



EIBTM PROFESSIONAL EDUCATION
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Win-Win-Win scenarios in Outsourcing services

Colm Clarke

Managing Director, Congrex Belgium

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*Let's
meet*

Going beyond the original title

How AMC / PCOs can work better with Associations

This session will allow PCOs / AMCs the opportunity to speak directly to some Associations and to discuss how they can work together better. The session will allow Association to benchmark themselves and their suppliers

Win-win is not enough

- What about the end customer (members & delegates)?
- What about other partners (local / national)?
- What about others in the value-chain?
- Other issues, e.g. sustainability?

Understanding and aligning expectations

- Association Goals:

- Revenue
- Profit
- Quality Product
 - Quality Content
 - Quality Experience
 - Memorability

- AMC/PCO Goals:

- Revenue
- Profit
- Quality Product
 - Quality Content
 - Quality Experience
 - Memorability

For Members & Delegates

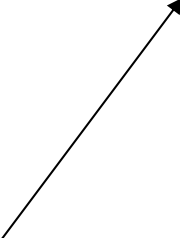
Shared clients have shared desires

- Networking
- Education
- Professional development
- Business development

Differences are in the delivery

- Each association has specific strengths & resources
- Each service provider has specific strengths & resources

Identify and fill gaps in
competence and capacity



Obvious Questions

What type of service do we need?

How are we going to get it?

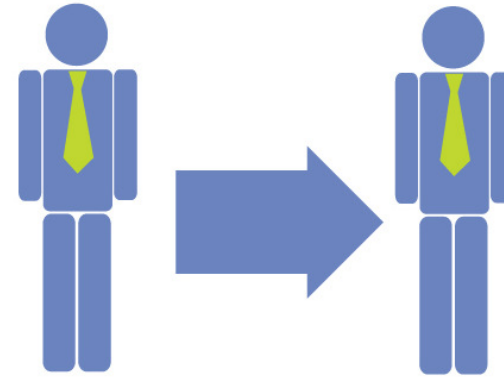


What type of service do we need?

How AMC / PCOs can work better with Associations

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Supply



From Dictionary.com

1. to furnish or provide (a person, establishment, place, etc.) with what is lacking or requisite: to supply someone clothing; to supply a community with electricity.
2. to furnish or provide (something wanting or requisite): to supply electricity to a community.
3. to make up, compensate for, or satisfy (a deficiency, loss, need, etc.): The TVA supplied the need for cheap electricity.
4. to fill or occupy as a substitute, as a vacancy, a pulpit, etc.: During the summer local clergymen will supply the pulpit.

Advice

From Dictionary.com

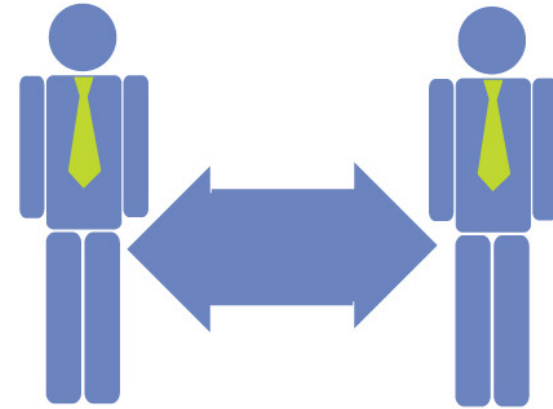
1. an opinion or recommendation offered as a guide to action, conduct, etc.: I shall act on your advice.
2. a communication, especially from a distance, containing information: Advice from abroad informs us that the government has fallen. Recent diplomatic advices have been ominous.
3. an official notification, especially one pertaining to a business agreement: an overdue advice.

Synonyms:

admonition, warning, caution, guidance, urging.



Partner



From Dictionary.com

1. a person who shares or is associated with another in some action or endeavour; sharer; associate.
2. Law; a person associated with another or others as a principal or a contributor of capital in a business or a joint venture, usually sharing its risks and profits.
3. a husband or a wife; spouse.
4. either of two people who dance together: my favourite partner in the waltz

Synonyms:

colleague, accessory, accomplice.

Models of Collaboration

- Fixed Fees
- Variable (result based) Fees
- Guaranteed Return
- Profit & Risk Sharing

Fixed Fees

Strengths

Weaknesses

Client Association	Client Association
Reliable budget Transparency Can define service mix and level	Removes commercial incentives Fee not linked to outcome Looks expensive
AMC / PCO	AMC / PCO
Reliable budget Reliable planning Can emphasise quality / expertise for smaller projects	Removes commercial incentives Fee not scaled if scope grows Not competitive vs other fee models

Variable (result based) Fees

Strengths

Weaknesses

Client Association	Client Association
Reliable budget Transparency Incentivises growth & sales	Prioritises commercial incentives May not include “management / creative” time Proposal comparison difficult
AMC / PCO	AMC / PCO
Incentivises growth & sales Budget & scale can be planned	Efficiency is essential Reliant on client “product” to sell Many variables to present at proposal

Guaranteed Return (to client)

Strengths

Weaknesses

Client Association	Client Association
<ul style="list-style-type: none">“No” financial riskRemoves burden of financial planning	<ul style="list-style-type: none">Reduces potential returnLoss of budget (quality) controlLoss of transparency
AMC / PCO	AMC / PCO
<ul style="list-style-type: none">Attractive propositionClear target for client	<ul style="list-style-type: none">Financial risk is priorityReliant on quality productQuality second to cost

Profit & Risk Sharing

Strengths

Weaknesses

Client Association	Client Association
<ul style="list-style-type: none"> Shared financial risk True win-win partnership approach Transparency 	<ul style="list-style-type: none"> Very clear budget principles needed Detailed financial plan to understand Retain some financial risk
AMC / PCO	AMC / PCO
<ul style="list-style-type: none"> Attractive proposition for client Shared financial risk True win-win partnership approach 	<ul style="list-style-type: none"> Reliant on quality product Needs client to understand budget details Uncertain revenue forecast

Enablers in Collaborating

- Shared values
- Shared vision
- Customer insight
- Open communication
- Real contact in the selection process
- Efficient processes & decision making
- Analysis of suitable / relevant information
- Realistic goal setting



Disablers in Collaborating

- Restrictive contracts
- Dis-incentivising work / reward schemes
- Over-diplomacy / harmony without logic or purpose
- Repetitive planning approaches
- Inconsistent quality / product from year to year
- Structural limitations
- Indirect communications



What are Associations **paying** for?

The Basics

- Understanding the objectives and expectations
- Defined work methods
- Standard tools and equipment

What are Associations **paying** for?

If you want or need it

- Flexibility and willingness to adapt
- Creativity / Innovation
- Specific experience and expertise
- Ongoing staff and service development
- Advanced tools or systems (and the knowledge to use them)

Creating your **win-win-win** scenario

- Know what to look for in the right partner
- Understand and align expectations
- Examine appropriate model of collaboration
- Safeguard your investment



Thank you very much!

*Let's
meet*

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