

Title:

Quick Tip - Effective Meetings Earn a Profit

Word Count:

259

Summary:

Most people hold meetings that lose money for their company. Here's how to find out if your next meeting will earn a profit.

Keywords:

effective meetings, bad meetings, business meeting, facilitation, steve kaye, facilitator, leadership, one great meeting

Article Body:

Most people treat meetings as a free resource that can be used to deal with any issue. As a result, huge amounts of time and money are wasted on trivia.

A meeting is a business activity (not a social event) and should be designed to earn a profit. Here's how.

Once you've prepared the goals for your meetings, use the following analysis to plan the agenda.

1) Calculate the cost of the meeting by multiplying the number of participants (N), their labor rate (R), and the length of the meeting (t). Then add all other expenses (E), including travel, materials, refreshments, room rental, and other expenses.

$$\text{Cost} = N * R * t + E$$

2) Estimate the value of the results expected from the meeting.

For some issues this step will be easy. Resolving a manufacturing inefficiency, for example, could save thousands of dollars. Or developing an effective strategic plan could earn millions.

This step becomes difficult for less tangible results, such as exchanging information in staff meetings or making some policy decisions. In those cases, estimate the value by comparing outcomes with their potential costs. For example, does it make sense to spend ten thousand dollars on exchanging

information in a staff meeting or is five hundred dollars more appropriate?

3) Determine the return on your investment (ROI) by comparing value versus cost.

$ROI = Value - Cost$

If this analysis predicts a loss, either revise the meeting's scope or cancel it. After all, a meeting, like any project, must earn a profit.

In addition, a profitable meeting will be an effective meeting.