



Report

ACE Corporate Plan: 2008-2010
27th March 2008



Chief Executive's Foreword

ACE's new business plan for 2008-2010 will support the organisation's key corporate objective "to be the business association of choice for those companies engaged in consultancy and engineering in the built and natural environment". ACE will focus on delivering five key strategic aims during the lifetime of the plan. These aims, which flow organically from ACE's original core action areas, are summarised below:

- ACE will be the voice of the industry
- ACE will increase its representation by having 80% of the sector as members by 2010
- ACE will promote the business interests of its sector to government and other stakeholders
- ACE will be the business information and standards resource for the sector
- ACE will operate a dynamic and sustainable business structure

Headline targets for the five key strategic aims are being developed and will be agreed by ACE's Board. In order to measure the success of the strategy the organisation will consistently monitor its delivery each year. This will also enable effective year-on-year reporting of progress and improvement of performance in implementing the new business plan.

To sharpen the focus of its operations and to be more effective in the industry, ACE will in the future look to achieve a balance in its activities. The aim of this balance will be to divide ACE's work along the following lines - 30% on core activities, 30% on proactive engagement on key issues and 40% on reactive activity dealing with issues as they arise.

The end of 2007 marks the conclusion of ACE's 2004-2007 business plan, the first plan since the rebranding and repositioning of the organisation three years ago. During the past three years ACE has been transformed, both internally and externally and is now an organisation much more in tune with and connected to its members and the issues they face in a changing market place.

While ACE has come a long way in the past year and over the past three years, there remains much to be done to meet ACE's goals and the aspirations of firms in the sector. The new 2008-2010 corporate plan will provide a firm foundation for ACE to implement its plans over the next three years and we look forward as an organisation to working with members and stakeholders in achieving them.

Nelson Ogunshakin
Chief Executive, ACE



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Introduction

Purpose of ACE

ACE exists to represent its members' interests to clients, both government and private sector, and stakeholder organisations, including the professional institutions, industry bodies and academic institutions. In addition ACE keeps abreast of the latest developments which affect our member's businesses.

Corporate Vision

ACE's corporate vision is to position the organisation as the business association of choice for those companies engaged in consultancy and engineering in the built and natural environment.

About ACE

The 2007 statistical corporate data for ACE is summarised below:

Established	1913
Form	Company limited by guarantee and not having a share capital
Articles	Current Articles of Association amended 9 May 2006
Staff Numbers	19 staff
Annual Turnover	£1.70m
Subscription Income	£1.22m (72% of annual turnover)
Membership	800 businesses

Corporate Plan

This Corporate Plan sets out ACE's key aims and objectives for the next three years (2008 to 2010). The plan builds on the successful preceding three years which has seen ACE transform itself into a well respected business association.



Vision, Mission and Values

Vision

ACE's vision is to be acknowledged as the single unified voice and the business association of choice for organisations providing consultancy and engineering in the built and natural environment.

Mission

ACE promotes the critical contribution that consultants and engineers, working in the built and natural environment, make to the nation's developing infrastructure. ACE listens to its members, understands the issues affecting them and their clients and takes the lead in representing their interests to decision makers and opinion formers in government, client organisations and the media.

Values

ACE's core values are:

- Passion for consultancy and engineering
- Commitment to delivering service excellence
- Representing ethical behaviour and integrity
- Encouraging collaborative working



ACE Achievements 2004-07

During the life of the previous ACE business plan we focused on three core action areas; promoting unity, raising the profile and defining ethics. ACE's key achievements during this period included:

- Restructuring ACE's central function to reflect the business needs of our members;
- Establishing an international business group to promote and raise the profile of ACE and its members overseas;
- The introduction of nine sector interest groups to improve our response to policy changes and improve our influence with major clients and stakeholders;
- Setting up regional groups across the UK to provide a voice for our members locally;
- Setting up a health and safety group to engage clients and other stakeholders on the issue of safety across the industry;
- Introducing an affiliate programme. Affiliate organisations provide ACE members with a range of value added specialist services;
- Launching a new professional indemnity insurance scheme for members;
- Initiating a benchmarking club which was supported by 40 businesses in 2007;
- The introduction of a quarterly economic bulletin;
- Publishing the ACE's *State of Business* report in 2005, 2006 and 2007. Each report provided an authoritative view of how our market had been performing;
- Improved communication and public affairs activities with government at all levels;
- Leading the campaign to change the law on proportional liability;
- ACE has been active in raising the profile of reverse auctioning, unlimited liability, the anti-corruption effort and low fee levels;
- Agreeing to co-host the 2009 FIDIC annual conference in London;
- Promoting ACE members at key exhibitions, including Civils and MIPIM;
- Publishing a skills shortage and recruitment behaviours report to highlight the resource issues facing the consultancy and engineering industry.



Aims & Objectives

Strategic Aims

To support ACE's corporate objective to be "*the business association of choice for those companies engaged in consultancy and engineering in the built and natural environment*", ACE will focus on delivering five strategic aims during its 2008-2010 corporate plan. These are summarised below:

- Aim 1: ACE will be the voice of the industry
- Aim 2: ACE will increase its representation
- Aim 3: ACE will promote the business interests of its sector to government and other stakeholders
- Aim 4: ACE will be the business information and standards resource for the sector
- Aim 5: ACE will operate a dynamic and sustainable business structure

Aim 1: To be the voice of the industry

Our key objectives for '*to be the voice of the industry*' are to:

- Launch a campaign to promote ACE Charter of Excellence, targeting the value of ACE membership at SMEs
- Develop a communications strategy to promote ACE's brand to clients
- Organise an annual ACE national conference and awards
- Introduce one key campaign per year
- Obtain weekly ACE coverage in key trade press publications
- Obtain one item of national press coverage per month for ACE
- Increase the circulation of Impact to 10,000 and publish monthly by 2010

Aim 2: Increased representation through membership growth

Our key objectives for '*increased representation through membership growth*' are to:

- Secure 80% of the top 20, 50 and 100 consultancy firms as ACE members by 2010
- Introduce a membership recruitment strategy to increase overall yearly membership by 10% per annum and 'non traditional' consultancy membership by 25% per annum
- Improve ACE's affiliate offering to both members and affiliates
- Increase income from affiliates by 15% per annum
- Introduce a membership retention programme

Aim 3: Promote the business interests of its sector to government and other stakeholders

Our key objectives for '*promoting the business interests of its sector*' are to:

- Introduce a range of activities to proactively engage with Government
- Introduce bi-annual meetings with BERR's Construction Sector Unit
- Set up ACE regional clients' forums
- Introduce knowledge sharing processes for SIGs, working groups and regions

Aim 4: Business information resource for the sector

Our key objectives for being the '*business information resource for the sector*' are to:

- Launch the ACE Business Intelligence Unit on the ACE's new website
- Professionalise the publications process
- Work with existing industry providers to launch the ACE Business Academy



Aim 5: Operate a dynamic and sustainable business structure

Our key objectives for '*operating a dynamic and sustainable business structure*' are to:

- Review and improve the corporate governance structure of ACE
- Align business and operational processes with ISO9001 for quality management and ISO14001 for environmental management
- Increase non subscription income by 50% by the end of 2010
- Obtain Investors In People certification in 2010

Delivering the Plan

The delivery of this corporate plan will be supported by seven separate operational business plans:

- Corporate Compliance
- Communications & Public Affairs
- Economic & Policy
- Legal & Compliance
- Membership & Regions
- Operations & Finance
- Knowledge Management & Technology

Each business plan will outline:

- The key actions that are needed to deliver each corporate aim and supporting objectives
- The existing strategies all ready in place to support the plan
- The major milestones over the next three years
- How we will measure our progress



Operational Priorities for ACE

Introduction

The primary areas of focus of each of our operational teams in support of ACE's corporate aims and objectives are summarised below:

Corporate Compliance

- Revise and improve the corporate governance of ACE
- Improve internal communication
- Introduce strategies to reduce staff turnover and absence
- Improve staff training and career development opportunities

Communications & Public Affairs

- Revise and update the existing communication strategy
- Revise and update existing public affairs strategy
- Develop and implement a strategy for promoting the ACE brand
- Develop and launch the ACE Business Academy
- Launch annual ACE national conference and awards
- Revise suite of ACE promotional collateral

Economic & Policy

- Introduce SIG policy teams to develop ACE policy on transport, infrastructure, property and sustainability
- Improve the function and outputs from our SIGs in line with the exiting SIG strategy
- Introduce an annual action plan for each SIG
- Improve the relevance and knowledge transfer of economic information

Legal

- Revise the existing legal strategy
- Review and improve the mode of information and the manner of delivery relating to best practice
- Review and improve communication with client bodies
- Develop a Business Intelligence Unit to act as a knowledge hub
- Review outputs from groups (health and safety, legal and insurance) in line with operational priorities

Membership & Regions

- Introduce a key account management strategy for our top members
- Introduce recruitment and retention strategies to support the delivery of our targets
- Refocus and expand the Progress Network regionally
- Introduce an annual action plan for each regional group
- Improve the function and outputs from the regions in line with the exiting regional strategy

Operations & Finance

- Map, review and align our business and operational processes to support a more balanced approach to delivering our core, proactive and reactive activities
- Improve the management of our various projects and initiatives
- Migrate the sales ledger from MRM into Sage
- Review all financial processes and reports to improve accountability and auditing
- Document all accounting systems and procedures



Knowledge Management & Technology

Re-launch the ACE web site with improved functionality to improve knowledge management

Use the ACE web site as a portal for the ACE Business Intelligence Unit

Restructure, clean and update tagging of MRM membership database for better targeting of services

Introduce an ACE Blog and web forums to better connect with our members and stakeholders

Develop a political contacts database within MRM

Introduce on-line seminars internally or with specialist suppliers as part of the ACE Business Academy

Assess the viability of an ACE recruitment portal

Re-launch a more professional on-line publication sales process



Appendix A: Organisational Structures

ACE's organisational structures are detailed on ACE's web site. In summary ACE's various groups are summarised below:

Corporate

ACE Board of Directors
ACE Advisory Board

Operational

Management Team
Communications and Public Affairs
Economic and Policy
Membership and Regions
Legal and Compliance
Operations and Finance

Business groups

Sector Interest Groups (Roads, Rail, Aviation & Maritime, Buildings, Water, Energy, Sustainability, Local Government and Procurement)
Task Forces (Human Resources and Construction Liability Taskforces)
Best Business Practice (Market Intelligence Taskforce and Health & Safety Group)
Legal and Commercial Group
International Business Group
Insurance Group



Appendix B: Key Performance Indicators

Corporate Plan Key Performance Indicators

Aim 1: To be the voice of the industry							
Strategic Activities	Board Sponsor	OMG Owner	KPI	2007 Baseline	2008 Benchmark	2009 Benchmark	2010 Benchmark
Launch a campaign to promote ACE Charter of Excellence targeting the value of ACE membership at SMEs	LH	AW	Improved measurement from membership annual survey	None	TBA		
Develop a communications strategy to promote ACE's brand to clients	LH	AW	Improved measurement from membership annual survey	None	TBA		
Organise an annual ACE national conference and awards	LH	AW	Deliver conference, achieve attendance target and make profit	None	150 attendance Cost neutral	200 attendance £25k profit	250 attendance £50k profit
Introduce new key campaigns annually	LH	AW	Introduce a campaign each year	Proportionate liability	1	1	1
Obtain weekly ACE coverage in key trade press publications	LH	AW	Trade press coverage per annum	TBA	52	52	52
Obtain one item of national press coverage per month for ACE	LH	AW	National press coverage per annum	TBA	12	12	12
Increase the circulation of Impact and publish monthly	LH	AW	Circulation numbers	TBA	5,000	7,500	10,000



Aim 2: Increased representation through membership growth

Strategic Activities	Board Sponsor	OMG Owner	KPI	2007 Baseline	2008 Benchmark	2009 Benchmark	2010 Benchmark
Increase ACE membership within top 100	MC	IP	Increase our representation of NCE top 20 based on number of firms	10	12	14	16
	MC	IP	Increase our representation of NCE top 50 based on number of firms	25	30	35	40
	MC	IP	Increase our representation of NCE top 100 based on number of firms	50	60	70	80
Introduce a membership recruitment strategy	MC	IP	Increase 'non traditional' consultancy membership by 10 members per annum	3no. new/yr	10	10	10
	MC	IP	Increase overall yearly membership by 10% per annum by members	5no. new/yr (800 total)	80 (880)	88 (968)	97 (1065)
	MC	IP	Increase overall yearly membership by 10% per annum by income	£1,230,000	£1,323,000	£1,455,000	£1,600,000
Improve ACE's affiliate offering to both members and affiliates	MC	IP	Introduce minimum of two affiliates for each area identified by the membership survey	Insurance, legal, IT, general	Business planning, H&S	Marketing, PR	
Increase income from affiliates by 15% per annum	MC	IP	Review and agree affiliate charging structure. Linked with above.	£62,500	£77,000	£89,000	£107,000
Introduce a membership retention programme Q2 2008	MC	IP	Retain churn at 2007 levels	10	10	10	10



Aim 3: Promote the business interests of its sector to government and other stakeholders

Strategic Activities	Board Sponsor	OMG Owner	KPI	2007 Baseline	2008 Benchmark	2009 Benchmark	2010 Benchmark
Introduce a range of activities to proactively engage with Government	LH	AW	Parliamentary reception	Nil	One per year	One per year	One per year
	LH	AW	Public affairs news letter	TBA	Two per year	Two per year	Two per year
	LH	AW	Six monthly Governmental meetings	TBA	Two per year	Two per year	Two per year
	LH	AW	Introduce one new PR campaign	TBA	One per year	One per year	One per year
Introduce bi-annual meetings with BERR's Construction Sector Unit	LH	AW	Six monthly Governmental meetings	TBA	Two per year	Two per year	Two per year
Set up ACE regional clients forums	DJ	IP	Introduce new regional client forums	Nil	Nil	Birmingham	Manchester, Edinburgh
Introduce knowledge sharing processes for SIGs, working groups and regions	AT	SP	Produce SIG quarterly reviews	NA	4 reviews per year	4 reviews per year	4 reviews per year
	AT	IP	Produce Regional quarterly reviews	NA	4 reviews per year	4 reviews per year	4 reviews per year
	AT	NF	Produce Forum quarterly reviews	NA	4 reviews per year	4 reviews per year	4 reviews per year



Aim 4: Business information resource for the sector

Strategic Activities	Board Sponsor	OMG Owner	KPI	2007 Baseline	2008 Benchmark	2009 Benchmark	2010 Benchmark
Launch the ACE Business Intelligence Unit	CM	NF	Develop implementation plan	NA	Issue plan		
	LH	AW/NF	Upload content and publicise on new ACE web site it	NA	Launch/ Promote		
Professionalise the ACE publications process	LH	NF	Develop implementation plan and launch new publications process (see Aim 5 for financial targets)	NA	Issue plan		
Work with existing industry providers to launch the ACE Business Academy in 2008	LH	AW	Develop implementation plan and generate income from the Business Academy (also see Aim 5)	Nil	£0	£25k	£50k



Aim 5: Operate a dynamic and sustainable business structure

Strategic Activities	Board Sponsor	OMG Owner	KPI	2007 Baseline	2008 Benchmark	2009 Benchmark	2010 Benchmark
Review and improve the corporate governance structure of ACE in 2008	NS/GF	NO	Directors induction pack	NA	Issue to all directors		
	NS/GF	NO	Corporate Compliance Review	NA	Implement change		
Align business and operational processes with ISO standards	NO	SP	Align to ISP9001 quality management	NA	Issue new procedures		
	NO	SP	Align to ISO 14001 environmental management	NA		Issue new procedures	
Increase non subscription income (excluding Affiliates) by 50% by the end of 2010	NG/GF	NO	Develop and overall action plan and sub plans for each income area	NA	Action and sub plan		
	GN	NF	ACE Agreements income	£100k	£125k	£150k	£175k
	GN	AW	Impact advertising & sponsorship income	£0k	£10k	£20k	£40k
	GN	IP	Progress Network sponsorship	£5k	£5k	£10k	£15K
	GN	AW	ACE conference + sponsor income	Nil	£0k	£25k	£50k
	GN	AW	MIPIM Income	£52k	£50k	£55k	£60k
	GN	AW	Seminar + media training income	£45k	£50k	£60k	£100k
	GN/LH	AW	Business Academy (also see Aim 4)	Nil	£Nil	£25k	£50k
	GN	SP	Benchmarking + sponsor income	£35k	£50k	£60k	£70k
	GN	NF	Campaign Donations	£60k	£100k	£115k	£0k
	GN	NF	GA/ Broker Donations	£45k	£45K	£45k	£45k
	GN	NO	Misc sundry income, investment, royalties	£5k	£5k	£5k	£5k
			Totals (excluding Affiliate income)	£345k	£450k	£570k	£610k
Obtain Investors In People certification	NO	SP	Introduce required processes	NA	Update existing	Introduce new	
	GN	NO	Initiate preliminary audit	NA		Audit	
	GN	NO	Obtain certification	NA			Certification



Appendix C: Financial Forecast 2008-2010

ACE	Forecast		Forecast		Approved		2007 Year End Projection
	2010 Budget	% increase from 2009	2009 Budget	% increase from 2008	2008 Budget	% increase from 2007	
<u>Income</u>	£	%	£	%	£	%	£
Subscriptions	1,600,622	10%	1,455,111	10%	1,322,828	7.6	1,229,347
Affiliate	106,950	20%	89,125	15%	77,500	14.8	67,500
Other	620,971	20%	517,476	15%	449,979	12.5	399,979
	2,328,543		2,061,712		1,850,307		1,696,826
<u>Expenditure</u>							
Overheads	1,059,761	10% +50K office	917,965	10%+30K office	807,240	10.5	730,705
Cost of Sales	233,034	5%	221,938	10%	201,761	28.7	156,761
Salary	994,467	7%+£60K staff	873,334	7%	816,200	4.2	783,421
Contingency	10,000		10,000		10,000		-
	2,297,263		2,023,236		1,835,202		1,670,887
Transfer to Reserves	30000		38000		15,000		25,000
Surplus(Deficit)	1,280		476		105		939