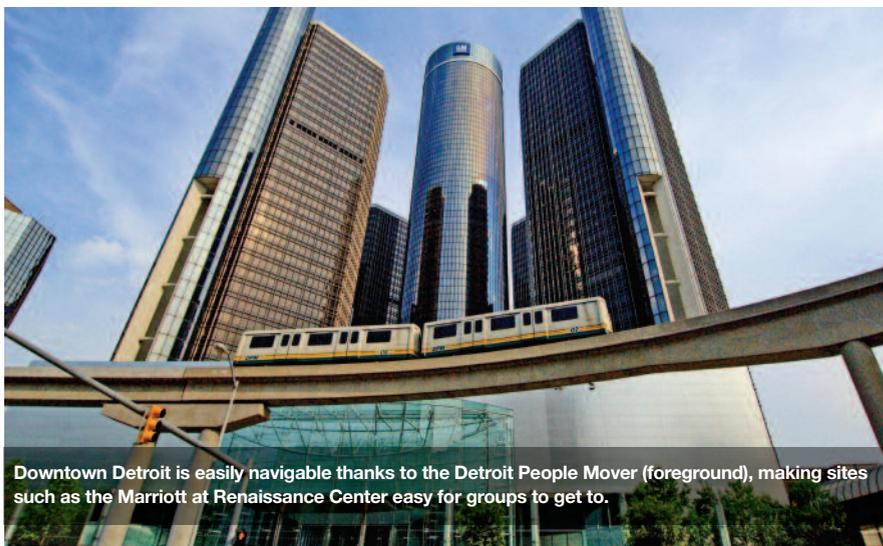


# The Search For Value

BY JACK PHILLIPS, PH.D.



DETROIT METRO CVB

Downtown Detroit is easily navigable thanks to the Detroit People Mover (foreground), making sites such as the Marriott at Renaissance Center easy for groups to get to.

creating plans to determine the success (and thus value) of meetings against those outcomes. The ROI Methodology™ provides a consistent, proven framework for meeting planners to measure success with meeting outcomes across multiple levels of impact.

## The Value Chain of Impact: Defining Results at Multiple Levels

The meeting value chain is created when meeting participants react positively to an event; acquire new knowledge, information or skills; apply those on the job after a meeting; and, as a result of these applied actions, positively influence targeted business measures. Defining a value chain of learning, application or business outcome measures that you want your meeting to impact is an important part of evaluation planning. While satisfied attendees are certainly one measure of value, planners can help advance the industry by moving beyond simple tracking of reaction (Level 1) outcome measures. (“How did you like the speaker, the food, the room temperature?”) For meetings and conferences, this is usually captured with content-related survey questions, such as “Was this meeting useful, necessary, motivational, challenging and important to your success?” and so forth. This also includes asking participants about planned actions resulting from attending an event, such as “What do you intend to do differently as a result of this meeting?”

Special effort is needed to collect and

**T**here’s been a movement in the meetings and events industry toward increased accountability—in particular toward calculating ROI. Considering estimates that the industry spends up to \$150 billion a year in North America alone, this trend is not surprising. Most organizations or sponsors today are looking for a value proposition or some financial return when sending employees to major meetings and events, especially large conferences.

How can a meeting event, conference, convention or trade show be accurately measured to prove its value and its importance to business success? As a meeting professional, you add value by negotiating the right site, obtaining the

best prices and managing logistical details effectively. You can also add value by asking the right questions: “Why are we holding this meeting and what are we trying to achieve?” Defining clear, measurable meeting outcomes with stakeholders before staging a meeting event will increase your likelihood of achieving success after the meeting. After all, if you don’t understand stakeholders’ needs and goals, how can you design a meeting to address those needs and measure its success?

Ultimately, determining meeting value is dependent upon the advance setting of outcomes. Outcomes define desired results. While most planners understand the importance of setting specific objectives, many lack a consistent discipline around setting measurable outcomes and

### About the Author

JACK PHILLIPS, PH.D., is chairman of the ROI Institute. Using more than 20 years of professional experience, Dr. Phillips has developed a sound, tested methodology for calculating true financial ROI for training, leadership and performance programs. The ROI Institute's methodology has been called "the cornerstone of organizational assessment, measurement and evaluation strategies." Dr. Phillips consults with Fortune 500 companies and major organizations throughout the world. He is the author and editor of more than 30 books and 100 articles. *Meeting News* has also named Phillips one of the 25 most influential people in the meetings and events industry, based on his work on ROI for the industry.

### About the ROI Institute

Founded in 2003, the ROI Institute represents more than 30 years of experience in measurement and evaluation of training, human resources, technology and quality programs and initiatives. MPI is working in alliance with ROI Institute Inc. to develop tools, resources and training opportunities to measure and document the value of meetings and events. Visit the ROI Institute on the Web at [www.roiinstitute.net](http://www.roiinstitute.net).

cycle times go down? Did the quality of output improve? Did your sales go up? Did customer satisfaction improve?" will help show the impact of participants' behavioral changes upon specific measures of business performance. Finally, many organizations, sponsors, exhibitors, delegates or suppliers consider ROI (Level 5) to be the ultimate measure of a meeting's value. ROI involves converting data to monetary values, isolating effects of the meeting on that value and capturing the meeting's fully loaded cost. Together, these generate the actual ROI. Evaluating to the ROI level is not necessary for all programs. An actual ROI calculation should be limited to those meetings that are strategic, high profile and expensive. For a given array of meetings, this may mean that only 5 percent to 10 percent of the meetings would be evaluated at this level.

### Summary

Given industry trends toward increased accountability, planners must be willing to evaluate the value of each meeting across multiple levels of effectiveness. Using a consistent, credible evaluation process can help improve the meeting management process by helping meeting planners set priorities, eliminate unsuccessful programs or reinvent those that are successful but expensive. This data can also help justify meeting management expenses and gain funding support. Reporting meeting results in terms of their influence upon key business measures is the best way to secure and even increase budgets for meetings. Executives appreciate and reward the parts of the company that add value, and they will be less likely to cut those areas when budgets are tight. If you're a meeting planner seeking more ways to add value, you can get some help in the new book, *Proving the Value of Meetings and Events: How and Why to Measure ROI*, published by Meetings Professional International and ROI Institute Inc. This is a "how-to" book, which details the ROI Methodology and includes 17 actual case studies.



Detroit has one of the largest theater districts outside of New York, and the famous Fox Theatre is one of the most elegant venues in town.

measure learning data (Level 2). What did attendees learn about new products, the direction of the company or new strategies? Did they make new, valuable contacts? Studies show that only about 10 percent to 20 percent of meetings and events are now being evaluated at this level. Yet this data is very important because if we don't have learning, then we will have nothing that translates into value later on. To evaluate learning outcomes, you can ask attendees things like "Name three new sales techniques you learned" or "Describe a cross-selling opportunity you will use during the new product launch."

Perhaps the biggest challenge is the follow-up after the meeting to determine

what actions are being taken at the application and implementation level of the value chain (Level 3). Did attendees do anything differently back on the job as a result of meeting attendance? For example, are they applying new management skills, enhanced product knowledge or sales techniques? Evaluating the business impact (Level 4) and consequences of those actions often becomes more difficult, but necessary, for some meetings. Participants' applied behaviors, influenced by meeting content and attendance, can affect important business measures like sales revenue, employee turnover and new product development. Asking participants such questions as, "Did your productivity go up? Did your