

Default Conference Site in West Europe

Report on identification and selection process; motions

Background

In 2010, the PC decided to identify two default sites for the annual international conference: one in the US and one in West Europe, at which the conference should be held alternately when no other appropriate proposal has been approved by the PC. The reasoning behind this motion was: reducing home office cost due to learning effects (dealing with the same place, same people), becoming independent from proposals by third parties (i.e. members interested in organizing the conference), true competition between proposals (having a default location to compare proposals against), guaranteeing easy access to conferences by making sure default locations can easily be reached.

Although not in the motion, it appeared clear that there should be at least two conferences at each of the two default sites in order to understand the potential effects of the default sites. Thus, in 2013 and 2015 the conference should be at the US default site, in 2014 and 2016 at the European default site. There were also some criticisms about this new policy explicated, for instance by the local chapter representatives that feared that the rest of the world would permanently be excluded from running a conference (e.g. Asia, South America). Additionally, it was mentioned that going to the same place many times would not be very attractive for members and might reduce the income by local sponsorship.

Finding a US default site seemed to be a rather easy task. The preparation for the 2013 conference is in full progress, which will take place at the Hyatt in Cambridge, Mass. Identifying a West Europe default site turned out to be a much more difficult endeavour, not the least because of different modes of operations of US and European conference hotels.

Search Process and Proposal for Default Site

For more than a year, the society's conference site selection committee has been busy with evaluating the different possibilities for a default conference site in West Europe. Two different lines of alternatives were explored: directly negotiating with international hotel chains and contacting geographical chapters of the society in West Europe that have an international airport hub in their country. After quite some discussion and negotiations, the list of potential candidates boiled down to four: Steigenberger Frankfurt (Germany) and Hyatt Berlin (Germany) as hotel options, TU Delft (the Netherlands) and ETH Zürich (Switzerland) as chapter/university based alternatives.

One major difficulty in that respect is that conference hotels in West Europe do not offer a free-conference-rooms option as long as enough sleeping rooms are sold (as most US hotels would do). In other words, even if you book all the sleeping rooms in a hotel, they still charge you for the conference rooms, AV equipment, and catering (usually offering a complete day package, including lunches and coffee). That makes it quite difficult to achieve society costs which are comparable to the US (if conference registration fee is to remain somehow similar). This fact is partially reflected in historical data from past conferences in Europe when hotel based conferences seems to result in a

negative financial outcome for the society (Athens, Palermo) while university based conferences appear to be in the plus (Nijmegen, Oxford)—of course, this can only be expected if room/AV costs at universities are zero or rather modest.

The spreadsheet attached lists the estimated financial effects of the four potential default sites. It shows that financial outcomes must be expected to be lower than for US conferences. There is only one site that is supposed to generate a modest income but even that only when the mandatory 25,000 USD surplus for the society is not expected. The other three sites will even in this case produce a loss, according to the projection. Possible effects of local sponsorship are not included since they are highly unsecure.

Based on the financial overview, TU Delft (NL) is proposed as the default conference site of the society in West Europe. Besides the somehow positive financial outlook for Delft, advantages are a devoted local team that is ready to help, a strong SD chapter in the country, and easy access to Schiphol's international airport (30min by train). Colleagues at Delft are happy to host the conference every second year but are fine if they would only do it in 2014 and are aware of the fact that the conference can also be hold at a non-default site now and then.

Motions

1. I move that the System Dynamics Society adopts TU Delft as the default European conference site, to be held every other year starting in 2014.
2. I move that in planning society finances the VP Finance will assume that there will not be a net income to the society above home office conference costs from European conferences. The VP Meetings will monitor financial performance of the European conferences and report to the Policy Council.

Comment: These two motions are actually not completely independent. If (1) is approved and (2) not, Delft will make a loss according to the cost estimations. If (2) is approved and (1) not, a new search process would need to start which has proven to be difficult.

Summary and looking forward

The process of finding a default site in West Europe has been quite difficult. It has become clear that the process of identifying a default site should be seen as a learning process: we must remain open to

- (1) really consider proposals from other places than the default sites;
- (2) change the default site if it does not work out as expected;
- (3) even change the policy of having a default site (in Europe or in general) if it is not functional.