LUCID meetings

MEETINGS ARE SERIOUS BUSINESS

HOW TO MINIMIZE COSTS, MAXIMIZE VALUE, AND MASTER YOUR MEETINGS

INTRODUCTION

Nest CEO Tony Fadell famously estimated that one meeting for the Nest team costs $50,000-$100,000 in salaries.* That sounds like a scary amount of money, and maybe it is. Yet Fadell's dollar figure doesn't include the other costs associated with meetings.

Consider

What's the cost of a bad decision?

When the people on your project actively distrust each other, how can you keep them focused on their tasks?

How do you recover from missed opportunities?

Companies that conduct meetings badly must take these questions seriously. Poorly run meetings create more problems than just wasted time and money; they undermine a team's basic ability to work together toward a shared goal.

In today's world, we strive to achieve unprecedented levels of productivity with finite resources. Time, money, opportunity, and the goodwill of others only stretch so far. This book explores the impact of meetings on your company's capacity to achieve, and provides tips to help you evaluate and improve those meetings.

*Source: http://qz.com/281388/bad-meetings-arent-just-boring-they-cost-a-lot-of-money/

This book contains three chapters, each providing background details and practical advice.

1 Meetings and Money

First we'll explain how to calculate hard meeting costs—the kind you might put in a spreadsheet and look at during budget reviews—and provide simple tips to reduce any costs that are getting out of hand.

2 Meetings and Culture

Next, you'll learn how to recognize the impact of meetings on your employees' ability to make good decisions, coordinate effectively, and ultimately feel like valued and engaged parts of the company. You'll also learn some easy (and not-so-easy) ways to make meetings a better investment of your team's time.

3 Making Meetings Valuable

Finally, for those companies that recognize the crucial part meetings play in moving work forward, you'll find ways to calculate the value of your meetings. In short, does the investment in meetings pay off? You may have a gut feeling about this, but we're putting numbers and a system in place for measuring that value.

A QUICK NOTE: The focus here is on typical working meetings, not conferences or other such rare creatures. When we talk about "your company's meetings" in this book, we're talking about the meetings you have with your team during the course of normal, day-to-day work.

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1

MEETINGS AND MONEY

We know meetings are costly, but so what? So are airplanes and vacations, and we love those. Expense is not the problem; waste is the problem. In this book we'll explore how to calculate what meetings cost, as well as the return-on-investment (ROI) that we get from meetings.

The costs (and returns) that matter most are typically not in telecommunications or software—they are almost always in staff time and making good decisions. Most companies can save money and dramatically increase meeting ROI by running better meetings rather than getting a better rate on software or phone systems. As we dig deeper, you might be surprised at how often managers focus on the wrong costs when they think about working meetings.

Calculating the Cost of People's Time

Let's start by getting a sense of the salary cost for your employees. Fadell's estimated meeting costs for Nest may have been a bit exaggerated, or they may simply reflect the size of their team and the high salaries at Silicon Valley technology companies. But it is certainly possible to calculate these numbers.

Here's a formula for estimating staff costs for your company's meetings:

NUMBER OF PEOPLE x BURDENED COST PER HOUR x LENGTH OF MEETING IN HOURS = MEETING SALARY COST

Let's take a simple example: a 10-person team meets for one hour every week. The average burdened cost of those employees is $100/hour. Therefore, that one-hour meeting costs your company $1,000. Over the course of a year, your company is shelling out $52,000 just to "support" that weekly meeting. **Is the meeting worth it?**

This calculation shows the enormous sum your company spends paying people to attend meetings, but many companies don't bother running this calculation. Instead, they'll spend hours (often expensive hours in meetings) strategizing on how to get the best deal on screen sharing or telephone bridge services, which we'll examine next.

What's "Burdened Cost?"

In the calculations in this book, we talk about staff costs using the term "burdened cost." This is simply the total amount of money your company spends to keep an employee for a given period of time.

To calculate the burdened cost for your employees, add up all the year's salaries, insurance, office costs, and so on—everything you need to keep the lights on and the people in seats—and that's your total operating cost. Divide that by the number of employees, and you get an average "burdened cost" per employee over the year. You can then subdivide this to figure out how much any employee costs in a given work hour, typically called a "burdened rate."

Burdened rate provides a handy baseline for understanding how much your employees cost your company each hour. This is crucial when you have to determine an hourly rate to charge for your services (it had better be well above the hourly burdened rate!), or, as in our case, to determine how much you spend when you commit those employees to any task, including meetings. Here's the formula:

AVERAGE EMPLOYEE'S TOTAL ANNUAL COST ÷ NUMBER OF WORKING HOURS IN THE YEAR = BURDENED RATE

Travel, Facilities, and Software Expenses

Holding a meeting entails expenses beyond just employee salaries. Many companies don't have much in the way of facilities costs, mainly because they use their own office space for working meetings. While keeping the lights on at the office does have a cost, this is built into the burdened cost[1] of each employee, so for companies using their existing facilities, we've already factored this cost in.

You may sometimes pay for a special location to hold a meeting—a boardroom or other rented space—and furnish that location with snacks and supplies. Let's call this expense the **meeting facilities cost**. These meetings also come with additional **travel and lodging costs**.

The other notable category of meeting expenses is **software and communications**. If your company pays for a phone bridge, or meeting software to share screens, it's worth noting those costs as well. (Important note: be careful to calculate only meeting-related costs; don't just put the whole phone bill in here!)

You don't need a special formula to figure out how much you're spending in these categories. Simply add these costs together to get a general idea of your other meeting expenses (it helps to use a previous year's costs to get an idea of future costs):

MEETING FACILITIES COST + TRAVEL AND LODGING + MEETING SOFTWARE AND COMMUNICATIONS = OTHER MEETING EXPENSES

1 See explanation on page 6

How to Spend Less Money on Meetings

Take a moment to compare your per-meeting cost for employees to your other expenses, and you'll have a sense of which costs are the biggest for your company. **For most companies we've surveyed, employee time is a vastly larger expense**.

And yet, despite the enormous sum your company spends paying people to attend meetings, many companies don't bother running this first calculation. So why do managers spend time each year negotiating meeting software and telecommunications costs?

Chalk that up to the power of the sunk-cost fallacy.[1] A "sunk cost" is any money that's already spent (or that you've committed to spend)—it's gone, and you can't get it back. When looking for ways to manage business costs, managers regularly ignore sunk costs.[2] Instead they focus on how new money can be spent in the future.

When you pay for an airline ticket or the rental fee for your team's offsite meeting, you experience immediate sticker shock, and understand exactly what this costs your company. But you don't need a book to tell you how to reduce these costs or seek out a better deal. **Reducing ancillary meeting costs such as these is easy—seek out a better deal, travel less frequently, and that problem is solved!**

But when it comes to tracking meeting costs, managers often overlook the expense of people's time as one of these sunk costs, because they've already committed to paying salaries. The decision to spend salary dollars is in the past—it can't be undone without major disruption to the company. (Also, salary costs don't trigger price consciousness in the moment, unlike booking a plane trip for 10 people.) Here's the problem with ignoring salaries as a sunk cost: **While you may have decided to spend salary dollars in the past, you're actually spending them right now and every day going forward for as long as you have employees on your payroll.**

Rather than a sunk cost, your team's time should be viewed in terms of opportunity cost. We avoid tackling the expenses related to people's time because it's a much harder problem. You can't just negotiate a better deal—instead, **you must work collectively with others to reduce the time spent.**

1 http://youarenotsosmart.com/2011/03/25/the-sunk-cost-fallacy/
2 http://blog.asmartbear.com/sunk-costs.html

Shift the Focus to Opportunity Cost

Here's a simple concept with broad ramifications: Wasting time on ineffective meetings means you're missing an opportunity to do something more worthwhile.

What's Opportunity Cost?

Opportunity cost quantifies the effect of every choice we make. The term "opportunity cost" comes from the idea that every choice we make closes off an alternate choice—an opportunity. This means that if employees spend their time on less productive activities, they can't pursue more profitable opportunities. You measure opportunity cost by putting a dollar value on an employee's time, multiplying the time spent using either an hourly cost (burdened rate) or hourly revenue (billable rate), and then comparing that cost against some profitable opportunity (a different project, landing a new client, and so on).

Calculating the cost of employees' time spent in meetings shows what percentage of your company's operational costs go to paying employees to talk about work rather than producing work. Once you see this figure, you can ask the next question: How should we be spending our time and money?

The important thing to remember is, **to minimize opportunity costs, you need to stop wasting time on ineffective meetings**. Effective meetings include only the people required to achieve the meeting goal (reducing the number of people you pay to attend) and are very focused (reducing time spent in unproductive discussion).

Wasting time on ineffective meetings means you're missing an opportunity to do something more worthwhile.

Specifically, we recommend that you:

Shorten the time scheduled for each meeting.
If your meeting usually lasts an hour, shorten it to 45 minutes. Reduce 30-minute meetings to 25.

Start and end meetings on time.
Many meeting minutes are spent waiting for a latecomer to arrive, or for a windbag to come to a point. Rigorously sticking to the scheduled time not only saves money, it also tells these folks that their habits need to change.

Trim the attendee list.
If you're not sure that someone needs to be in the meeting, don't invite him or her. If you look at the equation, you can see how quickly smaller meeting groups will reduce a meeting's cost.

If you want to go beyond the basics, a modest investment in training goes a long way. Studies show that training in basic meeting skills—such as preparing an agenda, monitoring time, and following up on meeting results—consistently yields significant time and cost savings for a company. (Here's one example: WestJet: Measuring the ROI of Meeting Management Training.)

Before Scheduling a Meeting: The Gut Check

To reduce the time your company spends in unnecessary meetings, use our Gut Check test to make sure unnecessary meetings never make it onto the calendar in the first place.

Before you schedule a meeting, ask yourself: If this meeting doesn't happen, how much would I care? Or: If this meeting doesn't achieve its goal, how much does it matter to my company? (Tip: If you don't know what the meeting goal is, don't schedule it until you do!)

The Gut Check

Rank your gut feeling on a scale from zero to four, using the metrics below.

0 — ”I don’t care.” / “This meeting doesn’t matter.”

Cancel the meeting.

1 — This meeting is a little important.” / “It’s somewhat important for others on the team, but not very much for me.”

Focus the meeting on the topic that matters. Remove other agenda items, unless someone specifically requests that you retain them. Disinvite attendees who do not need to attend to discuss the remaining topics. In other words, size the meeting (both agenda and attendee list) to fit the goal.

2 — ”This meeting is moderately important.”

Make the meeting short and focused. If the meeting is moderately important, it deserves a moderate amount of time (we suggest 20-30 minutes) and a relatively small attendee list.

3 — ”This meeting is very important.”

Take extra time to ensure that you and your attendees thoroughly prepare before the meeting. As always, keep the length of the meeting reasonable and the set of topics focused. If you can get it done in half an hour, do that, but don’t push it—it’s okay to spend an hour or two. (Tip: Include at least one scheduled break in a long meeting!) A very important meeting deserves real attention, including solid preparation beforehand.

4 — ”This meeting is crucial to my company’s success.”

Communicate the fact that this meeting is important prior to and during the meeting. The point is not to freak out your coworkers, but explaining the importance of the meeting can help focus discussions within it. Devote serious time to preparation, meeting, and follow-up. Consider using facilitation activities in parts of your agenda. Invest time and energy in these crucial meetings; they’re worth it.

Once you’ve run the Gut Check and taken the appropriate action, it’s time to actually run the meeting. In the next chapter, we’ll explore how the way we run our meetings impacts our companies’ success beyond simple finances.

2

MEETINGS AND CULTURE

Meetings have costs that go far beyond the financial expenditures of salaries and facilities. The way we come together for meetings has a ripple effect on how our companies function. These secondary effects can ultimately produce incredible costs—and benefits.

In this chapter, we'll look at different aspects of how meetings affect us and our companies.

Why We Meet

To understand the impact of meetings on our businesses, we must understand why we meet in the first place. Meetings serve two key business functions.

First, **we meet in order to make decisions, to exchange information, and to ensure alignment**. In this way, a meeting is one of many tools we use to be certain that people know and agree on what to do.

You may have read advice suggesting that you ban meetings in your company, or replace your status meetings with email reports. This line of thought assumes that an exchange of facts and opinions is the only function of meetings. If that were true, following this advice would save companies lots of time and money, and productivity would soar.

But that's not the whole story. **We also meet because we are human**. We work not just with facts, but with ideas, opinions, and feelings—critical information that doesn't translate well in email. Professor Daniel Kahneman's Nobel Prize-winning research shows that we rely on intuition, on trust in our peers, and on nuanced context in order to make decisions when we can't possibly know all the facts ourselves.[1]

Because we are people and not machines, we meet to satisfy our need for connection; to gather the rich nuanced information our intuition needs to operate successfully; and to feel part of a group. Meeting designer Kevin Hoffman explains that meetings "...are the only place we can apply the full range of human communication styles: verbal (spoken word), visual (written words and image), and physical (body language) to a problem as a group. If we don't iterate that shared understanding, flawed though it may be, we guarantee misunderstandings, missed deadlines, and feelings of isolation."[2]

It's this need for a shared understanding that drives our impulse to meet, and why you can't achieve the same results when you replace your meetings with email. It's also why, when your company runs meetings poorly, the costs to your company spread far beyond the confines of the balance sheet.

If we don't iterate that shared understanding, flawed though it may be, we guarantee misunderstandings, missed deadlines, and feelings of isolation.[1]

- Kevin Hoffman

1 Source: http://www.bbc.com/news/science-environment-26258662
2 Source: http://www.creativeblog.com/netmag/how-run-effective-meetings-6146924

How Meetings Affect Corporate Culture

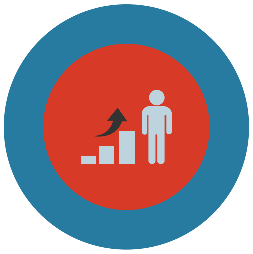
Observing how a team meets reveals so much. Your company's true culture is on display during its meetings. We've all suffered through meetings that are stuffy, boring slogs (and have you noticed that it's often a culturally bland company that hosts a stuffy meeting?). We've also enjoyed fun meetings—those that make us feel heard, energized us, and provided us a clear vision of our next steps.

Meetings magnify cultural dynamics; they can bring people in your company together to learn from one another, make decisions, resolve conflicts, and solve business problems. Meetings operate by (often unspoken) rules dictated by your company's culture. Whatever kinds of behavior—positive or negative—that culture rewards will appear in meetings, particularly in times of stress.

While it would be a stretch to say that any single bad meeting habit will have a quantifiable negative impact on your company's success, we have evidence that a positive corporate culture—one that emphasizes performance-enhancing practices—significantly correlates with increased financial performance.

Why are meetings such a great litmus test for culture? One key reason is that all experiences (both good and bad) feel more intense when they are shared. Studies show that simply experiencing something with another person affects your experience—if you experience something positive, it is more positive when another person is present; similarly, negative experiences feel more negative when shared.

So in trying to quantify the value of meetings, it's important to remember that because they are shared experiences by definition, they amplify feelings. In the next chapter, we'll look at ways to gather data about how people feel about your company's meetings.



A positive corporate culture—one that emphasizes performance-enhancing practices—significantly correlates with increased financial performance.

When You Have Grumpy Employees, They Hurt the Bottom Line

We've been talking about corporate culture, and about employees' feelings. Those of you who live and die by the profit reports may wonder: Why do those feelings matter?

A 2014 survey by Software Advice revealed that employees who routinely display negative emotions within their team reduce team members' productivity by 30-40%[1]—especially if they happen to be managers. This survey can provide you with quantifiable data regarding the effect of unhappy team members on your company. Bad attitudes significantly hurt the bottom line; this fact can make hiring and firing decisions considerably easier (or at least, more data-driven).

Employees who routinely display negative emotions within their team reduce team members' productivity

by 30-40%

1 Source: http://blog.softwareadvice.com/articles/project-management/survey-team-mood-project-management-0814

How You Run Your Meetings Changes How People Feel

A 2011 study by Cohen, et al. entitled Meeting Design Characteristics and Attendee Perceptions of Staff/Team Meeting Quality examined how variations in meeting practices made people feel about their meetings. In the study, participants were asked to rate various aspects of meetings, ultimately arriving at a quantifiable measure called Perceived Meeting Quality (PMQ).

You might be thinking, "I don't need a study to tell me that people have strong feelings about meetings." True—but what's useful about this study is that it found strong indicators of PMQ that are consistent across many study participants—so you can implement them in your own meetings, thus increasing the quality of your meetings and employee satisfaction at the same time. The most important lesson from this study is that when a meeting attendee feels that a meeting is of a high quality, he or she feels that the time was well spent. The better the meeting, the happier the participants. Happy meeting participants are happy employees, leading to higher productivity.

Of the 18 meeting-design characteristics discussed in Cohen's study, some matter more than others. To save you the time of reading a 15-page study, here's a summary of the most important changes you can make in your meetings (see following page for more detail):

1. Start and end meetings on time.
2. Create an agenda and distribute it beforehand.
3. Invite fewer people.
4. Choose the right meeting place.

We've looked at how poorly-run meetings can lead to missed opportunities, lost time, wasted money, and dissatisfaction between team members. While some readers will see this as a call to action, others will remain unconvinced. After all, the effort it could take to improve a broken meeting culture is hardly worth it if it's just to save a few hours and make Sally in Accounting a little less grumpy.

To those of you who still ask "why bother?", consider the next two sections.

1. Start and end meetings on time.

Regardless of whether all attendees are present, a meeting rates substantially higher if it starts and ends on schedule. Bonus: This also saves on the operational costs of meetings! If you're going to try one recommendation from this book, make it this one—no other single, simple change will have as big an impact.

2. Create an agenda and distribute it beforehand.

If a meeting has an agenda, but that agenda is not shared before the meeting, the agenda is effectively worthless (such a meeting ranks the same as those with no agenda at all). This speaks to the importance of setting expectations in advance and following through with them. An agenda isn't simply a schedule—it's a roadmap. Show it to participants in advance so they can prepare for the journey.

3. Invite fewer people.

In general, the more people present in a meeting, the less each person participates (or at least, the less each person feels he or she participates), and the harder it is to keep everyone coordinated. It's easy for a person to feel that he or she is not needed (or, worse, is wasting time) when the number of attendees is very large.

4. Choose the right meeting place.

Cohen's study shows that meetings held in person have very specific requirements in order to deliver good quality—the room must be sized properly for the number of people, requires appropriate tools (projectors, whiteboards, and so on), has to be a pleasant temperature, and even has precise requirements about the nature of refreshments (!).

In other words, you need a space to meet where people can be comfortable and focus on the topic at hand. (Especially for online meetings, this means preparing in advance to avoid any technical hassles. Do a test-run with your meeting software, your telephone system, and other people joining the meeting!)

Decision Process Affects Business Success

Research demonstrates that the way we make decisions in our meetings has a direct, measurable effect on the quality of those decisions—and ultimately on the success of our companies. A 1996 study by Dean and Sharfman entitled Does Decision Process Matter? A Study of Strategic Decision-Making Effectiveness studied 52 decisions across 24 companies, in an attempt to measure whether the process used to make the decision affected the success of those decisions. Here's a key passage from the study's conclusion:

"Managers who collected information and used analytical techniques made decisions that were more effective than those who did not. Those who engaged in the use of power or pushed hidden agendas were less effective than those who did not."

What this suggests for those of us who run meetings is that we should use rational, open decision-making processes in our meetings—we should not simply hand down politically motivated decisions because we feel like it. While that doesn't sound like rocket science, it's important to understand that there is a reason to do this aside from just being nice—it's measurably better for your business. For one thing, your employees know when decisions are arbitrary (see the next section for why that's bad), and for another, perhaps more importantly, when managers open up the decision-making process, they invite employees to understand and collaborate in ways that form a strong team bond.

Why We Shouldn't "Wing It" When Making Decisions

Wondering why employees might balk at leaders who make arbitrary decisions? A Harvard Business Review article from 2011 examined how biases affect decision-making. The article is nuanced and covers a lot of ground; we'll summarize it by saying **we do not know in what ways we are biased**, and that becomes our downfall when making decisions. The article includes a fascinating 12-point checklist to help identify (and, we hope, reduce) bias in the decision-making process.

One item in the HBR checklist asks, "Have the people making the recommendation fallen in love with it?" This is a great example of how otherwise rational people can make poor decisions; we're all guilty of it. If a certain decision just "feels right," we tend to minimize risks associated with it, and we assume that the benefits will be greater than what unbiased reality might suggest.

So, let's put this together:

1. Meetings are (in part) about making decisions.

2. The way we make decisions has a major effect on business success and employee productivity.

3. We have tools (like the HBR checklist and facilitator-designed meeting agendas) readily available to make good decisions.

4. Improving your meeting culture and learning meeting skills will result in better decisions.

Because of these four factors, it's crucial to examine how you conduct meetings and make decisions within those meetings. If you want your business to succeed, use proven strategies and techniques to make decisions.

The Challenger Launch Decision

When we think about the costs and benefits of decisions, it's useful to consider how much it can cost your company if you decide to do the wrong thing. Sure, your company probably doesn't launch rockets into space, and as humans we can't specifically know how things will turn out, but every decision you make—to proceed with or cancel a project, for instance—carries a cost. Those decisions are usually made in meetings, leading to this interesting truth: The cost of the decisions you make in your meetings probably far outweighs the expense of the meetings themselves. So let's look at one of the costliest decisions in recent U.S. history: the decision to launch the space shuttle *Challenger* in 1986.

The night before *Challenger's* launch, engineers from Morton Thiokol (NASA's rocket-making contractor) recommended that the launch be canceled. The engineers argued that cold weather could cause the rockets to fail—in other words, explode. Morton Thiokol had designed the rockets, and they presented data explaining how the rockets could fail at low temperatures. When NASA officials received this news via FAX, they didn't like it, and requested that Morton Thiokol reconsider. So Morton Thiokol and NASA held several long teleconferences to discuss NASA's concerns and make a final decision.

At issue was the temperature on the launch pad, which was predicted to be 26-29 degrees F, an extremely cold temperature for the Florida launch site. The engineers expressed concern that launching on such a frigid morning could cause rubber O-rings (seals) on the rockets to fail, though they didn't have data to prove the point conclusively. (In other words, because a rocket had not blown up yet, they couldn't prove that it would...but they couldn't prove that it wouldn't, either. The data they did have suggested that there was a serious risk; hence the original recommendation to cancel the launch.)

In the end, Morton Thiokol reversed its recommendation, instead suggesting that the shuttle launch as scheduled. In hindsight, of course, we know this was a serious mistake. It's not hard to imagine how a group of engineers went from saying "cancel the launch" to "okay, let's do it" over the course of a night of meetings with NASA officials; we have all sat in meetings where managers or clients want an outcome that we think might be wrong, but eventually we give in.

Many have mulled over this meeting in retrospect, including author Edward Tufte, who made it a centerpiece of his book Visual Explanations. Some argue that the engineers failed to make their point because of confusing graphs; others argue that even if the engineers had made their point, NASA management might not have canceled the launch anyway due to its bureaucracy and management culture. Whatever the case was in the moment, the meeting led to a disastrous decision: launch *Challenger*. That decision was terribly costly.

The next morning, *Challenger* exploded just after launch, due to the cold temperature and failure of the O-rings, and seven astronauts died. It's impossible to put a price tag on those lives, but we can quantify the effect of the disaster on NASA's overall budget.

An early Congressional Budget Office estimate[1] from the year of the disaster suggested that replacing Challenger with a new shuttle would cost more than $2 billion, plus roughly $250 million added to NASA's budget over two years to deal with the loss and investigation. This estimate may have been conservative. After the space shuttle program wrapped up in 2011, a final estimate concluded that the program cost $1.5 billion per flight[2] overall, with a total of 135 flights over the program's 30-year run. Looking at NASA's space shuttle spending per year versus the number of launches, the period directly after 1986 shows a radical decline in the number of shuttle launches (down to zero in 1987) and a massive shuttle spending increase (up to $9 billion in 1987).

What Can We Do With This Story?

When you have meetings, a core outcome is decisions. Those decisions carry costs that can (and should) dramatically exceed what you pay to put people together and decide something. When you think about optimizing the way your business pays for meetings, consider the cost of bad decisions (sometimes resulting from poor communication, dysfunctional meeting culture, poor meeting practices, or bad management) as one of the biggest costs (financially and institutionally) that you hope to minimize.

If we are aware that our decisions always carry costs, and we know that we can measure those costs later, we can make decisions with due care and attention.

The cost of the decisions you make in your meetings probably far outweighs the expense of the meetings themselves.

1. http://www.cbo.gov/sites/default/files/doc08a_0.pdf
2. http://www.space.com/11358-nasa-space-shuttle-program-cost-30-years.html

3

MAKING MEETINGS VALUABLE

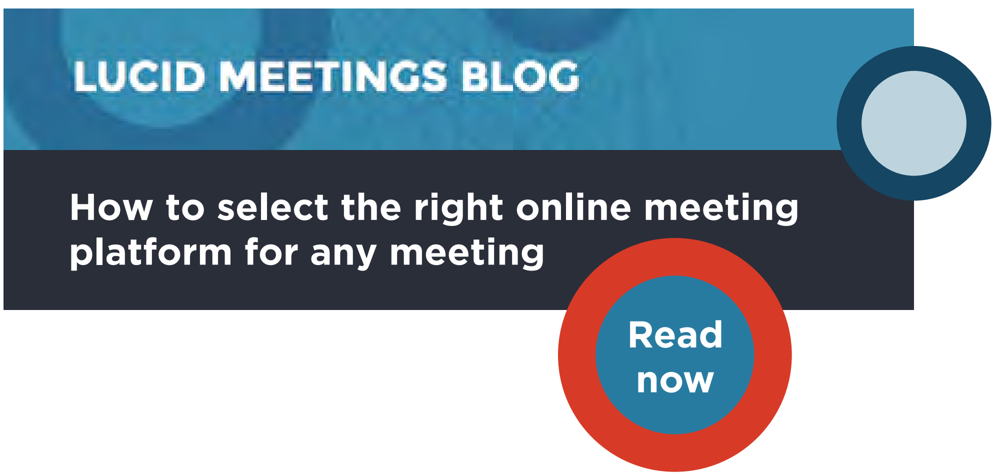
Now that you understand what your meetings cost, and the effect of poor meetings on your company, it's time to make meeting well a priority. You intuitively know whether your meetings create a sense of communal knowledge and purpose or whether they actually frustrate, bore, and confuse. What you need to do is turn that intuitive knowledge into data, and examine that data over time as you work to improve your meeting culture.

In Chapter 1 we discussed using the Gut Check to schedule only the meetings you need. Now we'll discuss ways to collect data during and after your meetings and then take action based on that data.

How to Collect Meeting Data

In your mission to use data as one of the tools for improving your meeting culture, you'll be collecting information that can show trends and patterns for your meetings, so you'll need a system where you can save and add to this data over time (in most companies, this will be an ongoing process lasting years). Most meeting productivity systems will automate much or all of this data collection for you; if you have access to one of those, that's the easiest way to get detailed records you can analyze later.

Alternatively, you can collect data in a spreadsheet. Meeting facilitator Mark Fulop wrote a great article on tracking meeting performance, including a sample Meeting Effectiveness Excel template, that provides a helpful starting place for creating your own tracking system.



What to Track During the Meeting

Quality expert W. Edwards Deming said, “You can expect what you inspect.” We need to inspect our meetings as they happen (and rate them afterwards—see the next section) to figure out hard, quantitative data about them. Although a meeting may seem subjective, there are objective data points you can measure during the meeting in order to determine what happened. So let’s collect the following data points that correlate with meeting quality.

Timeliness

Do your meetings start and end on time?
If not, how late/early are they?

If you’re tracking this in a spreadsheet, keep this simple, and just track whether the meeting started/ended “5 minutes or less“ behind schedule or “more than 5 minutes” behind schedule. (This is one area where meeting software provides more precision automatically.)

Attendance

Track the number of people you invite versus how many actually attend (by the same token, take note of anyone who arrives late or leaves early).

Habitual absences or tardiness are some of the clearest symptoms of a broken meeting culture, so if you see this pattern, address the underlying cause quickly to make big improvements fast.

Time Planned vs. Spent

Many agendas benefit by listing a planned time for each item. When this is the case, keep a timer handy during the meeting to track how much time you actually spend on each agenda item.

(When you later analyze time planned vs. time spent, you’re looking for two things: 1) Did the team stick to the allotted time; and 2) Do certain items or meeting participants take up the lion’s share of the planned meeting time? In either case, you may spot topics or participants that could be moved into separate meetings or managed separately. If you’re tracking to time pretty well, thumbs up!)

Action Items

Count the number of action items created in your meeting and the number closed since the previous meeting. (Note: This may be possible during the agenda-planning stage, so you wouldn't have to spend meeting time asking people what they've been up to lately.) Record these numbers. (Tip: You may also want to record the "age" of an action item when it's completed and compare this to the average; items that take forever to get done may indicate areas for process improvement...or they may just be tasks that aren't high priority.)

Decisions Made

Literally, count the decisions. Decisions are like action items in that they vary in scope and importance—but that doesn't mean you can't count them.

If you wish, apply a scale to them (see The Gut Check in Chapter 1 for a sample quality scale) and use that scale as a multiplier. Here's an example: For a crucial decision (one that's vital to your company's success), count it as four. For a moderately important decision, count it as two. Add up these points to arrive at a total number for all the decisions arrived at in your meeting.

Participation & Engagement

There are plenty of metrics to track here, like whether people speak up, whether the discussion stays respectful and productive, how many attendees actively contribute, etc. But practically speaking, if you're not using productivity software that does this for you, you'll want to keep this simple.

In Mark Fulop's spreadsheet, he recommends rating meeting participation on a scale from "Full participation and respectful interchange" to "Incapacitating communication."

If you record these metrics across your company, you'll have a solid basis for inspecting meeting quality over time.

After the Meeting: ROTI

For collaborative team meetings, status check-ins, and other "getting normal work done" meetings, we recommend measuring success using a process called ROTI (Return On Time Invested—not to be confused with "ROI!").

ROTI meeting measurement comes from the Agile project management methodology. Simply put, you use a simple numerical scale to measure each meeting participant's ROI for the meeting, where the "investment" is time spent. So how does this work?

At the end of each meeting, ask your participants to rate the meeting on a scale from zero to four, expressing value for that participant him or herself. The ratings mean:

0 The meeting was a complete waste of time—no value was received. In other words, the ROI is literally zero.

1 More time was wasted than value was derived. So, for instance, while 30% of the meeting time was useful, 70% was not.

2 An even split of value and time spent. This is sometimes considered an "average" meeting, in that you may spend half the time on things that aren't directly useful.

3 More value derived than time spent. This is above average, and one way to think of it is, "If I spent the same amount of time on my own trying to seek out the information and decisions I gained in the meeting, could I have done it?" An answer of Three or above says that the meeting actually saved that person time in the long run. Seeing a bunch of Three scores in your ROTI represents the sweet spot for high-functioning collaborative teams.

4 Very strong value for time spent. The meeting was crucial to moving forward, so the investment of time was clearly worth it.

Some teams prefer a one-to-five scale; we recommend zero-to-four because "zero" denotes failure pretty obviously. If you're meeting in person, the meeting leader may ask for participants to hold up a number of fingers to rate the meeting (or if you use the zero-to-four scale, potentially a closed fist for zero!), then write the scores on a whiteboard. If you're meeting online, you can capture these ratings in chat or use a simple poll.

Once you have these ratings, you need to ask the group the follow-up question, "What would it take for you to raise your rating by one point?" Asking this freeform question is critical for two reasons:

1. Someone who isn't comfortable giving meetings a low rating will have a way to point out anything that really bothers them, without the perceived negativity of giving the meeting a low score.

2. The answer to the question gives you specific actions to improve your next meeting,

Semi-Annually: Retrospect

Twice a year, hold a retrospective meeting about your company's meetings. Typical retrospectives deal with a specific project, and we believe that improving your company's internal communication (including meetings) is a project. It's just a project that runs for the life of your company.

Although your company's needs may vary, here's a template to get you started on your retrospective meeting.

Goals:

Let this meeting help ensure future meeting successes by:

- Sharing meeting costs for the past six months.
- Determining areas for change in meeting processes.
- Creating and assigning action items to make process changes.

Prep Work:

- Create reports on meeting data, based on tracking and ROTI measurements described earlier in this chapter.
- Highlight any trends (positive, negative, or neutral).
- List major decisions (good or bad) that you want to examine. Go back to your meeting notes from the meetings in which those decisions were made in order to remember the context of the decisions.
- Consider inviting key team members (who have attended previous meetings) to lead relevant sections of the meeting, so they are invested and prepared. One key question to ask them: Which decisions, made in meetings, had a big impact over the past six months? What that impact positive or negative?

Agenda (One-Hour Meeting):

- Review reports on quantitative meeting data. Include action items, decisions made, time planned vs. spent, participation and engagement, and any other available metrics. 5 minutes.
- Review reports on qualitative meeting data (ROTI). Include improvements made based on this feedback over the past six months. 5 minutes.
- Highlight major decisions, both good and bad, and discuss what happened in the meetings in which those decisions were made. 10 minutes.
- Work together to make a list of what works well in your meetings, and why. You

want to find out what's working so you can standardize that success across the company. (Note: This gives the team permission to speak frankly about the next agenda item.) 10 minutes.

- Work together to list what needs to be improved in your meetings. Perhaps you're routinely using too much time, or action items are rarely completed, or there are other issues. Listen. Reflect. Engage. Consider how these things could be improved. (Note: You may be tempted to think that certain things can't change—for instance, people will always be late getting into your meetings. Even if you believe that, for the sake of argument, consider what you could do to address that problem if it were assigned to you as an action item.) 15 minutes.
- Review suggested changes to meeting practices based on the reports and pre-prepared ideas. Solicit new suggestions, in case the meeting has spurred more ideas. 10 minutes.
- Assign action items related to meeting quality changes. 5 minutes.

Calculators for Seeing Meeting Cost and Value in Dollars

Lucid Meetings has created a series of interactive online calculators to help you measure the costs and benefits of your company's meetings:

Meeting Software Costs
Computes software and teleconferencing costs based on the number of meetings you hold, the number of participants, meeting duration, and the software choices you make.

Meeting Staff Costs
Shows the cost of staff time (using burdened rate) spent in meetings.

Total Monthly Meeting Costs
Combines the two calculators above to get a holistic sense of meeting cost.

Meeting Cost vs. Value
Measures the ROI of a meeting based on the average meeting grade as assessed by participants. (You can use ROTI as a stand-in for the meeting grade.)

THINGS TO DO FOR EVERY MEETING

If you run meetings regularly, print this list out and keep it somewhere you can see it.

1. **Create an agenda in advance of the meeting.** If you're not sure about a topic, ask the person most responsible for that topic what the outcome should be. If the answer isn't clear, consider deleting (or reframing) that topic. Be sure that each agenda item has a clear outcome associated with it (team learning, a decision, an action item, etc.).

2. **Circulate the agenda to team members and request feedback and edits, one or two days before the meeting.** Where possible, assign team members to revise and expand their agenda items, so they will have ownership over their portion of the meeting. Some meeting software can help automate this process, making each meeting participant highly invested in owning and leading portions of the meeting.

3. **Collect and circulate any documents relevant to the meeting in advance.** Never, ever, ever sit and read a document aloud during a meeting; if this happens in your meetings, you're wasting time (or you work in publishing). Your attendees should come to the meeting familiar with all relevant documents and ready to discuss, not to read. Having said this, it's appropriate to show key passages from documents to set up a discussion or decision point—and your participants should have already read those in advance.

4. **Set expectations.** Be clear with your meeting participants what prep they are expected to do before each meeting, what topics will be discussed during the meeting (the agenda), and what key results will be achieved by having the meeting. This helps establish trust over the long term—you say what you're going to do, and then you do it.

5. **Run the meeting.** Crack the whip. Advance the agenda. Move discussions along. Let people contribute. Learn about facilitation. Make your meeting culture active—"we meet to achieve specific goals and make specific decisions"—rather than passive—"we meet because it's Tuesday."

6. **Measure.** Using the techniques discussed in this chapter, measure how your meetings go, and stay disciplined about recording data over time.

7. **Follow up.** Send simple, clear meeting notes to participants (and anybody who wasn't present, but needs to know the outcome). These notes should be concise and clear. Listing a handful of key decisions and important action items is better than a five-page log of everything that everyone said.

Conclusion

Meetings are a necessary and valuable part of collaborative work. But meetings have a bad reputation overall, because so many of them are poorly run.

We at Lucid Meetings believe that meetings can be better, and truly must be better for companies to succeed. A little training, planning, and process goes a long way toward making your meetings valuable.

By honestly examining your company's meeting practices, you will find opportunities to improve them. Whether these improvements are highly quantitative (like staff costs) or qualitative (like ROTI and retrospectives), they are all measurable, and the tools to measure them are now in your hands.

Ready, Go!

If you're ready to take the next step in improving your meetings, measuring your success, and reducing costs, please check out Lucid Meetings and open a free account today.

ALL-IN-ONE MEETING SOFTWARE

Meetings are the engine that moves work forward.
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