on products and asking what alternatives would be acceptable, ask how else the required function can be performed. Sec 5.4

b) Incorrect. Instead of focusing on products and asking what alternatives would be acceptable, ask how else the required function can be performed. Sec 5.4

c) Correct. Instead of focusing on products and asking what alternatives would be acceptable, ask how else the required function can be performed. Asking the question in relation to higher order Value Drivers can significantly alter the nature of solutions and drive step change in value. Sec 5.4

d) Incorrect. Instead of focusing on products and asking what alternatives would be acceptable, ask how else the required function can be performed. Sec 5.4

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46 AP0102 - Approach to implementation

B

Understand the concept of scenarios. Specifically, to recall reasons for the approaches.

a) Incorrect. Individual proposals are grouped to show the combined impact. Sec 5.5

b) Correct. Individual proposals are grouped to show the combined impact. Sec 5.5

c) Incorrect. Balancing the parameters in the Value Ratio provides a way to optimize value, to the satisfaction of the key stakeholders and an organization's value priorities. Sec 5.5

d) Incorrect. Balancing the parameters in the Value Ratio provides a way to optimize value, to the satisfaction of the key stakeholders and an organization's value priorities. Sec 5.5

47 AP0204 - Approach to implementation

D

Understand how to redistribute resources to improve value. Specifically, to identify why and how to improve value.

a) Incorrect. If a value driver is relatively unimportant, but a lot of resources are used to deliver it, consider alternative ways to achieve the Value Driver. Sec 5.4.1

b) Incorrect. If a value driver is relatively unimportant, but a few resources are used to deliver it, it offers good value and there is no need to redistribute resources to improve value. Sec 5.4.1

c) Incorrect. The Value Profile records the relative importance of each Value Driver. Resources required to fulfil each function should be allocated to where they create greatest value. Sec 5.4.1

d) Correct. Cost / Worth provides an indicator of whether resources used in delivering a Value Driver represent good value. Sec 5.4.1

48 AP0206 - Approach to implementation

C

Understand the reasons for monitoring improvements in value. Specifically, to identify why and how to monitor improvements in value.

a) Incorrect. The monitoring process may be integrated with Benefits Management, but only if that method is being used on the project. Sec 5.6

b) Incorrect. The most common method -of monitoring is for regular progress reports to include the person responsible for implementation and the status of each Value Improving Proposal. This activity is a method and NOT a reason for monitoring. Sec 5.6

c) Correct. All value-improving activities may be wasted if the plan is NOT adequately monitored to ensure expected improvements in value are actually realized. Sec 5.6

d) Incorrect. The tight budget does NOT preclude affordable action to deliver value improvement. Sec 5.6

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49 SU0101 - Support and Infrastructure

D

Recall MoV relevance to improvement of business operations. Specifically, to recall the aspects of the environment that should be considered when MoV is undertaken.

a) Incorrect. This is a normal advantageous circumstance in which to undertake an MoV Study. Sec 6.6

b) Incorrect. This is a normal advantageous circumstance in which to undertake an MoV Study. Sec 6.6

c) Incorrect. This is an example of 'changing conditions' in which to undertake an MoV Study. Sec 6.6

d) Correct. A service without end users should be eliminated. It is NOT normal to conduct an MoV Study with the objective to retain such a service. An MoV Study would be useful to eliminate the service. Sec 6.6.1

50 SU0102 - Support and Infrastructure

D

Recall the Steps in Embedding MoV in an organization. Specifically, to recall the main benefits and components of embedding MoV into an organization.

a) Incorrect. This would happen after the MoV Policy is developed. Fig 7.2

b) Incorrect. This would happen after the MoV Policy is developed. Fig 7.2

c) Incorrect. This would happen after the MoV Policy is developed. Fig 7.2

d) Correct. This is the first step when embedding MoV in an organization. Fig 7.2

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Management of Value

Syllabus

March 2012

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1 Introduction

Management of Value (MoV) guidance provides advice, supported by discussion, diagrams and examples, on how to apply MoV at Portfolio, Programme and Project levels as well as Operations at all levels. The guidance also provides advice on how to introduce and embed MoV into an organisation and to continuously improve MoV performance.

This document is intended for Examiners preparing questions and answers for exam papers.

MoV qualifications are currently offered on two levels, Foundation and Practitioner. This Syllabus relates to both levels

The primary purpose of the syllabus is to provide a basis for accreditation of people involved with MoV. It documents the learning outcomes related to the use of MoV and describes the requirements a candidate is expected to meet to demonstrate that these learning outcomes have been achieved at each qualification level.

The target audience for this document is:

- Exam Board
- Exam Panel
- The AXELOS Assessment Team
- Accredited Training Organizations.

This syllabus informs the design of the exams and provides accredited training organizations with a more detailed breakdown of what the exams will assess. Details on the exam structure and content are documented in the MoV Foundation and Practitioner Designs.

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2 Foundation Qualification

2.1 Purpose of the Foundation Qualification

The purpose of the foundation level qualification is to confirm that a candidate has sufficient knowledge and understanding of the MoV guidance to:

- Enable participants to contribute effectively to MoV activities led by others
- Enable participants to understand and explain MoV to others
- Pre-qualify candidates for the MoV Practitioner Exam (when developed) or for other training and qualification systems in Value Management.

2.2 Target Audience

Common understanding of this will help to ensure appropriate syllabus topics are identified for the qualification.

The MoV Qualification is intended for three groups of people:

- Management and staff in an organization wishing to acquire an understanding of MoV, whether MoV is embedded in their organization or not.
- The PPM community, for whom the guide is aimed at those involved in directing, managing, supporting and delivering portfolios, programmes and projects. This includes Senior Management, Programme Managers, Project Managers, Change Managers and Project and Programme Office staff and their sponsors.
- Those who apply the methods in other PPM guides to build on and enhance the activities to maximise value and delivery of benefits.

2.3 High Level Performance Definition of a Successful Candidate

At Foundation level, the candidate should understand the key principles and terminology within the MoV guidance. Specifically the candidate should be able to discuss and explain the items below.

- The main processes and techniques used within MoV and the reasons for using them
- How MoV may be applied at portfolio, programme, project and operational levels
- The differences in applying MoV at different stages in a project and the expected outputs from a MoV Study at each stage
- The circumstances under which MoV should be used
- The concept of value and how value may be improved
- The main benefits arising from the use of MoV
- Approaches for implementing MoV
- How to respond to external and internal influences
- The principles of embedding MoV into an organisation
- The key topics in document check lists, the toolbox, health check, organizational maturity and individual competence.

3 Practitioner Qualification

The purpose of the Practitioner qualification is to confirm whether the candidate has achieved sufficient understanding of how to apply and tailor MoV in a scenario situation. A successful Practitioner should, with suitable direction and facilitation skills, be able to start applying the method to real situations but may not be sufficiently skilled or experienced to do this appropriately in all situations. The experience of the individual, the level of support available and the complexity of the situation to which MoV is to be applied will be factors that impact what the Practitioner can achieve.

3.1 Target Audience

The MoV Practitioner Qualification is intended for three groups of people:

- Management and staff in an organization wishing to use MoV and whether MoV is embedded in their organization or not.

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- The PPM community, for whom the guide is aimed at those involved in directing, managing, supporting and delivering portfolios, programmes and projects. This includes Senior Management, Programme Managers, Project Managers, Change Managers and Project and Programme Office staff and their sponsors.
- Those who apply the methods in other PPM guides to build on and enhance the activities to maximise value and delivery of benefits.

3.2 High Level Performance Definition of a Successful Candidate

At Practitioner level the candidate should, in addition, be able to apply, analyze and interpret the guidance for a given scenario situation and, with limitations, be able to perform the functions described in the table below:

High level performance definitions		MOV™ Guide References
1	Identify situations in which it is relevant to apply Management of Value (MoV) principles, processes and techniques; advocate appropriately to Senior Management the benefits of this application	Chapter 1; Chapter 2; Chapter 6
2	Develop a plan of appropriate MoV activities for the whole lifecycle of small and large projects and programmes	2.5; Chapter 3; Chapter 6
3	Plan an MoV study, tailoring it to particular projects or programmes and developing practical study or workshop handbooks as required	5.1; Appendix A
4	Understand and articulate value in relation to organizational objectives	2.2; 5.2
5	Prioritize value drivers using Function Analysis and use these to demonstrate how value might be improved	5.3; 5.4; 4.1; 4.2
6	Quantify monetary and non-monetary value using the Value Index, Value Metrics and the Value for Money ratio	5.5; 4.1.2.3-5
7	Describe and comment on the application of various techniques relevant to MoV	4.3; 4.4; Appendix B
8	Monitor improvements in value realized throughout a project lifecycle and capture learning which can be transferred to future projects	5.6; 5.7
9	Offer suggestions and guidance about embedding MoV into an organization, including policy issues, undertake a health check, assess maturity and competence, and provide guidance on typical roles and responsibilities	Chapter 7; 6.1; 6.6; Appendix C; Appendix D
10	Understand and articulate the uses of MoV within other Best Management Practice methods and its contributions to them	1.6; 6.2; 6.3; 6.4; 6.5

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4 Learning Outcomes Assessment Model

A classification widely used when designing assessments for certification and education is the Bloom's Taxonomy of Educational Objectives. This classifies learning objectives into six ascending learning levels, each defining a higher degree of competencies and skills. (Bloom et al, 1956, Taxonomy of Educational Objectives).

AXELOS have incorporated this into a Learning Outcomes Assessment Model which defines the standard for each qualification's Learning Outcome Assessment Model which is used to provide a simple and systematic means for assessing and classifying the learning outcomes for AXELOS qualifications .

This structured approach helps to ensure:

- A clear delineation in learning level content between different qualification levels
- Learning outcomes are documented consistently across different areas of the guidance
- Exam questions and papers are consistent and are created to a similar level of difficulty

The Foundation qualification examines learning outcomes at levels 1 (knowledge) and 2 (understanding). The Practitioner qualification additionally tests learning outcomes 3 (application) and 4 (analysis).

4.1 MoV Learning Outcome Assessment Model

MoV Learning Outcomes Assessment Model				
	1.Knowledge	**2. Comprehension**	**3. Application**	**4. Analysis**
Generic Definition from AXELOS Learning Outcomes Assessment Model	Know key facts, terms and concepts from the manual/guidance	Understand key concepts from the manual/guidance	Be able to apply key concepts relating to the syllabus area for a given scenario	Be able to identify, analyse and distinguish between appropriate and inappropriate use of the method/guidance for a given scenario situation

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Qualification Learning Outcome Assessment Model	Know facts including concepts, principles, techniques, methods, roles and responsibilities from the guidance For example to be able to repeat key words and phrases used in the guide exactly	Understand the concepts, principles, themes, organisational factors and roles and can explain how these are applied to achieve added value using MoV. For example to be able to explain why and how something may be used and it's purpose. To recognise descriptions or be able to interpret using words other than those used in the guide.	For a given scenario, be able to: 1. Justify a case to apply MoV to a particular situation 2. Use appropriate information and techniques to apply MoV appropriately to a given situation 3. Use tools and techniques appropriately 4. Identify the level of support and infrastructure needed to apply MoV effectively and the roles and responsibilities that may be necessary	Be able to analyse and distinguish between appropriate and inappropriate use of the guidance through appraisal of the justification, planning and application of MoV for a given scenario

5 Syllabus Presentation

For each of the above learning levels, the syllabus defines the individual learning outcomes required for the qualification. Each learning outcome is then supported by a description of the requirements that a candidate is expected to meet to demonstrate that the learning outcome has been achieved at the qualification level indicated. These are shown as syllabus topics.

All Foundation level requirements are assumed to have been met for Practitioner level and are not directly assessed again, although Foundation level knowledge and understanding will be used when demonstrating Practitioner application and analysis learning outcomes.

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Each of the syllabus areas is presented in a similar format as follows:

1.	Syllabus Area	Unit of learning – e.g. a chapter of the manual/guidance document.
2.	Learning Outcome (topic header shown in bold)	A statement of what a candidate will be expected to know, understand or do.
3.	Level	Classification of the learning outcome against the AXELOS Learning Outcomes Assessment Model.
4	Topic	Description of what is required of the candidate to demonstrate that a learning outcome has been achieved at the qualification level indicated

6 Syllabus Areas

Syllabus Area Code	Syllabus Area Title
IN	Introduction
PI	Principles
PR	Processes
MT	MoV Techniques
CT	Commonly used Techniques
AP	Approach to implementation
EE	Environment and Embedding
AD	Appendices A-D

Notes
i. Questions based on a syllabus area may refer to material from other sections of the MoV guidance.

Questions will not be based on the repository as this information is not accessible during The Foundation examination

7 Important Points

The following points about the use of the syllabus should be noted.

7.1 MoV Guide References

7.1.1 The MoV guide references provided should be considered to be indicative rather than comprehensive, i.e. there may be other valid references within the guidance.

7.1.2 The references provided include sections (e.g. 4.7) and sub-sections (e.g. 4.3.4). Where a specific section is referenced, e.g. 4.9, this refers to that section only – it does not refer to its sub-section, e.g. 4.9.1 to 4.9.5. However, where a range of sections is referenced, e.g. 4.3 – 4.4, all sub-sections of the referenced sections are meant to be included.

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7.1.3 In practice, at Practitioner level, questions based on a syllabus topic may require knowledge of material from other sections of the MoV guidance. This will be clear from the context of the question and the scenario.

7.1.4 Some Hints and tips include useful guidance and the syllabus specifically identifies those that are included.

8 Syllabus Exclusions

Questions will not be based on the repository as this information is not accessible during

the closed book foundation or open book practitioner examination

For the avoidance of doubt, any of the shaded examples, tables or figures, may be examined.

The revised Vanilla training material will include one or more exercises in Function Analysis. These exercises will not be tested but are included to ensure that all candidates have the opportunity to understand Function Analysis (whether using the Function Analysis System Technique or Value Trees).

The following limitations should also be noted:

Reference	Description/Heading	Reasons/Limitation/ Application
4.1.2.1	Questions relating to application of sensitivity analysis on Value Profiles	Footnote No 5 is misleading in this context.
4.2.1	Cost/worth is not the same as cost to function. Avoid questions on this.	Incorrect text
5.1.1 & Figure 5.2	Should refer to MoV Study Plan, not Project Plan	Questions should avoid potential ambiguity
Table 5.1	Refers to PRINCE 2 Stages	Apparently these are incorrect so questions should avoid reference to these in the context of this diagram.
Appendix B	Toolbox	Questions should avoid information at www.best-management-practice.com since this is unavailable during the exam

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Syllabus Area Code IN		Syllabus Area : Introduction and background to MoV	Foundation	Practitioner	Primary Manual Reference
Level	Topic				
Know facts, terms and concepts relating to the use and composition of MoV. **Specifically to recall:**					
01	01	The composition of MoV	✓		1.1-1.3
01	02	Why, where and when it may be used	✓		1.4-1.5
01	03	What it involves	✓		1.7, 1.7.1-7
Understand the background to and the concepts relating to the use and composition of MoV **Specifically to identify:**					
02	01	What Value comprises	✓		1.2
02	02	What MoV comprises	✓		1.3, 1.3.1
02	03	Why MoV should be used	✓		1.4.1-4
02	04	Where it should be used	✓		1.5
02	05	When it should be used	✓		1.5
02	06	What it involves	✓		1.7
02	07	How MoV relates to other Best Management Practice Guides		✓	1.6, 1.6.1-7
02	08	The right culture and behaviours for maximizing value and the importance of these		✓	1.4, 1.4.1-4
Be able to apply and tailor the concepts of value, fundamentals of MoV, why, where and when it should be used to a scenario **Specifically to identify:**					
03	01	Appropriate incentives and targets to encourage effective use of MoV		✓	1.1-1.4
03	02	When and where to use MoV		✓	1.5
Be able to identify, analyse and distinguish between appropriate and inappropriate application of the syllabus area, Introduction and Background to MoV to a scenario **Specifically to analyze with reasons whether:**					
04	01	MoV has been applied appropriately		✓	1.4, 1.5, 1.6

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Syllabus Area Code PI		Syllabus Area : Principles	Foundation	Practitioner	Primary Manual Reference
Know facts, terms and concepts relating to the seven Principles of MoV. **Specifically to recall:**					
01	01	The seven principles.	✓		2
01	02	The concepts relating to the seven principles	✓		2.1-2.7
01	03	The purpose and nature of the seven principles	✓		2.1-2.7
Understand the seven principles of MoV **Specifically to identify:**					
02	01	Why MoV should align with an organization's objectives	✓		2.1
02	02	The concepts relating to the focus on functions and outcomes	✓		2.2, 2.2.1-4
02	03	The concepts relating to balancing variables to maximize value	✓		2.3, 2.3.1-4
02	04	Why MoV should be applied throughout the investment decision	✓		2.4
02	05	Why it is necessary to tailor MoV to suit the subject	✓		2.5
02	06	Why and how to learn from experience and improve MoV performance	✓		2.6, 2.6.1-3
02	07	Why it is important to assign clear roles and responsibilities and build a supportive culture	✓		2.7
02	08	How to align MoV activities with organizational objectives and focus on functions and required outcomes		✓	2.1, 2.2, 2.2.1-4
02	09	The importance of assigning clear roles and responsibilities and building a supportive culture		✓	2.7
02	10	The concepts underpinning the seven principles		✓	2.1-2.7
Be able to apply the relevant Principles to MoV studies related to a scenario **Specifically to identify:**					
03	01	How to balance the variables to maximize value		✓	2.3, 2.3.1-4
03	02	When and how to apply MoV throughout the investment decision and how to tailor MoV activity to suit the subject How the application of MoV principles can be built into the MoV project plan to improve value		✓	2.4,2.5
03	03	Lessons learnt from using MoV and recommend MoV performance improvements for future applications.		✓	2.6, 2.6.1-3
Be able to identify, analyse and distinguish between appropriate and inappropriate application of the Principles to a scenario **Specifically to analyze with reasons:**					
04	01	Whether the application of MoV principles are appropriately built into the MoV project plan to improve value		✓	Chapter 2, All

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Syllabus Area Code PR		Syllabus Area : Processes	Foundation	Practitioner	Primary Manual Reference
Know facts, terms and concepts relating to the seven key Processes of MoV. **Specifically to recall:**					
01	01	The seven processes	✓		3.0
01	02	When and where they may be applied	✓		3.1-3.7
01	03	Their key components	✓		3.1-3.7
Understand the seven Processes of MoV **Specifically to identify:**					
02	01	The rationale and composition of the key components of framing the programme or project 1. Briefing, planning and preparing the business case 2. Involvement of stakeholders	✓		3.1.1-7
02	02	The rationale and composition of the key components of gathering information 1. Briefing and scoping the MoV study 2. Selection of participants and Involvement of stakeholders 3. Research and precedent	✓		3.2, 3.2.2-5
02	03	The rationale and composition of the key activities in analyzing information 1. Function Analysis 2. Analysis of resources and benchmarking	✓		3.3, 3.3.1-4
02	04	The rationale and composition of the key activities when processing information 1. Why and how to process information and preparation for a study 2. Facilitation, creativity and innovation	✓		3.4, 3.4.1-3
02	05	The rationale and composition of the key activities in evaluating and selecting options and ideas	✓		3.5, 3.5.1-3
02	06	How to develop Value Improving Proposals and build scenarios	✓		3.6, 3.6.1-9
02	07	How to implement and share outputs 1. Planning and encouraging implementation 2. Monitoring and reporting progress	✓		3.7, 3.7.1-4
02	08	How MoV can assist management to validate or challenge the need for a programme or project and define what is needed		✓	3.1, 3.1.1-7
02	09	How MoV can be used to inform a Business Case		✓	3.1.2
Be able to apply and tailor the Processes to a scenario **Specifically to:**					
03	01	Demonstrate how to develop a plan for MoV activities throughout a project		✓	3.1.5
03	02	Identify and apply tools and techniques to be used when gathering, analyzing and processing information?		✓	3.2-4
03	03	Identify and apply approaches for selecting ideas and developing value - improving proposals		✓	3.4-6

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03	04	Demonstrate understanding of how to Implement and monitor value-improving proposals		✓	3.7
Be able to identify, analyse and distinguish between appropriate and inappropriate application of the Processes to a scenario **Specifically to analyze with reasons:**					
04	01	Whether approaches for selecting ideas and developing value-improving proposals are appropriate		✓	3.5 - 3.6
04	02	How best to implement MoV proposals and share MoV outputs		✓	3.7, 3.7.1-4

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Syllabus Area Code MT		Syllabus Area : MoV Techniques			
Level	Topic				
Know facts, terms and concepts relating to the MoV specific techniques. **Specifically to recall:**					
01	01	The terms relating to Function Analysis, Value Trees and their derivatives	✓		4.1-4.2
01	02	Value Engineering/analysis	✓		4.3, 4.3.1-8
01	03	Measuring value	✓		4.1.2.1-5
Understand the MoV specific techniques **Specifically to identify:**					
02	01	How to perform Function Analysis and why it is used 1. Principal reasons and uses for function analysis 2. How to undertake Function Analysis System Technique (FAST) 3. Function hierarchy and levels of abstraction and their relevance 4. When it is appropriate to use the different types of FAST 5. How to undertake the Value Tree method	✓		4.1, 4.1.1-2
02	02	How to develop Value Trees and derivatives and their uses 1. How to undertake Value Profiling and its uses 2. How to develop a Value Index, its uses and limitations 3. How to develop a Value for Money Ratio and its uses 4. When and why to use Simple multi-attribute rating technique	✓		4.1.2.1-5
02	03	How to develop Value metrics 1. Their structure and use	✓		4.1.2.4
02	04	How estimate the costs of delivering functions 1. Function cost analysis 2. Cost/worth concept	✓		4.2, 4.2.1
02	05	How to apply the key processes and phases of Value Engineering/ Analysis and why they are used	✓		4.3, 4.3.1-8
02	06	The characteristics of Functions and Value Drivers		✓	4.1; 2.2.1; 2.2.2
02	07	The principal uses of Value Profiling, the Value Index and the Value For Money ratio		✓	2.2.4; 4.1.2.1; 4.1.2.3; 4.1.2.5
Be able to apply and tailor MoV Techniques to a scenario **Specifically to identify:**					
03	01	Functions and how they will be categorized within the function hierarchy within a FAST diagram or a value tree		✓	2.2.3; 4.1.1; 4.1.2, Fig. 4.5
03	02	Costs and allocate these to functions		✓	4.2, 4.2.1
03	03	How to apply the activities in Value Engineering or Analysis studies		✓	4.3, 4.3.1-8
03	04	How to define and then use value profiles, a value index, metrics and ratios		✓	2.2.4; 4.1.2.1 - 5

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Be able to identify, analyse and distinguish between appropriate and inappropriate application of MoV techniques to a scenario **Specifically to analyze with reasons:**					
04	01	When and how best to use FAST or Value Trees, or other derivatives		✓	4.1.1, 4.1.2
04	02	When and how best to use Function Cost Analysis and Value Engineering/Analysis		✓	4.2-4.3

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Syllabus Area Code CT		Syllabus Area : Techniques used commonly in MoV			
Level	Topic				
Know facts, terms and concepts relating to the techniques commonly used in MoV. **Specifically to recall:**					
01	01	The principal categories of techniques	✓		4.4.1-4.4.6
01	02	The steps/actions involved in the techniques	✓		4.4.1-4.4.6
01	03	The principle uses of the techniques	✓		4.4.1-4.4.6
Understand the techniques commonly used with MoV **Specifically to identify how these techniques are used when:**					
02	01	Analyzing information in MoV to: 1. Benchmarking, process mapping and understanding root causes of a problem 2. How to analyze costs	✓		4.4.1, 4.4.1.1-4
02	02	Generating innovative ideas for improving value 1. The dos and don'ts of brainstorming	✓		4.4.2.1
02	03	Evaluating and selecting 1. Options 2. Ideas	✓		4.4.3, 4.4.3.1-3
02	04	Weighting and prioritizing attributes for use in other activities such as option evaluation matrices and value profiles	✓		4.4.4, 4.4.4.1-2
02	05	Developing value improving proposals: 1. The key content of proposals and the reasons for it 2. cost benefit analysis 3. Building decisions	✓		4.4.5, 4.4.5.1-2
02	06	Implementing Value improving \Proposals to realize the benefits: 1. How to plan for implementation 2. How and why to get feedback 3. How and why to track benefits	✓		4.4.6, 4.4.6.1-3
02	07	Analyzing information		✓	4.4.1, 4.4.1.1-4
02	08	Evaluating, selecting ,weighting and prioritizing of option		✓	4.4.3-4
02	09	Using the tools and techniques in the Toolbox for their intended purpose			4.4 All, Appendix B
Be able to apply and tailor commonly used techniques to a scenario **Specifically to identify:**					
03	01	How and when to use the commonly used techniques to improve value		✓	4.4.2.1
03	02	Appropriate information for inclusion in value-improving proposals and the actions required to implement the proposals.		✓	4.4.5-6

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03	03	How to apply other commonly used tools and techniques		✓	4.4 All, Appendix B
Be able to identify, analyse and distinguish between appropriate and inappropriate application of commonly used techniques to a scenario Specifically to analyze with reasons:					
04	01	The appropriate and correct use of other specific tools and techniques		✓	4.4 All, Appendix B

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Syllabus Area Code AP		Syllabus Area : Approaches to implementation			
Level	Topic				
Know facts, terms and concepts relating to the techniques commonly used in MoV. **Specifically to recall:**					
01	01	The seven approaches	✓		5.0
01	02	The reasons for the approaches	✓		5.1-5.7
01	03	The focus of MoV studies at key project stages	✓		5.1.4
Understand the approaches to implementation **Specifically to identify why and how the following are undertaken:**					
02	01	Planning MoV activities	✓		5.1, 5.1.1-4
02	02	Understanding and articulating value	✓		5.2.1-2
02	03	Prioritizing value	✓		5.3
02	04	Improving value	✓		5.4, 5.4.1-2
02	05	Quantifying value	✓		5.5, 5.5.1-2
02	06	Monitoring improvements in value	✓		5.6
02	07	Learning lessons	✓		5.7
02	08	Determining the organization of a MoV study and who should be involved in the MoV study team		✓	5.1.2-3
02	09	Learning lessons to encourage continuous improvement		✓	5.7
Be able to apply and tailor approaches to implementation to a scenario **Specifically to Identify**					
03	01	When and how to apply MoV activities (as identified in 0201-0207) at project, programme or portfolio level		✓	5.1.1, 5.1.4
03	02	How to align MoV with the objectives of the organization, programmes and projects		✓	5.2.1-2
Be able to identify, analyse and distinguish between appropriate and inappropriate application of the approaches to implementation to a scenario **Specifically to analyse with reasons:**					
04	01	Whether MoV activities for prioritizing, quantifying and monitoring value have been appropriately applied.		✓	5.3-5

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Syllabus Area Code EE		Syllabus Area : Environment and Embedding			
Level	Topic				
Know facts, terms and concepts relating to the environment in which MoV and the infrastructure needed to implement it **Specifically to recall:**					
01	01	The aspects of the environment that should be considered when applying MoV	✓		6, 6.1, 6.2, 6.3, 6.4, 6.5 & 6.6. Not subsections
01	02	The main benefits and components of embedding MoV into an organization	✓		7 only, not subsections
Understand the environment within which MoV is undertaken and the influence it may have. **Specifically to identify:**					
02	01	Why the environment within which MoV is undertaken matters	✓		6.1, 6.2, 6.3, 6.4, 6.5, 6.6, not subsections
02	02	When and why it may be necessary to embed MoV into an organization	✓		7.0, 7.2 not Table 7.1, 7.8. Not subsections
02	03	The purpose and context of a MoV policy		✓	7.1, 7.1.1-2
02	04	How to assign MoV roles and responsibilities		✓	7.2
Be able to apply and tailor the considerations relating to the Environment and Embedding to a scenario **Specifically to identify :**					
03	01	How internal and external environments impact the planning of a MoV programme or study Appropriate information for inclusion in a MoV policy		✓	6.1-2
03	02	How to set up a plan and training for implementing the MoV policy		✓	7.3-4
03	03	How and when to use the study leader's handbook to address project issues relating to value management Appropriate information for inclusion in a MoV study leader's handbook		✓	7.5
03	04	How to monitor and measure the benefits of MoV studies		✓	7.7
Be able to identify, analyse and distinguish between appropriate and inappropriate application of the the considerations relating to the Environment and Embedding to a scenario **Specifically to analyze with reasons:**					
04	01	How to capture data and provide feedback from MoV studies		✓	7.6, 7.6.1-6
04	02	How to overcome barriers to the practice or embedding of MoV		✓	7.8-9

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Syllabus Area Code AD		Syllabus Area : Appendices A-D			
Level	Topic				
Know facts, terms and concepts relating to the documents, tools and techniques used in MoV **Specifically to recall:**					
01	01	Key document names and how to access the references in the toolbox	✓		A1-A12 and B (introduction only)
01	02	When a health check may be useful	✓		C1 only
01	03	The five levels of the P3Ms maturity model	✓		D3 only
Understand the documents, tools and techniques used in MoV **Specifically to identify:**					
02	01	How the documents in the document checklist are used	✓		A1-12 names and introductory paragraphs only – not detail
02	02	The reasons for and key steps in a health check	✓		C1 only
02	03	The reasons for organizational maturity models and individual competence models	✓		D1 only
02	04	The principal components of the document checklists		✓	Appendix A, A1-12
02	05	The processes and framework for undertaking a health check		✓	Appendix C2-3
02	06	The use and deployment of the MoV maturity model		✓	Appendix D6, D6.1-4
02	07	Individual competence levels		✓	Appendix D7, D7.1
02	08				
Be able to apply and tailor the documents, tools and techniques to a scenario **Specifically to:**					
03	01	Apply a Health Check		✓	Appendix C, all
03	02	Assess an organization's maturity in MoV		✓	Appendix D1-6
03	03	Assess individual competencies in the practice of MoV		✓	Appendix D7, D7.1
Be able to identify, analyse and distinguish between appropriate and inappropriate application of the documents, tools and techniques to a scenario **Specifically to analyze with reasons:**					
04	01	The appropriate and correct application of a Health Check		✓	Appendix C All
04	02	Assess an organization's maturity in MoV and identify what is needed to progress between maturity levels		✓	Appendix D1-6
04	03	How individuals can progress between competence levels in the practice of MoV		✓	Appendix D7.1

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APPENDIX A:

Not Used

APPENDIX B

Not used

APPENDIX C:

Not used

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