P A R T   O N E

Business Ethics

The first three chapters of *Event Planning Ethics and Etiquette* explore event planner and supplier professional working relations; the ethical cost of doing business; supplier to supplier ethics; the issue of fair competition; how to maintain ethical boundaries and delves into event planner and client interactions both in the office and on site.

Questionable behavior—personal and professional—is no longer overlooked, swept under the carpet or condoned. People are choosing who they align themselves with—as individuals and in business dealings—carefully. They know selecting the wrong business partner to work with can lead to criminal charges and legal liabilities, with not only the company they work for being held responsible, but individuals as well. For example, when using special effects at an event, a supplier, venue or planner should hold themselves to high standards of ethics in providing guest safety and demonstrate they value saving dollars more than saving lives. If they choose to sidestep terms and conditions that have to be met to ensure participants are as safe as possible, such as making sure all permits and safety codes have been met (fire marshal permits, clearly marked exits, exit ways have been clear and not locked or blocked, required number of working fire extinguishers on hand, sprinkler system in place, certified and tested flameproof material, on duty fireman to oversee event, proper insurance coverage) and a death results, criminal charges and lawsuits can be laid with all involved—client, planner, suppliers—in the event production.

Neither clients, planners or suppliers can afford to do business with those who cross ethical boundaries, crave financial gain at all cost, flaunt disregard for event planning principles and openly show a lack of respect for moral values. The cost is too high—to do so puts individuals and companies at risk personally and professionally.

Business ethics is now an industry standard. Exhibiting ethical behavior—as an individual and as a company—will be the guiding compass leading the way to those we chose to do business, work and associate with.

1 THE ETHICAL COST OF DOING BUSINESS

EVENT PLANNER AND SUPPLIER PROFESSIONAL WORKING RELATIONSHIPS

Would You Do Business With You?

When competition is tight and budgets are on the chopping block, cutting corners in the ethics departments may seem like a quick fix. But as many in the event planning industry will attest, a burgeoning bottom line does not always mean that you are a success. Here is an ethical question for you. You are an event planner who wants to use a specific hotel for a high-level event. You contact an audiovisual supplier you trust (as opposed to the hotel's in-house audiovisual supplier) to be sure everything will go off without a hitch. You inform the supplier of your dates and requirements. Then, about a week later, the supplier calls to say they have received a letter from the hotel stating that to do business in the hotel, the AV company must meet certain strict requirements: The crew must not sport any facial hair, or wear earrings, blue jeans or T-shirts while on site. While it seems appropriate that tech crews dress in a neat and tidy manner, something does not ring true about this letter. Techies with no beards, moustaches or long hair? Keeping in mind that most tech crews work behind the scenes, out of sight of participants and other hotel guests, and are often paying guests (their hotel rooms for out-of-town events are generally not complimentary or even at a staff travel rate; the limited negotiated allotment would have been assigned to event planning staff members first), most planners would smell a rat right about now. Are the terms merely a ploy by the hotel to promote its own in-house audiovisual company by making it difficult for outside contractors to be brought in?

From the hotel's perspective, it has the right to require anything it wants from those who set foot on its property. Perhaps there have been some bad experiences with rough-and-ready AV personnel in the past. Who is to know? And accusing the hotel of this conduct will not win you any points in the business-relationship department. The option always remains to take your business elsewhere, which was the decision of the event planning company faced with this dilemma. They did not want to jeopardize the quality of the event they were producing by using an AV company they were not familiar with. Another recourse would be to speak to the hotel's general manager or, if all else fails, the hotel chain's president. A similar situation can also occur when planners are faced with a hotel or venue's preferred supplier list. It is sometimes possible for the planner to overcome this obstacle and bring in their chosen supplier by paying a surcharge to the facility.

Such situations are thrown into the abyss of what could be called "questionable ethical behavior." All planners and suppliers have experienced it, whether on the receiving end or the giving end, and it is a tough spot to be in either way.

Event planners and suppliers develop their professional working relationships in a variety of ways. Their relationship develops through interaction that takes place inside and outside the office and in both business and social settings, which can include:

- In-Office Sales Presentations
- New Product Updates
- Business Meals
- Familiarization Trips
- Industry Functions

- Holiday Celebrations
- Proposals and Quotes
- Event Operations
- On-Site Meetings
- Business Referrals
- Confidentiality
- Business Favors

In any one of these areas, ethical lines between planners and suppliers can be unintentionally—and certainly sometimes intentionally—crossed. In business, you will always find someone who would sell their soul for a sale. Seizing an opportunity that does not ask you to compromise your company and personal beliefs and values is very different from selling your honor for a sale. It is up to you to decide whether you or your company will take part in a particular behavior that is ethically discreditable. And the time to decide that is in advance, before you are mired in the quicksand of unscrupulous kickbacks or conduct that can pull your company and your personal reputation under.

A world of available supplier talent is literally at an event planner's fingertips and on their doorstep—in their e-mail in-box, on the Web, over the telephone and delivered with the morning mail to their desk. Daily, planners are bombarded by an abundance of resources all looking to develop a long-term working relationship with them. Planners are looking to align themselves with suppliers who are creative, cost conscious, do outstanding work and offer inventive solutions. At the same time they must respect the planner-supplier boundaries, conduct themselves professionally, work until the job is done and at final billing present no surprises. Planners will often take suppliers with whom they have developed good working relationships and who have proven to produce client-pleasing results halfway around the world with them to create successful events rather than take the chance of trying someone new and untested.

Each supplier who calls on an event planner is looking for ways to establish that kind of bond. If out-of-country locations are being considered, airline representatives would like your client's participants to fly to destinations that they service. Tourist boards are looking to promote their country or area and work to keep their location at the top of planners' minds. Hoteliers and venues would like planners to select their (and related) properties to hold their event in. Destination management companies would like event planners to use their assistance all around the world or the services of those they are affiliated with. Suppliers of promotional goods and materials would be open to shipping their items anywhere in the world they may be needed rather than have planners use local sources.

Suppliers know that if they cultivate and establish good working relationships with top event planners it can lead to business referrals and serve to increase their market share. Competition is high and suppliers are always on the lookout for ways to set themselves and their company apart from the rest. As well, suppliers look for means to strengthen their personal business relationships with planners. In the event that supplier representatives should ever change companies, they would want to be able to take their established business connections with them. They look to cultivate planner loyalty to themselves as opposed to the company they represent. Some companies, in an effort to block this, have their account executives sign contracts with a two-year non-compete clause. This means that the representative would be barred from contacting their existing clientele, as well as potential clients, for two years should they decide to leave.

IN-OFFICE SALES PRESENTATIONS

Generally, event planners and suppliers initially meet over the telephone. The supplier could be calling from halfway around the world or from across the street. Their intent is to set up a face-to-face meeting to present their product. They may request to meet with an individual, the sales and planning group or the entire company team (planning, operations and on-site staffing). They may come alone or as part of a company-wide blitz. One hotel chain likes to have their top destination sales staff visit en masse once a year, in addition to individual hotel representative visits, giving planners a double dose of the same information. Planners often feel as though they are caught in event planning crosshairs if they live in a destination that can be used as a stop en route to a major industry trade show such as World Travel Mart in London, the Motivation Show in Chicago, or

The Special Event Show, which changes venue every year. At a time when planners are working frantically to clear time to attend the trade show themselves it can sometimes feel as if their offices have been invaded by suppliers flying in from around the world—sometimes showing up unannounced—in the days preceding and following the show. Wise planners learn quickly to anticipate this and limit their access to essential suppliers they need to spend one-on-one time with so that their days are not eaten up in sales meetings. Suppliers arriving on a planner's doorstep, deliberately not calling ahead to see if a meeting is even feasible, often find themselves advised by the receptionist that the staff can see people only by appointment. This is a buffer planners put in place so that they don't damage their personal working relationship by turning a supplier away themselves. Some suppliers try the unannounced arrival on purpose, because they know if they call ahead in busy times to secure a meeting they will be turned down. Their intention is to put planners on the spot and maneuver them into a meeting. Their lack of respect for ethical event planning business practices, common courtesy, regard for your time and meeting deadlines does not warrant more of an explanation from the receptionist than an appointment is required—you do not owe them more.

Sales representatives arrive in planners' offices determined to share all their company's services. Supported with Web sites, promotional material and letters of reference they set out to win over new clients. Often they arrive bearing gifts. Those that are appreciated by planners are examples of quality promotional items (trinkets, not trash) that feature the destination, facility or product that they can add to their research files. Planners can then use these items in their presentation proposal to clients as suggestions to include in their teaser mailings to guests or as one of the event elements included in their program recommendations. Planners also get to see the quality of the items firsthand, which can tell planners volumes about the supplier and its ingenuity. Promotional items deemed interesting and worthy of future consideration are filed away. The ones that are not are returned because planners, respectful of the promotional dollars being spent, advise suppliers if they would not use these particular items.

One special effects company handed out samples of small, light-as-air puff balls made of extremely soft material with a customized ribbon attached. The customized labels on the puffs the supplier handed out featured the special effects company's name and phone number so that planners knew who to call should there be a need. These puffs could be used as part of a special effects finale such as a confetti burst, and done in a client's corporate colors. Holding a sample in their hands, planners and clients could clearly see that guests would not be injured in any way by a cascade of puffs raining down on them. Whether or not these puffs would serve a purpose being visually effective or easy to clean up afterwards, for example, is a decision the planner and client could easily make after seeing a sample firsthand.

Other welcome offerings are inexpensive food items that may depict a destination or theme. One retro (1940s–1970s) candy manufacturer brought with them a sampling of fun items we loved when we were kids that could be ordered for party loot bags or used to create a centerpiece at a theme party. They brought a fair size assortment—enough for the office to partake in—but rather than eat them, they were kept on hand as props to show clients. Had they brought in a quantity of just one item, some may have been eaten and the balance filed away for promotional purposes, but the supplier brought in one of each item and it was of greater benefit to the event planning company to keep them than to eat them. Specialty food items that do not have a long shelf life are generally shared with the office and consumed. Smart suppliers who choose to bring food (or other) items on their sales calls ensure that the items are inexpensive, representative of their company product and are useful. It is essential that they bring sufficient quantities to distribute around the office. For example, a company that sells unusual party favors was remembered more because they handed out beverage glasses that glow as opposed to the tired and traditional coffee mug with the company name imprinted on it. It was an item that was intriguing, of value (could be used afterwards and would serve as a reminder of their company long after the glow had faded—it lasts up to six hours) and one that showcased what the supplier had to offer. The glass was not imprinted with a logo. A company business card was merely placed in each glass. It was small, discreet and memorable.

Suppliers bearing large cumbersome promotional leave-behind items will not be welcome with open arms. Bringing tumbleweeds or steer skull candles from Arizona would not be appropriate. Prickly pear, margarita jams and jellies, or Arizona popcorn with a southwest chili pepper kick would depict the area and be a better choice.

One Caribbean hotel on a sales call brought each staff member at an event planning company a large double-size umbrella featuring their hotel's name and logo. The umbrella was a sample of the umbrellas found in each guestroom for guests to use on hotel property to protect them from the sun or "liquid sunshine" (rain) and take home with them at the end of their stay. That gift was deemed by the receiving office to cross no ethical borders, since the hotel was one that they highly recommended to their clients and the gift was one that tied into the supplier's product. The supplier had called ahead to find out how many employees the event planning company had because they did not want to leave anyone out. It was to the supplier's benefit to have more people walking around with the umbrellas featuring their hotel's name, since it was advertising for them.

That brings event planners—individuals as well as companies—to another moral issue. By using a supplier's product, staff are openly endorsing it. You must ask yourself if this is something you are comfortable with. Is the hotel one your company supports? Is it one that represents the quality of hotels your company recommends? Is it better to be standing outside in the rain with an umbrella that endorses a specific product or to be shielded from a storm of controversy by upholding your principles with a logo-free umbrella?

Supplier gifts start to cross ethical boundaries when they are expensive, personalized or inappropriate. Companies need to establish guidelines about what can and cannot be accepted. A supplier bringing a planner, who is a known wine connoisseur, an expensive, rare vintage, specialty bottle of wine that is clearly meant—no matter how subtly it is presented—for their own personal consumption, is an inappropriate offering. Ethically, the supplier's motives can be perceived very differently from a representative scheduling a wine and cheese presentation, featuring their regional wines and cheeses or something special like an ice wine, fortified wine or new wine (such as Shiraz or Pinot Grigio) to an entire office at the end of their work day. One is aboveboard and out in the open for all to enjoy—and could be tied into destination education—while the first example is questionable because it is clearly meant to present the gift giver in a favorable light. Whether or not it is appropriate to serve wine in a business office is an entirely different matter that needs to be discussed before allowing such a presentation to take place. Whose responsibility is it (who is liable) if an employee is injured on the job or on the drive home after partaking in on-the-job libations?

Think breakfast served to an office is a better idea? It is not without its perils. One hotel decided to set up a food station in an event planning office and serve arriving employees breakfast. The number of sales calls from this supplier to the planning office was escalating and was being taken to new levels. They had opted not to bring in one of their professional chefs; instead, the hotel sales team was there in full force to cook breakfast for their guests. What was often bandied about the office was the hotel sales manager's huge (and very visible) crush on one of the (happily married) sales executives. During the breakfast proceedings, the hotel sales manager's mind was focused trying to get the sales executive's attention and not on the omelet station, which caught on fire. It was quickly put out, but along with the omelet, the hotel sales manager had burned the supplier's reputation.

What had been long apparent to the event planning staff was now obvious to the hotel's sales team. The conduct of the sales executive had always been above reproach, always extremely professional and polite and never encouraging. In fact, she took pains never to be left alone with the hotel sales manager. In sales presentations where chitchat can sometimes take a general turn while waiting for a member of the group who might have stepped away for a moment to return, she always took care to mention her husband in the conversation. There was never a question of someone being led on. But it was a situation that had gotten out of hand.

Was the office at fault for not setting sales boundaries for their staff and making sure that limits were maintained? The hotel sales manager had repeatedly shown lack of professional decorum, but it had not been dealt with. The concessions the event planning company had been receiving from the hotel, which was one of their preferred ones, made it easy to overlook questionable behavior. The event planning employee was caught in the middle. Her demeanor to the hotel sales manager was always professional and respectful and had never crossed the line. But she and her colleagues both knew that if they spoke up and asked to work with another sales manager, their clients may not continue to receive special compromises from the hotel. While they had done nothing to curry special favor, they knew they were receiving it and why. The office and their clients benefited, but there was a cost to doing business that way. After the situation literally flamed out of control, the hotel stepped in and resolved the situation by having the sales manager assigned to a new territory. They had witnessed firsthand what was to them unacceptable business behavior and took immediate action.

TIP

Never "drop in" unexpectedly on clients or suppliers "because you are in the area." Be respectful of one another's time, commitments and deadlines. One sales representative assures clients that she will take up no more than 10 minutes of their time and makes sure she does exactly that. A timer is set to ring in her pocket when the 10 minutes have elapsed. Always remember that no one will feel kindly towards someone they feel is holding them prisoner in their own office.

By using strong-arm tactics or engaging in unethical business practices such as courting clients with expensive gifts, customers can be turned off doing business with a company. It can be a costly mistake. Wise sales executives approach each buyer as a potential lifelong client, not a one-shot contract, and look towards building a long-lasting professional working relationship. They know that if they cross ethical boundaries, corporate business relationships can be quickly terminated, client references rescinded and their chances of future business referrals nullified. They know that individuals come and go and that their true client is the company they are doing business with. They are aware that the cost of doing business unethically can be high, should they choose to cater to the demands of one unscrupulous individual or solicit business in a manner that is questionable. The onus will fall directly back on them, damaging their professional reputation, and on the company they represent if the company is perceived as condoning a lack of ethical behavior.

COMMUNICATION BETWEEN PLANNERS AND SUPPLIERS

Keep new product mailings and updates sent by e-mail professional, not personal. What is said can be circulated around the office and around the world in a matter of minutes. Do not put anything in writing you are not prepared for the world to see or hear. E-mails and voice messages can be easily forwarded or replayed for the whole office to witness.

One owner who was ethically, but not electronically, challenged, could decipher the phone message codes from the tone being played when staff were picking up their messages using speakerphone. He knew the entire staff's telephone passwords and would monitor their messages. He discovered that one of the company's married employees was having an affair with one of their suppliers, and delighted in playing several of the "private" messages to others on their executive team. Both the owner and employee were guilty of unethical behavior. Some event planning companies record all staff conversations, with the staff's knowledge, but incoming callers are not advised that calls are being caught on tape (technically illegal in some areas).

A seemingly harmless joke can have serious repercussions and even damage someone's character. For example, a mailing from a supplier included tequila suckers (complete with worm). The handwritten note made reference to discovering a new way to drink on the job and alluded to how much they knew the recipient enjoyed tequila. Luckily, everyone in the office received the same message and supply of suckers (which were promptly thrown away). But had only one message come into the office, its contents, if opened by someone else, could have easily damaged someone's reputation. Many companies have their receptionist open incoming mail and date stamp it. No one should ever assume that only the recipient will be viewing their messages, even if marked personal, private or confidential. What comes into a place of business should be related business material and may be opened, read and circulated by anyone. In the news, we read daily how e-mails and business letters with personal requests are coming back to haunt the sender by being leaked to reporters covering business transgressions in their entirety. If an inappropriate message is received in the office, it is best to address it directly with the sender and advise them to be more circumspect in the future. Letting it go is not the answer. A lack of response could lead to a further lack of business respect being shown in the future.

BUSINESS MEALS

Many sales reps like to cement business relationships over lunch or dinner and some will try to make sure that they schedule their appointments to end just before lunch or at the end of a business day when the offer to get a quick bite or grab a fast drink may be made. Others may call and formally invite planners out to lunch or dinner. Planners who prefer to keep their business relationships professional and not cross over into their personal time and space learn to schedule supplier meetings to begin at 10:00 a.m., knowing that scheduling a meeting at 11:00 a.m. could lead to an invitation to lunch. In the afternoon planners schedule meetings to begin at 2:00 p.m., knowing that by doing so they have sidestepped being invited to go to lunch before their meeting (which would generally happen if they erred and scheduled it for 1:00 p.m.) and avoided being asked to go for drinks after work since the meeting would be ending mid-afternoon. If planners decide to stop for lunch or go for an after-work drink, they cut into time usually reserved for meeting family or friends, as their personal time can be extremely limited when deadlines are looming. Many planners work through their lunch hours on days that meetings with suppliers are scheduled so that they can minimize the domino effect of work, e-mails and messages piling up while they are in meetings. Planners can tactfully tell their sales reps that by meeting in the office and not over a meal they can both fully focus on the business at hand. This way, planners can give the representative's material their full attention and talk more freely about their upcoming events needs without the concern of being overheard or indiscreet in a public setting.

Some event planning employers may feel that going to lunch with suppliers is an expected part of the job. In their minds, relaxing over food in a casual setting can open the door to a better working relationship with suppliers and benefit their clientele. Suppliers know that the more they can discern about their client, the better they can service them and determine how to better their chances of closing the sale. Those skilled in sales will make note of their client's personal preferences, birthdays, marital status, children's names and ages, and pets. Power selling and speaking courses teach sales staff how to tell if their client connects more to visual or auditory sales techniques by the language they use. They are taught to listen to client responses. For example, do they reply to a question by saying, "I see what you mean" (visual) or "I hear what you are saying" (auditory). Knowing a client's preference can help them target their sales presentations and service style.

A top salesperson's mission—as a planner's main sales contact—is to get to know their client better than their competition and to work towards building a lasting professional working relationship.

But the same thinking can be applied in reverse. By planning companies spending time getting to better know their sales representatives at lunch or dinner, or the ideal scenario for both—over a round of golf at a charity event where an extended amount of time can be spent in each other's company and where foursomes are selected with business opportunities in mind and not left to chance—the possibility of being able to secure better rates for their clients in their future dealings with a supplier could be their main objective, not merely grabbing something to eat.

Are mealtime maneuvers ethical? Are they mandatory and part of the job requirements? Can professional and personal boundaries be crossed over something as basic as lunch? Could company secrets or private business be spilled instead of the soup during the enjoyment of a glass or two of wine or beer in a casual atmosphere? The answer to all these questions is yes. How many times have you heard a colleague return from a business lunch exclaiming "You won't believe what I just heard!" and in a matter of minutes a major industry newsflash has gone through the office and out on the streets via e-mail and the telephone before the unsuspecting teller of tales has even returned to their desk. Those practicing ethical behavior need to stop the flow of conversation when it turns to airing a company's dirty laundry or dishing dirt on the competition. Sitting silent is showing that this manner of conversation is being condoned. One planner was caught in the position of being in the know between two business peers. A colleague was about to launch into a recap of a high-level meeting, not knowing that the person she was sitting across from was best friends with the senior executive she had just met with and his wife. Had she proceeded to tell her tale the end result could have been disastrous, with the information being shared sure to get back to those she had met with. The planner had a choice of whether to say nothing or step into the conversation and ask the other person (who was sitting there quietly, not saying a word but taking it all in) in all innocence if they were friends with the senior executive, putting her peer on warning that they were being indiscreet and to proceed with caution. The planner broke into the conversation and a change of subject was quickly introduced. The world gets smaller every day and you never know who knows who—they may be sitting across from you or directly behind you during your lunch meeting, taking in everything you say without anyone being aware. Be wary of what is being said, to whom it is being said and where it is being discussed.

FAMILIARIZATION TRIPS

Familiarization trips, known in the business as fam trips, can take place in the city you live, out of state and around the world. The purpose of a fam trip is to introduce an event planner to a new service, venue, facility, hotel or destination. Airlines have been known to whisk planners away on flights to nowhere, taking off and landing in the same location, to demonstrate in-flight comfort and service, or for an afternoon beach barbecue on a tropical isle in the middle of winter. Spas try to demonstrate how their location has mastered the art of pampering, and restaurants have created special delicacies to tempt planners' palates. Hotels have walked planners up and down every inch of their facility to show off every conceivable nook and cranny. Some "fam" trips are purely business, while others are purely pleasure. Many are a combination of both, and in some cases the planner is invited to bring a personal guest. Suppliers also offer fam trips to planners' clients who may be considering a specific destination for an upcoming program.

Fam trips are not meant as a reward to administrative staff, an inexpensive vacation or an opportunity to send the company head's parents away on an all-expense sightseeing venture. They are not supposed to be a chance to do unrelated business in locations that were of personal, not professional, interest, but they are sometimes used by event planning companies that way. In each case, office reports would be filled in upon return, but what an inexperienced and uneducated eye sees is entirely different than a professional eye. Some suppliers have been misled as to who is actually a full-time, part-time or freelance (contracted) employee, or a relative, partner (spousal non-business) or friend not in the industry. They have, in some cases and at great expense, been used. Some suppliers are fine about having *any* representative of the event planning company attend. They are so anxious to show off their services. To them, it may be better to have someone—anyone—rather than no one there. But they need to know exactly who is attending and why, what their in-office responsibilities or affiliations are and whether the proposed service being showcased is a viable company option. There are times where there are no in-house staff members able to take part or afford time away from the office, and a trusted and trained eye could be sent in their stead to view a particular site that is of true interest to the office for an upcoming proposal. But the supplier needs to be provided with the facts, not half-truths, in order to make a decision.

Having said that, the planner may then be putting the supplier in a position of having to bend certain rules to accommodate them, with the event planner asking them to compromise their business ethics. A freelance trip or program director that the event planning uses on a consistent basis is an example of affiliated personnel they may recommend to represent them. They are fully trained, knowledgeable and aware of the event planning company's requirements.

TIP

Bad business behavior can take place that will reflect badly on both the supplier and the event planning company when non-company representatives demonstrate unprofessional attitudes. The mother of one planning president, on a fam trip representing the company, loudly berated local airport staff for not upgrading her and her husband to first class on a scheduled flight. Her behavior was so obnoxious that the head of the airline called the planning office to complain. That was only the first leg of the trip. Things then went from bad to worse. At the hotel they were equally demanding, requesting room upgrades and free amenities. They were late to functions, held up the rest of the guests time and time again and were generally unpleasant to be with. And the company's claim to professionalism was definitely questioned by all who witnessed it. The manner in how it was handled was noted by the planners—the supplier had lost total control of the situation. In another case, when faced with unacceptable conduct, there was no hesitation on the part of the supplier, who sent the offending guest home immediately at their own expense. They were not about to reward blatant bad behavior. Those on the trip respected the supplier for standing up for ethical behavior and taking appropriate action. By demonstrating company values while conducting themselves professionally, the supplier earned a reputation for masterful handling of difficult situations. Don't be afraid to do the right thing. The business the supplier may have lost by sending the unwelcome guests home was not business they wanted to handle if this was an example of how the company conducted themselves.

Fam trips have also been used by planners to entice prospective clients or as a thank you to existing ones whose decision maker had always longed to go on a safari, sail the Nile, climb the pyramids or visit down under, but had no intention of actually going there with their group and openly said so. Once again the supplier is on the hook for the costs, has been lied to, feels used and has wasted a valuable opportunity to better grow their business by bringing a true potential client with them.

Some planners and clients prefer not to be indebted to any supplier. If a fam trip is required, they pay up front for all their expenses. They consider it an ethical cost of doing business, not an industry perk or payback in exchange for business, and accept no offers of free—or reduced fee—fam trips. That way they also get to determine exactly how long their stay needs to be and what they need to see. One event planning company made a much-needed visit to see a Las Vegas theater being used to stage their event, all in one day. Two key staff members took the first flight in and returned on the last flight out, seeing exactly what they needed to complete their presentation. Being wined, dined and wooed was not what they were about—they were there not to play in the pool or hit the slots, but for purely business reasons. They were on a fact-finding mission.

Always make sure that the fam trip being offered is on the up and up. If you have been the recipient of unwanted attention from a supplier, be wary of fam trips that are offered. One industry supplier representative (a very much married lothario) was planning a fam trip of one for an unsuspecting planner. Unknowingly, the planner was to be the only invited guest on a weekend getaway, all expenses paid for by the equally unaware supplier. On another fam trip a planner was being hit on nonstop by the sales representative, whose main ambition was to familiarize themselves with their invited guest. On the final night the planner received one last call from the sales rep asking to be let up to the room so that they could make the planner's last night in the destination "memorable." It was. With the deadbolts securely fastened and a heavy bureau pushed in front of the door to keep unwanted intruders out, their last night in the destination certainly became memorable. The planner had learned from a hotel representative that hotel room keys may be given out by "a good buddy" working on reception, and the planner decided not to take any chances and barricaded the door.

INDUSTRY FUNCTIONS

Suppliers often showcase their products at industry functions that range from large conferences to individual special events.

Some supplier events are very tasteful and their focus is on educating their guests, introducing them to key personnel and spending quality time together. Starting with cocktails with dinner, this is followed by a formal presentation after which everyone heads home. Others are pure party disguised as a professional get-together. Some come in between. Planners attending supplier special events are usually going to see a new facility or learn something new. If a supplier is holding their event at a brand-new venue that the planner has not been to or has not experienced their service firsthand, that can be a major drawing card in getting them to attend. The event planner will be more impressed by being introduced to something out of the ordinary—be it a location, food, beverage, decor or entertainment—than having to sit through something run of the mill at an overused location.

Some suppliers looking to show their clients a good time will include overflowing bars and dance bands, which can lead to being placed in a compromising situation. When partners do not accompany attendees, dancing should never be included by event planners. Preferable would be a performance that guests can all watch and enjoy. A band with a dance floor forces participants, willing or not, to get up and dance with a member of the sales team or one of their associates. For the most part many of them would rather be home, relaxing and spending time with loved ones. They attend industry functions to show support for their sales representative, to learn something innovative and to come away with new business contacts—not to dance.

TIP

Introducing the newest dance and song that is about to sweep the nation, and encouraging guests to participate from their seats by doing just the arm movements, can be fun and entertaining and done in a manner that no one's reputation could be publicly jeopardized and the subject of conversation the next day.

Marital conflict was the result of one wife picking up her husband before a presentation had come to an official end. When the woman arrived she saw people drinking, dancing and in some cases being overly familiar with their industry peers. "Is this what you call working while I'm home alone waiting to spend time with you?" was the comment heard as the couple left. Event planning crosses over to party planning and supplier events can mirror that, but knowing what to include and how to present it professionally is paramount. Business decorum must be maintained. Guests attending are working, not there for a good time. The festivities and entertainment elements should be reflective of this. It is how professional event planners would strategically plan their clients' corporate events if guests are expected to attend on their own.

Where ethical boundaries also are crossed at industry functions is when the following are encountered:

- No-Shows
- Bringing Along Uninvited Guests
- Unexpected Guests
- Substitute Guests

No-Shows

When guests RSVP but have no intention of attending, it is not just rude, it is expensive. Last-minute crises do happen, but at some industry functions the percentage of no-show guests who have called in to say they will be attending, don't call and cancel, or merely don't show up is very high. They should know better. Planners know when suppliers have to call in food and beverage guarantees. After all, that is part of what they do for their clients. Not showing up when you have said that you will can strain working relationships. The supplier is on the hook for the cost of the meal and planners should consider how it feels to pay for meals for guests who have not bothered to show up. This can reflect back on their sales relationships with their suppliers. The supplier may have not been able to invite other guests due to budget or room capacity and thoughtless no-shows limit their options.

Sometimes the inability to decline the invitation in advance is driven by good intentions. For example, when the sales rep is pressuring the planner by stressing how important it is that they attend, it can be difficult to continue to give excuses and may be simply easier to say yes. What no-shows may not realize is that not only does the supplier know who RSVPs and doesn't attend, often name tags of expected guests are left at registration in the hopes that the recipient is only momentarily delayed, so departing guests often get to see who was expected and was ultimately labeled an official no-show.

Bringing Along Uninvited Guests

Guests may call and ask if they can bring an uninvited staff member, friend or partner. Planners recognize the importance of how an invitation is worded. They know that they leave themselves open to the uninvited if the invitation is not properly worded. "And Guest" after the invitee's name means exactly that. The invited guest is free to ask anyone to accompany them to the event. The additional company is accounted for, included in the budget and openly welcomed. Invitations bearing only one name (and not clearly marked "And Guest" or "And Staff") mean only one guest is planned for and expected to attend. Calling a supplier to request additional space can stress budgets, create extra work for them as they try to juggle responses and seating plans, and place the suppliers in the awkward position of having to say no.

TIP

A gracious out that suppliers can use—if they find themselves unable to say no—is to simply note the request and advise the caller that if space should open up, they may be able to consider their request.

Unexpected Guests

Guests may show up unexpectedly, deciding at the last moment to attend. They've called and sent their regrets, but on the day of the event their desk has been cleared, there is nothing slated on their to-do list that can't wait, the office is buzzing and getting ready to attend a fun evening function and an evening out with their industry peers suddenly is more appealing than being left behind or sitting at home alone. The group arrives en masse at the registration desk and the supplier is then faced with a dilemma. Do they scramble to make room for someone unexpected? Turn them away at the door and offend someone they regularly do business with and who was originally a welcome addition to the evening's festivities? Planners have been on the other side and know the ripple effect an unexpected guest can cause and, in good conscience, being respectful of industry business ethics should never intentionally cause registration chaos. Suppliers generally try to handle this awkward situation with grace, but a gracious guest does not put their host on the spot or in a position of having to incur unexpected expenses on their behalf.

Substitute Guests

Guests may pass on their invitations to others. An invitation comes in. The event is a "must do" for a number of reasons—the office wants to show support, check out the venue the host is using, see how a new theme is being done or meet additional contacts—and the person who has been invited is unable to attend. Most planners would call and express their regrets, but some take matters into their own hands. An RSVP is called in, but instead of the intended guest, a substitute is sent in their place to represent them. Invitations, unbeknownst to the sender, are often circulated around the event planning office with a note scrawled across the top that says "does anyone want to go in my place?" The invitation eventually makes its way back to the recipient and a yes is called in, but there may be no mention of a change of name. What is not taken into account is that the supplier has selected the guest name with care. An event that has been designed around company presidents attending will be uncomfortable for all concerned should the office's temporary receptionist show up in their place. Money will have been spent on someone for whom it was not intended and the supplier did not have the opportunity to bring in another guest who would be more suitable for the evening's objectives.

HOLIDAY CELEBRATIONS

Holiday celebrations are never an invitation to let loose with inhibitions or indulge in sending gag jokes that cross personal and business limits. Get-togethers may be casual, but good business behavior should never be casually discarded.

Companies vying for a major account took the holiday season to inundate one company president with very expensive gifts for him and the office staff, with the hopes that their company may be looked at more favorably when it was time to decide the winning bid. Unfortunately, company policy required that all of the gifts be returned as the companies had violated the dollar amount for what was deemed an appropriate holiday gift dollar value for a person or entire office. Red faces all around. Checking with companies in advance to see what would be a suitable gift is always advisable. General gifts for the office to share, such as inexpensive but creative food baskets, may be a better choice than individual gifts.

Suppliers who send fitting holiday gifts can have their "gifting" rights violated when the offerings they send are not used as they were intended. One supplier chose a huge container of gourmet popcorn (several flavors were sectioned off in the can) as their annual holiday gift for office staff, one that could easily be shared while at work. When the beautifully decorated canister was empty, staff decided that names would be drawn to see who would take it home. In this case, the gift was used exactly as the supplier meant. All shared in the supplier's goodwill. Not so in the following example.

Every year one candy manufacturer would send their event planning clients a large and lavish display for all the staff to share as a thank you (as noted on their accompanying card). At one office, the first thing one company president would do was call her family members to tell them the package had arrived and to come in and choose their favorites from the selection. The festive package, which came wrapped in clear cellophane, would be whisked away behind closed doors the minute it arrived. The president's family would come and later depart with their arms laden with the supplier's wares. The one or two remaining boxes would be put out for the staff to partake in. The supplier was never aware that the gift they had intended to be shared by all was being used to stock one individual's family members' shelves for the holidays—especially the one most likely to be able to afford to buy their own candy supply. The supplier would then call to find out how the staff had enjoyed their holiday treats and new products, which, of course, the staff had only seen as a moving blur as they were carried from the reception area to the president's desk. This scene was played out year after year, and in the office the president's behavior quickly became a standing joke with bets on how fast her family members would arrive. But, would the supplier have been able to see the humor in it? The staff, embarrassed by their president's actions, never told the supplier that the thoughtful gift was never distributed as intended. A better option for the supplier would have been to deliver the gift in person and be on hand to distribute it to staff.

Should an individual be able to commandeer what has been earmarked as an office gift from a supplier? Or how about others appropriating personal gifts addressed to someone else who happened to be out of the office when gifts were delivered? In the case of perishable items such as a seasonal box of Clementine oranges, it is acceptable to appropriate them if they would go bad before the addressee returned back to the office. They can always be consumed and easily replaced. Items that are not so affected should always be delivered to whom the supplier intended. If the gift is something deemed unacceptable to company policy, it is the individual's responsibility to acknowledge it, advise the supplier of company procedure and return it. A staff member whose passion was golf was gifted with a top-of-the-line golf club, which far exceeded the gift value that was acceptable by his company. In keeping with his company's policy setting the gift maximum at $25, he returned the club. Logo-imprinted golf balls or a hand towel to clip onto his golf bag would have been a better gift selection.

One supplier used the holiday gift-giving season as an opportunity to be present with their product and show a touch of creativity, all with the advance approval of head office. Hot roasted chestnuts from an actual vendor's cart, steaming hot chocolate, a specialty coffee bar, warm cinnamon buns (all skillfully prepared by professional staff—not their sales reps) and strolling carolers greeted staff as they came to work. It was an inexpensive way to add festivity to the start of their day and get to spend additional quality time with them, further developing their long-term working relationship. Staff were introduced to the supplier's serving elves, the faces behind the names most knew only from telephone or e-mail communications. Their holiday gift stood out from the rest and staff looked forward to seeing what surprises next year would bring. Their gift selection was out of the ordinary and in keeping with the services they offered.

In order to sidestep any office politics and to demonstrate social responsibility, some suppliers opt to send donations to charities to support worthwhile causes in lieu of gifts. Choosing a charity can be difficult. Many who select this option make one large donation on behalf of all their clients as opposed to supporting each client's individual charity. A donation to helping children, especially in the holiday season, may be viewed in a warmer light than one saving endangered donkeys, which may be equally worthy to an animal lover but may not be the choice of the majority. Reports in the news regarding charity spending scandals will make some suppliers skittish about continuing this trend. They will be more careful in choosing charities, especially after a major charity accepting donations for a September 11, 2001 relief fund made headlines when it was revealed that the dollars coming in were not all going to help individuals, but that some of the incoming funds would be diverted and spent on new computers and administration. Ensuring that the money received will be spent as it was intended is important, since in some cases ethics are reportedly being crossed. Make sure that the charity is legitimate. Not all charities are who they claim to be. One charity calling for donations, with police and missing children in their name, was not connected in any way to the police. Be aware. It is better to go with recognized and reputable charities.

With the holiday season come company get-togethers and parties. Some event planning companies have solicited suppliers for gifts for door prizes, decor and reduced costs for entertainment. There are many ethical reasons not to cross this line and put suppliers in the position of being backed into a corner, or accept such offers if they are presented. As planners you could be walking the fine line of being perceived as beholden or aligning your company with one particular supplier. The supplier may feel, rightly or wrongly, that they are being put in the position that if they do this for your company you will look more favorably on their next bid or proposal, and if they don't pony up they won't stand as good a chance or the opportunity could go to someone else.

Clients are not impressed by the developing trend of supplier promotional material being sent to the recipient in designer store logo-printed giftboxes wrapped as a "present." Creative packaging is appreciated. It is reflective of what we do as an industry—it showcases our talents. Take, for example, the Flexplay DVDs that were used to show scenes from the newest James Bond movie to reporters before the movie was released. In true James Bond fashion, the DVDs self-destructed. As reported by CNN's Jeordan Legon, "The discs included a letter from Q warning recipients: Once you remove the DVD from its packaging, you only have 36 hours to watch it. After the time has elapsed, Q's letter advises, the disc then makes a nice martini coaster." (Flexplay is located in New York City—www.flexplay.com.) Receiving that kind of innovative mailing would delight event planners. But sending parcels that look as though the receiver's business is being solicited by receiving expensive gifts would not. Turn instead to companies like Progress Packaging (www.progresspackaging.com) whose marketing team can design creative customized packaging and promotional mailings that will stand out. Combine the packaging with creative inclusions, such as chocolate sushi (www.chocolatesushi.com) sent in bento boxes (a Japanese box used to serve lunch or dinner in) with your message attached to chopsticks, inviting the recipient to take a moment to savor the important news inside or to take-away some new ideas to share with their clients.

PROPOSALS AND QUOTES

The time, effort and expense that goes into preparing a proposal is tremendous. Collectively, from all involved on the event planning side, well over 100 person-hours can easily be spent in researching, designing, developing and preparing a proposal and cost breakdown summary. Add to this figure all the hours spent by each individual supplier, and the cost to do a well-executed presentation to the client can be staggering. This time and money can't be recouped if the bid is not won, as most proposals are done on speculation in the hopes of winning the business. Unlike lawyers, most event planners do not charge a retainer for services rendered with no outcome guarantees. The fear in the industry is that charging a retainer may limit their chances to be asked to present, because the majority of event planners do not charge consulting fees. Some event planners do charge a retainer with the stipulation that should they win the business, the consulting fee will be applied to the management fees being charged. This is done to weed out clients who are using their services only to fulfil company policy of receiving three or more cost comparisons, which can be standard business practice (and applies to office supplies, couriers, long-distance carriers, office equipment, etc.) with some corporations. They may have no intention of changing suppliers, but are merely soliciting quotes to fulfil their required quota.

When a request for proposal is sent out to a supplier, with the initial telephone call followed up by a detailed request, the supplier is looking for reassurance that the request for proposal has been properly qualified and the event planning company is not about to waste their time preparing a quote that is pure speculation and unlikely to be awarded to them.

Suppliers expect to be informed about how much competition they face. For example, they would want to know that their proposal is one of 16 being considered so that they can determine whether they can afford to invest the time and money in preparing a quote. They want to know if there is a real possibility of landing business and that the event planning company is not just taking an opportunity to display their abilities with little chance of return. Time permitting, the supplier may welcome the chance to demonstrate their talents, but they need the facts to be able to make an informed decision. One car manufacturer was notorious for having multiple bids put out for their product launch, but year after year they went with the incumbent. Their company policy required them to solicit three bids, but in actuality they opened the door to accepting bids from everyone who had approached them throughout the year. Most suppliers would be wary of spending their energy on such a long shot and their real fear would be of being used for price comparison (the client's attempt to ensure that the incumbent is being honest in their pricing) or being mined for new ideas. Ethically they need to know where they truly stand so that they can do what is best for their business and staff. Some clients have been known to take creative content from one company and fax it over to their preferred supplier, not even bothering to remove the name of the contributor. Ethical planners will not engage in stealing ideas and choose not to do business with clients who display little regard for the work involved.

Not all planners are up front with suppliers about timelines. Often, suppliers receive frantic calls requesting a two-day turnaround on an extensive quote. Not only is their creativity and talent being unfairly taxed to produce something that quickly with expected accuracy, but in many cases they are being asked to "jump the line" and handle that request before completing one that is just on the brink of being completed and due by the same deadline.

TIP Jumping the line can occur when a salesperson happens upon on a client during a cold call who is right in the middle of viewing presentations for an upcoming event.

There is a difference between planners giving a supplier a due date that is different from the actual client presentation, and giving a false deadline. The client presentation date is not the supplier due date. An event planner needs time to be able to review incoming quotes, clarify any questions regarding costs, timing and logistics and compile the information from all suppliers. There is a domino effect. For example, all electrical and lighting needs cannot be determined until decor, entertainment and catering have sent in their requirements. The planner then must analyze inclusions, finalize the cost summary breakdown, prepare the proposal, make sufficient copies and have everything ready on time for their client's presentation.

Planners cannot wait until the day before a client presentation to receive supplier information and quotes. The information cannot be turned around that quickly and in the end both the supplier and event planner will have most likely wasted their time, money and creative energy. The end result will be rushed and could be filled with errors that could become apparent during the presentation. The proposal most likely would not have been of equal caliber to the competition if they had been given the time to properly prepare, review the material, double check for errors and make sure that the finished product is reflective of their company values. Business has been lost on rushed proposals. The impression a sloppy presentation can leave will be lasting. Sales reps need time to absorb the material, ask questions and be thoroughly familiar with the proposal before they have to stand before their clients. They need to appear poised and prepared to answer any questions. There can be the odd exception, but in one case, the fast turnaround resulted in a US$100,000-plus costing error because many of the costs were not researched. Planners had been told to merely "make it up" as per the company vice president, and plaster the words "estimated costs" everywhere in an attempt to protect them should the proposal go to contract. The error was discovered *after* the proposal went to contract. The clients were greatly upset, but did pay the additional amount, since there was less than six weeks before the event was to take place and no time to begin again with a new company—but they did not do business with the planning company the following year. Ethically the event planning company was at fault. They had not done proper research and what they knowingly presented was a proposal filled with costing errors. They won the bid because their pricing came in well below the competition who had done their homework and had presented an accurate estimate. The client felt they had been part of a bait-and-switch scam, but owned part of the responsibility since they should have questioned the vast pricing discrepancy between the two bids.

> **TIP**
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> **The date that planners give to suppliers as their due date—not client presentation date—is what ultimately needs to be respected if a supplier wishes to be considered. And the timeline a supplier requires to turn around a costing that is up to their professional standards needs to be closely considered.**

Just as an event planner needs time to properly prepare their proposal, so does a supplier. Suppliers lament that they are continually being hit with deadlines that are completely unrealistic and false by planners who are paranoid that their quotes will not arrive on time. Planners who do that have often experienced being left waiting and not being told truthfully by suppliers that they cannot handle another quote due to their workload. Even a reliable supplier may be loathe to turn away a business opportunity from a good planner, cautious of creating a situation where their client may end up bonding with another company if they are unable to meet the deadline. And planners want to work with suppliers they have come to trust and hesitate when it comes to working with what they consider to be less than the best to meet their event needs. One planner who was not in a bid situation kept their client waiting more than eight weeks for a quote to have one of the best in the field tent and cover over an intricate pool for dining and dancing. For something as specialized as that you want to ensure the company you are working with is tops in their industry so that no guests find themselves plunging unexpectedly into the pool mid-dance. The company quoting was in their busiest time and the proposal kept getting pushed further and further back through unexpected delays and the need for three site inspections to make sure that all specs were correct. What started out as a request in August could not be finalized and submitted to the client for review until mid-November.

The next time that planner is required to do a similar quote with the same company, they are going to enter into the negotiations wary of the supplier being able to meet their actual proposal deadline because the supplier now has a history with them of not being able to turn around a quote quickly in their busy season (although on site they are wonderful and never miss a step). Ethically, planners need to be informed if a due date is going to be highly improbable. They are placing their reputation on the line and may lose business if a quote is not received on time, so choosing the right supplier is crucial. Each party needs to be respectful of the other and understand what can actually be done in the time permitted. It can serve both supplier and planner better to say no if something is not doable, rather than taking the chance of burning business bridges by giving false hope of deadlines being met. When presented with true timelines, the planner has the option to go back to the client to ask for an extension in order to present a proposal with a supplier who will do the best job. This was the case with the pool being covered with acrylic for dining and dancing. It was better for the client to move the proposal date, knowing it meant that they would then have access to the best in the field.

A supplier left waiting for an event planning client's decisions is an ethical pet peeve. If suppliers, who often move heaven and earth to meet planning requests and deadlines, are left to chase planners to see how the presentation went and when the decision would be made, they may end up feeling of lack of business respect when they are left out in the cold. When their calls to busy planners about the status of the proposal are curtly dismissed with a "we'll call you as soon as we know," and they find out weeks later, from a friend of a friend in the industry grapevine, that the business has been awarded elsewhere, respect evaporates and seeds of suspicion and mistrust are planted.

Planners can be fiercely protective of the identity of their clients, so much so that there are times when a false name is given. Trusts have been violated in the past by suppliers who have overstepped boundaries and called the end user (the event planning company's client) directly. Planners maintain that their client is *their* client and adopt a "hands off" policy with suppliers. The event planner feels that they are the supplier's client and that is where all communication starts and ends. As everyone continues to try and get a bigger piece of the event planning industry pie, some resort to unethical means. Hoteliers have called event planning companies' clients directly and offered lower rates if they book with them as opposed to the event planners. One destination management company that an event planner had always used on their programs went directly to one of the planning company's clients, soliciting business directly with them. It was a deliberate move designed to cut out the event planning company. The client showed the supplier's proposition to the event planning company. Their loyalty was to the event planner and the client thought they should know that their "trusted" supplier had no business integrity. That destination management company's services were never used again and others in the event planning industry were alerted.

Suppliers maintain that they need to know who the client is so that if they are asked to bid on the project by more than one event company, they can make sure that all event companies involved in the bidding receive the same rates and concessions so that no favoritism can be perceived by the industry. Regardless of who wins the bid, the cost is the same. Creativity and customer service is then the deciding factor. In general, hotels let event planners know when someone else is bidding on the same bit of business. Some will give out the competition's name, while others will not. Planners have been shocked to find that clients who have said they are taking only three bids have actually opened the door to many more.

In some cases, knowing the client's name can hurt supplier negotiations. One decor company knew that regardless of who won the bid, their services would be used if the program was a go. All event planning companies had chosen to go with the same supplier for a quote. Each competing event planning company was presenting a different theme event—there was no conflict there—but the decor company knew that they did not have to come in with their best possible prices because they were only competing against themselves. The event planning companies did not know that they were all going to the same decor source because the decor company determined it was not in their best interests to tell them and they also wanted to keep client confidentiality. They were not sharing creativity nor competitors' costs and did not feel that they needed to let others know that their company would be presenting more than one idea. But without violating client confidentiality by naming names of who else was requesting a bid, they could have advised the event planning companies of the potential conflict of interest and offered the second and third planning company to call in the option of looking elsewhere, which they didn't want to do as it would limit their chances of being selected. Other companies choose to turn away business rather than compromise their integrity by being caught in conflicts of interest, and let planners know upfront that someone else has contacted them first (without divulging who).

A *New York Times* article contained a photograph of a well-known event planner's home and reported that the apartment contained decorating items from events that they had previously helped take place—everything from live flowers to Moroccan dishes. Suppliers do not usually note on their quotes whether they own items outright, are renting them from a third party or are purchasing them specifically for the event. If the items are being purchased—ethically—who owns them after the event? Should clients be advised and offered the option of having them sent to their office after the event? Can planners claim rights to the items, bearing in mind that it is the client, not the planner, who actually paid for them? Unless informed otherwise, the client generally assumes the items are rented and owned by the decor company, florist, etc., involved. If the supplier is not asked and does not tell which items have been purchased exclusively for the event, is it ethical for the supplier to then retain the goods, add them to their collection and eventually re-rent them to others without compensating the event planner's client? Hopefully, the event planner who was featured in the newspaper story had told his clients that some of the items had gone home with him for personal use or to be warehoused. The event planner could have purchased these items from the client to keep as a momento—the article didn't say—but it could give future clients of all event planners pause for thought after seeing party decor being used to decorate a planner's home displayed in the newspaper.

If an item is purchased with a client's money, it ethically and financially belongs to the client's corporation, not the individual representing their company. Event planners need to be very careful about how they hand over purchased items to a company to make sure that one individual is not personally benefiting, because this could easily put the event planner in a questionable position. Event planners can suggest having purchased items presented to a charity on behalf of the corporation and have their client's company receive a tax receipt for their donation. Planners can make arrangements to sell the item back to a supplier and have a credit applied to the final billing or recommend that they be handed out as prizes. One employee appreciation day included learning how to flyfish. The cost to rent the fishing poles versus the cost to buy them was very close and the event planner recommended to their client that they consider purchasing them. At the end of the day they could be given as a memento to the staff as a take-away gift or some of them could be used as prizes and the balance sold to another supplier that had a fishing rental shop, with the money credited back on their final reconciliation. Event planners need to ask hard questions of their suppliers for their client and to protect themselves. They need to make it their business to find out if any prop items—decor, entertainment, floral, tabletops, glassware, cutlery—are being purchased, rented from a third party or taken from the supplier's warehouse. Planners also need to be aware of costs to determine if it is better to purchase the item or rent them. At one charity event the centerpieces were rented at a special rate. There was no discreet signage stating that the centerpieces had been loaned to the fundraiser for the evening and guests did not know that they were not theirs for the taking at the end of the evening. The tables seated eight and each centerpiece was made up of eight identical sections that fit into one another. Guests dismantled them and handed one out to everyone at their table as a souvenir. The charity was hit with over US$6,000 in damage charges. The cost to have purchased or replace centerpieces could have been built into the cost of the ticket had this been anticipated. Event planners are responsible for client money management as well as event management, and need to make sure that all options have been explored and that clients have been informed of possible benefits—cost, product or otherwise.

Other rental ethic questions that have been raised in the event planning industry include the quality of rental items. One rental company's office reception furniture, for instance, was rented out repeatedly for trade shows. Their clients were from out of town; they flew in, did their shows and were gone within days. They never visited the supplier's office and had no way of knowing that the exorbitant rental fees they were being charged, plus trucking costs and labor, was for furniture that was being used every day by their supplier and not being brought in especially for them. The furniture had signs of wear and tear from daily use. It would have been less expensive for the clients to have purchased new furniture and hired an independent person to oversee delivery and set up, and discard the furniture after their event. What the customers were actually paying for is convenience, one-stop shopping, and knowing the items would be there, set up on time and taken away. The clients were trusting that the supplier would provide goods that would help them attract customers to their booths. In at least one case, the display of shabby furniture was not enticing and the client was furious when they saw the quality provided for the money being spent. The sketch the supplier had sent, depicting a fresh, sleek display setting, was misleading, and what the client ended up with was shabby cheap, not chic. It is unethical to misrepresent the quality of items being used. When a client is renting an elaborate tent, for example, they are anticipating receiving one in pristine condition. That is not always the case. Smart planners know to ask about the condition of the tent and if the tent has any visible tears or patches, if there are cracks in the material or if the tent or clear window panels have yellowed. And they make sure that their specific requirements as to what is acceptable are added to the supplier contact. The same applies to table linens and other display items. Some unethical rental companies do send out goods that have visible mending, cigarette burns and stains. Planners need to know the questions to ask and how to protect their clients from disappointment. Supplier contracts often state that the client is responsible for replacement value should any items be unaccounted for or damaged at the end of an event, but the quality of the items is seldom noted. Planners need to add a contract clause stating what acceptable condition goods are to arrive in (e.g. no visable signs of mending, stains, etc.) before signing.

There are disreputable staging companies who design "custom" staging and sets by merely reusing existing props, not creating new designs or making new purchases. One such company was put to the test. The event planner, intent on saving their client money, arranged to sell the exclusive set the staging company had designed at great cost for this event to the hotel hosting the party to use for future theme parties. There was no problem in re-selling the set as the staging had been built expressly for their event and the customer owned the rights to the goods. The client was pleased with the planner's ingenuity and cost-saving considerations. And the hotel was thrilled to have purchased a theme setting that had been built expressly to fit their ballroom specifications.

Another client found out through a questionable accounting incident that the elaborate stages that they thought had been created for them were in fact being warehoused and recycled by their event planning company with no concession to cost being received by them. The client's recourse was to pull all their business from the event planning company, which had been the agency's number one account, and sue them. Losing the business caused the event planning company to lay off staff and eventually dissolve their business. The cost to their reputation was irreparable.

In an effort to secure as much business as possible, some suppliers and planners are not being upfront about their abilities, professing to be able to do more than they have experience with. One event planner was shocked to see pictures of an event they had done in another supplier's portfolio. The supplier that sales representative had worked for had supplied only one small event component and they were now alluding to have masterminded the whole event. Everyone at times has said "we do that" to get the business, but most have not told outright lies. There is a difference between exaggeration and lying. Planners may not have actually provided an event element, but they know where to go to bring in the professionals, how to subcontract their services and include their expertise under their event planning company umbrella. An example of lying is alluding to having done and being capable of doing an event for 2,000 when the largest group a company may have handled is under 50. Another is taking credit for event design and production by another company, when all your company did was provide the floral centerpieces.

Fine lines can be crossed in contract negotiation. Be careful of inappropriate offers or concessions being asked for by planners or offered by suppliers for personal, not business, use, such as using air or hotel bonus points for individual use. One event planning company invoices their client for payment by check and arranged with the supplier to then pay them with their personal credit card, which entitles them to bonus points. The president of the company then gets the benefit of using the points for personal items or towards their vacations (the event planning company boasted they could travel the world many times over) or to purchase items selected from credit card points catalogs. One company president purchased a very expensive backyard barbecue that way, but they did invite their corporate clients over for grilled steaks (obtained through the bonus plan, too), both paid for by the client. The points were not passed back to the client in this case, nor had the client been informed of the benefits their company could receive if they paid for the travel expenses by company credit card. They were not aware that it is an option open to them. Ethically, the client should have been advised of the opportunity they are missing out on that would have benefited their company, and the event planning company should not be reaping the rewards of something they have not paid for. In other instances it may be the client who is looking to pay by their personal, not business, credit card and be reimbursed by their company, but keep the bonus points accumulated in the transaction process to use at their discretion. Companies are now starting to look into bonus points and frequent flyer points to see how they can be applied towards reducing company travel expenses, as opposed to giving them to staff for personal use. It is better to present all advantages upfront to the client rather than have them discover at a later date that they have not been made aware of added value options.

When hotels and cruise lines get requests for seven-night site inspections when three nights are more than adequate, they know they are being asked to host a mini vacation and not a site inspection. On the other hand, planners have received offers for themselves and/or their clients from their suppliers for extended stays. Approaches are sometimes made, from both sides, about whether spouses can be brought along or would like to accompany the client during the site inspection. One client wanted to take their girlfriend along on the site inspection—he was very upfront about it—and wanted to have one room for a longer stay rather than two rooms for a shorter duration. His wife and his mistress—the mistress worked for the company—would both be accompanying him on the actual trip, but no one was to know that the girlfriend had been to the resort before with the client. Hotel staff were instructed not to say anything about a previous visit.

Another client requested that creative costing be a part of their business deal. They wanted their planner to approach their prospective hotel about having the total expenses from their personal two-week family vacation (including the nanny) that would take place pre-event costed into the program and listed on the hotel bill as meeting room rental charges which they, as company owner and president, would approve and sign off on. In order to secure the business, the hotel complied and over US$30,000 worth of charges were listed under meeting room rental fees.

When one planner requested a detailed breakdown based on the quote received, the entertainment supplier was extremely evasive about what 18 accompanying crew members were actually going to do on site. This large crew was in addition to the costs for the creative director, producer, riggers and technicians. They turned out to be family members. What was questionable was not that the costs for family members were included in the talent rider—look at top celebrities and the entourages they travel with (often including family and friends)—but how the costs were being buried in the supplier proposal. The manner in which their expenses had been given and the explanations as to their purpose did not ring true. Suspicions were raised when some accompanying staff members had job descriptions and titles listed beside their name and the 18 additional members' purposes were not defined. When questioned, the planner was advised they were seamstresses responsible for the costumes and prop management, which was feasible. When names were required for air tickets, it was discovered that some of them were children. And it set the planner on guard. What else was being hidden? Could this be just the tip of the iceberg? In this case it was.

Suppliers have the right to set their prices, with mandatory inclusions, terms and conditions. Planners have the right to choose not to work with a supplier if they feel that what is being proposed is out of line or not of value to their client. What could matter most to the client is having a certain entertainer perform at their event and the cost to bring others along may not be a concern if it was that important to them. Had the 18 accompanying members been presented upfront and honestly, the planner would have held the supplier in a different light. Mistrust, however, is not something that can be easily reversed.

EVENT OPERATIONS

Event operations is often the time where there is a changing of the guards. Once the event has been contracted, the sales reps and planning staff move onto the next piece of business and the file is transferred over to the various operation departments. Supplier sales reps and the planning staff may come back together again on-site to make sure that what has been planned takes place, or it may be left to the event planning account executive and operational staff to run the program. If there are any questionable practices by either side, this is the time when they will become known and other people are drawn into the goings-on. Staff have been known to be asked to lie to cover up mistakes that have been made in planning. For example, if space has not been cancelled in time and penalties are now applicable, staff members might be advised to tell their suppliers that records show that it had been done on time when it was not, to avoid being billed for penalties. The venue may challenge the lie, that but then the matter becomes one of he said/she said. Documents can and have been forged to show fake notice was sent. The decision to continue to pursue the matter then becomes based on future working relationships and if they are being jeopardized. Or, if operations staff discover that a planner or supplier has made a major costing error that their company might have to cover, they may be asked to look for ways to disguise the cost difference during operations or at final reconciliation (e.g., increasing actual food and beverage costs, for example, as clients are not always presented with back-up billing and take the presented reconciliation as is).

Great cover-up capers have been acted out to event planning companies, suppliers and clients. Everyone involved becomes a co-conspirator. Personal ethics standards are put in peril, with people and companies becoming linked to others by association and sitting back and saying nothing. Some take a stand and refuse to take part or quit when they discover something underhanded. Their reputation, which could have been easily tarnished, is all they take with them. In some cases, departing staff have even gone so far as to present the supplier with the truth, absolving themselves of duplicity. One company executive was offered an opportunity to buy into the company they worked for. They declined the offer, stating that they couldn't because the company standards were not their own. The question that the individual needed to ask himself or herself then was if the company's standards were not theirs, why were they continuing to work there? That awakening set them on the path to aligning themselves with a company they could truly stand behind.

ON-SITE MEETINGS

The event moves forward from planning and operations to on-site orchestration. Those involved in planning at the very beginning may step back into the program at this stage, operations may go on-site and run the event with their program directors and travel staff, or freelance staff may be assigned to handle the on-site requirements. First on the scene for move-in and setup are event planning staff, followed by suppliers, the client and then the guests. Planners and suppliers will come together and interact at pre-event meetings (pre-cons), during on-site event orchestration and at post-event celebrations. The ethical boundaries for each will be covered in depth in Chapter 7: Codes of Conduct on Site. For first-time planners, all the suppliers and the client come together at on-site meetings.

BUSINESS REFERRALS

"Business is business" is the credo of a planner I know. If they refer business to caterers, florists, decor companies or other planners who have specialized skills more suited to the proposed event, they are candid about expecting a 15 percent finder's fee. You know exactly where you stand if you choose to act on their referral. With some people and organizations, referral fees are an openly acknowledged part of doing business with them, but with others it may be expected but never asked for outright, expecting others to do the right thing as a thank you for business (and shocked when they receive nothing). Many event planning companies pay commissions to sales reps and finder's fees to employees and others who provide business leads. Other companies exchange sales leads on an ongoing basis with no compensation expected beyond building goodwill and the hope of future consideration.

It can be debated that there is a difference between a lead and handing over found business. A lead is passing on the name of a company and contact that does events or may be thinking about planning one in the future (e.g., corporate anniversary coming up). Found business, on the other hand, is someone calling with a referral of a firm event that they are not going to bid on and that they are personally recommending that another company handle. It has been presented to the event planning company on a silver tray. The event planning company has had to do nothing to secure the business. One planner, unable to handle any more business during a specific time period, referred a client to a colleague who was well equipped to handle the group and one who the planner knew would do an outstanding job. This was not a bid situation but business handed over on a platter, but no mention was made of a referral fee and none was received. In fact, they did not even receive a thank you card. The next time the same situation presents itself the planner could think twice about who to refer the business to. The company that got the job in question does pay finder's fees to their staff and commissioned sales reps, but did not make the same offer to an outside source.

Adding insult to injury, the planner who passed over the business received a card from the company that handled the event requesting a donation to one of its favorite charities (to acknowledge the company president's milestone birthday in lieu of gifts). Needless to say, that raised a few eyebrows in the office of the company who had handed over the business without receiving compensation or a thank you. In their eyes they had already made a large donation to that company's well-being. Ethically, the first company did the right thing by passing the business over to a competent competitor rather than leave the client stranded when they couldn't take on their project. The matter of compensation, on the other hand, is a matter each individual office must decide on—whether it is ethical or not to give or receive money for referred business. If staff and sales reps are being paid commissions for bringing business in, event planning companies may want to consider paying referral fees to those who direct business to their company. And if someone is referring business to another company, be clear about expectations if compensation is expected. Don't assume that others will do what is right in your mind. To do so is being naive and most people are not mind readers.

Remember, business is business. Simply stating that "if a contract results from the referral, a 15 percent finder's fee would be appreciated" is not offensive. In return, the recipient of the referral has arrived at an enviable position without doing an immense amount of work. They have incurred no advertising, marketing or selling costs. In addition to saving money, they have also saved time, which in turn saved them more money. In fact, many companies feel that time is priceless, and found business a gift, and are happy to compensate those who help to build their business.

For others, compensation is not a factor and not expected. In another case, an event planner used a third-party supplier for group airline tickets for one of their incentive clients. They received no commission from the agency. They felt that the agency deserved all the money earned on the airline ticket, because the markup was not large and the clients were demanding and time consuming. Ethically they felt this was the right thing to do. What mattered most to them was that their client's guests received excellent service. They knew that the agency would earn every penny and they wanted to be fair with them. Had they received a commission, this company would have passed it back on to their customer as they worked on a flat management fee. The planning company's costs to their client were all laid out. Nothing was hidden and no additional revenue was being received from any other source. Hotel rates were net, not commissionable. The only money they earned as a company was from management fees.

This client was eventually passed onto another planning company (the original company had a change in direction), but the same supplier was still being used to purchase air tickets for the group. This planner asked for and received a commission from the agency that amounted to thousands of dollars in undisclosed income to the planner. The planner had contracted with the clients for a flat management fee and was not supposed to be making money from additional sources. The client was signing the contracts with suppliers in this case, and no mention of the commission being paid to the planner was listed. The client was unaware that this event planner was making money over and above their management fee, assuming that they were following the same standards of ethics as their predecessor. This event planner was actually making money from a number of different sources. The agency involved in handling the air tickets was operating under two different systems. If people asked for a finder's fee, they received it, and if they didn't ask, it was not offered.

The second agency boasted to the first event planning company about how much money they had received from the air bookings, knowing that the first agency did not do business that way and knowing how costs and management fees had been presented to the client. The original planning company was caught in a moral dilemma. Someone they had referred business to was operating in an underhanded way by contracting at a flat management rate and not crediting back to the client any additional revenue. Their company reputation was at risk because they had referred business to someone they thought they could trust to do business honorably under the terms that had been agreed upon with the client. They also had to decide on their ethical course of action—whether to tell the client what they knew to be true or to walk away from the situation. They chose to inform the client what was taking place. The client now has their own planner in-house where they can keep a careful eye on money going out to suppliers and money being paid out in commission from airlines and hotels. With business referrals, ethically, more is at stake than whether or not a finder's fee will or will not be paid. Who you refer and how they conduct themselves in business reflects directly back on you personally and professionally.

CONFIDENTIALITY

Confidentiality is key between planners and suppliers. Planners do not expect trusted suppliers to be visiting their competition and discussing what they are doing and who they are doing it for. If that trust is violated, so is the relationship. Suppliers need to exercise extreme caution in this area. Planners may not say anything, but they will take note if their suppliers are talking about their competition. They know it could be their company that is the subject of gossip at the sales reps' next meeting. Planners take care to remove any revealing client material that may be in a boardroom or office before meeting with suppliers and other customers. Unexpected drop-ins are not welcome, because sensitive information must be removed from inquisitive eyes. The same applies to planners with respect to supplier confidentially. There is nothing quite so shocking as to hear exactly what is going on inside your office from someone else. Ethics have been violated either by someone on staff or people who are working in partnership with your company. There is an expression that loose lips sink ships, and it is true for working business relation "ships" as well.

BUSINESS FAVORS

Be careful what you ask for and how you ask for it—not because you might receive it, but because of how what you ask for could be perceived by others. Your personal and professional credibility, as well as your company's, could be on the line and hung out for all to see if you are requesting favors that ask others to cross ethical lines. For example, asking a supplier if it is possible to receive backstage passes to a performance for a VIP client is quite different than asking the supplier to bump people holding confirmed tickets to a sold-out performance in order that your client may attend. The first request is an easy yes or no and does not compromise anyone, but pushing a supplier to cancel someone else so that your client can go is asking them to do something unethical.