

RELATIONSHIP OF VALUE ANALYSIS TO ENGINEERING

L. D. Miles

Erie Value Analysis Seminar

10/55

Engineering Tool

H. A. Winne

Value Analysis is the best method yet found to help engineers remove unnecessary costs from their products."

More facts to point of decision.

Decisions not made on facts.

Professional Value Specialists like metallurgists get more facts.

Teach some basic (Metallurgy) Value science.

To help them carry the ball in areas where facts are insufficient.

Costs lacking 44¢

TV tuning 11-1/2¢ to 2¢

Design it onto machines we have.

Screw machines 8¢ -- .08¢

Certain methods said to be unsuitable.

Speaker pole piece 3-1/2¢ -- 1-1/2¢

Certain methods unknown to manufacturing.

Low quantity stamping \$1.41 -- 39¢ \$75 tools

Get suppliers' engineering to working on our engineering problem

Disposal cover \$1.02 -- \$.60

Get management support for engineers they need

"If we need it we pay for it anyway"

\$500/week

Engineers rid themselves of clerical work

Engineering Design Supervisor enjoyed seminar--

Did some engineering--

"In one hour per day."

Engineer worked on his regular job.

Whole field of new applicable materials

Traffic light hub \$ 1.27 -- \$.13

Illumine the whole family of misconceptions with fact.

"Steel in thin sections

Lowest cost -- Buick

Defroster die casting"

Engineers have tough job to do.

Help him to...have more facts...have more time...get what he needs

...do more engineering...understand better his own habit and attitude pattern

...to do his whole job better.

Develop evidence

Judge it.

HABITS AND ATTITUDES

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Good average G. E. men

Go where our habits take us

Range

Refrigerator

Concrete

Socket

Carrier

Rte 25

Habits bring us -- Attitudes keep us.

L. D. Miles/M

WHY DO WE HAVE PROJECTS

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Average environment -- easy to understand what we see.

Discussions not made on facts.

Butter conditioner

NOT 10-20% of cost

BUT 1/3 to 2/3

Seems so incredible

Lasting conviction comes only from doing it.

One-half of our time.

Philo project.

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COSTS -- GET THEM -- KNOW THEM -- USE THEM

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Value Analysis -- no axe to grind

Make-it or buy-it is such an important subject we will devote entire program to it.

Get them

Henry Ford

Motor Dept.

Laundry Dept.

X-Ray

Hold up sample part

Labor & Material only

Can't take costs out of plant

All blanked out

Know them

Labor

Material

Overhead

Shop

Out of pocket

Standard

Actual

Normal

Decision

Variance

Prime

Mfg.

"Bad rides with good"

NO more

DO costs support right decisions (general overhead rates

(engrg. liquidations

Use Them

Evaluate - each plant's practice may vary - make vs. make -- give example

First time

Bellows Cover cold control

2-12¢ more

Get them -- Know them -- Use them

Reevaluate all of our thinking.