

The National Business Travel Association's Groups and Meetings Committee was created to offer strategic guidance on trends and technical considerations in the management of group travel, meetings and events. The group assesses and explores enterprise-wide strategic solutions for conference and meeting spend—from a CEO or CFO vantage point—to determine how that spend can be managed more effectively to impact a company's bottom line. This Executive Summary highlights key points from numerous whitepapers available at www.nbta.org.

SMMP Defined:

The strategic management of enterprise-wide meeting related processes, spend, volumes, standards and suppliers to achieve quantitative cost-savings, risk mitigation and superior service.

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“Getting out of the Meeting Planning Business and into the Business of Meeting Management”

EXECUTIVE SUMMARY
Strategic Meetings Management Programs

Top Ten Reasons to Implement a Strategic Meetings Management Program (SMMP)

1. Increase visibility into meeting and event volume, spend, types and venues
2. Reduce legal/regulatory, financial, operational and intangible risks by creating policy or guidelines and compliance tracking
3. Reduce costs with suppliers by formal negotiations, using standard contracts, and using cancellation/attrition penalties
4. Reduce number of suppliers and create preferred supplier programs for increased savings
5. Reduce duplication of effort by aligning all meeting business into professional planning teams or formalizing outsourced relationships
6. Leverage spend with suppliers for business travel (transient) and groups, meetings and event spend
7. Prepare for crisis management situations by knowing where all meetings/events are occurring and monitoring participant well-being
8. Capitalize on professional planning skill sets to ensure consistency and quality across all meetings/events.
9. Analyze and report ROI in addition to other metrics while gaining an average of 20% savings
10. Automate processes to improve staff efficiency and maximize productivity

The SMMP Components

Development of an SMMP means finding just the right mix of key components: an enterprise-wide strategy, policy, registration of meeting or event, approval, sourcing/procurement, planning/execution, payment/expense reconciliation and data analysis/reporting. The components form the SMMP sphere and can be manipulated as programs mature and become more sophisticated. In fact, an SMMP requires continuous evaluation and improvement. It's important to note that there is no “one size fits all” solution for every enterprise. For a complete description of each piece, please see the NBTA Position Paper entitled “Building A Strategic Meetings Management Program.”

Components of a Best in Class Strategic Meetings Management Program (SMMP)



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How to Start an SMMP

1. DEFINE - Develop the problem/opportunity statement including the breadth or scope of your initiative. Develop a stakeholder list and find an executive sponsor.
2. MEASURE - Begin speaking to stakeholders to determine the current state such as spend, processes, policies and staff involved in planning meetings and events. Ask business leaders and meeting sponsors, conduct surveys, search through finance, T&E and credit card data and ask your suppliers/hoteliers for their records.

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How to Start an SMMP

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3. ANALYZE - Identify the opportunity by seeking cost savings/avoidance, process efficiencies and risk mitigation actions. Determine the cost of implementing an SMMP against the benefits.

4. BUILD - Engage stakeholders to exchange knowledge and ideas. Emulate the successes of others in the industry. Develop a process map and supporting documentation. Prepare a business case including current state, potential future state, gap analysis, and cost/benefit analysis. Determine priorities as to how and where to begin.

5. IMPLEMENT - Educate, market, maintain and improve the new environment. It is ever-evolving.

NOTE: Most practitioners break down the tasks into manageable action items. In large organizations, it is common for 100% adoption to take 3-5 years.

Common SMMP Metrics

Successful programs report numerous metrics to C-level business leaders. Examples include:

Service Related

- Attendee satisfaction
- Meeting sponsor satisfaction
- Service level agreements with customers, stakeholders and suppliers
- Key Performance Indicators
- Cycle Time to completion

Financial

- Total meeting/event and group air spend
- Total Savings and Cost Avoidance
- Savings recognized by moving to Virtual Meetings
- Unmanaged (rogue) spend and compliance to policy
- Preferred Supplier usage savings
- Penalties incurred and reused
- Cost per person per day
- Cost of meeting resource as a % of total meeting costs managed
- Supplier spend and savings
- Group air spend and savings
- Program costs vs savings vs outcome - ROI calculations

Volume

- Meetings held, cancelled and denied
- Virtual meetings held in contrast to face-to-face meetings
- Advance notice timeframes
- Attendees for face-to-face and virtual meetings
- Meeting duration
- Group air bookings and advance purchases

Resourcing

- Staffing hours used/req'd
- Forecasted workload
- Insourced vs Outsourced hours
- Staff Designations
- Staff Training
- Participation in rewards and feedback programs



SMMP Benefits - Successful Risk Mitigation

Meeting sponsors and leaders fail to recognize the legal/regulatory, financial, operational and intangible risks associated with unmanaged spend. With a comprehensive program in place, exposure and threats are minimized.

Legal/Regulatory		
Risk Type	If...	Then, organizations could...
<ul style="list-style-type: none"> • Sarbanes Oxley • Healthcare Compliance • Government Regulations 	Sarbanes Oxley, healthcare and government conference regulations are not followed...	be fined or appear corrupt.
<ul style="list-style-type: none"> • Contract Management 	Contract language does not protect the organization ... An unauthorized employee signs meeting contracts...	be charged or sued. have contracts voided or challenged in court.
<ul style="list-style-type: none"> • Insurance 	The proper insurance is not garnered...	be sued or found liable.
<ul style="list-style-type: none"> • Document retention 	RFPs and contracts are not retained for the appropriate length of time...	have auditors deem the organization "unauditable."
Financial		
Risk Type	If...	Then, organizations could...
<ul style="list-style-type: none"> • Savings/cost avoidance • Penalties – Cancellation or Attrition 	Negotiations are not pursued aggressively and penalties not reused...	lose savings or cost avoidance of 10% to 20% or leave money on the negotiating table.
<ul style="list-style-type: none"> • Preferred suppliers • Leverage meeting and business travel spend 	Meeting and event volume is not leveraged, or not leveraged with all business travel transient spend with key suppliers by strategic sourcing...	miss out on 15%-20% savings on supplier management.
<ul style="list-style-type: none"> • Payment and Expense reconciliation 	Non-standard or decentralized payment and expense reconciliation methods are used...	a) pay higher than average processing costs cutting checks manually, b) finance point-accruing cards favored by employees and c) miss valuable data that a single, consolidated process could deliver to best leverage volume for future negotiations.
<ul style="list-style-type: none"> • Meeting Approvals (Demand Management) 	Meetings and events planned and contracted are not visible to leaders on a master calendar or in a contract repository...	be unable to postpone, cancel or adjust meetings to align with business objectives and thus, inadvertently hold more meetings, or spend more money. Issue also presents risks for SOX compliance in that management may not be in control of spending.
<ul style="list-style-type: none"> • ROI and Analysis reporting 	ROI and meeting metrics are not analyzed regularly or organizations are not tracking total meeting spend...	spend money unnecessary on meetings and events.
Operational		
Risk Type	If...	Then, organizations could...
<ul style="list-style-type: none"> • Crisis management preparedness 	Meetings and events are not registered in a central technology system for tracking purposes...	be unable to track employees during crisis situations.
<ul style="list-style-type: none"> • Business Continuity and Consistency 	Interruptions, disasters and weather are not considered...	be in a mayday situation with location, logistics, resources or other critical components.
<ul style="list-style-type: none"> • Automated processes and standard operating procedures 	Processes and procedures are not standardized...	lose productivity and require more resources.
<ul style="list-style-type: none"> • Customer Service 	Inexperienced planners are used...	experience a level of service inconsistent with company goals and/or brand standards.
<ul style="list-style-type: none"> • Resource Constraints 	Resources are not forecasted...	encounter poor implementation, lack of people to follow through, or excess capacity.
<ul style="list-style-type: none"> • Systems and Technology 	Systems and technologies are not considered...	lose critical data, productivity and strong reporting capabilities.
Intangible		
Risk Type	If...	Then, organizations could...
<ul style="list-style-type: none"> • Conflicts of interest 	Inexperienced planners or others accept unethical gifts...	be perceived as lacking employee compliance to policies and allowing bribes.
<ul style="list-style-type: none"> • Branding 	Meetings and events are planned without considering the organization's branding standards...	experience damage to brand recognition and marketing.
<ul style="list-style-type: none"> • Corporate Social Responsibility 	Meetings and events are planned without considering the organization's corporate social responsibilities...	be perceived as inconsiderate and may lose valuable clients.

SMMP Stakeholder Involvement

Critical to the success of any strategic enterprise-wide solution is to gain buy-in and support from stakeholders. A Stakeholder is a person who has an interest or a share in the outcome of the project whereas a Customer is a person who purchases a commodity or service; an individual with whom one must deal with in order to complete a transaction. Stakeholders may include:

- ✓ Organization leadership
- ✓ Meeting Attendee
- ✓ Meeting Sponsor
- ✓ Meeting Planner (admin, outsourcer, internal planners)
- ✓ Legal
- ✓ Risk Management
- ✓ Procurement
- ✓ Technology
- ✓ Finance
- ✓ Security
- ✓ Real Estate
- ✓ Training
- ✓ Suppliers

Additional information at www.nbta.org/research/whitepapers