

4370

**VALUE ANALYSIS PRESENTATION TO GENERAL MANAGEMENT AT
SYRACUSE IN COOPERATION WITH ROY FOUNTAIN ON AUG. 18, 1953**

1. **Value Analysis techniques used by engineering, manufacturing methods, purchasing and management people will reduce shop costs 20% without lowering quality.**
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2. **We know that these benefits of Value Analysis are known and accepted in the Electronics Division, so we will move on to show you what will be taught to your people in the course Mr. Jutras has organized. We will brief in executive language. Correctly you will have some of each function.**

Later you may want more intense special training directed to each. But first, five examples of the recent mixer study.

3. **Mixer parts**
- | | | |
|---|---|---|
| 1 | 3 | 5 |
| 2 | 4 | |

There are Value Analysis techniques that improve each job. This training will not train Value Analysis specialists but will teach each to do a better job on his own assignment and to help the other.

4. **Our job is to change habits and attitudes.
Teach techniques.
Then, provide information and assistance.**

I will handle the first and last. Roy Fountain, the subject "Teach Techniques." Then Frank will have specialty vendors. Then--your suggestions and questions.

5. **Our habits take us--that will not do today.**

Took 40 years--wheels 4'-10"

Refrigerators imitate -- took 25 years

Habit is strong medicine.

X-Rays -- 7'x12' concrete

In each area habits have developed. They are crutches which, without facts daily make important decisions affecting profit for us.

"Underwriters won't approve"

"You can never pay for the tools"

"We always use phos bronze"

"We buy that of contributing"

"We always make that"

"No other tool steel is any good."

"The public insists on this finish"

- 5A. "We tried that three years ago."
"We always make our own tools."
"We can't rely on anyone else."
"We want the liquidation."
"We developed this and we think it's pretty good."
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6. "We have to design it, there is nothing--"
"If it's from another GE plant, we must continue to use--and it's probably about right."

In these areas of habit and misunderstanding, lie much profit.

Kettering, Route 21.

7. **To change habits and attitudes is difficult--but on the average, it can be done.** Several building blocks in good human relations will be taught.
- a. No one is good enough to do alone.
 - b. Establish 2-way confidence chain.
 - c. In or out of the co., go to the best person.
 - d. Listen-think-evaluate, then decide.
 - e. Never argue.
 - f. Our people are average. Don't expect the impossible. Include the person in the problem.
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8.
 - g. Don't appease--when necessary, fight willingly, always on own level.
 - h. Always ascribe to each man the characteristics he should have for his job-- don't let his reaction to you change yours to him.
 - i. If it doesn't make sense, it isn't GE co. policy.
 - j. Remember, GE co. is bigger than one man.**Keep trying to find a way until it is corrected.**
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9. Our first job is to change their habits and attitudes.
The second--"Teach Techniques"--R. E. Fountain

10. With proper attitudes and action techniques.
Your people still need

exact information
occasional specific assistance

Vendor assistance

show specialists
index
services

11. In the area of information and assistance, carefully chosen specialty vendors will be brought in. We'll do so today. Frank will take charge.

12. Suggestions.
Questions.