



Meet in the middle

Navigating alternative approaches to
Strategic Meetings Management



Introduction

Do you know what your organisation actually spends on meetings? Most businesses spend more than they realise.

That's because direct costs – venue hire, audio visual and so on - equates to just 15% of the actual cost.¹ The rest is eaten up by travel and other ancillaries.

So when you consider that, on average, meetings cost £316 per delegate² including travel to and from the venue, it's not so surprising that UK organisations spent just under £20 billion on meetings in 2018 – roughly half of their total business travel spend.³

Corporate meetings' spend is rising too. UK employees attended 1.48 million meetings over 152.8 million delegate days – the equivalent of 23 days a year per employee in 2018.^{4,5}

Between 30% - 70% of this spend⁶ goes on internal meetings held at external venues. The number of off-site meetings rose by 15% in 2018, and with hotel prices and air fares rising, the need to reduce or avoid spend through online collaboration tools or better utilisation of internal meetings space has never been greater.

Today's meeting planners also have to define their meeting's objectives more clearly so investment can be focussed on achieving those goals. To make true meeting spend visible, leverage and focus their spend, many organisations have adopted Strategic Meetings Management (SMM) programmes.

First seen in the wake of 2008's financial crisis, ten years on, early adopters' programmes have reached maturity. So what lessons have been learned, and how can a different approach to SMM bring more value to organisations that embrace it? It's time to take a look at SMM from a different perspective.

What is SMM?

Metrics and data-driven initiatives for managing meetings more efficiently and effectively. SMM aids smarter buying, giving visibility and control of meetings spend, while putting delegate wellbeing at its core.⁷

¹NYS estimate 2019

²Ibid

³UK Conference and Meeting Survey 2019' (UKCAMS)

⁴Ibid

⁵Crowne Plaza Hotel Resorts 2018

⁶NYS estimate 2019

⁷Global Business Travel Association (GBTA)

SMM now

SMM has long been on the 'to do' lists within many organisations. In 2017, 80% of UK organisations regarded SMM as a high priority, but implementation was hampered by the variety of personnel, disparate data sources and poorly managed payment practices to be tackled.

Despite these challenges, 96% of meetings professionals judged their SMM implementations to be a success with over half reducing meeting costs by 10% within 12 months, and a further 17% realising savings of over 15%.⁸

Today, savings – or cost avoidance – remains the primary purpose of most SMM programmes, although 47% do not yet measure those savings.⁹ Visibility of spend, increased employee productivity and corporate duty of care responsibilities also rank highly as motives for adoption.

The ways in which organisations implement SMM vary. Research from 2019 with US organisations with SMM programmes shows that the most frequently implemented practices are using standard operating procedures, aligning meeting objectives to organisational objectives and using preferred supplier agreements (see figure 1).

Figure 1 - SMM practices by organisation size

Practice	<250	250-500	501-1,000	1,001 - 10,000	10,001 - 25,000	25,001>	Average
Use standard operating procedures	70.51%	63.98%	55.59%	77.99%	91.87%	79.44%	71.96%
Define/align meeting and organisation objectives	65.47%	61.73%	51.20%	81.77%	91.78%	78.34%	69.20%
Use preferred supplier agreements	59.61%	58.17%	52.67%	73.59%	85.39%	81.65%	64.50%
Utilise a master meetings calendar	61.44%	51.63%	62.91%	69.19%	72.57%	67.31%	63.00%
Use online venues proposals/RFP	50.29%	61.73%	38.04%	62.90%	70.44%	64.00%	54.70%
Measure savings and cost avoidance	48.46%	60.61%	40.96%	58.50%	66.17%	68.41%	53.50%
Report meetings ROI	50.65%	56.12%	39.50%	56.61%	57.63%	59.58%	52.50%
Use internal centralised procurement for sourcing	47.18%	55.00%	46.81%	54.09%	66.17%	58.48%	50.90%
Use manual centralised meetings approval process	45.72%	44.90%	49.74%	49.06%	40.55%	49.65%	46.60%
Use third party external agency on an ad-hoc basis	27.06%	24.69%	19.02%	33.97%	40.55%	33.10%	28.60%
Co-ordinate meetings with risk/security teams	24.69%	22.45%	13.90%	37.74%	49.09%	44.14%	28.75%
Use automated centralised approval process	22.68%	32.55%	20.48%	33.46%	35.86%	45.24%	27.80%
Use external centralised procurement for sourcing	25.59%	26.94%	14.63%	29.56%	32.02%	34.24%	25.60%

80% of UK organisations regarded SMM as a high priority

⁸ <http://www.businesstravelnews.com/Research/The-SMM-Evolution>
⁹ MPI - Strategic Meetings Management (Kitchen, 2019)

Popular SMM misconceptions

Over its relatively short history, a number of myths and misconceptions surrounding SMM have emerged (see figure 2). These are often cited by organisations as reasons not to embark on an SMM journey. However, with the right approach, tools and support, each so-called barrier can be overcome.

The factors any organisation should take into account when planning an SMM implementation are geographical spread, organisation size and organisational structure.

Different languages, time zones, and cultures will always create complexity, but need not be barriers to SMM adoption.

Organisation size and structure can also make implementation easier, especially in companies of under 250 employees, with fewer complex structures enabling easier communication and more consistent practices.

Figure 2 - SMM myths

Perception	Reality
SMM is too complex to implement	True, there are many elements to consider, but the secret is to approach them one at a time. Identify all stakeholders, research their needs; find out who is booking venues, where and how they are paid for. Set measurable objectives and phase your roll-out.
SMM is too costly	Minimal up-front investment is required. Even the technology costs are relatively low, especially if your phase implementation across the business. With average savings of 10–15% in the first two years, it may be more expensive not to implement SMM.
SMM only works for larger organisations	SMM has grown out of corporate travel management pioneered by big companies. The principles of SMM, including data consolidation, strategic sourcing, and payment reconciliation processes can be implemented at all types of organisations, regardless of size.
You need senior management buy-in	SMM need not be mandated to be successful. However, it is essential to understand the stakeholders affected by new policies/processes. Creating incentives and facilitating the role of meeting planners is usually a faster way to adoption.
Technology is the 'magic bullet'	Technology platforms were originally developed to help centralise and consolidate meetings, which led to the marketing of various 'off the shelf' solutions. However, whilst technology is at the centre of SMM it cannot act alone.

SMM can achieve an average saving of 10-15% in the first two years

How companies connect

Both the range of stakeholders involved in managing meetings, and the ways companies connect with their customers, employees and suppliers have never been broader.

IT, HR, Facilities Management, Audit and Security have joined Marketing, Training and other traditional stakeholders in the mix of interested parties.

Virtual meetings and audio conferences have become part of everyday business life, and each has a part to play in the meetings mix.

However, the key to successfully incorporating digital into any SMM programme lies in understanding what works, why, and the benefits of connecting in the right way.



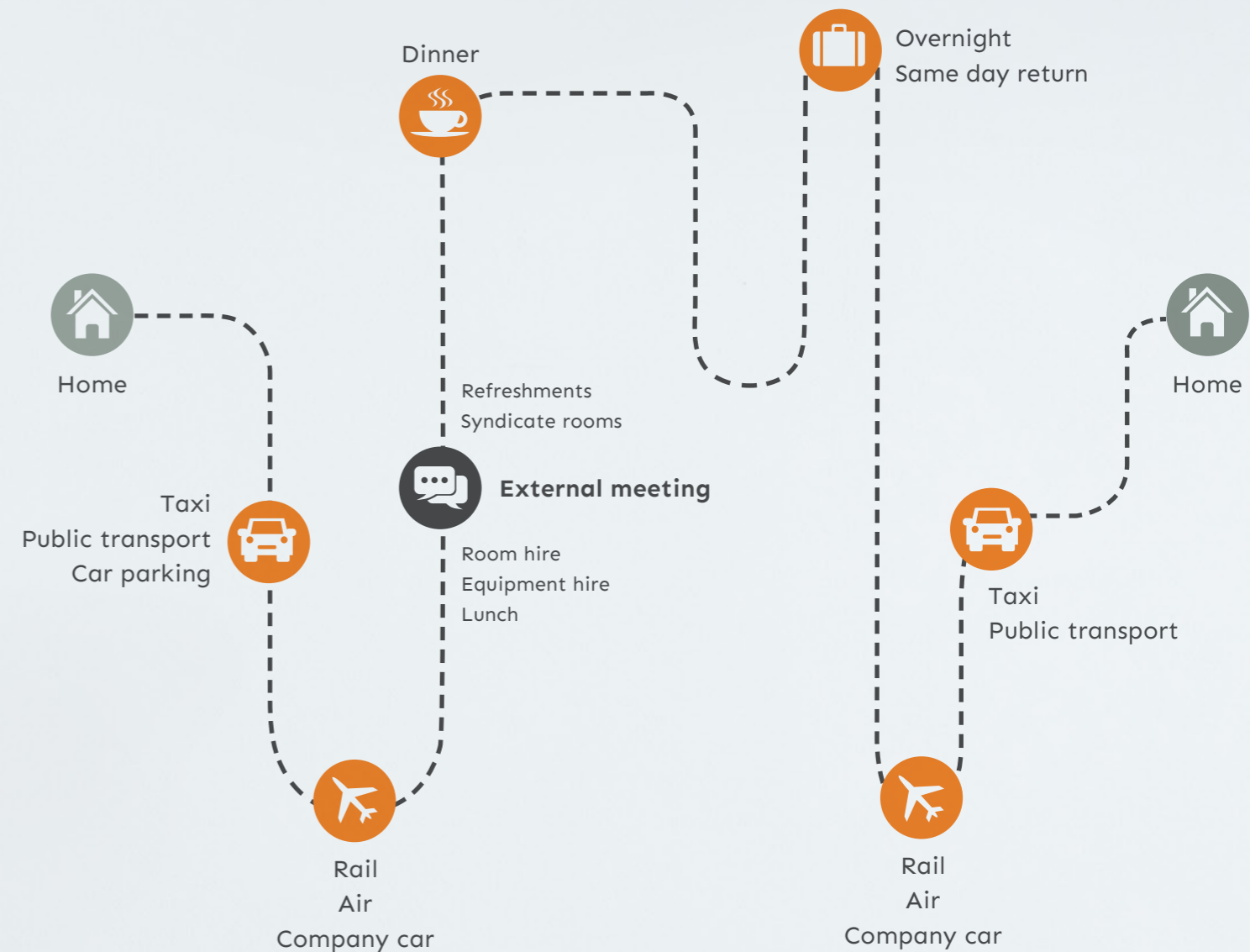
Correlation between travel and meetings

The fact that 85% of overall meeting costs are made up of travel and ancillaries demonstrates the close link between travel and meetings.

The average cost of a meeting is £316 per delegate, of which £273 is travel cost (demonstrated in figure 3). Depending on the choice of travel mode – and the time of the meeting – that spend can be reduced significantly. Optimising the use of internal meeting space reduces the overall cost even further.

This shows how critical it is to consider the right place and the right time to hold a meeting. It also underlines the value of aligning travel and meetings spend or as a minimum understanding the correlation between the two.

Figure 3 - Context vs Behaviour



Behavioural science in SMM

Research has found 84% of people prefer face-to-face meetings.¹⁰ They tend to be more positive and enable stronger business relationships to be forged, as participants can read body language and facial expressions; this facilitates the interaction that bonds colleagues together.

But do we need to meet? Research also suggests that attendees find 56% of meetings generally unproductive. 66% admit they make excuses in order to avoid meetings.¹¹

One aspect of applied behavioural science is understanding and questioning the ways that things have always been done in meetings and events. NYS sets out to change meetings and events behaviours by applying four key principles:

1. Understand the advantages of connecting in different ways.
2. Challenging the default of face-to-face meetings.

3. Educating hosts so they question the best way to connect.
4. Raising awareness of the total cost of any meeting, including the impact of different travel choices and overnight accommodation.

In practice, this means posing three key questions whenever a meeting is considered and embedding these into the corporate culture:

- What is the best location for the meeting?
- When is the best time to hold the meeting?
- Are internal meeting facilities available?

By understanding meeting trends and behaviours in an organisation, they can then be challenged and changed by introducing approval levels.

Sizing the opportunity

As we have already shown, there is no one-size-fits-all approach to SMM. In fact, there are a number of different options and approaches to consider when planning to implement an SMM programme...

1. Is the programme to be fully managed (i.e. applicable to all meetings and events company-wide), partially managed (some elements are mandated, others remain optional) or unmanaged (SMM procedures are only advisory as meeting planners make their own decisions).

2. Does this programme cover small or large meetings – or both? Meetings of less than 20 delegates make up 73% of NYS' business. Here, we take the opportunity to challenge the status quo and connect employees through technology or with meeting spaces as efficiently as possible.
3. Should the SMM programme cover external or internal meetings - or both?

“There’s a temptation in our networked age to think that ideas can be developed by email and iChat. That’s crazy. Creativity comes from spontaneous meetings, from random discussions.”

Steve Jobs, inventor of the iPhone

¹⁰https://www.greatbusinessschools.org/networking/?source-post_page

¹¹<https://www.independent.co.uk/news/uk/home-news/how-long-spend-meetings-year-thirteen-days-uk-workers-average-a8542861.html>



SMM Roadmap

There are four distinct stages to creating and implementing an SMM programme.

1. Set objectives

Engaging with key meeting stakeholders as early in the SMM process as possible is essential. Meetings can be an emotive topic, so any SMM programme needs to create advocates quickly.

2. Implement processes

Many processes are implemented as part of a SMM programme. Typically, they are introduced in a phased manner based on selecting the processes most appropriate to organisational culture.

3. Technology

An SMM programme should generate value throughout all aspects of the meeting process. Technology removes inefficiencies, supports online content and enables end-to-end management of internal to external meeting planning. NYS' meetingsPro® system has automated the approval, booking and billing process of an external meeting.

4. ROI and Reporting

In order to set tangible and measurable goals, it is essential to understand meeting objectives and what Return on Investment (ROI) means to each stakeholder.



Results

The results of any SMM programme depend largely on how far the organisation has reached in its SMM journey (see figure 4).

SMM makes meetings management more efficient, saves time and resource. Contracting and payment-related risks are mitigated, and duty of care is optimised. Some contemporary SMM programmes increasingly aim to enhance the delegate experience.

SMM can also enhance employee wellbeing by minimising meetings-related travel time and overnight stays, thereby improving productivity.

As figure 5 shows, savings (including cost avoidance) is the main driver of SMM adoption. Although the direct savings achieved as a result of implementing SMM are estimated to be 10% – 15%, the figures can vary depending on whether published or agency rates are compared.

Once savings opportunities are optimised through better sourcing, further financial savings are limited and value is driven by maximising internal space, promoting virtual alternatives and understanding how travel impacts overall costs.

Data is key to realising the true value of SMM. Relevant analytics allows budget holders to understand the impact of existing policies and processes on employee behaviour, wellbeing and expenditure.

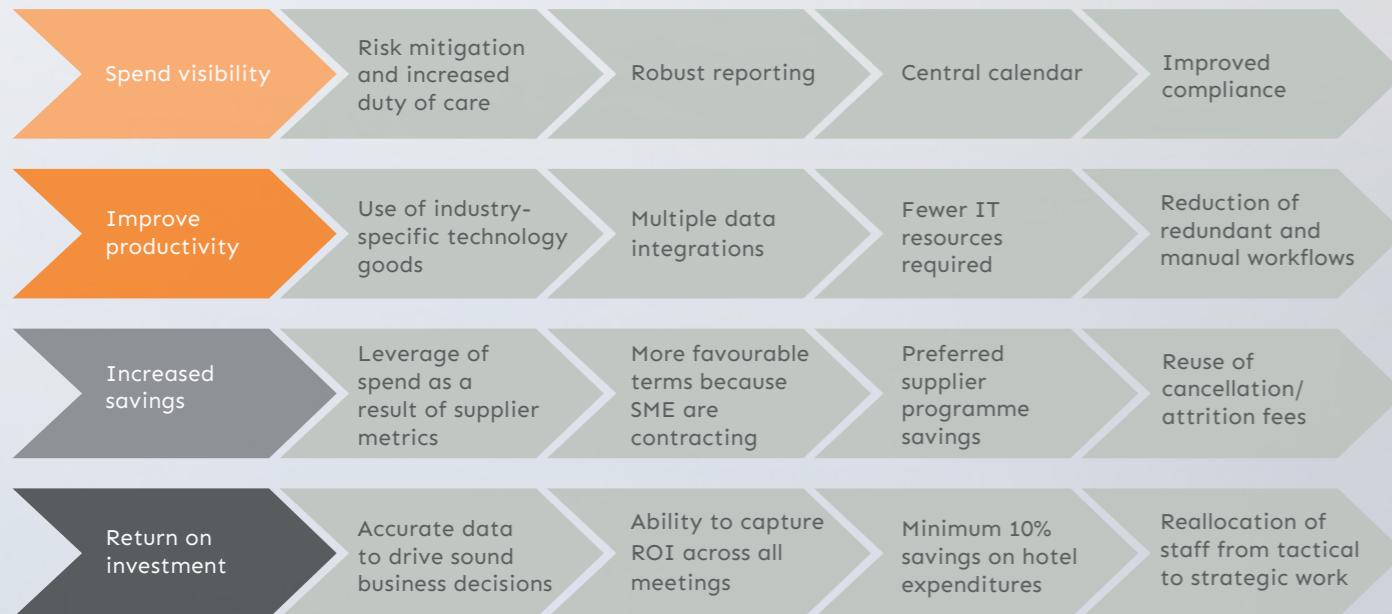
Naturally, the weighting of these motivations is often determined by the industry sector. For example, visibility and transparency are important for 71% of pharmaceutical organisations, reflecting their compliance-based environment, whilst delegate experience is important to the technology sector.¹²

Some organisations are now bringing events into their SMM programmes to create a better, 360-degree view of meetings and events within their businesses, and thereby improve governance.

Figure 5 - Key SMM Devices

Key driver	% of sample
Savings/cost avoidance	81.7
Good communication of practices across the organisation	59.8
Visibility/transparency	56.2
Improve value of meetings management	55.6
Increase productivity	54.9
Need to simplify processes	48.3
Enhance attendee experience	48.1
Demonstrate ROI for meetings spend	42.2
Risk management	39.0
Leadership buy-in	35.1
Competitive advantage	32.4
Demand for data	30.3

Figure 4 - SMM Benefits Matrix



¹²MPI - Strategic Meetings management (2019)

Why NYS Meetings and Events?

We bring a different mentality and approach to SMM. We look at the whole picture, not just meetings, and combine people expertise with technology seamlessly.

From how (and why) meetings take place, where and when, to understanding meeting-related behaviours and, by using unique data insights, to change them.

We understand how organisations connect today and the benefits of connecting smarter. We also put delegate wellbeing and duty of care reporting at the core of our meetings solution.

No one will work harder to understand your organisation's culture. By listening to your requirements and collaborating with our meetings partners, we maximise internal meetings space utilisation, and deliver cost control, online rate visibility and quantitative savings.

Bringing traditional offline processes online our leading technology, meetingsPro® compliments our experts. We ensure a clear return on investment through streamlining processes, evolving initiatives and policies, whilst maximising contract engagement, consolidating spend and delivering value to your meetings planners.

Conclusions

SMM is a journey. The further an organisation travels on that journey, the closer it comes to achieving maximum business value.

SMM isn't just about savings though. Those savings are just one product of applying the holistic approach to managing meetings that we champion.

There is no standard approach to SMM. Take a fresh perspective. Look at meetings management differently and let NYS Meetings and Events make your assets work smarter, not harder.

Why SMM?

- Channel and manage spend to maximise leverage
- Consolidate and manage suppliers
- Data visibility and quality
- Monitor/measure spend and savings
- Better compliance, clarity and consistency of planning/reporting
- Scalable operating platform to meet changing demands
- More focus on core business activities
- Manage/mitigate risk

Say hello


For more information on how SMM can help support your organisation and people, speak to a member of our team.


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