

# Getting Started With Meetings Management



**STRATEGIC MEETINGS MANAGEMENT, WHILE RELATED TO TRAVEL MANAGEMENT,** has become its own discipline. Though meetings often can represent one-quarter to one-third of a business' travel spend, the costs fragment across units and get buried in multiple centers. Drawing this information into the light is daunting, but more companies are trying. That's because meetings management is about more than cost savings. Tales of organizational failure to manage crises, exposure to rapacious contractual terms, expensive litigation and diminished brand reputation are common. Pharmaceutical, healthcare and financial companies additionally are motivated to manage meetings to comply with increasing regulatory scrutiny.

Establish planning policies and processes. Limit contract signing authority. Implement payment methods. Track meetings activities and spend through specialized tech. These are logical steps, but none are a quick fix. Don't expect to implement a meetings management program overnight. The endgame of gathering accurate data for negotiations could take five years or even more. But the benefits along the way prove just as valuable.

## I. THE BENEFITS OF MANAGING MEETINGS

- A. Cost savings.** This is often the impetus for a meetings management program, but many times proves not to be the most important outcome. That said, savings potential is significant; companies report 20 percent to 25 percent reduction in direct and indirect costs after establishing meetings management. Following are the rough savings targets. When creating a business plan for meetings management, it is wise to plan for conservative savings and overdeliver.
1. Process automation: 3% to 6.5%.
  2. Policy compliance: 1.6% to 5%.
  3. Strategic sourcing: 4.8% to 8%.
  4. Visibility: 2.4% to 5.5%.
- B. Reduced contractual liability.** Fragmented throughout an organization, meetings are often organized by nonprofessional meeting planners. These planners may rely on personal relationships and/or sign binding contracts without seeking approval from a purchasing or legal department. Financial ramifications can be serious, and lack of visibility into overall meetings activities prevents them from replacing the business with

another program to mitigate losses.

- C. Attendee safety and security.** Consistent meeting planning processes and sourcing requirements will include internal requirements for attendee safety, a review of the vendor's safety and security record, and onsite procedures. SMM leaders should work with procurement, human resources, risk management and/or security departments to identify these details.
- D. Regulatory compliance.** Particularly in the pharmaceutical and healthcare industries, as well as in financial firms, regulatory compliance for meetings and events is top of mind.
- E. Meeting quality and delivery.** Without a clear planning process, significant variation in meeting quality and delivery is practically guaranteed. Overspending can deliver a quality meeting, but hurts the organization financially; careless planning delivers subpar events that deliver poor results even if costs are held in check.
- F. Brand consistency.** In the hands of multiple planners without clear direction and policy guidelines, an organization's brand can be diluted in its delivery to attendees—or worse, compromised by breaches in data or confidentiality.
- G. Attendee experience.** Related to meeting delivery and brand consistency, attendee experience of the brand, the level of the meeting product and the quality of the content should be streamlined and consistent within a managed meeting program.
- H. Return on investment.** All of these elements contribute to a meeting's overall return on investment for the corporation. Controlling spend is just the first step; delivering a quality meeting with the right branding and content in the right environment—and without undue distractions from mishandled or arduous logistics—contributes as well. A fully established meetings management program may also integrate with training, HR or CRM capability to track longer-term outcomes for meetings ROI.

## II. DEFINING SCOPE

Given its complexity, many companies develop a meetings management strategy

for a single market or a small selection of markets with intensive meetings activities. That said, larger regional and global implementations have become more common as local programs have matured and delivered significant savings, productivity increases and risk reduction. Regardless of the ultimate goal, a phased rollout is a proven best practice.

- A. Local.** A local or single-market SMM implementation can provide quality learnings and a template for future rollouts in other markets. Starting small is often a smart strategy. Even within a local implementation, launch the effort with a small group of meeting planners to beta-test policies, processes and technologies is a best practice before rolling SMM out across an entire market.
- B. Regional or global.** When looking to implement a larger rollout, organizations should consider the 80/20 rule, determining which markets are the most intensive users of meetings. That said, simultaneously implementing SMM across all markets comprising that 80 percent is not advisable. Instead, a scalable approach that provides flexibility for each market is a best practice. Rating each market by the following attributes can help identify which to implement first:
  1. Comparative meetings volume.
  2. Meetings-associated spend.
  3. Stakeholder engagement.
  4. Technology readiness.
  5. Ease of entry in the market.

### III. THE DISCOVERY PHASE

In this critical moment, be thorough, but avoid “analysis paralysis” that can come from realizing that the corporation may never uncover every meetings center in the organization, especially when scoping a regional or global program. Understand as much as possible, and trust that a meetings program, even partially implemented, will reveal more over time.

- A. Identify stakeholders.** Meetings management is often a grassroots effort in its early stages. Still, it is important to gain support even in the discovery phase. A meetings management program will touch meeting planners (both professional and occasional), travel management, procurement, legal, HR, finance and accounting. Corporate management will need to understand

the overall strategy, while IT will need to understand goals for implementation and systems integrations. An early coalition of interested parties will grow into a cross-functional governing team as an SMM effort formalizes.

- B. Identify synergies with travel management; recognize differences.**
  1. Similar supplier base. In particular, hotel, airline and travel management company (if the corporation's existing TMC partner has a meetings and events division) may all be areas of overlap between meetings and travel management. If the corporation has a ground transportation contract in place for transient travel, it could also come into play. As will a payment provider. Tapping contacts and supplier data could assist in the discovery phase for meetings management. Ultimately, supplier synergies could provide opportunities for joint contracting and leveraging the full volume of meetings and transient travel for negotiations. It should be noted, however, that meetings can require a list of additional suppliers rarely tapped by transient travel.
  2. Similar technology requirements. To a certain degree the technology requirements of travel and meetings are also similar, but separate systems are usually required. Recognizing some of the overlapping needs early in the process, however, can help SMM leaders to anticipate useful technology integrations to ease the travel and meeting experience and to create insightful data reporting and dashboards.
  3. Similar stakeholders and communication strategies. SMM's primary target is meeting planners (professional and occasional), wherever those individuals reside within the company. To a lesser extent, SMM may touch travelers themselves, usually through online registration and booking workflows that require traveler compliance. For both travel management and meetings management, however, driving compliant behaviors in a target constituency is key. As such, similar change management and communication strategies come into play.
  4. Involvement of procurement. Like

travel management, which has gained much from procurement perspective over the past 10 years, meetings management benefits from formalized negotiation and purchasing processes. Travel managers, in particular, are in a unique position to understand both the pain and the benefit of procurement's influence. This understanding will be useful for change management.

- C. Identify current meetings spend.** Undoubtedly one of the most challenging aspects of scoping and implementing meetings management, identifying current spend should be considered an important effort, but not an achievable goal. This effort is most critical for grassroots meetings management efforts that require SMM leaders to build a business plan in order to attract needed resources. For some companies, an adverse event, such as breach of contract or unfavorable media coverage, will precipitate a quicker mandate to manage meetings. For those building a business case, check the following for meetings spend:
  1. Corporate card. Corporate cards are a good place to begin a search for meetings spend, particularly if the organization utilizing meeting cards for any of its meetings, conferences or events. A study of meeting card line items gives a good idea of the types of suppliers and charges that would indicate meetings activities on any payment vehicle. If you don't find any use of meeting cards, several informal identifiers might include:
    - a. Conference center suppliers.
    - b. Large room blocks at airport or leisure hotels.
    - c. Banquet charges at hotels or restaurants.
    - d. A meal with 10 or more diners.
    - e. Motor coach/group ground transportation.
    - f. Extensive airport transfer activities.
    - g. Destination management services.
    - h. Tour operators.
    - i. Group tickets for entertainment.
    - j. Audiovisual charges, large hotel room blocks, banquet charges, etc.
  2. Finance or purchasing departments. Research expense reports and

purchase orders for meetings line items. Also review meetings-oriented accounting codes, such as hotel, conference center, catering, etc.

3. Individual meeting planners. Find out who plans meetings for each division within the company, and ask them for meeting records or have their managers acquire them. SMM leaders may encounter resistance here, so consider positioning the request as part of an effort to make their jobs easier—not to penalize them for spending issues you may uncover. The following divisions may house the lion's share of a company's meetings activities, but by no means is it an exhaustive list.
  - a. Sales and marketing organizations. From product launches and large sales meetings to regional trainings, these divisions hold both high- and low-profile meetings. Higher profile events may be fully or partially outsourced to third parties, and are likely to be among the best managed meetings in the company. In addition to looking for meetings spend in these divisions, also review planning processes or informal policies for best practices. Acknowledging these may ease SMM buy-in for these divisions. Also inquire with this division whether any type of meetings technology has been implemented as this could influence the ultimate choice of technology provider.
  - b. HR and training. Training and employee development meetings are common, but may be considerably smaller in scope when compared to sales and marketing events.
  - c. Service centers. Especially in technology companies, off-site client support and service meetings are common and may require teams to stay overnight.
  - d. Executive/VIP meetings. Often organized by executive assistants, this category of meeting may be among the most difficult to uncover as they are often meant to be high level

and discreet. It is, nevertheless, important to understand their spend levels as well as the expectations involved so that a SMM program can support them.

4. Suppliers. Aside from payment providers, hotels, airlines, ground transportation services and agencies often track meetings spend better than their clients. Go to them with a spreadsheet listing the required data and ask for as much information as they can offer.
- D. Understand types of meetings commonly held by the organization. Product launches, client-facing events, national and regional sales meetings, incentive travel, small executive meetings, training meetings, customer service meetings—and understand their relative goals, frequencies and sizes as this will be key to meetings policy.

#### IV. MEETINGS CONTRACT MANAGEMENT

In addition to cost savings, SMM efforts are often driven by a desire to mitigate contractual risk. Many companies experience financial losses from signing agreements with lopsided attrition and cancellation clauses or when inexperienced meeting organizers fail to protect the company from a supplier-side cancellation. With the hotel category currently experiencing a strong seller's market, experienced contract management with tight approvals and workflow requirements has become even more critical.

- A. Standardize contracts. Establishing a standardized hotel contract allows organizations to “cut to the chase” when it comes to contract management. The standard agreement should include language that addresses cancellation and attrition liabilities, as well as an “Act of God” or *force majeure* clause that defines both supplier and buyer responsibilities should an unforeseeable event force the meeting to be cancelled. Some companies will not contract with vendors that refuse to sign their standard agreement; in a seller's market, however, this hardline approach may put an organization's meeting placement at a disadvantage.

- B. Require contract approval. When not using the standard contract—or when implementing changes or additions to the standard contract—a contract approval process is key. The agreement may be trafficked through a procurement professional or even a specified legal advisor, but whatever resource is used, the turn-around time must be reasonable or the organization will risk losing the proposal entirely.
- C. Limit signing authority on all contracts. Limiting the number of individuals who are authorized to sign meeting agreements offers two benefits: 1) it ensures the contract has been reviewed by qualified personnel and 2) it centralizes visibility into the organization's overall meetings activities.

#### V. ORGANIZATIONAL STRUCTURE & OUTSOURCING

No level of outsourcing is required to drive a sound meetings management program. The choice to manage meetings internally or externally—or in collaboration with a third party—largely depends on overall program or individual meeting complexity as well as on the amount of internal resources that may be dedicated to the effort. Companies with a handful of marquee meetings may choose to outsource a portion of the tasks associated with larger events, while delegating smaller programs to occasional planners supported by internal sourcing and contract management. The following organizational structures and outsourcing configurations are common. As a corporation's SMM program matures, these organizational structures and related workflows may change.

- A. Internal organizational structure.
  1. Centralized meeting department. With this structure, all meetings are funneled through a single meeting planning department for resource allocation, approvals, sourcing processes and logistical planning. This structure leaves the meeting owner free to concentrate on meeting content and delivery.
  2. Decentralized meeting planning + internal sourcing support. Often adopted by organizations with a large number of smaller meetings,

a decentralized approach relies on strong policy compliance to drive the sourcing and contracting process through proper channels, while meeting owners handle the logistical and content planning. Meetings registration in a centralized “calendar” is critical with this approach, as is responsive support from sourcing specialists and/or legal teams.

3. Centralized department + occasional planners + internal sourcing support. Even for organizations with large meetings volume and complex programs, a partially decentralized structure can be effective. Large and/or complex meetings are likely handled by professional planners in a centralized meetings center; smaller meetings with fewer vectors for risk remain the purview of the meeting owner. Again, meeting registration in a central tool is key, along with tight workflows and approvals that prevent contract missteps.
- B. Outsourcing options.** If working with third parties to partially or fully outsource an SMM program, the organization must ensure that all third parties support the established meetings policy and workflow guidelines. If the organization has implemented a meetings technology solution, partners should be required to use it so that all data can be captured within the system to support reporting and business intelligence goals. Contracts with third-party suppliers should include key performance indicators, and, depending upon the depth of the relationship, may include incentives for achieving certain savings or management goals.
1. External sourcing support. Whether an agency partner or meetings sourcing specialist, these partners will research appropriate venues, manage the request for proposal process, negotiate added value benefits and facilitate the contracting process. In addition to managing the process, third-party partners may be able to garner better rates and inclusions due to their high volume purchasing. In many cases, sourcing specialists are compensated by the venue where the

business is placed (e.g., 10 percent of total room nights).

2. External sourcing + planning support. In addition to sourcing support, agency and meeting management partners offer logistical planning support. Organizations may find this type of outsourced help valuable for large and/or complex meetings types, such as product launches, national sales meetings or consumer events. Organizations may also rely on outsourced logistical and planning support when dealing with large meeting volumes, allowing internal planners to concentrate on content delivery and strategic goals.
3. Fully outsourced SMM. Because it is not a core business, some companies outsource much of the planning, implementation and maintenance of a meetings management program to a third-party partner or partners. Particularly when the effort has a regional or global scope, the expertise of specialized meetings management companies can be invaluable. Whether the organization chooses to outsource to a single partner or execute a more regional or local strategy often depends on organizational culture. A local or regional approach may be more difficult from a supplier and data management perspective, but can facilitate adoption as stakeholders may continue to work with familiar partners.

## VI. MEETINGS POLICY

- A. Developing a meetings policy** is a core component of meetings management. It should reflect the company culture, include approval workflows and identify exceptions to the general policy wherever applicable. Recognizing the diverse objectives of their meetings, many SMM teams create tiered policies according to meeting type when it comes to budgeting, assigning the appropriate venue class of service, parameters for food and beverage, etc. Some companies implement a different level of approval for small meetings versus larger meetings,

resulting in different workflows. In general, however, a meetings policy should define roles and responsibilities for meeting planners and stakeholders, and include the following elements:

1. Meeting registration and approval criteria.
  2. Supplier sourcing guidelines for air, hotel and ground transportation.
  3. Contracting requirements, workflows and approvals.
  4. Use of supplier sourcing tools.
  5. Budgeting guidelines.
  6. Preferred payment method(s).
  7. Use of attendee registration and management tools.
  8. Food and beverage guidelines.
  9. Meetings ethics, including points/loyalty programs, gifts, free room nights, etc.
  10. Guest and spouse attendance.
  11. Attendee safety and security requirements and procedures.
  12. Consequences for non-compliance to the meetings policy.
- B. Meetings policy** should be easily accessed and clearly communicated via a corporate intranet, but posting policy guidelines is rarely effective in driving full awareness. Specific communications and trainings should be part of the overall compliance strategy. Some companies with extensive meetings programs establish best practice education sessions to support awareness and ongoing meeting planner education.
- C. Even more important** than the written policy is how policy and workflow parameters are embedded in a meetings management tool.

## VII. MEETINGS MANAGEMENT TECHNOLOGY

Meetings management technology creates the backbone of a successful SMM program. Not only does it create a central data repository for meetings activities, but also standardizes workflow and dictates certain choices to ensure meeting planners remain within policy. Meetings technology tends to be modular, and many companies begin their exposure to meetings tools through event website creation and attendee management modules. Extending the use of technology beyond individual

event support is critical for SMM.

- A. Required capabilities.**
  1. Planning. Event registration and central calendar.
  2. Sourcing. eRFP and supplier data.
  3. Budgeting. Budgeted, negotiated and actual costs.
  4. Attendee management. Invitations, websites and attendee information.
  5. Reporting. On spend, savings, suppliers and attendees.
- B. Configuration.**
  1. Don't use more technology than is required. A full technology suite is a powerful tool for SMM, but even a small implementation can make an impact. For example, by requiring event registration in a central calendar, organizations can implement an approval process and vastly improve visibility into overall meetings activities. Companies may choose to implement certain modules first and then add as the SMM effort matures.
  2. Simplify workflows. Meetings technology tools offer extensive policy and workflow configurations. These are invaluable for customizing the tools for each organization. Just because it can be done, however, does not make every configuration capability worth using. This can be a temptation, particularly for programs with tiered meetings policies and workflows. Simplifying choices, creating "lite" forms and workflows for simple meetings and more complex data capture for larger events can be helpful for driving adoption and reducing training—particularly for occasional planners.
  3. Ensure local customization. Especially for global programs, ensure the technology platform offers multiple languages and local customization options. Only allow customizations to data collection that will not undermine the standard consolidation of spend, savings, supplier and attendee data.
- C. Technology integrations.** More advanced SMM programs are increasingly integrating meetings technology with transient travel tools and other technology systems.
  1. Transient online booking tools.

Particularly for internal meetings, integration with OBTs can provide organizations with the ability to understand what portion of overall business travel is actually related to the organization's meetings activities.

2. Global distribution systems. Integrating with global distribution systems and OBTs allows for real-time visibility into room block availability.
3. Payment. Integrating with payment tools can facilitate spend reconciliation (*see "Meetings Payment" below*).
4. Customer relationship management tools. Some companies are integrating meetings tools with CRM to track follow up from client-facing events and longer term business opportunities and conversions to better quantify return on the meetings investment.

#### VIII. MEETINGS PAYMENT

Consider using a specialized meetings payment card for all meetings purchases. This payment option offers companies an easier way to categorize meeting line items, reconcile accounts and streamline the payment process. Consider the following best practices:

- A. Consolidate meetings spend with a single provider.** This will allow the organization to drive better rebates based on total meetings spend volume. Consider using the same provider as the corporate card to leverage joint volume.
- B. Generate an individual card for each meeting.** This requires expedited request and disbursement on the part of the organization, especially for meetings with short lead times. That said, assigning an individual meeting card per meeting can significantly ease reconciliation processes for planners and/or accounts payable.
- C. Consider virtual card options.** With the increasing popularity of virtual cards, some companies automate v-card generation via integration between the payment provider and the meetings management technology. When a meeting is registered or approved, it automatically receives an account number. All charges to

that account are associated with the individual program.

#### IX. DRIVING ADOPTION

Meetings management initiatives take time and resources. Many organizations do the legwork to understand meetings spend, analyze their markets, source good suppliers and invest in technology only to stumble when it comes to adoption efforts. To succeed, organizations must also budget and plan effectively for change management and create a realistic adoption roadmap. Following are several strategies to maximize SMM results:

- A. Participation.** Allow meeting planners of all levels to participate in designing SMM.
- B. Position as a resource.** Rather than positioning the effort from an authoritarian stance, relay the program as a support structure for planners. Show how new tools and processes will alleviate pain points.
- C. Pilot.** Test the program with a select group of planners to work out any major glitches. Get feedback and make changes.
- D. Communicate and train.** A communications campaign is critical to SMM success, but go beyond a one-time promotion by offering lunch-and-learn education sessions, online learning opportunities and a dynamic "planner community" resource.
- E. Get more feedback.** Create a channel for ongoing feedback. Planners of all levels will be able to suggest program refinements. Look for tool configurations or workflows that are not effective and change them.
- F. Make exceptions to policy.** Regardless of the range of suppliers chosen or the number of meeting tiers included in policy, consider an official approval process for allowing planners to book non-preferred suppliers for specific programs.

*Prepared by Elizabeth West with assistance from Shimon Avish Consulting's Shimon Avish, Novartis Business Services' Adrienne Fox, Cvent vice president of enterprise sales Anil Punyapu and Carlson Wagonlit Meetings & Events senior director of global SMM strategy and solutions Kari Wendel.*