SOME GUIDES PROVIDED TO GE PURCHASING MEN. . . . April 1964 . . . NYC

1. What are we trying to do?  
   More precisely?  
   The "function" naming, grouping, dividing, classifying techniques of value analysis help accomplish this.

2. Surround the situation with more facts.  
   Take nothing for granted simply because it is stated  
   Various value analysis techniques help accomplish this.

3. Recognize the human attitudes which prevent fact gathering as they appear.

4. Deal with each attitude so that it does not stop fact assembly.  
   Various value analysis techniques help accomplish this.

5. Use the best resource available to deal with the human attitude and habit factors that then stop action.
WRONG BELIEFS ABOUT THE VALUE ANALYSIS PROGRAM

"Value Analysis promotes buying everything outside."
"Value Analysis is just another name for cost reduction activity."
"Value Analysis work means lower quality."
"Value Analysis is a crutch organization."
"The Value Analysis system is 'to do it wrong first, then change it'."
"Value Analysis is effective only in fringe areas and dark corners."
"Value Analysis is too long-range, we need savings this year."
"Value Analysis is an organized system for finding fault with existing functional work."
"Value Analysis is really needed only when products have been neglected."
"The purpose of Value Analysis is to 'needle' each man and keep him cost conscious."

INITIAL ROADBLOCKS ENCOUNTERED WHEN STARTING A VALUE ANALYSIS PROGRAM IN A DEFENSE PLANT

We believe in Value Analysis - it is good but it won't work here.

Value Analysis is not needed here, we're already doing it.

No place in the organization for evaluation.

No time for evaluation. One shot operation.

Value Analysis will hold up our work. Our schedules are very tight.

If a man was good enough to evaluate our engineers' designs we would put him on design work.

We would need a Value man for every engineer.

Your examples are not suited to our business.

The more we save the less we make. The more we spend the more we make.

"Value Engineered" contract clauses are not for us. "We could be buying a pig in a poke."