



Lever Seven: Integrate meetings and events into the travel program to control and optimize the related spend

In most companies, meetings and events remain uncharted territory for savings, although spend often represents 25-40 percent of a total travel and entertainment budget. There are several reasons for this. Meetings and events run the gamut from five-person training sessions to multi-million-dollar trade shows, with a host of large and small gatherings in between. Frequently, procurement and planning are decentralized, with each department or business unit overseeing its own projects. As a result, purchasing is fragmented and few if any contracts with preferred suppliers exist. Furthermore, tracking spend is virtually impossible. More and more companies, however, are reversing the tide and applying the principles of effective travel management to their meetings and events.

Companies with a well-managed meetings and events program have established concrete policies; centralized their organization, often integrating meetings and events with travel management; negotiated preferred supplier contracts; consolidated data; applied Web-based technology from registration to payment; and streamlined their payment and reconciliation processes. Post-event evaluation has helped them to increase future quality and effectiveness. The overall results are tangible with savings of up to 20 percent.

The best practices these companies employ form an end-to-end loop that is worth highlighting:

- **Meetings and events policy.** A clearly spelled-out, widely communicated global policy for meetings and events that is aligned

with the travel policy is the first crucial step. Terms must cover at least 80 percent of all meetings and events held throughout the organization, and professional roles and responsibilities need to be clearly defined. A pre- and post-event approval process to optimize demand management and determine both the necessity of a face-to-face meeting or event and the estimated return on investment should be included. The buy-in of senior management is essential, as is monitoring and enforcing compliance.

- **Centralized organization.** Building a centralized team of specialists who have experience in procurement, as well as meetings and events planning and implementation, and integrating them with the company's travel management team is

key to consolidation and savings. Roles and responsibilities must be well defined and respected throughout the organization, as this team will manage internal and external resources and execute planning for virtually all meetings and events.

■ **Supplier sourcing and negotiations.**

Standard procurement practices and tools apply to meetings and events, as they do to transient travel. A limited number of preferred suppliers across all spend categories and geographies—air, hotel, ground transportation, catering, audiovisual equipment, entertainment/production, etc.—should be identified to optimize negotiations and save the excessive time and money spent when events are negotiated on an individual basis. Travel and meetings and events volume should be consolidated wherever possible for best leverage with suppliers. Furthermore, since better managing environmental issues is often related to suppliers' own policies and practices, relevant "green" criteria should be included in requests for proposal.

■ **Online registration and booking.** Like online booking for transient travel, Web-based tools for registration and booking help to ensure that attendees of meetings and events are complying with policy and using preferred suppliers. Individual preferences or requirements (e.g., dietary restrictions) are also captured. By eliminating manual processes, transaction costs are significantly reduced. Locating participants in the event of an emergency is also facilitated. Web-based technology should also be used to manage planning, budgeting, purchasing, attendance, payment and performance measurement.

■ **Streamlined payment/reconciliation and consolidated data.**

A single, centralized payment mechanism for all spend categories, including participants' expenses (minus incidental charges), results in more complete and accurate data for better planning, sourcing and compliance tracking. Reconciliation of supplier invoices with actual expenditures is also more efficient. Finally, processes that ensure payment is made directly to suppliers rather than through an intermediary lowers transaction overhead and accelerates payment, which enhances relationships with vendors.

■ **Post-event evaluation.** Evaluations help to gauge the benefits of an event versus the cost. To that end, criteria that determine the value of the content are especially relevant. Seeking feedback from suppliers also helps to improve the quality of future events. All internal stakeholders should receive evaluation results to optimize the effectiveness of future meetings and events.

Figure 12: Key indicators of meeting and events program maturity

	Early	Advanced
M&E strategy	Local strategy/vision	Global/regional strategy
M&E policy & compliance	No distinct M&E policy	M&E policy structured and compliance monitored
Organization	Decentralized and dispersed	Specialists centralized and integrated in the travel management team
M&E processes & technology	Various processes, low technology usage	Streamlined processes and Web-based technology
Sourcing/suppliers	No preferred suppliers, spot buying	Preferred suppliers, contracts and leveraged negotiations
Data capture/monitoring	Data not captured or captured inconsistently	Data consolidated, analyzed and used for action
Evaluation	Superficial to none	Relevant and used for improvement

Source: CWT Travel Management Institute

Having optimized their managed travel program over the last few years, many companies are turning their attention to meetings and events. They will acknowledge that the process involves some hurdles, including significant resistance to change. Organizing meetings and events traditionally brings with it a sense of ownership and pride that many

internal stakeholders have difficulty relinquishing. Nonetheless, persistence pays off. A well-managed meetings and events program brings greater value to the organization as a whole and to individual participants.