

## Meeting Costs

### How much is meeting inefficiency costing you?

Calculate yours to find out.

Meetings utilize your company's tangible and intangible resources. Much if not most resources allocated to meetings are creating value for your company and are absolutely necessary. However, many companies have allowed meetings to replace individual contribution and common sense. In some environments, meetings are called for trivial decisions. In others, any and every person imaginable is invited to attend. Still others run well past their allotted or necessary time. To be fair, many meetings are designed to enable sharing of information, to motivate meeting participants, to gain participant commitments or to leverage the collective brainpower of the group as a whole. The productive portion of these meetings is not considered inefficient. Every meeting has a cost and managers must make decisions that weigh the value of the meeting against the cost of the meeting. Because managers are empowered to make that decision, they should understand what the potential cost of meetings is to their company.

Make the calculations for yourself to see where inefficiency, opportunity costs and wasted facilities might be present in your company and how much it costs:

#### Meeting Inefficiencies

#### Cost Impact of Inefficiency

Time wasted in "unnecessary" meetings that could have better been handled by a short phone call or on an individual basis.	<p><b>Time Wasted \$</b> _____ = # _____ hours per year spent in unnecessary meetings X \$ _____ avg hourly burdened salary per person</p> <p># _____ hours per year spent in unnecessary meetings = Avg # _____ unnecessary meetings per day X Avg # _____ people per meeting X avg # _____ hours per meeting X 250 days per year</p>
Time wasted by having too many "extra" people in meetings who are not necessary to the objective of the meeting.	<p><b>Time Wasted \$</b> _____ = # _____ hours per year in non-essential extra people time X \$ _____ avg hourly burdened salary/person</p> <p># _____ hours per yr in non-essential extra people time = Avg # _____ extra people per meeting X # _____ necessary meetings per day X avg # _____ hours per meeting X 250 days per year</p>
Time wasted in "long" meetings resulting from lack of structure, lack of clear objectives, discussing items outside of scope, re-hashing issues dealt with in prior meetings, etc.	<p><b>Time Wasted \$</b> _____ = # _____ hours per year in extra time spent in long meetings X \$ _____ avg hourly burdened salary per person</p> <p># _____ hours per year in extra time spent in long meetings = Avg % _____ time wasted per meeting X Avg # _____ essential people per meeting X # _____ necessary meetings per day X avg # _____ hours per meeting X 250 days per year</p>
Time wasted by people "preparing" for meetings they individually don't need to attend or meetings that are unnecessary	<p><b>Time Wasted \$</b> _____ = # _____ hours per year in unnecessary time in meeting preparation X \$ _____ avg hourly burdened salary per person</p> <p># _____ hours per year in unnecessary time in meeting preparation = % _____ time spent in meeting preparation per meeting X [avg # _____ extra people per meeting X # _____ necessary meetings per day + avg # _____ people per unnecessary meeting per day X # _____ unnecessary meetings per day] X avg # _____ hours per meeting X 250 days per year</p>
Time wasted by "support staff"	<p><b>Time Wasted \$</b> _____ = # _____ hours per year in unnecessary "support" time</p>

preparing charts, gathering data, scheduling meetings, arranging facilities, etc. for unnecessary meetings	$X \$ \text{_____} \text{ avg hourly burdened salary per support person}$  $\# \text{_____} \text{ hours per year in unnecessary support time} = \text{avg } \% \text{_____} \text{ of individual participant time spent by support staff}$ $X \text{ avg } \# \text{_____} \text{ people per meeting}$ $X \# \text{_____} \text{ meetings per day}$ $X \text{ avg } \# \text{_____} \text{ hours per meeting}$ $X 250 \text{ days per year}$
Unnecessary facilities (e.g. real estate, audio conferencing, infrastructure, supplies and equipment) used on "extra" people, "unnecessary" meetings and "long" meetings	<b>Wasted Facilities \$ _____ = Avg # _____ hours wasted in meetings per year</b> $X \$ \text{_____} \text{ avg hourly facilities burden per person}$  $\text{Avg } \# \text{_____} \text{ hours wasted in meetings per year} = \# \text{_____} \text{ hours per year spent in unnecessary meetings}$ $+ \# \text{_____} \text{ hours per year in non-essential extra people time}$ $+ \# \text{_____} \text{ hours per year in extra time spent in long meetings}$  $\$ \text{_____} \text{ avg hourly facilities burden per person} = \% \text{_____} \text{ total facilities dedicated to meeting space}$ $X \$ \text{_____} \text{ facilities cost per month} / 833 \text{ hours per month}$ $/ \# \text{_____} \text{ people in company}$
Unnecessary travel costs for people attending unnecessary out of town meetings or who don't need to attend	<b>Wasted Travel \$ _____ = Avg # _____ unnecessary people traveling to meetings per year</b> $X \$ \text{_____} \text{ avg cost of travel per person}$  $\text{Avg } \# \text{_____} \text{ unnecessary people traveling to meetings per year} = \# \text{_____} \text{ people in unnecessary meetings per day}$ $X 250 \text{ days per year}$
Unnecessary consultant costs for studies and reports for unnecessary meetings and caused by unnecessary meetings	<b>Wasted Consulting \$ _____ = Avg # _____ unnecessary consulting engagements per year</b> $X \$ \text{_____} \text{ avg cost of consulting engagements}$  $\text{Avg } \# \text{_____} \text{ unnecessary consulting engagements per year} = \% \text{_____} \text{ of consulting engagements unnecessarily initiated}$ $X \# \text{_____} \text{ consulting engagements per year}$
Added costs of catering coffee, sodas, snacks and meals to people that don't need to be in the meeting or for unnecessary meetings	<b>Wasted Catering \$ _____ = Avg # _____ unnecessary people in meetings per year</b> $X \$ \text{_____} \text{ avg cost of catering per person}$  $\text{Avg } \# \text{_____} \text{ unnecessary people in meetings per year} = \text{avg } \# \text{_____} \text{ people in unnecessary meetings per day}$ $X 250 \text{ days per year}$
Annual cost:	<input style="width: 100px; height: 20px; border: 1px solid black;" type="text"/>

Note: This doesn't include the "opportunity cost" of not getting other work done, missing important client calls, etc.