



Axioms: of Rational Value Exchange © James McCuish 2004

In the discipline of Decision Analyses there are, “axioms of rational decisional thought.” ... In exchanging resources of value to purchase items. We offer the following **Axioms of Rational Value Exchange** to consider. These may enable discourse, and serve to provoke thinking clearly about value exchange drivers.

These axioms also apply to the relationship of a purchaser of “Value Engineering / Value Management” services and the offerings of alternative “Value Engineering / Value Management” practitioners!

Order Items

For a given specific Potential Buyer and a specific Payment Price there exists a **BUYER** preference Order for available items **that the BUYER defines**.

Item (or service) **A** over

Item (or service) **B** over

Item (or service) **C**

The Buyer absolutely prefers A over B over C

... **And in no case will the buyer prefer ... “C over B” ... or “B over A.”**

Choice of Purchase

For a given potential Buyer presented with Exactly the same Scale of Items attributes of **Quality as assessed by solely the BUYER** ... The Buyer will select the Item, which requires less release of Buyer resources.

Substitution

There exists a certain price at which the Buyer is “Ambivalent” as to ownership of the Buyer resources or exchange of the Buyer recourses for the Seller’s offered item. **Solely the BUYER defines this Exchange point price.**

Marginal Cost

There exists a “Marginal Cost to Deliver” at which point the holistic full cycle return on investment of offering the Item to the Marketplace is not worth such investment, or continued investment, by the Seller.

The SELLER defines this “Cost to Deliver” limit.

Disassociation

There is no **consideration by the BUYER of the Axiom of “Marginal Cost”** in application of **Axioms of “Order,” “Choice,” or “Substitution.”**

Rejection by Seller

In the **SELLER’S decision to cease offering the item to the marketplace** **There is no consideration of the BUYER’S position in “Order,” “Choice,” or “Substitution.”**