

INTRODUCTION

**A few months ago - a different look at it
solid state rectifiers**

**A few years ago - Kirksite
a different look at the people element**

A few decades ago - a sage said,

"No force on earth can stop a movement whose time has come."

HAS IT COME ?

More armament

More competitive in-shore with foreign competition

More competitive off-shore with foreign competition

Hundreds of millions throughout the world need consumer goods

25 years of prosperity to provide it to them

**In spite of exploding technology in a few areas... 9/10 of our products are
matured--Value Engineering of paramount importance.**

**Within or just beyond the horizon as Value Analysis and Engineering technologies
come into use...**

Double the quantity of more reliable weapons per dollar.

**Profitable product lines and stabilized employment in areas now shaking
from off-shore competition.**

**Profitable stable growing businesses selling larger quantities of consumer
or producer goods off-shore increasing exports from the present
20 billion to 100 billion or more.**

**More of the finer products of our higher standard of living and of recreation
to more of our own people.**

THE TIME IS NOW.

**To the people of the nation and the world, value means appropriate performance
and appropriate cost.**

**To earn its name, Value Analysis, this technology must deal with both performance
and cost.**

**This it does by keeping appropriate performance as established by the tests and
measurements which support the various basically performance engineering tech-
nologies... while, at the same time, providing tests and measures for the appropri-
ateness of costs.**

WHAT ENVIRONMENT DO WE FACE?

No great progress of mankind is ever made without leaving in its wake a bitter trail of blood and tears.

The learned rebel against different knowledge excepting in small un-upsetting droplets.

In the period of 1840, Dr. James Esdaille, a surgeon, found that hypnotism was effective in eliminating pain, allowing surgical operations. He found amputations and other surgical work of the most serious type could be conducted without pain to the patients. He also found that recovery was much more rapid than when the patient was forced to endure the pain. He demonstrated this to some of his medical peers. He was ostracized, driven from the Association.

He went to India where he set up a hospital, taught a dozen native people to do the hypnotizing and, for a decade, performed surgery by this means while constantly inviting members of the medical profession, government bodies, and others to view it and examine it in every detail endeavoring to secure its acceptance by the medical group. In spite of all of this accumulated evidence, he continued to be the subject of suspicion and ridicule and the use of hypnosis, then called mesmerism, was not accepted. In 1850 he decided that the only way to force this humane improvement in medical practice was to take it to the public who, in turn, would force the medical profession to use it. Hence, the book titled, "Mesmerism in India" was written and copyrighted in 1850.

Of course, then came Freud about fifty years later who provided a reasonable explanation for what Esdaille had learned and practiced. Now, another fifty years later, the medical profession is starting to study in earnest the use of hypnotism. Thousands of doctors are now studying it.

In 1845 Horace Wells, a dentist in Boston, while attending an entertainment in which nitrous oxide was used to cause people to "act funny" noted that one of the persons received a serious and bloody blow on his shin, still said he couldn't feel it. He seized upon it as a means for alleviating great pain which then accompanied extractions, dental surgery, and the like. He found, to his great delight, that it was a boon to mankind and did greatly reduce the horrible distress and physical pain at extractions. In 1846 he engaged the amphitheater of the Mass. General Hospital and invited doctors who would be interested to its capacity. He had a subject and was preparing for an extraction. The shout of "quack" issued from someone in the crowd and became a roar. He left the amphitheater a dejected figure feeling in disgrace and a few days later committed suicide because of his failure to convince physicians and dentists of the efficiency of nitrous oxide in minimizing pain.

Thomas Edison in 1925 said, "It requires seven years for the average man to accept a different proved solution to a problem."

New light is always a mixed blessing. Although it illumines the pathway for giant strides, it embarrassingly shows what is interpreted to be the ugliness of flaws in the former walkway.

Technologies which bring new light grow from need.

Medicine--because people were sick.

Psychiatry--because people had solvable but as yet unsolved mental problems.

Metallurgy--because more was needed from metals.

Rocketry--because more was needed from rockets.

Value Engineering--because more was needed from each dollar.

Such technologies build upon and extend the techniques of the past.

Psychology is based upon the medical and extends it in one needed direction.

Metallurgy is based upon the facts and techniques of engineering, physics and chemistry and extends them in one needed direction.

Rocketry starts with knowledge and technique of a host of technologies and extends them in a needed direction.

Value Analysis and engineering started with and utilized the knowledge and techniques of mechanical, electrical, industrial, manufacturing, and other engineering sciences of procurement, management, and other fields and extends them in a needed direction.

Essential contribution of new technique, understanding and knowledge must be made.

The technology must be describable, testable, provable, teachable.

It must significantly extend the accomplishment of its mother technologies in the chosen directions.

The benefits of medicine can be described and proven, the techniques tested and taught.

The benefits of psychiatry can be described and proven, the techniques tested and taught.

So with metallurgy.

So with value engineering.

In the growth of a new technology, new training and new knowledge must follow the proverbial "chicken and egg" relationship.

There are not suddenly a million chickens to produce a million eggs; but an egg, a chicken, more eggs, more chickens until gradually the shoppers can fill their market baskets.

So with the never-ending chain of knowledge and training... a little knowledge, a little training; then more knowledge; then more training.

Now happily, good training is available; albeit, at this stage, from only a few sources.

It will go into the university curriculum--in universities new technology always starts as special courses. That step is in process at several. Some are...

University of Birmingham - England
Northeastern University - Boston
University of California at Los Angeles
Southern Methodist University - Dallas
University of Wisconsin - Madison
University of Michigan - Ann Arbor

With at least good beginning training available, eyes will be turned to the environment, the hundreds of thousands of men and their related technologies, and to management in industry and government. What we see is not a cheering sight.

What men do not understand, they oppose and discredit.

Yet, to bring large benefits to the nation and its people, acceptance is required.

The bombardier cannot drop his bomb load on target if he is not allowed on the plane and provided a bombsight.

The stewardess cannot bring comfort to the passengers if she is not allowed on the plane and provided with food supplies

The president of the United States could not lead this nation in world statesmanship if he were not provided the opportunity.

A doctor of nucleonics present at a management meeting which set forth a few techniques for management use and illustrated them by examples, saw the luke-warm reaction and said,

"You have here the same problem which usually confronts us and we have learned how to handle it. The problem is in the 'level of awareness' of your audience. Unless understanding in the entire area of communication is sufficient, the level of awareness of the realities of the situation is so low that experience either of others or themselves cannot be intelligently interpreted and is meaningless."

"If a horse could understand English, we still could not explain to him how the automobile which whizzes by him moves, because his level of awareness in the area of thermo-dynamics is too low."

The doctor said,

"We found that trying to get the necessary understanding of knowledge and technique was a frustrating and unsuccessful experience until we changed our approach. We now first teach enough facts about the situation so that our listener's 'level of awareness' is high enough; then we teach knowledge and technique. Experience has meaning, and we secure appropriate actions."

I have had no experience which indicates that this level of understanding and awareness can be imparted to men of top management stature, company management, presidents and equivalent, defense area leaders in less than two full days...and a very specific program of self-involvement is necessary to accomplish it then.

Here lies an enormous opportunity area.

Many are the presidents and managers who are supporting value engineering from faith or interest and great is their contribution. However, it is timely for value engineers to know that one part of belief is heavier than 100 parts of interest; and to get out and convert that faith and interest through understanding and evidence into belief.

The technology of Value Analysis and Engineering extends its predecessors in the direction of identifying unworking costs.

To accomplish this, it contains special technique, procedure, and knowledge...

- 1 - to cause the heart of each problem to be brought into clear view by identifying and classifying functions.
- 2 - to cause appropriate dollars to be assigned, through the use of the technique of evaluating the function.
- 3 - it deals with the all-important identical twins...IDEA LACK and KNOWLEDGE LACK...causing alternatives meeting both the performance and the economic requirements to be, through the use of its search and rejection procedures, efficiently developed.
25 items 22 - 5 years before
- 4 - it lays bare the mechanism of stoppers and roadblocks and provides specific technique to assure their recognition, and to aid in dealing with their diverse forms.

No rules - specifics
suit of clothes

No test at extremes
water
walking

No success if want to fail
mallet
fork
automobile

Small results if done it before
warm blood

5 - it faces squarely the all-important personal factors which usually exercise more control on decision-making affecting cost than do the objective factors.

No decision if personal loss

5000 screws

No objective data

See things as they (we) are

Seeing is believing

screen

No decisions on objective data

boss and rule shade

own shade

objective shade

There was a first time in history

for everything

a wheel

a phone

a pencil

a doctor - medicine

This is it for the value technology.

With this technology, with trained and experienced men in it,

Where will it go?

We don't know.

Where will medicine or psychiatry go?

I paid \$8 for a book

LOST VICTORIES

it was.....

How many lost victories will we have?

We don't know

WE DO KNOW...

that through this society we can...

develop individual skills in the technology.

improve the technology.

develop measures for good value work.

develop measures for good value.

Continue good beginning training.

develop good advanced training.

Learn how to efficiently teach top management what it is in their companies' or their defense areas' interest for them to know.

You will hear much of the Society as the various committees report on their responsibility areas. --(Redundant--if omissions--will touch at close)

During this year "the Society was born". Thousands of hours and hundreds of dollars of their own money have been invested by dedicated officers and board members.

As the "new-born child" grew, areas of improvement were identified for attention from time to time and appropriate talent assigned to the area of need.

There are still many areas undisciplined.

Perhaps the child needlessly "tracks mud into the house", doesn't keep his ears clean, needs a haircut, doesn't eat his cereal--but he is growing muscular and hearty.

~~This year he will~~ grow up.

Next year he will shoulder a significant load.