

A rowing team of eight men in white shirts with 'Xchanging' logos are celebrating in a boat on a river. They are raising their arms and cheering. The background is slightly blurred, showing a stone bridge.

Driving innovation to success  
with Value Management

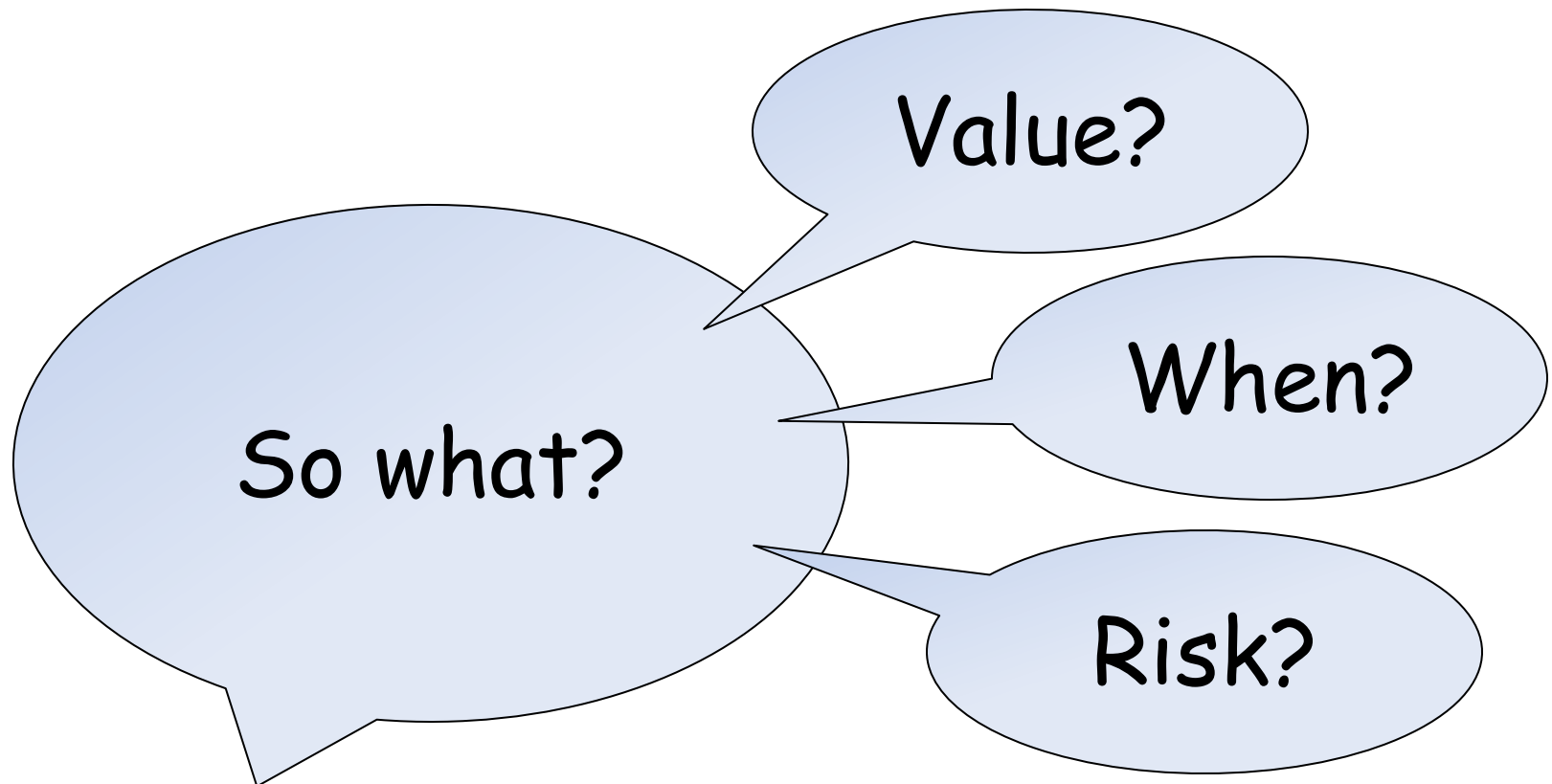
Innovation and Transformation

18 Sep 2014



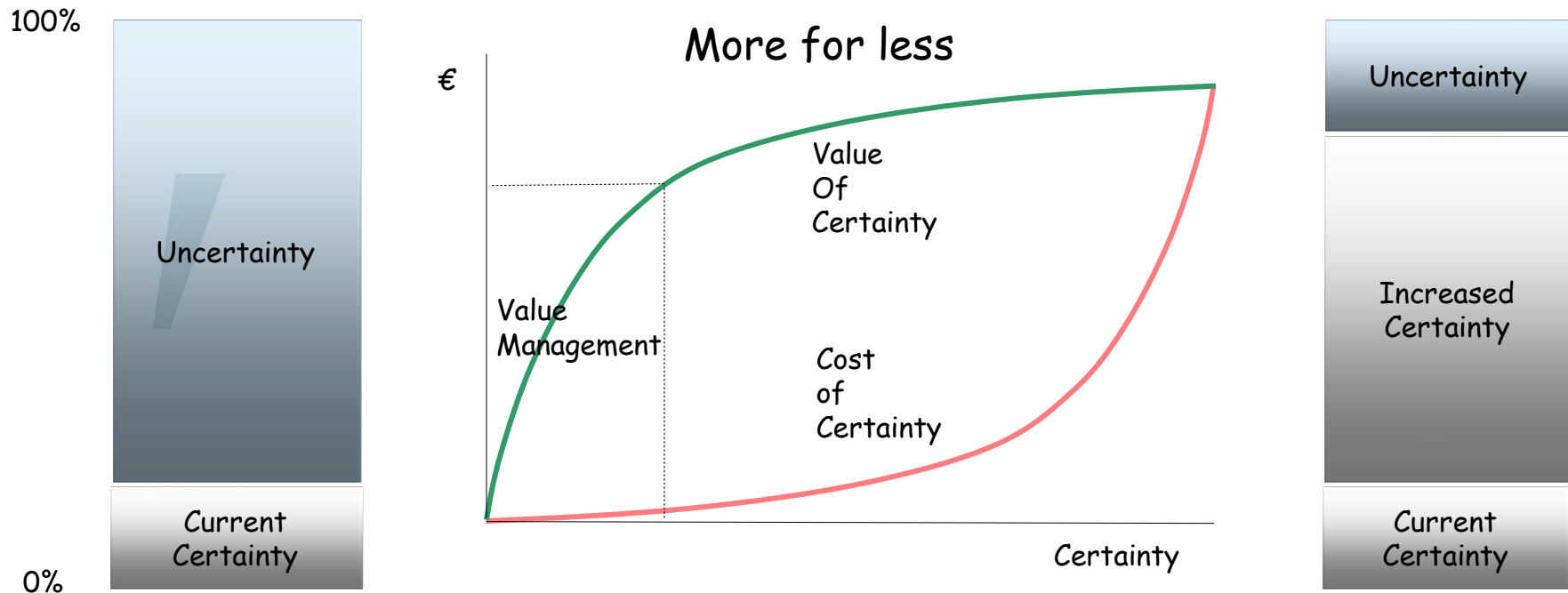
## Value Management Mindset: Bullet-proof in the Boardroom

- Shift from accounting for spend to accountability for value spend delivers



# Precise Simplicity: Value of Certainty

- A small investment in certainty can return extraordinary value



## Effectiveness and Efficiency: Value Equation

- Doing the right things and doing things right

**Value = Benefits – Costs = Outcomes - Inputs**

Effectiveness = Outcomes/Outputs = Benefits / Outputs

Efficiency = Outputs/Inputs = Outputs / Costs

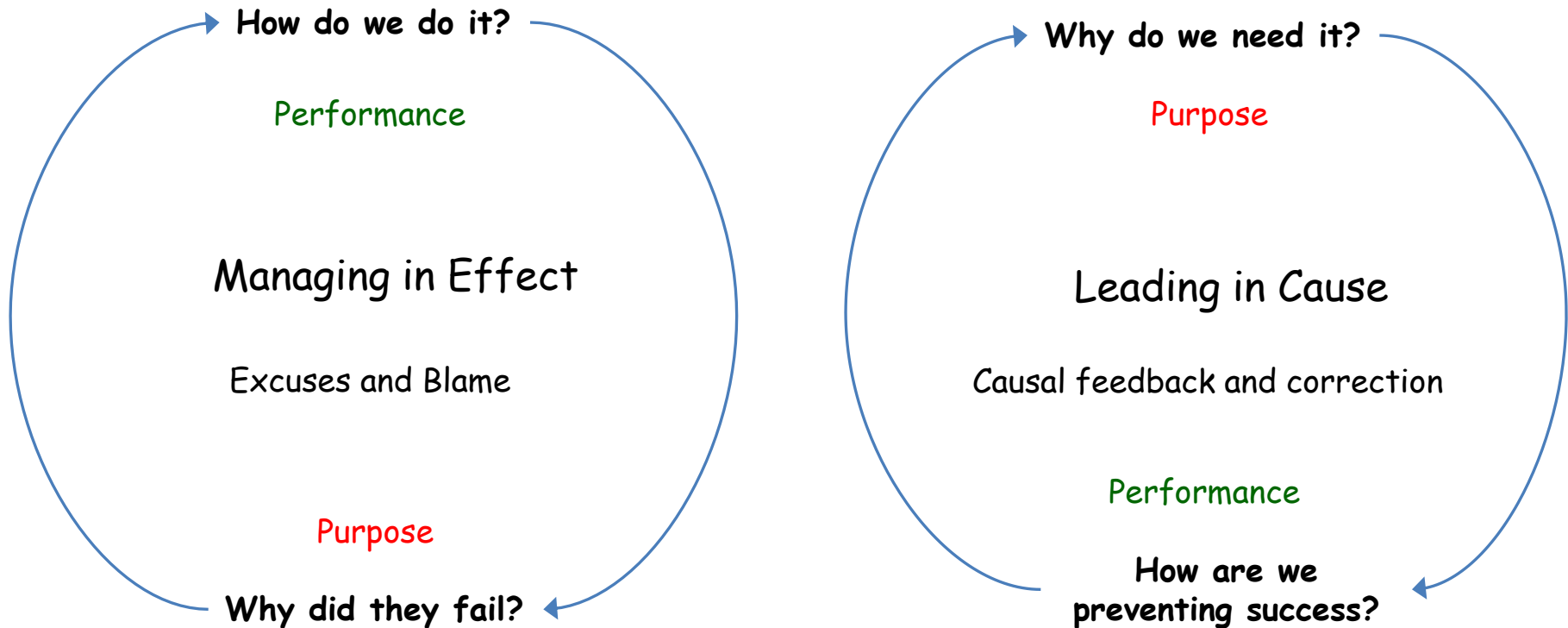
VfM = Benefits / Costs = Outcomes / Inputs

VfM = Outcomes/Outputs x Outputs/Inputs

**VfM = Effectiveness x Efficiency**

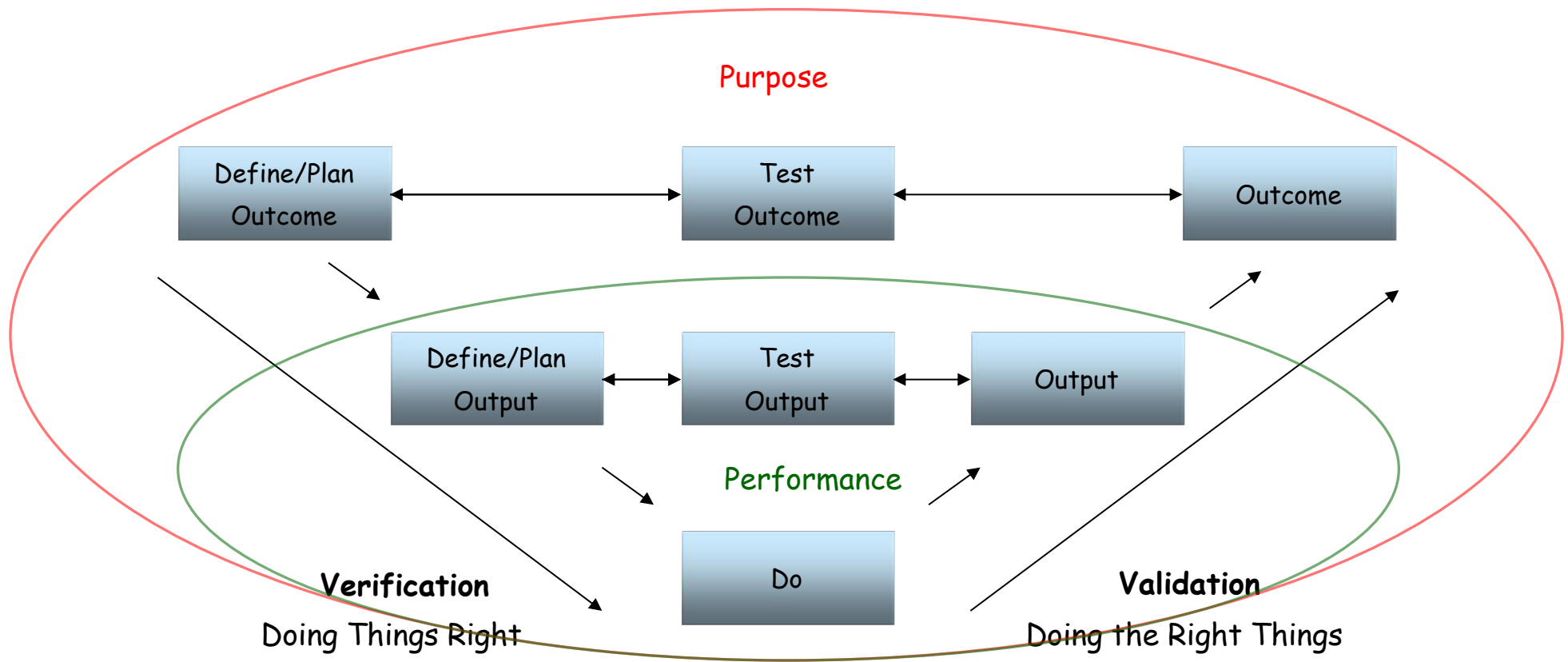
# From Effect to Cause: Inversion of Why? and How?

- For purpose ask why? for performance ask how?



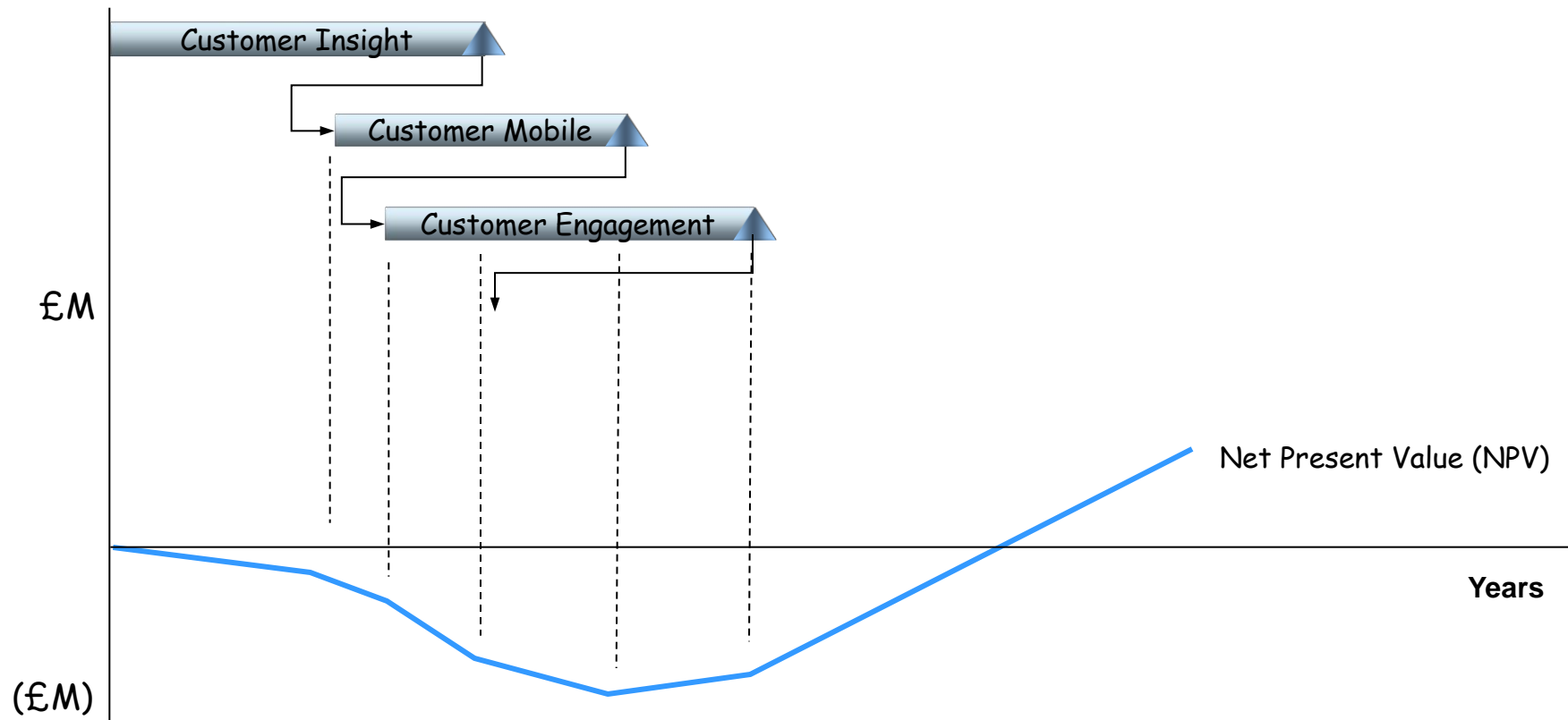
# Right First Time and Feedback: V Model

- Double loop learning and closed loop control



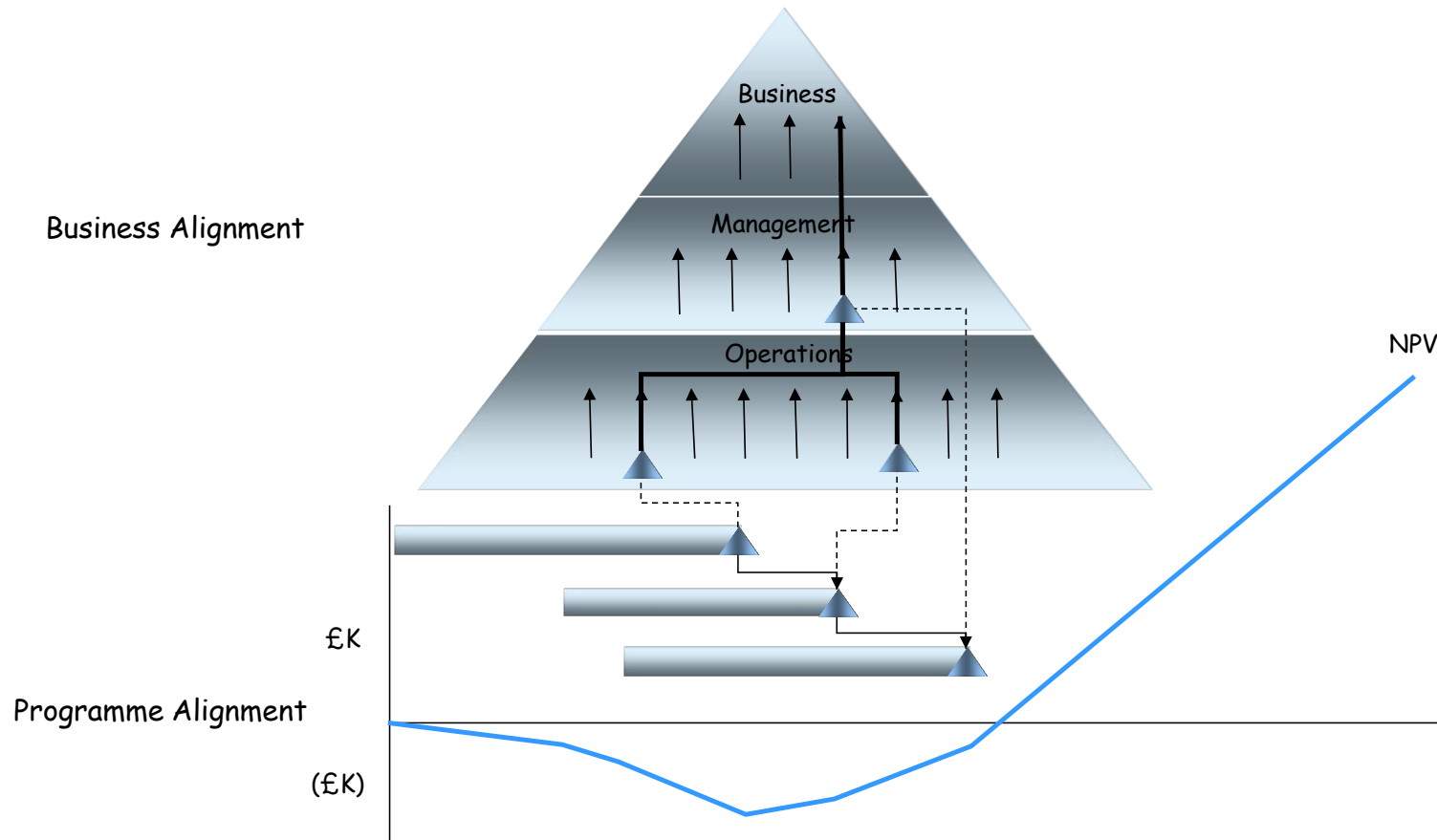
# Value Dynamics: Radar on Value

- Dynamic cause and effect linkage to outcomes



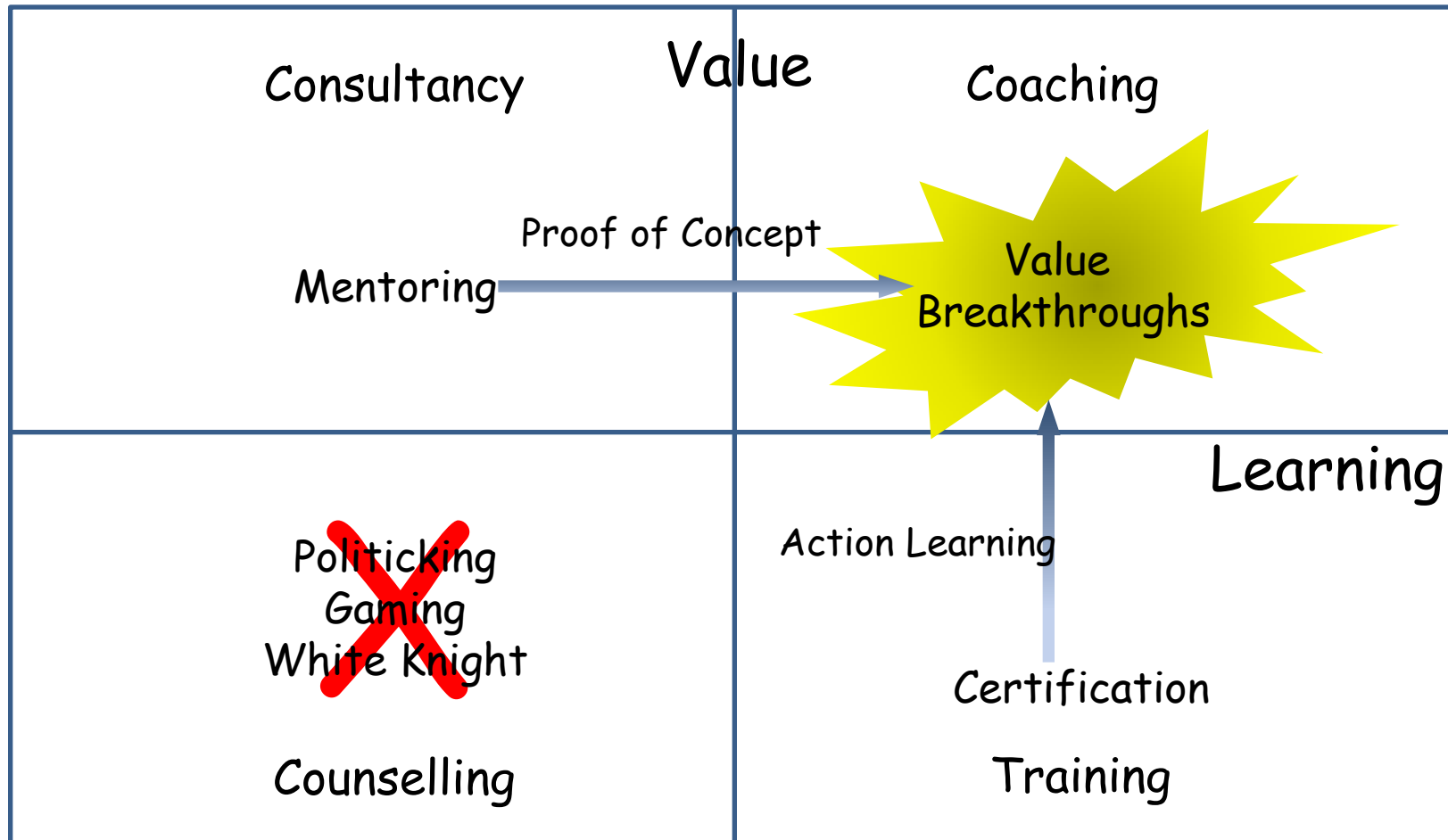
# Value Alignment: Optimising Value

- Merge short term return with sustainable value



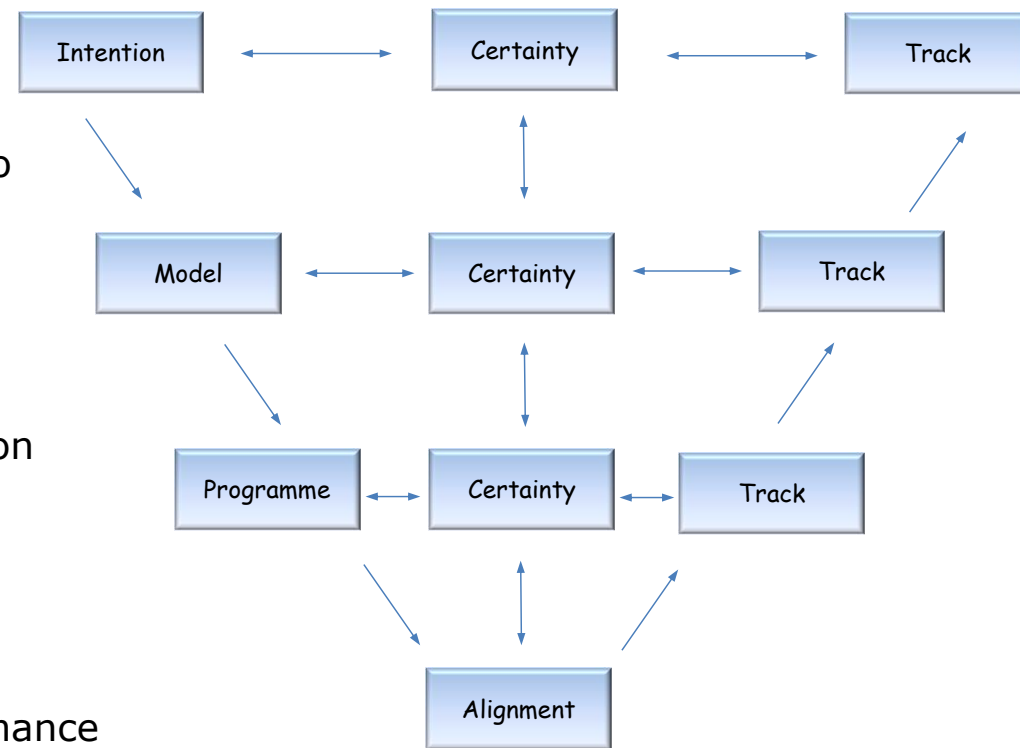


# Value Management Breakthroughs

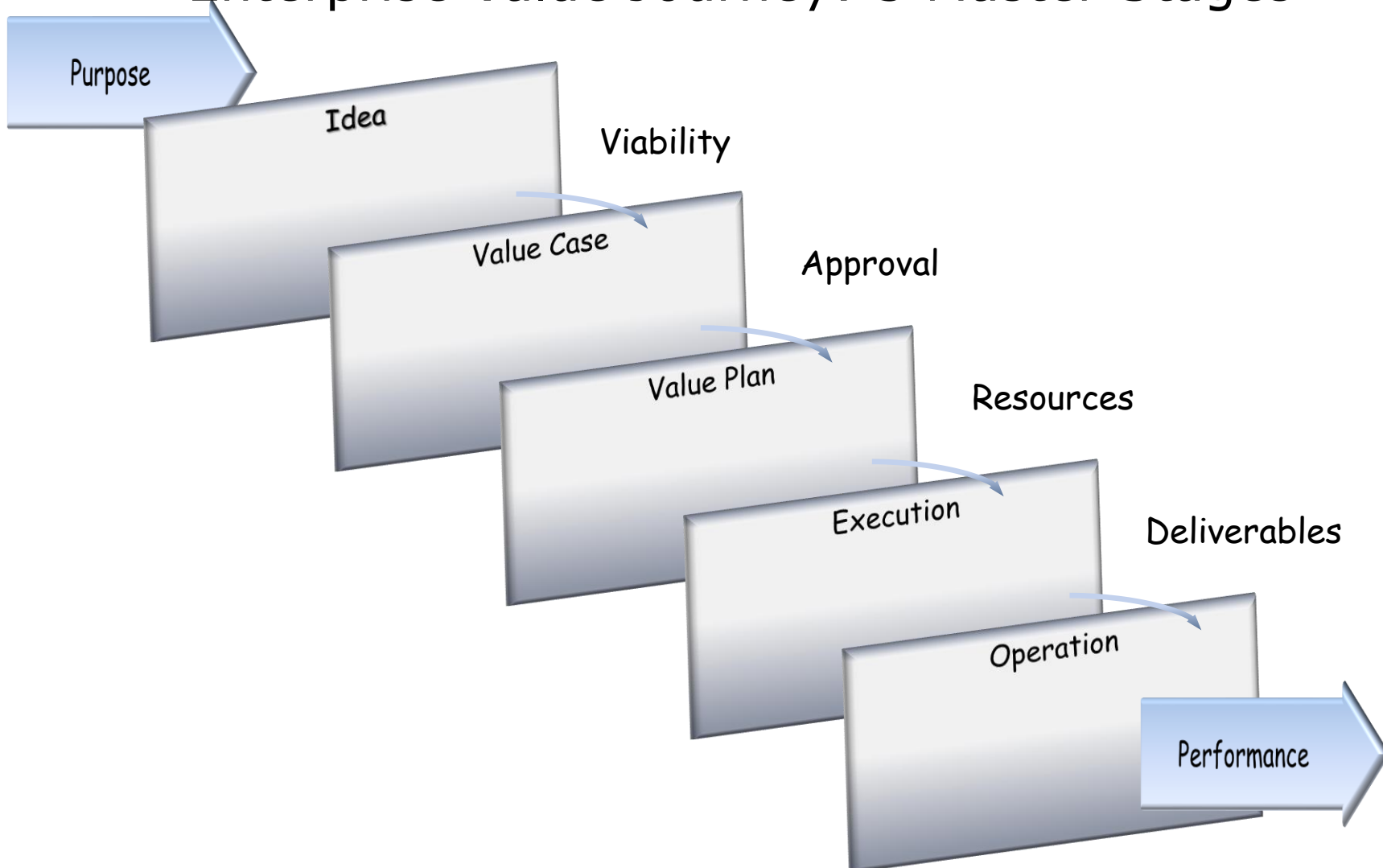


# Value Management Breakthrough Rules

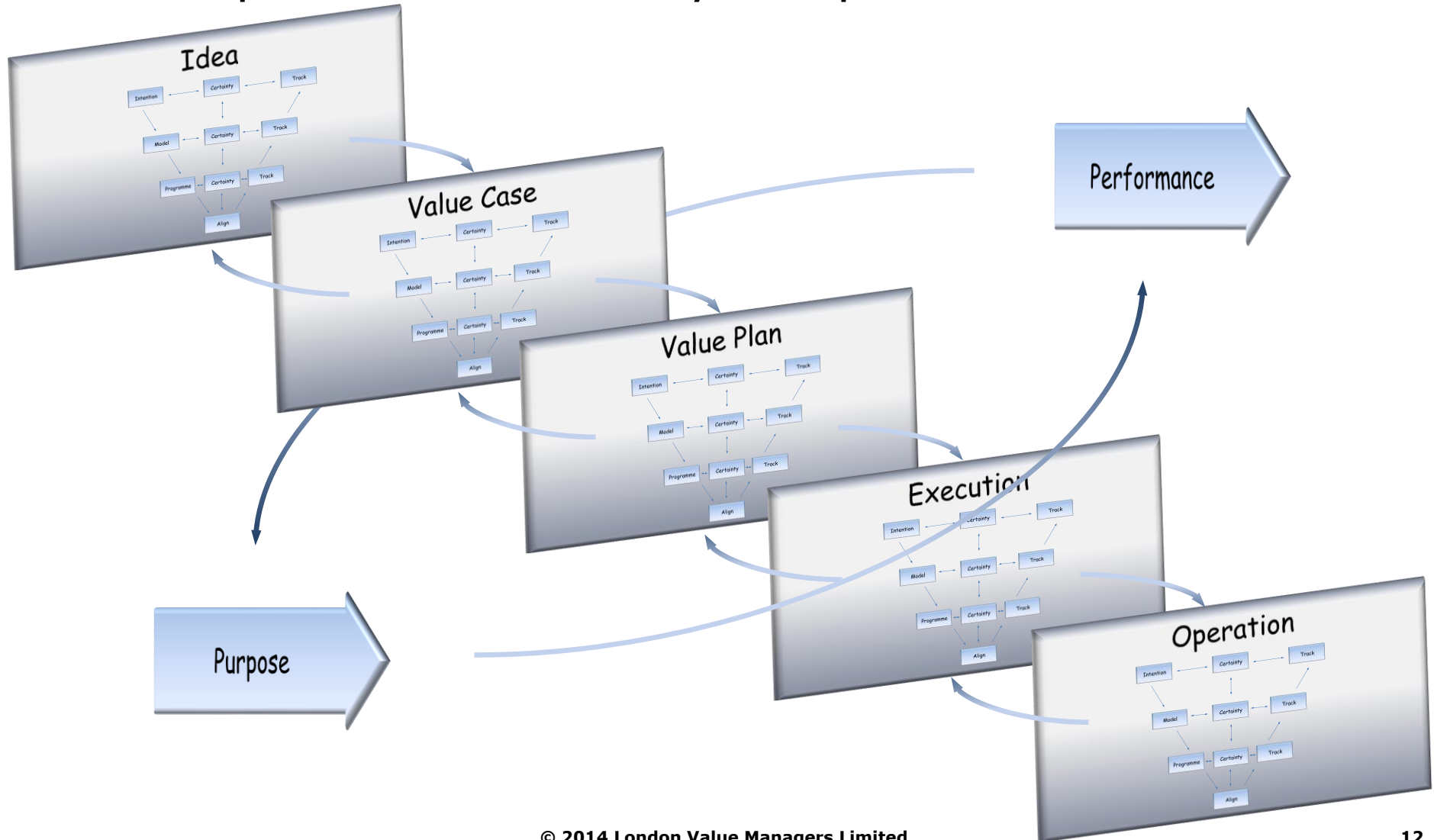
- Commitment (Intention)
  - Anything but total support is sabotage
- Cause & Effect (Model)
  - For performance only true causality will do
- Timeline (Programme)
  - Time is value, value is timed
- Congruence (Alignment)
  - Value is driven by aligned values and action
- Specificity (Certainty)
  - Standards > Targets
- Feedback (Track)
  - Learning Journey from purpose to performance



# Enterprise Value Journey: 5 Master Stages



# Enterprise Value Journey: Purpose to Performance



## Bullet proof in the boardroom!!

- Value Management Mindset
  - Shift from accounting for spend to accountability for value spend delivers
- Precise simplicity
  - A small investment in certainty can return extraordinary value
- Effectiveness and Efficiency
  - Doing the Right Things and Doing Things Right
- Effect to Cause
  - For purpose ask Why? for performance ask How?
- Right first time and feedback
  - Double loop learning and closed loop control
- Value Dynamics
  - Dynamic cause and effect linkage to outcomes
- Value Alignment
  - Merge Short term profit with sustainable value

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Thank You

