

# The Case for Meetings and Events: Four Elements of Strategic Value

**A Briefing Paper  
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The old adage “Any press is good press” is a bit hard to embrace when the news isn’t good. A global financial crisis set the stage for a rash of October 2008 headlines that constituted bad press for the meetings industry, including heated reports about the AIG meeting in Phoenix. A few months later there was more bad news. In February 2009, a Northern Trust event received similar press; US Treasury Department regulations related to events were announced for recipients of funds from the Troubled Asset Relief Program (TARP); and Senator John Kerry announced proposed legislation related to TARP recipient celebrations. In the same month, the New York Times published an article on decreased meeting attendance and meeting cancellations.

A perfect storm has ensued. Meetings industry leaders swiftly took action to make legislators and regulators aware of the considerable impacts of meetings and events on the economy. They quite rightly voiced concerns about the prospect of more canceled meetings, more lost jobs, and more lost opportunities. Education about the value of meetings has taken center stage for the entire industry.

Despite these clearly warranted concerns, it is important not to overlook the possibilities this crisis affords. By bringing this debate to the Board and senior executive level, it has created an unprecedented opportunity for truly *strategic* discussions between the people who *plan* meetings and the senior executives of public and private organizations that *sponsor* them. Now, more than ever, the topic of meetings and events has great relevance in the eyes of powerful stakeholders.

One of the challenges in the meetings industry up to this point is the considerable confusion around the path to strategic value. The meeting planner is faced with an array of choices: “Do I start with SMMP? Do I need to learn ROI? What is Meeting Design? How do I get people to see the strategic value of logistics?” Meeting professionals need to present a clear, comprehensive business case to key stakeholders about how to achieve strategic value. If they do this presentation well, they will get the resources they need to transform their organizations through the effective use of meetings. This paper is aimed at reducing confusion and providing a foundation for efforts to deliver strategic value.

## **The Four Elements of Strategic Value: Portfolio Management, Meeting Design, Measurement, and Advanced Logistics**

It is helpful to consider four elements of strategic value for meetings and events: Portfolio Management, Meeting Design, Measurement, and Advanced Logistics. Note that these four elements apply to any type of organization, whether for-profit or not-for-profit. While many planners have actively engaged in one or more of these activities, very few have pulled together a comprehensive picture of these elements (and how they relate to each other) for their management teams.



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## Portfolio Management

Executives and planners must consider the value of an organization's overall meeting portfolio. How do all of the meetings and events going on in an organization contribute to its mission, strategy, and objectives? In other words, a portfolio of meetings must be managed in much the same way that a fund manager might oversee a portfolio of investments. There may be meetings that merit a larger or smaller investment or even cancellation, but making these decisions requires effective data collection and analysis. The problem is that in tough financial times, leaders are tempted to take a hatchet to meeting budgets, when what is needed is a scalpel.

Tools have been developed to address this issue of measuring meetings at the organizational level. Strategic Meetings Management Program (SMMP) methods and software are excellent tools for gathering the data that give executives and planners an understanding of the costs of meetings. By consolidating a picture of an organization's meetings, gaining deep insight into costs, and by negotiating contracts that take advantage of economies of scale, planners have been able to manage risks and make their organizations' meeting spend very efficient.

In addition to making meetings more *efficient* at the aggregate level, there is another part of the equation that must also be considered, and that is meeting *effectiveness*. In the meetings industry and in the executive suite, the obsession with meeting costs has eclipsed this very important part of the cost-benefit equation. Effectiveness is a bit more of a sticky wicket. There are so many variables to consider that it is hard to isolate the impact that an organization's meetings have on its overall performance.

In the process of applying portfolio management in an organization, it is critical to equally address efficiency and effectiveness measures. There is a subtle but important difference between starting an effort with "How much are we spending on meetings?" (an efficiency orientation) vs. "What are the overall objectives and goals of this organization and which meetings and events are contributing the most to those goals and objectives?" (an effectiveness orientation) Certainly, both questions need to be answered, but the foundations of the approach and what it emphasizes are important.

Susan Radojevic, president of The Peregrine Agency based in Toronto, Canada uses the term "Alignment" to describe the work her company does in helping clients address Portfolio Management. In an Alignment process, Radojevic works directly with senior executives and planners to first assess how well the meetings portfolio matches corporate strategy and objectives. Once a thorough assessment has been accomplished, then costs are assessed and analyzed. Radojevic notes: "Event Alignment incorporates change management, technology analysis, policies and compliance, processes, and measurement, to achieve results greater than mere cost reduction."

Bruno Amadi, Partner and National Continuous Improvement Leader with professional services provider KPMG, holds the distinction of having sponsored the first comprehensive event alignment for a Canadian professional services firm. The firm's event management transformation from fractured to aligned illustrates the importance of having a sound strategy, strong leadership and teamwork.

To begin the process of Alignment at KPMG, the Peregrine Agency conducted a series of interviews with the firm's executive team. The first goal was to determine what kinds of events the firm held throughout the year, who the key stakeholders were, and who managed or coordinated them. Event profile details (location, cost, size) were filled in later. The resulting



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event matrix indicated how many conferences, training sessions, employee events, seminars, etc. were conducted annually, who initiated them, and why. Armed with this information, KPMG was able to trace the event back to the firm's corporate goals.

The Alignment also included the development of a dedicated event management team to plan events, and the introduction of technology to help identify and track event expenses and demographics. During the implementation process, Harry Ort, Partner, Event Management saw the event management team establish positive relationships with, and gain the trust of, clients and vendors alike. The firm is now able to track vendor costs, negotiate better rates and provide value added services. Vendors have expressed relief at having a single point of contact, making customer relationship management easier. Most importantly, KPMG has a clear understanding of how their events deliver on their corporate strategy.

## Meeting Design

Understanding meetings at the aggregate level is important, but we also need to work on improving the efficiency and effectiveness of *individual* meetings – particularly those that are most closely aligned with organizational strategy and objectives. Successful portfolio management depends upon a series of well-designed individual events that deliver real impact. Even one meeting alone can deliver tremendous bottom line benefits if it is both well-designed and well-aligned with the direction of the organization.

The problem to date has been that many individual meetings may be expertly *planned*, but not expertly *designed*. There is a real and significant difference in these two concepts.

Meeting design is the purposeful shaping of the *form and content* of a meeting to achieve desired results. Meeting design incorporates methods and technologies that connect, inform, and engage a broad range of relevant stakeholders before, during, and after the meeting. Good design helps meeting owners establish clear objectives and desired outcomes, integrate the meeting with other communication activities, maximize interactivity, and create a significant return on investment.

Meeting planning, on the other hand, focuses primarily on the *logistics* of the meeting – venues, travel arrangements, lodging, registration, entertainment, staging, etc. All of these components must be expertly orchestrated for the meeting to be a success. Of course, meeting planning and meeting design overlap and have deep impacts on each other.

Meeting design is also different from, but related to, meeting “creative.” Creative directors provide ideas for staging and communicating about meetings, focusing primarily on “broadcast” messages such as the design of PowerPoint presentations, the selection of a theme, speakers, entertainment, and the development of videos, set design, etc. Meeting design, on the other hand, primarily focuses on how people will *interact* before, during and after the meeting, and it takes into account all of the ways in which leaders might want to tap into the intellectual capital in the room. Meeting design maintains a laser focus on the business drivers for the meeting and the organization as a whole. Of course, meeting designers and creative directors need to work closely together on the design team to achieve the best results. Quite often, creative directors come up with the initial creative concept for a meeting but are not necessarily involved for the duration of the event from conception to execution to follow-through. It is critical that the designer be involved throughout the process.

Finally, meeting design is not the same as instructional design. People with a background in instructional design provide terrific insights into activities at a meeting (particularly in training or



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education breakouts) and they often are a critical part of a meeting design team. Excellent meeting designers, on the other hand, have working knowledge of (or extensive expertise in) the social sciences, social network analysis, complexity science, strategic planning, experience design, IT/social media, and a host of other disciplines, methods, or tools that can significantly impact meeting outcomes. These areas of expertise may or may not be part of an instructional designer's background, whose primary focus is on the learning objectives for the meeting.

In order to create strategic value, meeting planners and executives clearly need to rely on more than one person with expertise in one discipline to do the work of meeting design. Ideally, a meeting designer pulls together the right multi-disciplinary team to do the job. Meeting design is always a collective effort between the meeting owners, selected meeting participants, a cross-section of representatives from the aforementioned disciplines, the meeting planner and the meeting designer.

Well-informed meeting planners have an opportunity to position themselves strategically with executives by ensuring excellence in meeting design. There are some planners who currently perform this role without a cohesive understanding of what they're contributing and/or without a defined role for doing it.

Excellence in meeting design requires broad-based training and education. There are encouraging efforts beginning now in the industry to educate meeting professionals who want to develop these skills. For example, MPI sponsored the first Master Class in Meeting Design at WEC in August 2008 and the MPI Northern California Chapter Magazine, *Perspective*, did a cover story on Meeting Design for their April 2008 issue. MPI will continue to provide educational opportunities to planners in this area. Longer term plans for higher education are in the very early stages with a "meeting architecture" initiative being facilitated by Maarten Vanneste, founder of the Meeting Support Institute.

In the meantime, planners or executives will need to either acquire these skills themselves or be smart buyers of meeting design services – hiring people who have proven track records in designing meetings and who have the business acumen, cross-disciplinary background, and excellent facilitation skills necessary to good design work.

While meeting design is primarily aimed at improving organizational effectiveness, it can also contribute to efficiency objectives. For example, good design can help make the most of constrained resources. If expensive entertainment or other "lavish" meeting elements must be curtailed, the process of meeting design can help provide engaging and impactful alternatives such as the use of large group methods or other mass collaboration techniques.

CSR and Green initiatives should also be addressed during the development of the meeting design. The constraints imposed by meeting the challenges of Green and CSR objectives can actually spur creativity in the design process.

One of the best value-added applications of meeting design involves *multi-purposing*. This is the practice of taking an existing meeting and addressing objectives that were not initially part of the reason for holding the meeting. Multi-purposing can promote both efficiency and effectiveness.

### **A Financial Services Example of Meeting Design**

At a financial services company, several leaders needed to implement a new program called Operational Excellence. The challenge was to generate interest among employees so that they



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would want to learn about the new program and use it to improve organizational performance and execution of strategy.

The people in charge of implementing the program decided to introduce it at the annual leadership meeting of the company's top 3000 leaders. Instead of taking the typical cheerleading approach to announcing the program, they hired Boone Associates to help them create an innovative and effective meeting design.

In early design sessions, the meeting owners were asked to suspend the discussion about Operational Excellence for a moment and describe what the company's top leaders were most concerned with from a business perspective at that point in time. "Cross-selling" was the immediate answer. Their top executives wanted people to sell all the services of the institution to existing customers and prospects. The decision was made to multi-purpose the meeting by collecting ideas about cross-selling during the introduction of the Operational Excellence program. The introduction of the program included not only stage presentations, but also a series of brainstorming exercises which could be used to collect cross-selling ideas.

At the meeting, the group of 3000 people sat at round tables with a computer and 8 people at each table. During brainstorming exercises, ideas were submitted through the computer to a team of people at the back of the room who sorted and organized them during a lunch break. The ideas were sorted quickly because we included an online capture of similar ideas prior to the face to face meeting and this gave us a preview of likely categories. Specialized software at the meeting allowed for quick parsing of the data.

By the time participants returned from lunch, a list of literally thousands of ideas had been reduced to the top 10 ideas for cross-selling. The entire room then voted via the computer for their top three ideas. Over 1000 people volunteered on the spot to help get those projects started. Project teams were formed by randomly selecting people from the legions of those who volunteered.

At the conclusion of the session, the new teams were asked to join their senior executive team sponsors at the front of the room, and they held their first project team meeting before leaving the room. In the end, the meeting not only had a major impact on the stated objective of marketing the operational excellence program (99% of survey respondents indicated that they now felt very familiar with the program), but the three identified projects also had significant impacts on the business objective of cross-selling.

### **Measuring the Impact**

Good meeting design is inextricably linked to meeting measurement. Before beginning the design of the meeting, it's important to know what you are expecting in terms of impact. There are a variety of ways to measure meetings and events. The ROI approach developed by Jack Phillips is perhaps one of the most well-known methodologies as well as one of the most rigorous. With its 5-tier approach, planners can use the tools and methods it provides to create very convincing business cases for meetings.

The ROI model consists of 5 levels of measurement:

1. **Reaction and planned action** – What are participants' reactions to an event and what are they planning to do with the material?
2. **Learning** – What skills, knowledge or attitudes have changed and by how much?
3. **Job application** – Did the participants apply what they learned on the job?



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4. **Business impact** – Did the on-the-job application produce measurable results?
5. **ROI** – Did the monetary value of the results exceed the costs?

Meeting and event planners should evaluate every meeting, but only a small percentage need to be taken to higher levels of evaluation. For example, “reaction” should be captured in every meeting to understand the extent to which the participants see the meeting to be relevant, important, useful, challenging, motivating, etc. Up to 80% of meetings should be measured at the “learning” level, capturing the actual takeaways as people learn information, gain knowledge, make new contacts, and develop limited skills.

It is critical to follow-up on important meetings to see the extent to which participants are actually using what they have learned. A small percent of meetings, usually around 10%, should be pushed to the “business impact” level. The business impact connects the meeting to business measures such as productivity, sales, quality, errors, cycle time, employee retention, etc. While this level of rigor is more demanding, it is necessary for meetings that are designed to deliver business value.

Finally, a few very important, highly strategic, expensive meetings should be taken to the ROI level. This is where the monetary value from the impact is compared to the cost of the meeting, the ultimate level of evaluation. This is perhaps the most important data set that can be developed for an executive—and it demonstrates the value of this measurement process.

ROI data should *not* be used to evaluate the performance of meeting planners, the project owner, the principal sponsor, the participants, or any other stakeholder involved. It is about process improvement, not evaluation of individual performance, and that is a critical issue for gaining support.

ROI evaluations in the field have been very encouraging and impressive. ROI has been used to justify the continuation of routine meetings, expand meetings to other parts of an organization, and expand attendance at conferences. For example, marketing efforts at one insurance company included a voluntary event for agents. These agents were allowed a marketing budget from which they either paid to attend the meeting or alternatively, they could use the money for something else like local advertising. Prior to the ROI project, 40% of the agents were not planning to attend the meeting. Once they received the ROI data, a large number of those agents were convinced to attend. Overall, the use of ROI has enabled internal corporate meeting functions to maintain their budgets and gain respect from key stakeholders.

In the association environment, a shift in perspective with regard to ROI is necessary. When an association organizes a conference, there is usually a charge for attending. Associations typically calculate ROI by simply adding up the revenues and deducting the expenses. What associations don’t have, and what they need, is the ROI from the perspective of participants, exhibitors, and sponsors. This process would allow a meeting planner to calculate ROI by comparing the benefits for these stakeholders to the costs of their attendance or involvement in the event.

Earlier we mentioned the challenges of measuring meeting effectiveness at an aggregate level. However, we can measure meetings effectively at the *individual* level with ROI measures and then use those measures for making decisions at the aggregate level. A priori (cost justification) and post hoc (benefits measurement) ROI measures can help with meeting portfolio management and ensure prudent investment decisions related to previous, current, and upcoming events.



In establishing measures for the meeting, it is important to include measures for Green and CSR initiatives. In addition to doing this for altruistic reasons, these issues need to be addressed because they are becoming increasingly important to branding for both for-profit and not-for-profit entities and as such, they should be measured accordingly.

New developments in measurement include software-based measurement tools (e.g. MeetingMetrics<sup>sm</sup>). Measurement software provides users with online systems for creating pre- and post-meeting surveys and online reporting capabilities designed to meet the research needs of large meetings. These tools are making the task of measurement easier and faster.

Complexity-science based software tools and methodologies (e.g. SenseMaker<sup>tm</sup>) combine qualitative and quantitative approaches to understanding the impact of a meeting on corporate culture, continuous learning, organizational performance, and other areas. These new tools will gain in prominence as the area of meeting measurement continues to evolve.

### **Advanced Logistics**

Logistics are already well-understood by the meetings industry and quite frankly, not normally perceived by senior executives as strategic. But make no mistake, without superb logistics, strategic benefits are much more difficult, or even impossible, to achieve,. However, even with perfect logistics, meetings will not necessarily deliver significant value. Excellence in logistics is a necessary -- but not sufficient -- condition for the delivery of strategic value.

The area of logistics relates to Portfolio Management and Meeting Design in the following ways. Portfolio management encompasses procurement. Favorable enterprise-level logistics contracts should be negotiated with key suppliers and vendors. People involved with advanced logistics will not only understand the need for leveraged procurement, but also recognize that a meeting design may call for a logistics requirement that may not fall under an existing contract. If the logistics need is not met, the design must be altered and this may well affect the outcome of the meeting. A person handling advanced logistics will understand the need for some flexibility in logistics selections based upon the strategic needs identified by the meeting design.

Experienced meeting designers will tell you that seemingly simple issues such as the shape and size of a table, the quality of a sound system, the architecture of a facility, the temperature of a room, or the ease of moving furniture can have surprisingly profound impacts on what can be accomplished at a meeting or event. Working as part of a core strategic design team, the meeting planner responsible for logistics should be familiar with the facilities, tools, and environmental components necessary to accommodate the demands of the design team.

The IACC has developed a set of guidelines for certifying a facility that is optimized for adult learning and this is a good step in the right direction. How well a facility is able to accommodate the demands of a meeting design will increasingly be a major factor in facility selection.

The person handling advanced logistics also will be working with the meeting designer to find ways to green the meeting and help with CSR opportunities such as community service projects.

Executives need to understand that the selection of a facility, furnishings, and other logistics elements are critical to the success of the meeting and the ability to deliver strategic value.



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## What Should You Do About these Four Elements?

As you learn more about the elements, you can use them as a framework for explaining the strategic value of meetings to your executives and you can determine which elements deserve more of your attention from your own career perspective. Ultimately, any maximally effective meetings department will address all four of these elements.

The first step in addressing these elements is to learn more about them and how they relate to each other. In the upcoming weeks and months, you will see more information from MPI about these elements including webinars and workshops to enhance your working knowledge of them.

MPI also plans to continue to enhance its CMM program to include information pertaining to these four elements. The mission of the CMM program is to select, educate, and certify management-level meeting and event professionals. The program enhances their ability to manage and deliver exceptional meetings and events that drive organizational success. In recognition of converging industry dynamics and more demanding professional requirements, MPI made changes to the CMM program in 2008 and now, more than ever, the curriculum focuses on strategic meeting management practices. MPI also has incorporated SMMP education in its larger conference education offerings and also in its Platinum program, and it plans to continue to enhance SMMP education.

MPI has acknowledged that both a higher level of education and networking opportunities are needed amongst its executive level audience. To that end, it has developed an Executive Advisory Council, comprised of executive level planning professionals. Among other tasks, this select group will advise MPI management as they develop new programs for this advanced audience. MPI plans to develop education and forum opportunities to address the skills needed to perform and communicate background on all of the four elements of strategic value.

## Complexity and Meetings

Dave Snowden and I wrote an award-winning article called “A Leader’s Framework for Decision Making,” for the November 2007 issue of *Harvard Business Review*. In it, we discuss the fact that conditions of complexity call for high levels of human interaction in organizations – and meetings play a key role in helping leaders accomplish this aim. Certainly these are some of the most complex times in history. Meetings are one of the most important tools leaders have for tapping into intellectual capital and for building the social capital so necessary to weathering tough times.

It is likely that the complexity of our economic times calls for even *more* meetings now, not fewer. However, what is certain is that those meetings will require more careful design, alignment with strategy, clear measures, and supporting logistics in order to deliver on the promise they hold.



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## **Crisis and Opportunity**

It's become a cliché to talk about the Chinese symbol for “crisis” meaning the same thing as “opportunity”, but it is an appropriate metaphor for tumultuous times. Never before have meetings occupied such a central position in the government, business, and non-profit community's focus. While many are justifiably concerned about meetings being cancelled, cut and under-appreciated, this is also a time when the opportunity exists to completely shift the way in which meetings and events are understood by people in positions of power and responsibility.

By creating a strong case for the business impact of meetings, planners can go a long way towards transforming the way senior leaders understand and appreciate their power. At MPI's MeetDifferent conference in 2008, Tim Sanders articulated the feelings of many people when he said, “Meetings can change the world.” If planners and other industry stakeholders join together to bring the case for meetings forward, then this dream will become a reality.

### ***About the Author***

Mary Boone is the president of Boone Associates, located in Essex, Connecticut. An expert and early innovator in the field of Meeting Design, she also consults and conducts ground-breaking research in the areas of leadership, organizational communication and collaborative technologies. The author of several books, including the bestselling Leadership and the Computer (Prima), and Managing Interactively (McGraw-Hill), she has been featured in a wide range of media outlets including CNN, NPR, The New York Times, Investor's Business Daily, The Wall Street Journal, and many others. Her article for *Harvard Business Review* (co-authored with Dave Snowden) entitled “A Leader's Framework for Decision Making” won an award from the Academy of Management in 2008. She designed and delivered MPI's first Master Class in Meeting Design in August of 2008, and she was the lead designer for MeetDifferent and WEC's “Café Conversations” in 2008 -- MPI's first large-scale experiments with un conferences. She is accessible through [www.maryboone.com](http://www.maryboone.com) and Twitter @maryboone



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