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An Implementation guide for strategic meeting management programs in small to mid-size meeting firms

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AN IMPLEMENTATION GUIDE FOR STRATEGIC MEETING MANAGEMENT PROGRAMS IN SMALL TO MID-SIZE MEETING FIRMS

by

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ABSTRACT

An Implementation Guide for Strategic Meeting Management Programs in Small to Mid-Size Meeting Firms

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This study will establish a working guide on how to implement a strategic meeting management guide for meeting planners who are employed by small to mid-size companies. This comprehensive manual will detail processes of how to accurately measure meeting and travel spend, gain cross-company leverage and apply methods for making meetings purpose-driven. This study will incorporate best practices as established by industry standards which will be specifically tailored to meet the needs of planners in smaller firms. The desired outcome will be a solid and manageable guide that planners can use to secure their role as a strategic partner to the executive team and protect the company's bottom line.

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TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

PART ONE

Introduction

Purpose

Strategic management is not a new concept; in fact it is a term so widely used in businesses across the globe that it has become woven into the corporate fabric as a standard and necessary operation. Systematically analyzing all factors that can affect an organization whether they are external or internal factors as a way to rethink and restructure management practices is the premise behind strategic management. The end-result is a corporate structure whose cross-functional policies and priorities are aligned in order to achieve long-term goals and objectives (David, 1989).

What has emerged from the hospitality industry over the past 25 years is the adaptation of strategic management to meeting and event processes aptly named Strategic Meeting Management (SMM) or Strategic Meeting Management Program (SMMP). This concept similar to the function of corporate meeting planning as a whole is still fairly new. The drive for such a concept grew out of the necessity to consolidate meeting planning as a centralized function and even more recently to provide the added value of hosting corporate events and meetings (National Business Travel Association, 2008).

In light of the current economic crisis businesses and consumers have been forced to cut back on purchases, the number of layoffs have become increasingly alarming and the government has had to crackdown on corporate meeting spending under the Sarbanes- Oxley Act (SOX). Planners and employers alike are finding it crucial to justify why meeting budgets and business travel should not be eliminated. Now is the time for planners to implement an SMMP. A properly structured SMMP provides many benefits to an organization, (a) organized procedures for managing the meeting process, (b) controlled spend and measurement of return on investment (ROI), (c) increased visibility and partnership with executive management, (d) risk mitigation, and (e) superior meeting service and experience (Corbin Ball Associates, 2009).

Incorporation of such a program is no small feat. In fact it can take several years to create and implement this strategy enterprise-wide, as well as require a financial commitment. The targeted groups who tend to start SMMP are generally large-scale corporations whose volume of meetings and vast resources support the need for such a program. However, meeting management programs should not exclude smaller to mid-sized companies who could benefit from a scaled-back version of an SMMP.

This paper will take an exploratory look at the evolving role of corporate meeting planners as strategic partners as well as the impact of meetings and business travel on the economy. The paper will also be a review of literature on best practices and standards for creating a SMMP. Recommendations will be made for applying processes that best support small to mid-sized organizations, as well as any developmental constraints that could occur.

The purpose of this study is two-fold. One is to examine how and why corporate meeting planners should be prepared to support the return on investment (ROI) of events. The second is to eliminate some of the intimidation of starting a SMMP by developing a manageable roadmap that is relevant to an organization that may not: (a) have a large-scale or multiple meeting departments, (b) host a high volume or scope of meetings typical to larger corporations, and (c) have large-scale budgets to support new technology or travel programs suggested in most SMMPs.

Statement of Objective

This comprehensive manual will detail processes of how to accurately measure meeting and travel spend, gain cross-functional leverage and apply methods for making meetings purpose-driven. This includes, but is not limited to: (a) aligning event objectives with corporate goals, (b) offering cost-saving options to protect the company's bottom line, and (c) incorporating best practices, as established by industry standards, which will be specifically tailored to meet the needs of planners in smaller firms.

Justification

Now more than ever the hospitality industry, namely the meeting and events sector face several pressures and challenges, including smaller budgets and government and public scrutiny. Due to the poor decision making of some large-scale insurance and banking corporations for hosting extravagant meetings, the industry as a whole has had to demonstrate that not all meetings are frivolous and excessive. More and more corporations are striving to become responsible corporate citizens who feel they have to prove to shareholders and the public that they are spending dollars wisely, that they can meet the business needs of growing multi-national and multi-cultural demands, and that they are compliant with regulatory laws and guidelines for meetings (NBTA, 2008).

Having a solid SMMP in place helps event planners drive home the fact that meeting and events are a much needed component to businesses and the economy. A component that can leverage low costs, as well as drive efficiency, productivity, and revenue amongst employees enterprise-wide.

Constraints

Implementation of an SMMP is not guaranteed in every workplace. The reader will find that developing such a program will require a significant time and financial commitment that will be later discussed in the conclusion portion of this paper.

The guidelines listed will serve to give recommendations to planners for application to existing meeting management plans. The material and data presented in this paper will be generalized to apply to firms that fall within the small-to mid sized organizations. Currently there is insufficient SMMP data that caters to this small business market, therefore secondary data collected through interviews and survey will be used to support research in the literature review.

PART TWO

Literature Review

Introduction

In part one the reader was introduced to two concepts that are increasingly fundamental to the growth and longevity of the meeting and events industry: the emerging role of corporate meeting planners not only as logistical managers, but rather strategic partners; and the necessity of implementing SMMP or SMM plans during these crucial economic times as a means to centralize meeting production and leverage spend enterprise-wide.

Part two will take a deeper look into the history of the meeting and event market and how SMM came to be synonymous with the hospitality industry as a whole. The literature review will also explore the various characteristics of a solid and functional SMMP as suggested by industry leaders.

Meeting and Events Industry

Like any other industry there are key milestones and changes within the social and economic atmosphere that can help shape the direction for growth and expansion. The meeting and events industry is no exception to the concept of evolution. The decade spanning from 1970-1980 marked some progressive achievements for the concept of corporate planning and influenced the role that strategic meeting management would have on the permanence of this burgeoning industry.

The early 1970s marked a workforce revolution, or the "quiet revolution" as it is commonly referred to. This was the mass emergence of women in pursuit of career paths and equal opportunities in the workplace. During this time women chose to distinguish their opportunities, identities and decision making abilities. So in droves they enrolled at colleges and universities, and rose to/filled various positions across numerous industries (Golden, 2006). However, no matter the industry there was a critical need for enterprises to organize both on-site and off-site events, and typically women fulfilled these roles, giving meeting planning breadth and potential as a profession. As of 2007, women were still dominating the planner demographic, with nearly 77 % of women in these roles (The Convention Industry Council, 2007).

In 1978 the Airline Deregulation Act changed the way enterprises managed their business travel spend. A series of airline mergers, acquisitions and the emergence of new airline carriers on the scenes created an oscillation of travel prices and policies. Due to the dynamic and volatile state of the travel industry many enterprises were forced to reevaluate the way they managed their business travel spend. New initiatives were developed as a means of cutting travel spend and streamlining their procurement practices (National Business Travel Association, 2008).

In the early 1990s enterprises decided to centralize their meeting and event functions by putting all people who touched meetings under one umbrella; thus the term "meeting consolidation" was coined and soon became a general practice. Some companies still managed small meetings on a case by case manner, while other corporations and associations developed full-scale meeting departments to manage various events like sales conferences, expos, and incentives trips. The overall goal was to track and reduce meeting expenses by partnering with procurement to leverage the best rates (Corbin Ball Associates, 2009).

The early initiators of consolidation programs were mainly large-scale forces such as pharmaceutical and technology industries. These companies often had large central meeting departments instead of several smaller departments; this was thought to reduce savings by eliminating unnecessary staffing and suppliers. As time progressed and news of meeting consolidation programs spread to other industries, new methodologies emerged for managing meeting spend. Companies began to develop new SMMP programs to align with overall company objectives, implement risk mitigation and develop policies that could support planners in multiple departments (NBTA, 2008).

Role of the Meeting Planner

There are several interpretations of what constitutes a meeting or event planner and the duties that are involved. Given the high number of planners operating under ambiguous job titles and descriptions, it is often hard to provide a definitive description. Essentially a meeting planner is defined as a "decision maker who manages all facets of meeting preparation and execution" (StateUniversity.com, 2010). As of 2007, the Convention Industry Council (CIC) identified nearly 90,000 people who make up the event planner market in the US and Canada (CIC, 2007).

Planners usually fall into one of three categories; corporate planners, association planners or independent planners. Corporate planners are employed by businesses or corporations as part of their internal meeting team. They focus on all corporate related events such as incentives or reward trips, meetings, launches, expos and conventions. Association planners are similar to corporate planners except they are employed by business associations and organizations, including non-profit organizations. Independent planners work on a free-lance basis and can work for businesses that do not have planners on staff. Or they can be hired independently to handle social events such as weddings, birthdays and other milestone events (StateUniversity.com, 2010).

The role of today's meeting planners has certainly evolved over the past 25 years as a more detailed and comprehensive function. In the earlier stages of meeting planning as a profession, planners were limited to simply managing movement- the flow of goods and services. Now an effective meeting planner goes far beyond the typical notion of being a glorified party planner- in which creating a registration list or booking the best venue in town is the only concern of a planner. The role of the planner is now much more involved. Meeting Professionals International (MPI) identifies three areas of concentration that planners handle for meetings: (a) logistics and tactical elements (b) strategic sourcing and budgeting and (c) content branding and marketing (MPI, 2005).

Currently, savvy planners are learning to become synergistic collaborators, and proficient in the language of business. The end goal is to be seen as business partner and an advocate for the wellbeing of the company and its stakeholders. Valuable event managers will call to action the development and branding of corporate initiatives and objectives, and drive home substantial results (Meeting Professionals International, 2005).

For the purpose of this paper, the term "meeting planner" or "planner" will be referenced to include all corporate, association and independent planners who manage the planning and execution of meetings, incentives, conventions and exhibits which stand for the acronym *MICE* (Aberdeen Group, 2008).

Strategic Meeting Management Programs

Developing a SMMP is not an easy task because there are so many components required to make it work. SMMP requires meeting planners and other stakeholders to answer to the question: how can meeting management continuously support what is best for the enterprise? This entails a survey of the company mission and objectives, a careful analysis of the functions of supporting departments, and the development of processes and procedures that protect and contribute to the bottom-line.

There are several benefits of incorporating SMMP procedures into meeting programs; including a greater understanding of meeting costs and ROI, risk avoidance through contract review and increased efficiencies. Notably one of the biggest drivers for companies to implement SMMP is the Sarbanes-Oxley Act of 2002. In light of some costly corporate meeting spending scandals, SOX as it is commonly referred to, was in acted to provide increased structure and transparency within corporations, along with requiring public corporations to have more auditable processes, including the manner in which they held and funded meetings and events. This means that management will undergo more assessments of internal control and spending (NBTA, 2008). A SMMP can assist with better transparency of meeting spend, approval processes, and clearly defined metrics that support organizational objectives.

There are several organizations and meeting planners who have outlined procedures for starting a SMMP. For the purpose of this paper we will explore the processes and best practices set forth by two prominent hospitality organizations, and one celebrated hospitality veteran for a tighter scope of reference. The organizational procedures presented will be from the National Business Travel Association (NBTA), Meeting Professionals International (MPI), and Corbin Ball Associates.

National Business Travel Association

In 2008, the NBTA released its second edition of their original 2004 SMMP white paper as a means to provide a guide for corporate travel buyers who were responsible for managing SMMPs. Often people don't associate the travel industry with being a major component of the meeting industry and instead categorize them as two separate entities. While the two are separate, they both play an integral role as a significant financial contributor. Business travel alone in the US generates $234 billion in revenue (IHS Global Insight & NBTA, 2009). In 2006 more than one million meetings took place in the US, with $6.2 billion dollars spent on incentive travel alone (CIC, 2007). Needless to say, one industry could not survive without the other.

The NBTA says that development of a SMMP begins with a project plan that requires a high level approach to starting out. They outline five key steps: (a) define the problem or opportunities, (b) measure the current state of spend, (c) analyze the opportunities, (d) build the framework, and (e) implement the SMMP.

Step one, defining the problem or opportunity is arguably one of the most important steps. It is during this stage that the planner can define the scope and breadth of company needs. Here questions are asked: how will meetings be defined? Will this process apply to national as well as global affiliates? Will all business units be affected and involved? In addition, this step requires the planner to identify key stakeholders, and select a corporate sponsor who will assist the planner in gaining executive or C-level buy in. At this point, the planner should begin to understand what problems can be solved through an SMMP (NBTA, 2008, p.5).

Measurement is a major step, as it will help the planner understand the company's current philosophies of meeting spend, and process procedures. Understanding current policies and spend will help the planner set the bar for where they want to take the company, and what policies should be adopted or changed. This step requires the planner to engage in stakeholder interviews to obtain an in-depth database of information, as well as build relationships (NBTA, 2008, p.6).

Stakeholders could include other planners, project managers, sponsors and department managers. Historical data should be analyzed to validate any information gained during the stakeholder interviews, such as internal meeting data, purchasing systems, travel and expense reports and supplier/vendor data. At this point the planner should begin to form an advisory panel comprised of key stakeholders and possibly an SMMP-experienced supplier (NBTA, 2008, p.7).

Step 3 involves analyzing the potential opportunities for areas of growth and development. NABTA suggests planners could consider focusing on improving process efficiencies, controlling risk management, and streamlining cost savings and avoidance. Examining process efficiencies is important because there is a high chance that certain efforts and responsibilities are redundant across multiple departments. Perhaps other departments are handling site inspections, planning and budgeting, creating requests for proposals (RFPs) and other tasks that could be streamlined or automated, thereby reducing costs and creating time savings (NBTA, 2008, p.9).

Similarly if there are multiple departments doing the same tasks, there might be multiple contracts involved that could be presenting potential risk to the enterprise if certain aspects like cancellation and attrition rates are not handled carefully. Creating standardized contract process and setting signatory requirements could reduce the amount of risk and exposure to the company. This step lends itself well to overall cost saving and avoidance, as there is likely to be departments that have overlapping expenditures. The planner should consult with various departments such as finance and procurement to establish methods for measuring costs and savings by establishing preferred vendor lists, and negotiating more favorable terms and pricing (NBTA, 2008, p.10).

Step four, building the SMMP landscape can be one of the most detailed and time consuming processes. Here the planner has to create two comprehensive documents to solicit further buy in. The first document will outline all of the research gathered in the first three steps. This will require an initial review by the project team, and then be used as basis to create the second document which is the more detailed business case. NBTA suggests that the business plan should be organized into four main parts. Section one contains the current situation of the company with verifiable data and stakeholder testimonials. Section two identifies the opportunity and best practices; section three contains the gap analysis of what is necessary to move the company from the current state to the desired state. The last section includes a strategic plan for best practices and how they will be communicated (NBTA, 2008, p.11).

Once the business case has been approved by the C-level then the final step of implementation can start. This step will be training and communicating the new policies to all parties who manage meetings or have involvement in the SMMP. However, rolling out the plan is not the final step, action such as compliance monitoring and effectiveness measurement still has to take place to ensure the SMMP is working properly (NBTA, 2008, p. 11).

NBTA recognizes that each SMMP flow will be different; however they recommend that a comprehensive SMMP initiative will include most of the seven best in class components. This includes: (a) policy for internal registering of a meeting or event; (b) several approval processes, buy in on behalf of stakeholders and C-level executives; (c) a plan for sourcing and procurement; (d) procedures for planning and execution; (e) a form of payment and expense reconciliation; (f) format for data analysis and reporting; and (g) technology that supports all needs and functions (NBTA, 2008, p.13).

Meeting Professionals International

MPI a leading membership-driven organization for meeting professionals worldwide released their position paper from their Global Corporate Circle of Excellence (GCCOE) on SMMP implementation in 2005. Similarly to NBTA, MPI recognizes that each SMM program is unique to each company and therefore the suggested steps may not be applicable in every case.

MPI outlines a roadmap of eight steps a planner could use to craft their own program. In addition the GCCOE suggests adding an additional step of clarifying your own goals and objectives first before starting the program. Since a SMMP has the potential to transform a planner's organization as well as career, they will be more likely to appreciate their efforts if they first identify what that success looks like, and where they want to be years from now (GCCOE, 2007).

The first step that MPI outlines is to analyze the organization's goals and objectives. Doing so up front allows for the planner to gain a clear understanding of the company's brand, values and culture. No SMMP should be created without the company's strategic initiatives in mind, or else the program could receive resistance on many levels. Questions a planner should ask are if the company's culture would support a SMMP, is there a need for one and how likely is the program to be successful? Gathering research from similar companies who have implemented SMMP can help set the right expectations and benchmarking (GCCOE, 2005, p.4)

The second step is to take an in-depth look at your department's core competences against how they support overall organizational goals. This means that planners will have to take an honest look of how their department best supports the organization and how it could bring added value. This could include identifying specific measurable items like cost avoidance and savings, ROI and client satisfaction. This analysis will link into other departments as well, so that the planner can classify who the internal stakeholders are such as finance, marketing, technology (IT), clients, and corporate travel departments to name a few. Each of these stakeholders has certain competencies that can complement or enhance overall efficiencies
(GCCOE, 2005, p. 5-6).

Once all the initial data is gathered, drafting a preliminary proposal for the program is the third step in the process. This document should be simple and brief and best presented in a model that C-level executives are accustomed to seeing (e.g., PowerPoint, written proposal). The proposal should include but is not limited to: (a) executive summary of key points, (b) statement on why SMMP is important to the company, (c) a snapshot of your department and its place within the organization, (d) short- and long- term financial impacts, (e) list of current policies and procedures and how they could evolve, (f) communication plan for program rollout, and (g) evaluation plan for measuring program success (GCCOE, 2005, p.7).

Step four requires the planner to ask in-house stakeholders to identify external partners to create preferred vendor lists that will help to improve financial and process efficiencies. By doing this the planner can simplify many cross-departmental activities such as drafting RFPs, contract negotiation, as well as increasing savings and discounts by offering vendors increased business volume. This step allows planners to identify widely used suppliers and vendors used by the company outside of hotels and airlines. This could include data and project management suppliers, photographers, printers, and PR firms (GCCOE, 2005, p. 8).

The fifth step entails the planner choosing appropriate technology tools to increase productivity and processes. This includes online RFPs, data collection and surveys, registration, budgeting, and meeting planning software. There could be some of these technological systems in place in the company already, but customized programs could be created or shared with various departments enterprise-wide (GCCOE, 2005, p.9).

Now no matter how good a SMMP sounds in theory, nothing matters more than how it will be measured to define success. MPI suggests in step six for planners to set measurement standards for meetings and events, as well as the overall SMMP. By looking at survey feedback for example as a measurement process, a planner could identify more way to reduce costs during events, or get ideas to create new planning processes Benchmarking across the industry will also help the planner evaluate if they are on track with industry norms or standards (GCCOE, 2005, p. 10).

Step seven and eight are the last two vital steps. First the planner has to prepare a final proposal for approval which includes estimated implementation costs, anticipated long-term savings as well as bottom-line impact. Once the proposal gets approved, the final act is preparing for an enterprise-wide rollout (GCCOE, 2005, p.10).

Corbin Ball Associates

For four consecutive years Corbin Ball has been named by *MeetingNews Maga*zine as one of the "Top 25 Most Influential People in the Meetings Industry." With more than 20 years of experience in the meeting business, Corbin Ball continues to share his knowledge of the industry to educate meeting professionals worldwide. In 2009, Corbin Ball Associates released their own version of an SMMP implementation guide highlighting a formal meeting management policy that includes all departments and divisions of an enterprise (Corbinball.com, 2010).

Every SMMP should have its own elements that best suits the company and Corbin Ball Associates suggests five components that planners should consider: (a) meeting design, (b) strategic sourcing, (c) meetings and attendee management, (d) reconciliation of expenses, and (e) measure and evaluation.

First the program should have a provision for the meeting design which would include knowing the purpose of the meetings and cost elements, a process to review and approve meetings, and a way to track meeting spend elements. Secondly, the SMMP should address strategic sourcing including choosing venues, negotiating contracts and travel and event services. One of the biggest benefits of implementing a SMMP strategy is saving the company money through streamlining areas of spending to get the best rates (Corbinball.com, 2010, p.2).

The third component is meetings and attendee management which takes place by controlling attendee registration, travel and housing expenses. The big advantage here would be to automate systems to make the process more efficient. This could include planners creating arrival and departure manifests taken directly from travel bookings, and allowing attendees to make changes to travel records online. The fourth component deals with the reconciliation of expenses so that bills can be paid in a timely manner, and in line with standard procurement policies. This will also aid in quickly assessing specific event costs to match with budgeted costs. Finally a rich SMMP will contain a process to measure and evaluate the program. Some questions the program should answer are: How much savings does the company see on an annual basis? Are we receiving a favorable return on investment and do we have the right procedures in place (Corbinball.com, 2010, p.3)?

In addition to providing a basis for SMMP components, Corbin Ball outlines five steps a planner should take in developing SMMP. Although presented in a different order, the steps are fairly similar to the previous two guidelines. First things first are for the planner to select an implementation team that will be integral in getting the program off the ground. Again this is a mix of meeting and travel managers, tech specialist, finance and any other identified stakeholders. Second, collection of meeting data has to take place before recommendations can be made for proceeding. Event surveys, reports on travel and meeting costs are some of the historical data that can be used (Corbinball.com, 2010, p.9).

For step three, technology is considered the cornerstone for SMMP programs because it can simplify and reduce costs for sourcing, registration, travel management, ROI measurement and evaluation. In addition, planners could utilize the services of the technology providers to give best practices and partner the implementation process (Corbinball.com, 2010, p.9).

The last two steps require the planner to develop the implementation and communication plans, as well as timelines for rolling out the plan. Planners should remember that SMMPs are not implemented overnight. In fact, the average program can take three to five years to begin, so planners should be realistic in their timeline, and introduce the program in stages over a course of several of months. Likewise, other team members of the organization may meet the program with some resistance, so a thorough communication and training program must be carefully thought out to make the transition smoother (Corbinball.com, 2010, p.10).

Conclusion to Literature Review

The good thing about a SMMP is that there is no right way to tackle such a project therefore planners in big and small corporations can implement a program. However the size of the meeting department, level of available technology, and budget will be some of the factors that will determine how extensive the program will be. One thing the reader may have noticed is that the steps outlined by NBTA, MPI and Corbin Ball Associates are all very similar in overall concept, but each had a different order in which to develop the program as well as different components that should be included in the SMMP. The order in which the program starts will depend strongly on the state and working culture of the company.

Corporations seeking to implement this program should specifically tailor this strategy to meet the goals and needs of the enterprise. Prior to starting a program, a planner should know that designing a SMMP is a time-consuming, detail-oriented process that requires a committed team to push results. For this reason alone, they should also have a good grasp of what it is that they would like to accomplish both on a professional and personal level. It could be at this stage that a planner realizes that the timing or return on investment doesn't benefit the company and therefore negates the benefit of an SMMP.

PART THREE

Introduction

Case Study

This next section will aim at applying some or all of the steps that industry leaders outlined (in part two) for implementing the process. It is unrealistic to expect that a planner will put all of these elements into practice all at once, thus the planner should approach this process with long-term objectives for results.

Part three will be presented in two sections: first will be a case study of “Company X”, a real mid-sized company which has recently adopted its’ own version of SMMP, and is within the first year of the implementation process. For the purposes of confidentiality the organization will simply be referred to as “Company X.” The planner will be able to use some of the SMMP elements as a template for developing a program that meets their organizational objectives. It should be noted note that Company X is a real company that exists and the information listed in this document has not been published but rather documented internally by the author of this paper and therefore has no reference information.

The second section will address recommendations in the form of insider tools and documents that the reader can incorporate into their program. Here special consideration will be made for companies that operate with small to mid-sized meeting departments, and limited budgets.

Overview of Company X

Founded in 1994, Company X is the leading provider of outsourced, face-to-face sales teams to a diverse client base of companies in a range of industries, including, but not limited to telecommunications, office products, retail energy, and financial services. This privately held company works with a network of independently owned corporate licensee sales offices which provide Fortune 500 clients with access to more than 2,700 sales professionals in nearly 200 offices in North America.

Company X's primary role is to offer administrative and operational support to the independent sales offices by securing clients, training the sales teams on how to support the client's needs, managing client campaigns, ensuring proper billing, incentive compensation, as well as providing educational and developmental opportunities to the field (sales teams).

Company Culture

Company X is comprised of a mix of highly motivated and dynamic sales representatives, and organizational leaders. Nearly 70% are college educated, with the remaining 30% having a solid background in business and entrepreneurial management. The company operates on the premise of honing each individual's entrepreneurial spirit by cultivating leaders who wish to run their own sales offices.

The average age of company representatives ranges from 22-30 years of age, with executive management ranging between 35-50 years of age. The majority of executive management has been with the company since its inception, at one time operating as sales representatives before rising to executive-level positions.

Company X is headquartered on the West Coast with nearly 90 employees managing the internal operations. The company is divided into ten departments that support the organization, including Operations, Data Management, Finance, Field Solutions, People Services, Marketing and Communications, IT, Business Development, Campaign Management and Quality Assurance. The remaining 2,700-strong work force is spread across the United States and Canada, with a high concentration of team members residing on the East Coast.

At the core of Company X's business model are seven key valued behaviors that shape the way business is structured:(a) communication between Company X, the field and the client; (b) collaboration within the organization; (c) respect and get all brains in the game, (d) integrity-doing what is right, not what is easiest; (e) development of the people; (f) execution to the field and; (g) service to the clients.

Company Events

In order to facilitate and support the sales teams in practicing and living the company values, as well as promoting the big picture, Company X holds several meetings throughout the year. These meetings allow new hires to network with more senior people in the organization, offer essential training and education, as well as provide a forum for individuals across the organization to share best practices and institutional knowledge.

Company X hosts a total of 38 meetings a year broken down into; six major events for the sales offices throughout the year, one training meeting four times a year, along with 11 one-day regional meetings held three times a year (see Table 1). The attendee counts range from 30 to 40 attendees for the Business Building Blocks and Rising Star meetings. 60-80 attendees are invited to the Promoting Owner event. 450-550 attendees are present for the Keys to Success, R&R, Leader's Meetings and Canadian Conference. The US regional conference draws as many as 2,700 attendees.

Table 1

Meeting Types

Meeting Name	Time of Year	Purpose for Event
Keys to Success	January	Yearly Kick-off event to promote company goals and opportunities
Promoting Owners	April	By invitation only- rewarding sales members at Promoting Owner status
R&R	July or August	Rest and relaxation incentive trip for all sales owners and their crew
Rising Star	October	By invitation only- training and recognition for new owners
Canadian National Conference	November	Awards and recognition rally and recruiting event
US National Conference	December	Awards and recognition rally and recruiting event
Leaders Meetings	March, June, September (three times a year)	Training meeting ran by the top performing leaders in the business
Business Building Blocks	February, May, August, October (four times a year)	Training course for new owners to run sales offices

Marketing & Communications Department

The Event division for Company X oversees the planning and execution of all internal and external events. The small two-person Event team is a component of the Marketing and Communications department, and shares like responsibilities with the three-person Marketing division, such as Search Engine Optimization (SEO) management, marketing of the internal publication- The Leader magazine, and managing the external Neighborhood Leader community outreach program (see Figure 1). Together both units are an integral business and cultural representation of how Company X communicates, educates and motivates both internal and external stakeholders.

The event team manages a budget of $1.8M of company revenues spent on meetings and events in 2009, with 90% of the funds spent on supporting external events. The events do not generate revenues via onsite sales, registrations or exhibits and therefore operate solely on a loss basis. However, the meetings significantly impact business goals and objectives which function as a measure of return.

These factors help establish Company X as a small-to-mid-sized meeting department as mentioned in Part One of this paper. As earlier identified, smaller firms are defined as companies meeting the following requirements: (a) not having a large-scale or multiple meeting departments, (b) not hosting a high volume or scope of meetings typical to larger corporations, and (c) not having large-scale event budgets (more than $3M) or company budgets to support new technology or travel programs.

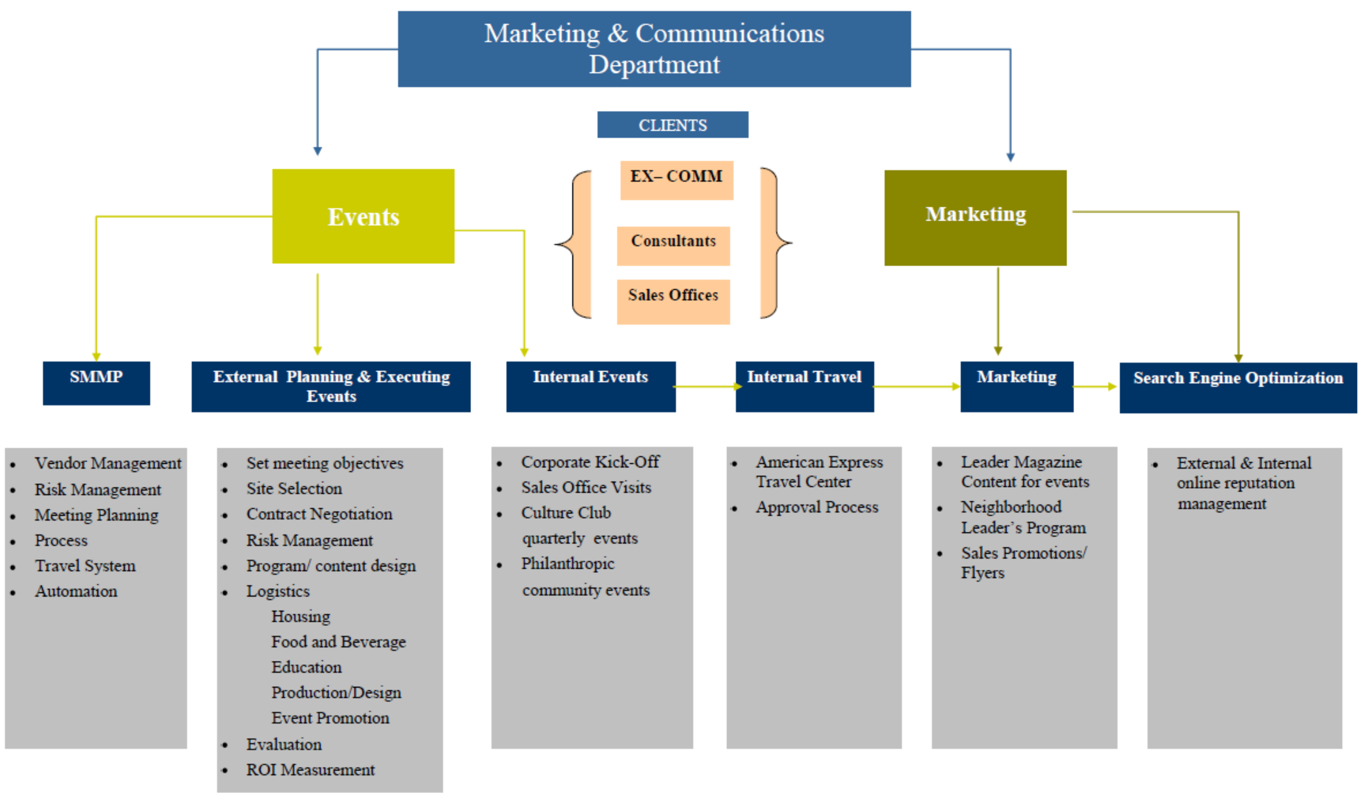

Figure 1. Marketing & Communication Department Organization Chart

Need for SMMP

In the past the event division helped produce good meetings and events, but they lacked structure to make them equally beneficial to the attendees as well as the company. This set the stage for ineffective management and misspending of company funds. After compiling an internal list of stakeholders and department heads that could spearhead SMMP initiatives, such as the Finance, Information Technology, and Data Management departments the event team identified key areas for improvement within the department.

First, (a) not all programs aligned with company goals or had the full support of executive management; (b) the lack of record keeping and data management systems prohibited the ability to make business decisions based on metrics and trends, rather than subjective opinions; (c) the lack of automated systems for event registration and housing made it difficult and time consuming for potential event attendees; and (d) strategic aspects of planning such as partnering with internal resources, developing supplier management programs, and system controls were not present.

The strategic team also identified the need to develop a SMMP in an effort to align the Marketing and Communication department with Company X's three strategic goals of increasing revenue by 20%, increasing average headcount and wowing the sales field to demonstrate Company X's support value. The primary focus of the program is to streamline business practices within the departments, gain control over compliance and spend, standardize performance metrics, and provide the best value for Company X programs.

SMMP Goals and Expected Results

The goals of the new event division and SMMP program are to formalize and centralize the meetings and events management policies and processes by: (a) working with defined clients to develop meetings and events that will yield a return on investment by addressing the company's three strategic goals, (b) solid tracking and data measurement to improve decisions for future events, (c) and leveraging spend, containing costs and reducing risk (see Table 2).

The most dramatic results that Company X will experience will be during the first year of implementation. The events team outlined five areas of savings: (a) a first year savings of 10% or more in meeting spend, equating to $180K for 2010, and then tapering off to 3-5% each additional year; (b) increased productivity and effeciency of internal meeting planners by 20%; (c) reduced risks and liabilites especially on hotel contracts and cancellation costs by 10% (cancellation costs alone in 2008 were $150K); (d) reduced planning time of 960 hours a year for planners saving $24K annually (960 hours x $25/hr); and (e) improved and reported ROI data for departments and programs.

Company X knows that critical success factors of the program will rely on continued executive sponsorship to support and adopt the new policies. Implementation of the company's pre-existing new internal software "Business Intellegence" will help automate meeting procedures and capture data. Likewise, partnerships with internal departments to implement a supplier management program will help lower costs, and reduce risks to the company.

Meetings and events plays an integral role in the way Company X conducts business, and secures the longevity of the company. Moving forward, the department will play an important role in communicating, educating and motivating all stakeholders. By establishing a SMMP, this will help impact the company's ability to meet business goals.

Table 2

SMMP 5 Key Areas of Focus

Key Areas	Focus
Vendor/ Supplier Management	Developing a preferred supplier management program with internal departments and sourcing system to leverage buying power and consolidate meeting spend
Financial & Risk Management	Incorporating detailed processes and controls on contracts and insurance regulations to reduce costs, liabilities and risks to the company. Processes and checklists to guarantee compliance
Meeting Planning Process	Defining event division purpose, goals, strategy, policies, stakeholders, program data and services offered
Travel System (combined internal and external)	Managing internal online travel system, and roll out to external sales offices to simplify travel for evens and reduce costs
Automation (Technology solutions)	Implementing technology and systems to streamline processes, automate online processes and manage data

Recommendations

Often the hardest part for planners who want to design an SMMP is knowing how and where to start? In this next section, basic recommendations will be made by industry planners who have adopted programs within their own small to mid-sized companies, as well as some forms and charts will be provided for planners to use to get started (see Appendix).

There are several different ways to approach the SMMP process, but one of the biggest challenges for smaller companies, with small-to-mid-sized meeting departments is that the task can appear more daunting because one or two people might make up an entire department, and therefore require more external support and information. Often the first place to start is by understanding the industry and how your company measures against it.

Tom Tolve̕, CMP, senior manager of meeting operations suggests finding other companies similar in size, and begin by assessing their meeting planning and spending process.

With this benchmarking data in hand, the planner doesn't have to re-invent the wheel and can simply compile a list of best practices for the company to utilize. The next step is to get support and feedback from other departments, and incorporate temporary planners on an ad hoc basis who have a hand in meetings, but do not plan 100% of the time. Having additional buy-in can make the process smoother and more likely to be approved (Corporate Meetings & Incentives, 2009).

Tolvé says it took his team more than a year to draft standard operating procedures for how meetings should be run and managed, and then another six months to get senior management's approval and rollout of the program. Part of his new plan incorporated the 50/50/50 rule, which states any event that has at least 50 cumulative room nights, 50 attendees and a budget of $50K or more has to be registered through his department and adhere to policy (Corporate Meetings & Incentives, 2009).

For some small firms the numbers of attendees and budgets may vary, and might require that all meetings be registered through the meeting department. Small companies should keep in mind that there might be one central meeting department, but there could be other employees who plan small events such as board meetings and office parties, that could still benefit from meeting policies. Tolvé says the main purpose of the SMMP is to make sure everyone works within the same parameters and benefits the company by working with preferred partners Corporate Meetings & Incentives, 2009).

Betsy Bondurant, CMM, CMP, is president of Bondurant Consulting and says that meeting spend is one of the most challenging aspects of developing a SMMP. Bondurant suggests as a guide the standard meeting spend will be 1- 3% of the company's revenue. So for a company with revenue of $150M, the total meeting spend should be between $1.5M and $4.5M.

With the implementation of SMMP a planner should see a cost avoidance of 10 to 25% within the first year, so that same company with $150M in revenue could expect to save $150K to $375K within the first year (Financial & Insurance Meetings, 2008).

Bondurant suggests way to find data on your current spend would be to review meeting files and invoices, ask hotel chains and other suppliers to provide information of spend. If a planner works with a third-party housing company, they should be a good resource for locating data on hotel spend. She also suggests collaborating with the travel department (if separate) on business travel spend, as well as examining finance department reports and purchasing card reports (Financial & Insurance Meetings, 2008).

Technology is another key area where planners can see returns on their SMMP. However, in some cases the savings may not be financial, and instead can be a saving of time. Bondurant says that automated tools such as meeting registry and calendaring, online hotel sourcing, online attendee registration and online budgeting and planner can be very rewarding. Having an intranet-based meeting registry within the company can assure easy access to all users and a better chance for compliance (Corporate Meetings & Incentives, 2008).

Sending multiple requests for hotel and vendor proposals online increases staff productivity, and enables the planner to source from multiple vendors to get the best rate. In 2007 Hilton Hotels re-launched its Web-based e-Events tool that allows planners to book blocks of five to 25 sleeping rooms in real-time, and now even allows them to book meeting space, food and beverage and audio visual services (Financial & Insurance Meetings, 2007). Savings on data entry and ensured accuracy can also be achieved through online attendee registration and budgeting tools (Corporate Meetings & Incentives, 2008).

Conclusion

Saving money and time is a universal concept. Especially in a time where resources may be limited and protecting the bottom line is critical. Establishing an overall strategic plan will help planners impact the company's ability to meet designated business goals, as well as maintain a systematic approach to managing an essential element of business such as meetings and events.

Implementing an SMMP is not an overnight process, and there is no one plan that fits all. Planners will have to invest the time and resources to understand company goals and objectives, their current department functions and capabilities as well as meeting spend. Planners will also get the opportunity to enhance their visibility within the company by working cross-functionally with other departments and stakeholders to find the best solutions for increasing efficiency and savings. In the end, the process should emerge as a true win-win for all parties involves, and will help cement event planners as necessary strategic partners.

APPENDIX

Form 1. *Stakeholder Analysis*

Who are your internal and external customers		
	What did they say?	
Who do you ask?	Internal	External
1. 2. 3.	• • • • •	• • • • •

Organizational strategies and goals	
What are your current priorities?	
Who do you ask?	What did they say?
1. 2. 3.	1. 2. 3.
Organizational strategies and goals	
What are your long-term priorities?	
Who do you ask?	What did they say?
1. 2. 3.	1. 2. 3.

(GCCOE Handbook, 2005)

Form 2. *Daily Functions*

Which tasks consume most of your time?	
Today	**Two to three years from now**
1. 2. 3.	1. 2. 3.
What percentage of your time do you spend on:	
Today	**Two to three years from now**
• Meeting logistics ___% • Meeting strategy ___% • Managing outside vendors ___% • Other ___%	• Meeting logistics ___% • Meeting strategy ___% • Managing outside vendors ___% • Other ___%
Where can you improve?	
Today	**Two to three years from now**
1. 2. 3.	1. 2. 3.
For what key functions do you rely on internal stakeholders or partners?	
Today	**Two to three years from now**
1. 2. 3.	1. 2. 3.

(GCCOE Handbook, 2005)

Form 3. *Objectives/Department SWOT*

Organization or Meeting:	
Objectives 1. 2. 3. 4.	

What are your department's strengths and weaknesses?	
Today	**Two to three years from now**
1. 2. 3.	1. 2. 3.
What added value do you bring to your organization?	
Today	**Two to three years from now**
1. 2. 3.	1. 2. 3.

(GCCOE Handbook, 2005)

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Form 4. *SMMP Preliminary Plan*

Elements of a Preliminary SMMP Plan

EXECUTIVE SUMMARY
• Value proposition: What will the strategic meetings management program achieve, and why? How does the plan support broader organizational objectives and strategy?

- Save money
- Improve meeting results and impact
- Standardize business processes
- Mitigate risk
- Support regulatory compliance

BUSINESS INTELLIGENCE

• Information from colleagues and peers
• Customer feedback
• Overview of industry practices (MPI, PCMA, Internet sources on SMMP and corporate consolidation, business schools, GCCOE white papers)

STEPS AND METHODS

• Consolidated spending
• Reduced labor costs
• Greater efficiencies

CRITICAL SUCCESS FACTORS

• In-house cooperation
• Supply chain support and management
• IT support
• Stakeholder/departmental support
• Brand management
• Sensitivity to/management of cultural change

FINANCIAL AND OTHER RESOURCES

TIMELINE FOR IMPLEMENTATION

EVALUATION

(GCCOE Handbook, 2005)

Form 5. *Current Vendor List*

On this form list vendors that currently account for the majority of your external spending. Next, add up your spend with each supplier and rate their effectiveness. Key measures of effectiveness include:

- Quality of work
- Price
- Availability
- Flexibility
- Consistency
- Value-added service
- History and relationship
- Compliance with regulatory requirements (internal standards, Sarbanes-Oxley, Safe Harbour, pharmaceutical codes)
- Overall satisfaction

		Cost and Value			
			1-5 scale		
External Partners	**Vendors**	**Total Spend**	**Cost**	**Value**	**Cost x Value**
Hotel					
AV					
Production					
Air					
Specialty					
Ground					
Food & beverage					
Entertainment					
DMCs					
Meeting management					
Other					

(GCCOE Handbook, 2005)

Form 6. *Current Technology Rating*

First, assess your current technology. You'll want to look at specific functions, as well as the ability of a particular software package to provide real-time access or integrate with other systems.

Purpose	**Current Solution**	**Gaps**	**Rating**
Online RFP			
Budgeting/cost tracking			
Database/project management			
Registration/attendee management			
Meeting planning software			
Surveys			
Attendee evaluations			
Event reporting			
CRM			
Booking Airfare			
Competitor Benchmarking			
Calendaring/scheduling systems			
(Other)			

(GCCOE Handbook, 2005)

Form 7. *SMMP Objectives*

Objective #1:		
What are you measuring?	**What else do you need to know?**	**How will you measure it?**
1. 2. 3.	1. 2. 3.	1. 2. 3.
Objective #2:		
What are you measuring?	**What else do you need to know?**	**How will you measure it?**
1. 2. 3.	1. 2. 3.	1. 2. 3.
Objective #3:		
What are you measuring?	**What else do you need to know?**	**How will you measure it?**
1. 2. 3.	1. 2. 3.	1. 2. 3.
Objective #4:		
What are you measuring?	**What else do you need to know?**	**How will you measure it?**
1. 2. 3.	1. 2. 3.	1. 2. 3.

(GCCOE Handbook, 2005)

Form 8. *Business Plan*

Business Plan Template

EXECUTIVE SUMMARY

- Written last, to fully reflect the final plan
- Adapted from executive summary in preliminary plan (Step 3)
- Succinct statement of value proposition
- Tie-in to organizational objectives and strategy
- Overview of finances, resource requirements, financial milestones

PURPOSE

- Statement of the "burning need," in the context of organizational goals and objectives
- Overview/critique of current approaches
- Benefits of proposed solution
- Succinct statement of value proposition
- Inventory of target audiences/markets and how the proposed solution will help them/reach them

ENVIRONMENTAL SCAN

- External
    - SWOT analysis
    - Statement of competitive advantages/potential areas of weakness
- Internal
    - Current business processes
    - Current one-year spend (global budget, meeting budgets, salaries, room rates)
    - Projected spend over three to five years (factor in inflation)
    - Data snapshots (percent spend by category and department, potential savings)

STRATEGY AND PLANS

- Proposed strategy
- Operations plan
- Communications plan
- Organizational chart (current and proposed)

FINANCIALS

- Budget
- Break-even analysis
- Cost-benefit analysis
- Operating costs (people)
- Capital costs (technology)

RISK ANALYSIS

- Overview
- Process SWOT analysis
- Success factors
- Potential limiting factors
- Alternative scenarios

TIMELINE/IMPLEMENTATION PLAN

- Milestones (financial, organizational)
- Check points (quarterly, and/or tied to specific milestones)

CONCLUSION

(GCCOE Handbook, 2005)

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