THE CRY FOR ROI:

HOW TO MEASURE ROI

FOR MEETINGS AND EVENTS

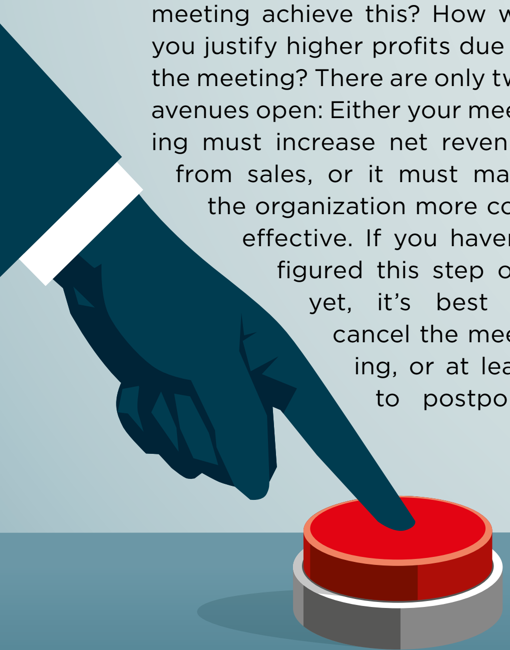
Measuring the value of meetings and events is becoming an essential part of meeting planners' routines. Here, we'll introduce you to a simple step-by-step process, known as the "ROI Methodology."

Find the context

Meetings are meetings, not miracles. They have to be connected to something else, a campaign, or a strategy. If you want your meeting to be "strategic," then it's important to link it to a strategy and its greater purpose.

Connect to the bottom line

All corporate meetings must contribute to shareholder value, usually by increasing profit. Whether we like it or not, this is the ultimate mission of nearly all corporations. How will your meeting achieve this? How will you justify higher profits due to the meeting? There are only two avenues open: Either your meeting must increase net revenue from sales, or it must make the organization more cost effective. If you haven't figured this step out yet, it's best to cancel the meeting, or at least to postpone it until you connect it to the bottom line. If your organization is a not-for-profit, then your mission is one that serves the common good. Once you've settled on your company goals, it's time to set objectives, called "impact objectives."



What will participants do for you?

We work hard to make participants happy. But that's not the purpose of most meetings. The purpose is to make stakeholders happy, participant happiness is just a means to this end. What will participants do, after the meeting, to create stakeholder value? And I don't mean general things like "sell more" or "buy our product" or "communicate better." I mean: What exactly do they do when they sell more? Maybe they were actively listening to the customer's needs before proposing your product as the best solution. This shows that they've learned the skill of active listening at your meeting. These are "behavior objectives," and they are so incredibly important because there is no other way for meetings to create stakeholder value.

What will make them do it?

The first question you have to answer is: Why aren't they doing that already? Through participant research, you can design a series of learning experiences to provide them with new information and insight, to help them learn a new skill, and change their attitude in a way which will make them want to support your business' objectives. So called "learning objectives" are used to measure this kind of achievement.

How to help participants learn

We mostly get this wrong. A series of TED talks, case examples, and an exercise, known as “tell-show-do” doesn’t work. People learn the way children learn, by exploring, experimenting, and engaging with others, and building on what they already know. Whether it’s improving communication in the organization or measuring ROI for meetings: Based on my experience and what I already know, I will discuss it with my fellow meeting participants, add their knowledge to mine, and come up with an answer that I will remember and put into practice. But other factors are important, too, like our physical and emotional environment, daylight, tall ceilings,

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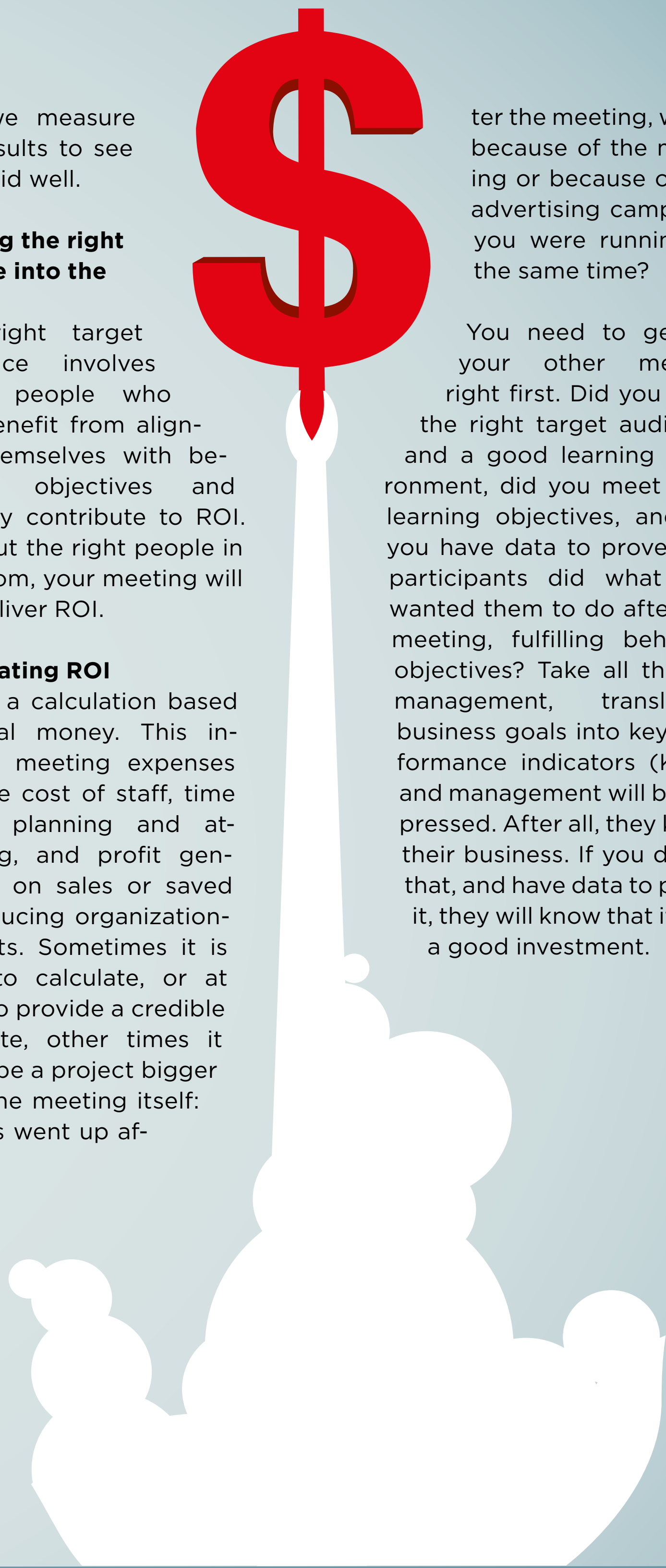
nice food and entertainment, feeling welcome and seen, relaxed, confident. In short: being primed for the learning experience to take place. These kinds of objectives are called “learning environment objectives,” and we measure the results to see if we did well.



Getting the right people into the room

The right target audience involves those people who can benefit from aligning themselves with behavior objectives and thereby contribute to ROI. Without the right people in the room, your meeting will not deliver ROI.

Calculating ROI

ROI is a calculation based on real money. This includes meeting expenses like the cost of staff, time spent planning and attending, and profit generated on sales or saved by reducing organizational costs. Sometimes it is easy to calculate, or at least to provide a credible estimate, other times it could be a project bigger than the meeting itself: If sales went up after the meeting, was it because of the meeting or because of the advertising campaign you were running at the same time?

You need to get all your other metrics right first. Did you have the right target audience and a good learning environment, did you meet your learning objectives, and do you have data to prove that participants did what you wanted them to do after the meeting, fulfilling behavior objectives? Take all that to management, translating business goals into key performance indicators (KPIs), and management will be impressed. After all, they know their business. If you did all that, and have data to prove it, they will know that it was a good investment.

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