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EDITORIAL

Value management

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Value management is a process that focuses on increasing the probability that a positive outcome will be achieved (Spence & Kale, 2008). This means examining the way value is measured and how to increase the chances of good results. To do this, managers may need to continually improve programs in order to optimize resources. By bringing together different stakeholders in this process, problems can be diagnosed before they lead to lower value outcomes. It is important that innovative solutions to value creation are developed in order to facilitate better market performance (Ratten & Jones, 2020).

There are many benefits to implementing a value management approach in an organisation such as enhancing customer and shareholder satisfaction. This makes it important for organisations to understand how they can improve their performance. Value is a concept that changes over time so it needs to be updated based on the environmental context (Rahn, Soutar & Lee, 2023). Almost every direct and indirect process in a management context involves considering value. Directly through differentiation with competitors in the marketplace in terms of sales and reputation or indirectly through stakeholder engagement.

Value can be measured through direct approaches in terms of feedback surveys and branding (Hsiao, 2019). Changes over time can be mapped to understand perceptions about the organisation. Indirect value may be harder to evaluate due to it being often accumulated over time. This means consideration of a range of factors may be needed to bring a better understanding of it. Value can be defined as the benefits that flow from an activity (Kollenscher, Popper & Ronen, 2018). It is a complex topic made even more difficult to understand due to multiple definitions existing in society. In turbulent and dynamic markets, it is important to focus on value management.

The value chain analysis has been used as a way to examine each stage of a business's activities. This makes it easier to understand where and how value is being achieved. Normally primary and support activities are analysed in order to understand value perceptions. Primary activities can include direct activities such as inbound or outbound logistics as well as marketing and sales. Support activities involve the organisational infrastructure needed to produce value.

Value can be based on the overall assessment of what was expected then what was received. This means it is a subjective feeling and can vary in intensity and duration. Porter (1985) created a value chain framework to analyse how it is created. It involves focusing on the strategic business unit that conducts business activities that lead to value outcomes. By utilising this framework, it can help to understand the configuration and processes of value activities. The type and cost of products as well as the brand name can influence the value perception. This means personal preferences about value should be considered when evaluating the concept.

Value can be considered from an organisational and consumer perspective with most focus being on consumers. This is due to consumers feedback influencing the design and delivery of new products.

Value means that something is important or useful. It can be considered from a practical perspective in terms of actual usage or from a novelty perspective in terms of being new and innovative. There are other types of value including sentimental value when something is personal and unique but not necessarily of monetary value. This means value should be interpreted in terms of desirability and through a shared value approach.

Shared value implies that an organisation success is dependent on other factors in the business environment. This means rather than solely acting alone, organisations must consider how their actions affect others and vice versa. This approach is based more on a symbiotic relationship that emphasises interactivity. Delivering value for all involved should be the goal in an idea business environment.

The idea of shared value is that social, environmental, and economic considerations all play a role in decisions. This triple bottom line approach also referred to as sustainability is incorporated within shared value. To target important issues, organisations need to focus on intersections between business and society. This involves creating processes for products and services that better serve societal needs. To do this, continual improvements are required that incorporate technological developments. It can also be achieved by focusing on improved efficiency and productivity rates. This can include capacity building techniques that harness collective gain in society. Shared value is linked to the idea of corporate social responsibility. This is due to the need for responsible action that takes a dynamic view to value. In conclusion, value management is a necessary process that needs to be considered from multiple perspectives in order to increase organisational outcomes.

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