**62 Savings and Cost Avoidance Opportunities
in
Meetings and Events**

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A.	**Policy**	**Adhere to policy spending guidelines and budget**
1.	Use a threshold for itemized expenses	A policy will drive numerous savings for an organization; for example: If previous meeting F&B expense was 40% of total budget (for full service meeting) and the new policy states that F&B should not be more than 30% of total meeting expense, it could be a cost avoidance.
2.	Use a cost per person per day threshold per meeting type	Some organizations are using a benchmarked cost per person per day threshold for the type of meeting. Eg. An internal training meeting should not cost more than $$$ per person per day whereas an incentive meeting should not cost more than $$$ per person per day. This will drive cost savings.
3.	Use of preferred travel management company	An organization will save money if one Travel Management Company (TMC) is used vs. numerous companies. Debi often will find multiple TMCs used, with multiple price points, and unused credits with organizations that do not have a policy about using one agency. This single supplier approach to travel management provides for centralized reporting, reuse of airline credits, ability to track meeting / event attendees and lower costs.
4.	Adoption to group online booking tool	If policy states that group travel must be made through online booking tool vs. using a higher priced agent-assisted method, savings will be recognized.
5.	Advance notification of meetings to obtain better pricing	The more lead-time available, generally speaking, the more options on hotel or venue space you will have and an improved ability to obtain reductions in rate and concessions.
6.	Use distressed space for last minute meetings to obtain better pricing.	For last minute meetings, identify hotels with distressed space that want to fill the sleeping rooms and space before they parish without revenue. This will result in a cost avoidance.
7.	Use of diverse suppliers	Track and manage spend with certified diversity suppliers which may result in increased business from some clients that require their suppliers to support diversity. Instead of a savings, the contribution to the diversity suppliers spend may be considered part of the ROI calculation.
8.	Charge no-shows	For no-shows, those scheduled attendees that did neither attend nor notify the meeting sponsor / requester or meeting professionals 24 hours in advance, penalties will be incurred. The penalty amount will be determined by the meeting sponsor / budget holder. The budget holder may

		recognize a recovery to monies lost.
9.	Before going off-site, check office space	Meetings/events that are held at the organization's offices are the "business norm" and conference rooms should always be considered first before going offsite. Offsite meetings / events may be approved if internal space is not available. This policy clause results in actual savings.
10.	Conduct an air analysis on meeting locations	Meetings that include travelers from two or more locations may require an air analysis to determine the lowest cost meeting location. Not many organizations take this important step in determining the most cost-effective location for a meeting. This policy clause results in cost avoidance.
11.	Close the registration	When the organization closes the meeting registration a couple of days before the meeting start date (e.g. 2 or 3 days), the organization may not have to secure overflow properties that will result in additional costs. [Note to reader: if gaining more attendees is the priority, then obviously this statement is not necessary].
12.	Identify special needs in advance	Identify the special services needed in advance so as not to pay premium prices (e.g. meditation rooms, lactation rooms, language translators, sign language translators, etc.).
13.	Clarify if guests, companions and children are allowed to accompany attendee	Too many times, Debi has found extra unnecessary spend at a meeting because an attendee funded their spouse and / or children without approvals. A policy should state whether or not an attendee is allowed to bring guests, companions, or children.
B.	**Demand Management**	**Manage the demand of services by reducing requirements, reducing frequency, encouraging substitution, or obtaining approvals.**
14.	Reduce length of meetings by using virtual technologies	Move from a four-day face-to-face meeting to a two-day meeting complemented with virtual meetings.
15.	Reduce the quantity of attendees by using hybrid meetings	Reduce the quantity of travelers to a face-to-face meeting by using virtual technologies for a hybrid meeting (both face-to-face and virtual at the same time).
16.	Eliminate non-essential meetings / one-day meetings	One-day travel meetings, with purposes such as training, project management, or non-client related, may be transitioned to a virtual meeting.
17.	Reduce / lower demand of product or service	There are too many options here to list them all. Below are a few samples: • Reduce frequency of meetings • Encourage substitution such as reduce bottled water to pitchers or containers of water • Lower expectations such as move to 3-star property instead of 4-star property • Instead of using black car service for ground transportation, use min-coaches to transport multiple people at the same time.
C.	**Control and Compliance**	**Monitor policy, behaviors, suppliers**

18.	Meetings routed through approval	Route all or meetings over a certain spend threshold through an approval process. Meetings that do not align with the organization's goals could be denied. Note that small meetings under the threshold for approval may result in high spend.
19.	Reduction in spend via audits of staff and suppliers to agreed upon contracts	If staff are not using the preferred suppliers for meetings (e.g. hotels, ground, audio-visual), then the rates may be higher than necessary.
20.	Proper rate loading or receiving the right group rates as agreed to in contract	If there was an agreed upon master discount with a chain or supplier (e.g. 10% off all F&B for the most used 20 Hotels in the Chain for Meetings), and if those discounts are not given, then an audit may result in added savings.
D.	**Sourcing and Strategic Sourcing**	**Negotiating and contracting with suppliers per meeting and for the organization-wide meetings program**
21.	Improved negotiations per meeting	Improved negotiations with hotels / venues on rates, concessions, minimums, and guarantees. There are too many opportunities here to mention them all but everything is negotiable. Ask Debi for her thorough master contract and concessions which include hundreds of places to save money.
22.	Use non-peak room nights	Use non-peak room nights to reduce costs
23.	Use off-season locations / hotels	Use off-season locations / hotels to reduce costs
24.	Multi-year contracts	When an organization has a recurring program, there may be savings in contracting a multi-year contract. Debi has recognized 5-8% on guest rooms and a 10-15% on F&B when negotiating a multi-year contract vs. a one-time meeting contract.
25.	Share rooms	Not popular, but many organizations still require attendees under a certain level of title to share rooms to reduce sleeping room costs.
26.	Cluster meetings from multiple properties to fewer properties, overlapping if possible	If an organization has meetings in Chicago, Oak Park, and Evanston, Illinois, (all cities within a 20 mile radius) and they are held in May and June at three different properties, it is possible to cluster them into one property to improve efficiency and reduce spend.
27.	Move meetings to conference centers with Complete Meeting Packages (CMPs)	Combining all F&B, AV, meeting space and sleeping rooms into one price will often reduce the cost of the meeting.
28.	Use an RFP process for preferred group hotels	By reviewing an organization's total group spend at hotels, it will become obvious which chains and properties are most frequently used. Work with the chain or property to obtain standard group rates, discounts, and concessions with the understanding that the sourcing team will always have the right to continue negotiating once a meeting is on the calendar.
29.	Move market share toward preferred transient and / or preferred group hotels	A preferred agreement with a hotel chain, brand, or property will result in improved discounts. Moving market share towards those preferred properties will decrease costs overall.
30.	Leverage group spend with	At the chain or property level, discuss the total volume and

	transient volume and spend	spend that your organization is bringing to the table, and either on the transient side, or group side, or both, additional discounts will be available. With one mid-size client, they did not have enough spend to negotiate at the chain level, but they did have enough transient and group business at 15 select properties. All properties were willing to lower their transient rates and provide additional meeting concessions.
31.	Use an RFP process for preferred ground transportation providers	By reviewing an organization's total ground transportation spend, it will become obvious which cities and suppliers are most frequently used. Go to RFP using your total volume nationwide or by city, to obtain standard annual rates and discounts, with the understanding that the sourcing team will always have the right to continue negotiating once a meeting is on the calendar. Another option is to negotiate some group movements with your preferred rental car agency for improved discounts.
32.	Use an RFP process for preferred audio-visual providers	By reviewing an organization's total ground transportation spend, it will become obvious which cities and suppliers are most frequently used. Go to RFP using your total volume nationwide or by city, to obtain standard annual rates and discounts, with the understanding that the sourcing team will always have the right to continue negotiating once a meeting is on the calendar. Another option is to negotiate some group movements with your preferred rental car agency for improved discounts.
33.	Use an RFP process for preferred meeting management company providers	By reviewing an organization's total spend with external meeting sourcing, planning and management companies, it will become obvious which suppliers are most frequently used. Go to RFP using your total volume to obtain improved rates. It is important to understand the 10 different pricing models that could be used with these companies and which one would suit your organization best.
34.	Use an RFP process for preferred destination management company providers	By reviewing an organization's total destination management company spend, it will become obvious which cities and suppliers are most frequently used. Go to RFP using your total volume nationwide or by city, to obtain standard annual rates and discounts, with the understanding that the sourcing team will always have the right to continue negotiating once a meeting is on the calendar.
E.	**Planning**	**Negotiate pre-meeting and during meeting**
35.	Negotiate pre-meeting and during meeting These categories could also be included under "Sourcing" however, for those organizations that separate hotel sourcing from planning sourcing, Debi has categorized these planning suppliers separately.	During the planning stages, negotiate improved rates and concessions with the following: • Hotels – even after the contract has been signed, there are opportunities to negotiate for improved services or reduction in prices based on factors that may occur at the meeting • Ground transportation • Audio-visual • Meeting Planning Company • Destination Management Company • Décor • Entertainment / Speakers / Facilitators

		• Food and Beverage
36.	Buy vs. rent common AV equipment	Many organizations will use their own AV equipment for local meetings becuase buying and reusing is far cheaper than renting.
37.	Reduce F&B spend by Rebates through Dinova	Restaurants through Dinova By signing up with Dinova, meeting planners will receive rebates back to their budgets or to another corporate budget by using restaurants that are in the Dinova program.
38.	Reuse and go green	Reuse, eliminate or make electronic- content, collateral, signs which may cost more for the first meeting, but will return high valued savings meeting after meeting
F.	**Resource Management**	**Managing the people involved with meetings**
39.	Reduce quantity of resources / gain efficiencies	Numerous ad-hoc planners are in place at most organizations with administrative assistants, coordinators, and professional, high-priced resources planning meetings. With a resource analysis study, an organization often can reduce the quantity of resources needed by removing the meeting planning tasks. Use the right priced resources, in the right capacity, at the right time, in the right location. Many companies are using ad-hoc inexperienced people who perform a task in six hours sitting in a high-priced office vs. using an experienced planner who can perform the work in two hours in a low-priced, virtual location.
40.	Reduce duplication of effort	Numerous ad-hoc planners spend many hours creating Excel and Word forms, checklists, and other processes that could be replicated throughout an organization. Instead, each person often has their own method, thereby costing hundreds of hours of resource time.
41.	Use the right ratio of onsite staff	Use the right ratio of onsite planners to reduce costs. For example, some organizations state that onsite planner assistance may be requested if the meeting/event is over 100 attendees or for certain types of meetings with less than 100 attendees. Or, the organization may use a ratio of 1 onsite planner for every 50 attendees as a common metric; some meetings/events require more or less onsite planners. Using common sense without over-resourcing, use the meeting planner's guidance as to the right number of onsite staff, recognizing that most meeting planners work 12-14 hour days onsite.
42.	Use local resources	Use local travel directors (onsite staff) vs. paying for meeting planners to travel to location. However, some meeting planners that have been involved throughout the planning stages are necessary to go onsite.
G.	**Technology**	**Automating and using technology to streamline activities**
43.	Automate tasks for improved efficiencies	Automating tasks through the use of Meetings Management Technology will: • Improve pricing because of the historic data available to support negotiations • Reduce manual tasks by numerous resources Many tasks may be automated. Some include:

- Approval of meetings through automated routing
- ERFPs provide automated negotiations for the first round (professional sourcing staff still needed to continue negotiations)
- Resource management / assigning staff to meetings
- Estimated budgets through online calculators
- Compare all incoming RFPs (vs. inputting everything into Excel)
- Manage attendees automatically
- Surveys
- Reconcile meeting expenses
- Report metrics

44.	Limit meeting management technologies	Organizations should only allow one major meeting management technology be used throughout the organization to save money and strategically align the data captured within the tool. If another tool is used because of functionality or another reason, then the data should be integrated into one of the technologies or into a business intelligence system. Debi has found multiple disparate technologies used in hundreds of organizations which cost these firms millions of unnecessary dollars.
45.	Integrate technologies for improved efficiencies	Integrate the meeting management technology with the online booking tool to automate arrivals / departure manifests. This will reduce the time that planners need to compare travel manifests to attendee lists, which often takes a long time.
46.	Integrate technologies for improved efficiencies	Integrate the meeting management technology with the learning management system to automate the transfer of information between a) who is attending a learning program, b) who actually attended the program, and c) who is allowed to obtain credits from attending the program.
47.	Integrate technologies for improved efficiencies	Integrate the meeting management technology with the mobile apps to automate the transfer to engagement metrics back into the meeting management technology for reporting purposes.
48.	Integrate technologies for improved efficiencies	Integrate the meeting management technology with the enterprise resource planning technology to report meeting spend.
49.	Reduce costs of connectivity at meetings	Consolidate IT connectivity of all meetings in hotels and other venues. Many cost-reduction techniques are taking place today to make connectivity more affordable.
H.	**ROI, ROO, ROE**	**Measure the value of your meeting**
50.	Obtain the investment in a quantifiable deliverable	Integrate the meeting management technology with the customer relationship management technology to show the value that meetings with clients have on the revenue received from those clients.
51.	Prove value by ensuring the meeting / event achieves objectives using measurable metrics	ROI can be measured and offer savings by:

Meeting Purposes	Savings Calculation
Motivate Communicate	Did the attendees do something as a result of the meeting that

		Educate Generate Revenue	would increase revenue or decrease costs?

I.	**Payment and Recovery**	**Use the right payment method, collect commissions, and reduce costs of invoices by uncovering disputes**
52.	Using point accruing corporate cards to pay for meetings	When an organization allows its employees to collect membership rewards points on the corporate card spend, and when the corporate cards are used to pay for meetings, the organization pays for its level of participation in the point program. As a result, the organization pays the financial services company for the membership rewards point earned by the person who uses the card to pay for a meeting. And, the person usually keeps the membership rewards points for personal gain. Savings can be recognized by paying for meetings using a Meetings Card or P-Card. Debi will show you how to calculate this savings.
53.	Using checks through Accounts Payable to pay for meetings	When the National Association of Purchasing Card Professionals (NAPCP) analyzed the cost of the traditional purchase order process to that of the purchasing card process, the estimated savings was $63.04 per transaction and 25 steps were eliminated in the process, which improved efficiency and sped up supplier payments.
54.	Commissions received	Hotels and other hospitality suppliers will offer commissions on the rates, usually called commissionable rates. Sometimes, the commissionable rates and the non-commissionable rates are the same, and it is possible to use the lowest rate, yet still earn commissions, which are usually ten percent in the United States in the hotel industry. To collect commissions from hotels, airlines or other suppliers, it is usually necessary to become a Corporate Travel Department (CTD) which can be done through the Airline Reporting Corporation (ARC) at their website.
55.	Reduce or eliminate penalties	Penalties are incurred by unfulfillment of the meeting whether it be by a cancelled meeting or a meeting that failed to meet the attendance requirements set forth in the contract (attrition). Many organizations incur these penalties yet if the contract is written correctly, it is possible to reuse the money paid (credits) for future meetings. Too often, budget holders hoard these credits for their own use and the credits expire. It is also possible to Collaborate with external partners to share and use penalty credits. An example of a clause that may be listed in a policy to share credits is: "For penalties under $100,000, any meeting sponsor within the organization may request use of the credit. Full credit

		will be given to the meeting sponsor who uses the credit. For penalties over $100,000, the original meeting sponsor who incurred the penalty has a "right of first offer." The meeting sponsor will have one week to reschedule a meeting/event before the credit is made available to the rest of the organization. The credit will be split between the original meeting sponsor and the new meeting sponsor dependent on negotiations with the supplier."
56.	Deposits	Deposits should be avoided at all costs but many suppliers require them. At a minimum, do not pay deposits to preferred hotels and make that clause part of the contract. Debi has saved thousands of dollars for organizations by maintaining their money in the bank and collecting interest when not paying deposits.
57.	Billing dispute recovery	Studies show that a significant number of invoices (from hotels and other suppliers) are inaccurate. Yet, many invoices are undisputed and overpayments occur.
58.	Recover Value Added Taxes paid	Meeting professionals and Finance are responsible for obtaining the required documentation to reclaim Value Added Taxes ("VAT") when meetings/events are held in countries with VAT. This activity will reclaim monies spent.
59.	Use of Meeting Planner Points	While many organizations are not allowed to collect any meeting planner points from hotels or other supplier due to perception and ethics, some organization are allowed to collect these points. A clause such as the following in the policy will drive some site visit travel savings and maintain ethical responsibilities. "Meeting planner points may be accepted and accumulated for site visits or other business related travel. Meeting planner points may never be used for personal travel or services. Should meeting planner points be used for personal travel or services, the staff member is expected to reimburse the organization for the value of the points. "
J.	**Supplier Relationship Management**	**Oversight and two-way mutually beneficial supply chain relationships to maximize value and competitive advantage**
60.	Supplier risk-based SLA recovery	When an organization uses risk-based Service Level Agreements (SLA) and if the supplier does not perform as defined by the Key Performance Indicators (KPIs) in the SLA, then the organization is entitled to credits.
61.	Suppliers managing suppliers; transparency in pricing	When one supplier oversees another supplier's service, the organization may learn from the one of the suppliers that the other is over-charging for services. This model may encourage more transparency in pricing and the suppliers may keep each other honest in oversight and billing for services.
K.	**Forensics and Fraud**	**Use forensic practices to uncover fraud**
62.	Audit records and encourage	Fraud is prevalent in meetings and events with cases such

staff/suppliers to be aware of, and uncover fraudulent activities	as fraudulent expense reports (whereby meeting attendees may be expensing items that were paid for by meeting budgets), and billing fraud (whereby an employee creates a shell company and bills employer for services not actually rendered). According to the Association of Certified Fraud Examiners, and as reported in their 2012 Report, fraudulent billing and expense reimbursements cause significant financial loss. Based on 1,388 cases of occupational fraud that were reported by Certified Fraud Examiners who investigated them, fraudulent billing resulted in 346 cases or 24.9% of all cases with a median loss of $100,000 and expense reimbursements resulted in 201 cases or 14.5% of all cases with a median loss of $26,000. Debi has uncovered thousands of dollars of savings from the findings of numerous fraud cases through forensic research into supplier billings and expense report review. An example of a policy clause to reduce the double expensing fraud would be: "Shuttle services are commonly used for meetings/events. When shuttle services are used, car services, taxis or other transportation modes are not reimbursable."