



Meetings Management
Simplified

It's Easier Than You Think

GBTA, ACTE, and a number of publications have shown the benefits of a Strategic Meetings Management (SMM) program. Many companies have saved millions of dollars, reduced the risk of unmanaged spend, and increased revenue through effectively managing meetings. Still many companies have not jumped on the bandwagon. Why?

Stakeholders have shared a number of explanations over the years such as confusion around the goals of an SMM program, what constitutes Strategic Meetings Management, and the difficulties in implementing a program. As a result, many companies get lost, stalled in deployment, or remain in a perpetual holding pattern waiting for conditions to improve on their own. Today, the most successful programs are often driven by federal regulations such as Sunshine laws and Sarbanes Oxley regulations for publicly held organizations. The market consensus is that only organizations with a lot of meeting spend and complex needs should implement SMM programs. But are these the right decision criteria to use? Absolutely not.

The decision is simple. Ask yourself if there are inherent benefits to your organization by more strategically managing meetings, that is, will you:

1. Be deemed compliant if audited
2. Save money or better leverage your meeting spend in negotiations
3. Increase sales through more effective events
4. Improve your relationship with customers
5. Ensure the safety and security of your employees and customers

These areas are equally relevant to organizations with a few million dollars in meeting spend, up to the largest companies with hundreds of millions in spend. There are certainly other reasons for implementing an SMM program such as efficiency and quality gains that may also play a role in the decision.

In order to take that first step, or jumpstart a stalled program, companies should first identify their company goals and how their meetings and events help achieve those goals.

Reasons to Implement a Strategic Meetings Management Program:

1. Your company is concerned with compliance – internal, government regulations, or other
2. Your company seeks to control the costs of meetings
3. Your company wants to provide a consistent and high level of service for meetings to drive internal and external customer engagement
4. Your company is concerned about employee safety and security while traveling or attending meetings

What are the Primary Goals of an SMM Program?



Reduce Risks / Increase Compliance

Potential risk associated with meetings and events, includes regulatory risks, contracting and procurement risks, and the safety and security of attendees.

An SMM program can help mitigate risk by ensuring compliance with corporate policies and procedures. For example, directing events to appropriate venues, ensuring high-dollar contracts are reviewed and signed by an authorized signatory, or providing the information needed to locate attendees in case of an emergency or weather event.



Reduce Costs / Spend More Efficiently

Meeting spend represents just over 1% of overall revenue for most corporations. These costs are often hidden in financial systems, leading to a largely unmanaged category of spend. A meeting request process (key for any SMM program) will provide greater control over meeting spend by identifying meetings before they happen. By knowing which meetings are being planned, there are opportunities to consolidate or overlap meetings, package multiple meetings in vendor negotiations, and incorporate virtual meeting components to reduce travel expenses. Additionally, standard budgeting processes provide data to leverage negotiations with suppliers and analyze expense patterns to identify opportunities to optimize spend.



Increase Revenue

Whether a meeting is internal or external, increasing the level of engagement of meeting attendees leads to increases in revenue. The standardized processes and procedures of an SMM program ensure high quality meetings and events that result in employee loyalty or, in the case of external meetings, deliver on business objectives, and develop brand loyalty. And as marketing events become more integrated into SMM programs, and lead management tools become more readily available, additional revenue will be able to be attributed to meetings and events.

Regulatory Risk to Evaluate:

1. Anti-bribery regulations, such as the U.S. Foreign Corrupt Practices Act and the UK Bribery Act
2. Industry specific regulations, such as the Physician Payment Sunshine Act, and the Financial Industry Regulatory Authority guidelines / National Association of Securities Dealers Rules

\$1 Billion
in corporate revenue
=
\$10 Million
in meeting spend

Frost & Sullivan, A Survey of Meeting and Event Planning Professionals and Hotel Operators – 2013 Corporate Meetings Summit

Achieving Your Program Goals



Step One: Solicit / Gain Management Buy-In

Senior management often has a short attention span. Of primary importance to them is understanding how your request aligns with their goals. In order to succeed in obtaining high level support for your initiative you must do three things:

1. **Focus on the Right Senior Managers and Stakeholders** – this includes the persons that have a vested interest in the success of the meetings and those who hold the purse strings. This could be a number of C-levels, meeting, finance, and procurement managers, the VP of marketing, etc.

To sponsor the Meetings initiative, build a simple cost-benefit analysis which clearly articulates the value of the program. Successful programs also call for buy-in from the people planning meetings, so understand their concerns and how the program will specifically benefit them. Given today's pressures to do more with less, Planners are looking for efficiency gains while still delivering high quality events to their clients.

2. **Answer the Question – What Do They Care About?** – "They" could be a wide range of stakeholders whose needs and areas of interest differ. Tailor your messaging to each stakeholder group's specific concerns, which generally include:

- Increased profitability for the organization
- Improved return for their investment
- Reduced risk and air-tight compliance
- Enhanced operational efficiencies to improve employee and customer satisfaction and to reduce costs

Four Easy Steps to Building an SMM Program:

1. Solicit / Gain management and stakeholder buy-in
2. Write a meetings policy
3. Design a sourcing strategy
4. Implement a meetings technology platform

3. Show Them Evidence That the Program Addresses Their Concerns –

Include some specific examples of how the program will support their interests in making it a sound investment:

- Increased Profitability – demonstrate how an SMM program will generate more customer leads, and improve customer and employee satisfaction and loyalty
- Improved ROI – outline how an SMM program contributes to managing both sides of the ROI ratio by increasing profitability and reducing costs
- Reduced Risk – educate senior leaders on the risks associated with corporate meetings and events, and show how an SMM program can help mitigate those risks
- Enhanced Operational Efficiencies – illustrate the current state processes and their impact on profitability and expense, and show how an SMM program can introduce operational efficiencies to address those problems

Developing senior management buy-in requires targeting the right stakeholders:

- Chief Financial Officer
- Chief Compliance Officer
- Chief Procurement Officer
- Your organization's Legal and Finance departments

And showing them how an SMM program:

- Reduces Risk
- Increases Profitability
- Improves ROI
- Enhances Operational Efficiency



Step Two: Write a Meetings Policy

A meetings policy is a set of rules developed by an organization for the procurement and operation of meetings. The most important component of a meeting policy is defining what constitutes a meeting by outlining a formal meeting definition. Many organizations use criteria such as a minimum number of attendees, whether the event is held on or off company premises, and/or a minimum estimated budget.

Through policy, companies can impact spend by including guidelines around how meetings are registered, which suppliers to use, who can sign supplier contracts, appropriate levels of services offered to attendees, and suggested spending caps. A well implemented policy can result in incremental savings of between 10-15% for most organizations, and can also help prevent compliance issues by providing guidance on interactions with government officials or health care professionals (depending on your industry) as well as spending limits for food and beverage and gifts.

A meetings policy, like an SMM program overall, can be simple or complex based on the needs of your organization. Table 1 shows eighteen possible topics to include, but only the first nine are essential to achieve the fundamental goals of an SMM program.

Every well-written policy includes a clearly defined scope which dictates who is required to comply, what types of meetings are included, where and when the policy applies (geographically and/or organizationally). It is also important to clearly state any policy exceptions or what is considered out-of-scope.

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| 1. Definition of a Meeting | 10. Group Air Travel |
| 2. Sourcing and Planning Procedures | 11. Booking Accommodations |
| 3. Meetings Technology Tool | 12. Familiarization Trips and Loyalty Programs |
| 4. Roles and Responsibilities | 13. Site Inspections |
| 5. Regulatory Risk Management | 14. Budget Approval and Payment Processes |
| 6. Duty-of-Care Guidelines | 15. Companion and Personal Travel |
| 7. Fiduciary Risk Management and Spending Guidelines | 16. Virtual Meetings |
| 8. Meeting Requests and Approvals | 17. Social Responsibility and Green Policy |
| 9. Health and Emergencies | 18. Tax Implications |



Step Three: Design a Sourcing Strategy

Sourcing processes and procedures are the steps needed to identify and select venues, negotiate and execute contracts. A good sourcing strategy includes leveraging preferred supplier relationships by directing planners to preferred vendors and negotiated rates. Use of key National or Global Sales Office resources should be encouraged to ensure the best position when negotiating with properties within their respective chains. Developing standard terms and conditions for hotel contracting in a Hotel Addendum or standardized contract template and ensuring that this information is conveyed to bidding suppliers is another key to ensuring consistency in the procurement process. Identifying authorized reviewers, approvers and designating signatory authority to specific resources will prevent risk associated with contract execution.

It is also a good idea to outline the process to be followed when a meeting is cancelled. This includes how to leverage cancellation credits by posting them for others in the company to take advantage of, and how those credits should be applied when the space is re-used. When your sourcing professionals and meeting stakeholders follow standardized sourcing processes the potential savings achieved is in the 10-15% range.



Step Four: Implement a Meetings Technology Platform

A meetings technology platform by itself is not enough to achieve the goals of an SMM program, but it does support SMM processes such as meeting registration, sourcing, budget management, and reporting. At the core of these systems is (1) the ability to document all meetings data including event demographic information, suppliers used, and spend and savings information at any organizational hierarchy level, and (2) to enforce processes and procedures that were developed as part of the corporate meetings policy.

The accurate collection of key data points results in comprehensive analysis, including:

- **Supplier level reporting**, which can be used to leverage negotiations and generate improved savings levels
- **Regulatory reporting**, to document spend per attendee and overall compliance to spending caps for travel, hotel, food & beverage, and gifts
- **Crisis management reporting**, to determine the location of meeting attendees based on air and hotel reservations

The right meetings technology system will allow for configuration based on your unique business and process requirements and allow for development and growth over time.

To achieve your SMM goals with meetings technology, all you need are three basic implementation steps:

Capture Meeting Activity

With the correct technology provider, meeting request forms are completely customizable to collect desired information about meeting requester, meeting type, and logistics (such as services requested, budget, etc.). Many technology tools will also automatically populate a master calendar to centrally locate registered meetings and events. With just this first step, organizations will have the tools needed to improve data reporting by easily pulling meeting request details or an executive summary of meetings per division or by department.

Automate Sourcing and Budgeting

The second step to implementing simple meetings technology is to automate the sourcing and budgeting processes. This step can be done immediately, or in the months/years to come as your program gains adoption. It will automate many of the processes outlined in your sourcing strategy and will provide additional insight into spend and savings numbers on meetings and events.

Increase Compliance and Efficiency

The last step of implementing a simple meetings management technology allows you to add additional automation and accountability tracking. Now is the time to get more complex and automate key aspects of your meeting policy. Monitor the stages of your meeting lifecycle, reflecting not only how many total meetings occurred, but identifying peak planning times and understanding how long a meeting spends in various stages along the way. Further the sourcing strategy by sending eRFP's to preferred hotels or National Sales Office's (NSO's), while also maintaining and utilizing cancelled space inventory. Improve insight into the budget through further customization, including savings formulas to deepen the level of data analysis.

Summary

In summary we see that an SMM program does not have to be complex. Simple steps and basic technology tools are all that's needed to accomplish the core goals of strategic meetings management. A simple and straightforward SMM program consisting of policy, sourcing and planning processes and procedures, and a meetings technology system, can easily be rolled out. These three components are easy to implement, and can be accomplished in as short as three months.



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