

Added value

What do I think it's all about?

- Nowadays, many have the feeling or are even convinced that without him / her nothing works and what everyone does for his company, office, party or for himself is very important and thus clearly contributes to added value.
- Parties, institutions, organizations no longer or only rarely question each other, but first act as if they were the (value) creation.
- es more and more jobs are created and things are done without anyone seriously questioning the meaningfulness, or even determine the added value

My theses

- But in order to get value added verified and classified, value creation must first be defined according to ethical, political, industrial, personal aspects
- here one of the most apt definitions of value creation I have ever found

When you define value creation, it's about finding out what the consumer, the customer, is willing to pay for it.

Michael E. Porter, an American economist

- specifically, in politics and administration, no one asks anymore who is actually the customer or even worse you serve customers who are no longer visible to the taxpayer (who finances everything)
- I claim that no matter how you define value creation, someone has to do something at the bottom so that the value creation can take place. Without a corresponding action at the lowest level, there will be no added value: Parents*, teachers, nurses, doctors, garbage collectors, craftsmen such as painters, mechanics, carpenters, bricklayers also engineers/architects, a petty civil servant (just to name a few examples). They have to carry out a value-adding activity and only then can the true value be created. Ok you can also say a CEO, a manager has to make a decision, of course that's necessary, but as long as they don't do anything below, his decision remains just an empty phrase

** when will the last one finally understand that the most important job in this republic is education, starting with parents, kindergarten, school, training. Or does anyone have a different opinion; I would then accuse him or her of calculation or simply stupidity*

- Thus the most important thing in the whole value chain are the people at the bottom. This is still true today, even for the tech giants like Google/Amazon etc. Where it is unfortunately no longer true is with money and in the information technology; Computer algorithms (AI will make the topic even more explosive) take over more and more the work from those at the bottom and the owners skim off the monetary value. In my view, money cannot be seen as value creation, but only as a means of distributing power

My logical conclusion with solutions

- If you are interested in this in detail, you can read into the topic under the topic Lean Management from the industry https://de.wikipedia.org/wiki/Lean_Management
- to be clear the model of Toyota is not one-to-one able to depict the different areas of life, it is a thought-provoking impulse that points in the right direction for me
- with my many years of experience in the industry, I can only say that the greatest criticism and resistance to this kind of thinking and acting, how could it be otherwise, comes from the field of WASTE (mostly in the field of overhead). Humanly understandable, since it is about lucrative jobs
- my advice at this point is, before you start with lean you should have value-adding alternatives / perspectives for those affected by WASTE, otherwise you do not even need to start; the resistance will be considerable at these points
- 30-50% of working society is (cautiously) employed in low-paid **value-adding** occupations or necessary supportive activities. The other 50-70% are estimated to work in high or higher paid, **non-value-adding** jobs and also not in necessary supportive, administrative areas

During my 40 years in large companies, a lot has changed:

- At the beginning of my career you had fast rowing boats, in which many trained and motivated athletes, with a helmsman and a pace maker, were fast on the way.



- Over the years, this has changed in that the athletes have been replaced by more pace makers and drums and an often headless helmsman. Which in mid term led to the fact that after a certain time the athletes were frustrated and exhausted, the pace makers drummed louder and louder but the boat was not really pacing and often missed the direction



- I think this is familiar to many in daily life. This happens when value-adding activities are replaced by more and more drummers and incompetent executives. Often it comes to the point that the horse (team) is already dead in the figurative sense, but you still try to ride the dead horse. According to ancient Dakota Indian wisdom <http://www.roland-schaefer.de/totespferd.htm>

Actually laughable, if it weren't so sad!

My logical conclusion with solutions

- once it has been determined what is value-adding and supportive, minimal, but efficient and powerful, necessary, the non-value-adding jobs could be taxed correspondingly higher and the value-adding jobs could be relieved (of course not overnight, but in a time-adjusted control curve over 10 years). On the product side you could proceed in the same way
- **this is a radical proposal, but with the advantage of initiating a gentle but steady transformation for the better. One would stop pointing the finger at the rich or, on a small scale, at the neighbor if they afford exclusive things. In this case, these people who buy beautiful, but often not value-adding things, pay a higher tax contribution for the general public and for the transformation**

I always said that there is no point in condemning the rich for being rich and affording exclusive things. It must be "in", "chic", "hip" in these circles to become value-adding, only then we make a shoe out of it. Everything else is stupid, ideological socialism that has never worked.

- For me, a possible overarching selection of what adds value and what contributes directly or indirectly to it.:
 - To preserve, protect, repair and sustainably develop the earth, nature and humanity
 - education of children by parents to become responsible citizens
 - to protect the youngest children of pre-linguistic age (0-6) but also as children and adolescents from possible mental and physical damage
 - to ensure the best possible education for all children
 - to help and protect all wards
 - to enable people and all other living beings to live and die happily and in a species-appropriate way
 - killing of animals only for the necessary and moderate assurance of the food chain
 - preserving species/gene diversity

- Of course, this also includes other activities (even if not value-adding themselves, but supporting the added value in planning up to execution) such as:
 - To eliminate legal vacuums, corruption, manipulation and crime and to prevent them accordingly
 - to prevent any kind of acts of war and to hold the aggressor internationally accountable (without veto and other special positions)
 - Creation and maintenance of a minimal but powerful administration in the administrative, legislative, judicial and executive branches
 - Rethink government structures (local, county, state, federal government and Europe) efficiently and effectively and reduce them to a minimum

- It should also be clearly defined what does not add value, such as:
 - bet on falling prices on the stock market
 - speculate with energy, water, food, housing