

ASQ Customer-Supplier Division

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China Conference Final Report

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This report covers the Third China-America Quality Conference, held in Shanghai in September 2004.

Objectives

Preconditions of the conference were sponsorship from ASQ Customer-Supplier Division, partnership with the China Association for Quality (Beijing), Shanghai as the location and a keynote speaker from the US.

The aim of the conference was to create a valuable exchange of business ideas, experiences and quality concepts regarding the customer-supplier relationship as they relate to the business between China and the US. Through the conference exchange, networking and the cultural events, the conference aim was achieved.

Our experience and the quality of the conference was enhanced by the diversity of the attendees. In addition to the USA, we were fortunate to have participants from France, Iran, Mexico, Brazil and Japan. Of the participants from the USA, four of them were past China-America Quality speakers. All of the participants were Quality professionals either working in the field or working as a Quality consultant.

Planning

Planning, coordination, translation, budget and conference proceedings were the responsibility of Tom Scroggin. Planning sessions were held in China with CAQ and by phone and email with CAQ, and by phone and email with Dennis Arter and Bonnie Braga. Advertising, publicity and coordination with ASQ CSD were the responsibility of Dennis Arter. Travel, meals and cultural events were the responsibility of Bonnie Braga. As a team with experience, Tom, Dennis and Bonnie collaborated on most all of the elements of the conference project.

SG Meeting Services (Waco, Texas) was contracted to provide registration services at a cost of \$20.00 per registration. Registration was very smooth and the service from SG Services, especially Erika De La Fuente, was excellent. Money received by SG Services was transferred to ASQ/CSD who was responsible to pay for expenses and various services.

In addition to these contributors, we had volunteer help from Denise Robitaille, James Jia and Keith Perry.

Conference Outcomes

The conference was held at the Hua Ting Hotel September 6 to 9 with 32 non-Chinese participants and about 100 Chinese participants.

The conference proceeded as planned. We held an information session on Sunday, September 5th to orient the Western participants to China, handout conference materials on a CD, and introduce them to the conference proceedings and to each other.

Planning and execution of the travel arrangements by Bonnie was excellent. I received many compliments about her and the cultural events we had arranged.

CAQ was responsible for arranging the break refreshments, nametags, handout materials, session translators and organizing the conference session rooms. These aspects ran smoothly having only an issue with the planned start time. As with prior conferences, CAQ had concurrent Chinese-only sessions. These resulted in lower attendance at the China-America sessions.

The three-day conference ran smoothly. Sessions were on time. Food and drinks were adequate. Breakfast, lunch and dinner provided ample networking opportunities. Behind the scenes, there were a few minor timing issues and a great deal of consternation over our failure to pay CAQ as promised. This was further compounded by the issue of late-payment to Bonnie for travel expenses and Lily Wu for translation services. All parties were eventually paid, but my relationship with the Chinese Association for Quality, Bonnie and Lily was damaged.

Income

Income came from delegates and guests. We were unsuccessful in obtaining corporate sponsors to defray portions of the expenses.

11 Speakers = \$29,500.00
15 Delegates = \$41,613.00
2 Guest = \$4,800.00
Misc. Travel fees = \$213.00

Total Income = \$76,113.50

Our operating budget that was based on 65 to 100 participants. We had 32 participants; however, 50 participants were necessary to cover our costs after making several cost reductions. When registrations fell short, we did not know when or if we should cancel the conference because prior experience told us that most participants would register at the last minute. This turned out to be true; however, these last minute registrations were not enough to bring our registration totals high enough to cover our costs. Bonnie was able to bring in two last minute people from Mexico, and two from Brazil and I was able to bring in three from Iran.

We had several registered participants cancel for personal reasons. We did receive money from them; however, we were not able in every case to refund their deposit money because translation of their presentation material had already occurred.

Expenses:

Costs consisted of airfare, hotel, ground transportation, conference facilities, translation, meals, keynote speaker, program management and cultural events.

Certain costs were adjusted as time drew nearer to the conference date. For example, 50 rooms were reserved at the hotel. By adjusting the reservation down, we reduced the amount needed for our reservation deposit. Other costs increased as time to the conference drew nearer. For example, the airfare increased from \$850.00 to over \$1,000.00 due to our late deposit payment and due to late reservations made for the last minute registrations.

Predicting costs was very difficult. Hotel costs and airfare costs are not one-for-one because we received discounts for every 15th registration. This was complicated by the fact that many of the participants made the own travel arrangements and there were daily changes in airfare prices.

Here are the cost items, the actual amount we paid for them, the amount we had budgeted and the amount over/under to the plan.

| Item | Actual Amount | Budgeted Amount | Difference |
|-------------------------------|----------------------|------------------------|-------------------|
| Airfare | \$18,929.00 | \$32,400.00 | (\$13,481.00) |
| Hotel | \$17,720.00 | \$30,900.00 | (\$13,180.00) |
| American delegation meeting | \$450.00 | \$450.00 | \$0.00 |
| Inbound transfer | \$1,280.00 | \$850.00 | \$430.00 |
| Outbound transfer | \$1,160.00 | \$850.00 | \$310.00 |
| Program management | \$9,000.00 | \$9,000.00 | \$0.00 |
| Translation | \$6,000.00 | \$7,200.00 | (\$1,200.00) |
| Keynote speaker | \$10,000.00 | \$32,000.00 | (\$22,000.00) |
| Cultural events and meals | \$8,925.00 | \$5,390.00 | \$3,535.00 |
| CAQ | \$8,359.00 | \$8,250.00 | \$109.00 |
| Marketing | \$8,000.00 | \$10,000.00 | (\$2,000.00) |
| Gifts | \$213.00 | \$1,000.00 | (\$787.00) |
| Contract registration service | \$560.00 | \$560.00 | \$0.00 |

Our expenses exceeded revenues by approximately \$14,682.50.

Lessons Learned

The disappointment of this conference was in headcount. This is a repeat item from the first and second China-America conferences (1998 and 2001). We believed the formal ties with ASQ would overcome the past lack of participants. Perhaps if this had been co-sponsored by ASQ national, rather than only the Division, it would have been different.

We need to better management the number of participants by:

- 1) Planning such that we have a defined reaction plan to shortcoming in registration.
- 2) Continually mentioning the conference opportunity to all potential participants.

As with prior conferences in China, the Chinese presentations fell short of our plans and expectations. A lot of time was devoted to this topic with CAQ and despite their promises; the speaker quality was only slightly better than prior years. In general, Chinese speakers fell into one of 2 categories:

- 1) Speaker was a PhD candidate student with little or no experience. The presentation was either too simple or too complicated to be real world.
- 2) Speaker was a working professional; however, their presentation did not touch on the concerns and challenges of the customer/supplier relationship.

There was a lot of interest in what the Western speakers had to say during their presentations. Feedback regarding Western presentations from the Chinese and the Western participants themselves was very positive. Comments regarding the two keynote speakers were also very positive. My conclusion from this is that Chinese speakers are not necessary to hold a successful conference in China.

We did not consider the affects of the local traffic on the conference. Due to the travel time, local Chinese could not arrive until 9 AM. Also because of the commute time, the Chinese participants generally tended to leave the conference around 4 to 4:30 PM. This affected the number of Chinese who attended the first and last session each day.

The positive attributes of the conference that Western participants found to be of value were:

- 1) Meeting new friends in the Quality Profession.
- 2) Exchanging ideas about the customer/supplier relationship.
- 3) Hearing speakers on interesting topics.
- 4) Visiting Bao Steel.
- 5) Cultural events.

Future conferences should emphasize these elements of the conference experience.

Respectfully submitted,

Tom Scroggin, Conference Manager