



Value Engineering Initiative

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U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG®

What is Value Engineering?

Value Engineering, VE, is a formalized technique for evaluating projects, products and processes. The objective of the VE process is not just to reduce costs. It is the maximization of value, which is defined as function (performance, quality, safety, etc.) divided by cost. For individual projects, the VE process involves conducting Value Study Workshops, which are short-term, open, collaborative sessions facilitated by highly-qualified specialists.

$$\text{Value} = \frac{\text{Function}}{\text{Resources}} = \frac{\text{Finished Project Capabilities}}{\text{Project Cost}}$$

How does Value Engineering affect your project?

Requirements for VE originate in Public Law and apply to all federal agencies. For projects/contracts with costs greater than \$2 million, VE requirements must be considered. There are various strategies for implementing VE that can be selected, including conducting a Value Study Workshop or other lower-effort actions. Various USACE programs, including the Formerly Used Defense Sites, FUDS, Program, have conducted programmatic workshop studies that provide additional guidance and VE strategy resources for individual projects/contracts being conducted within the respective program.

What else should I know about Value Study Workshops?

A Value Study Workshop takes approximately one week to perform at a cost of \$35,000 to \$100,000. Workshop teams typically include a blend of both project team members, as well as other experts not directly involved with the project. Workshops have traditionally been performed in person, but they can be conducted virtually if needed. The major product of the workshop is a report with proposals that are intended to increase the overall value of the project/contract. For environmental restoration projects, Value Study Workshops are usually done during remedy design after the remedy has been selected. Workshops are usually not recommended during the early stages of the project (investigation and evaluation of remedial alternatives).

What VE Support does the Environmental and Munitions Center of Expertise provide? For years, the EM CX's diverse group of subject matter experts have participated in Value Study Workshops for a variety of clients including the Environmental Protection Agency, FUDS program, USACE districts and others. The EM CX can also assist project managers and DVOs in determining what the appropriate VE implementation strategy is for environmental/munitions projects and planning Value Study Workshops.