



CRC Association Strategic Plan: 2017 – 2021

*Provide knowledge, know-how and services to enable
CRCs and CRC-Ps to be world leading innovators*

BACKGROUND

The CRC Association (CRCA) was established in 1994 to represent the interests of CRCs and has continued to do so over its 22-year life.

The current mission of the CRCA, as articulated in 2016, is to *'provide knowledge, know-how and services to enable CRCs and CRC-Ps to be world leading innovators'*.

The CRCA's key activities/goals are aligned with this mission statement and are:

- Advocate on behalf of CRCs collectively to the Commonwealth Government on topics of shared interest to CRCs and CRC-Ps;
- Promote the activities and achievements of CRCs and CRC-Ps;
- Provide members with a range of services to support their operation/project through its life cycle;
- Help members learn about and adopt best practice in their governance, research collaboration and implementation;
- Facilitate networking between CRCs, CRC-Ps and others associated with the CRC Programme and collaborative research.

ENVIRONMENTAL ANALYSIS

External

Australia has a strong tradition of collaborative research, particularly through the Cooperative Research Centres Programme. This Commonwealth Government led programme currently supports 30-40 CRCs, each with strong end user involvement in the funding, direction setting and uptake of the research outcomes of the CRC. Historically CRCs have been funded for several years, bringing multidisciplinary teams together to achieve the CRC's goals.

Significant features of the external environment include:

- Strong support of the CRC Programme by the Commonwealth Government.
- CRCs are strategically well placed to deliver against the Government's focus on innovation.
- Strong interest in the CRC Programme by industry, government departments/agencies, other end users and research providers.
- While the CRC Programme enjoys bipartisan support, it is not a 'protected' Programme and the real value of funding to the Programme is currently decreasing.
- Smaller, shorter term, more tightly focussed CRC-Projects were introduced into the CRC Programme in 2016. This broadens the remit of the CRC Programme but all CRCs and CRC-Ps are funded from the same budget, with no specific allocation of funding to each part of the Programme.
- As a result of the 2014 Miles Review, CRCs and CRC-Ps are being required to be more end-user driven, with a focus on implementable research outcomes.
- Also as a result of the Miles Review, the overall term of a CRC has been limited to 10 years and those CRCs that have been funded for a term of less than 10 years are not allowed to seek an extension of funding.

- From 2017, a change in the mechanism used to allocate block funding to Universities will put more emphasis on industry engagement.
- Changes to R&D tax concessions are anticipated, which may favour industry/company collaboration with public research organisations.
- Currently, there are no other organisations representing CRCs/CRC-Ps or significantly advocating for collaborative research in Australia.

Internal

The CRCA currently relies on member subscription fees and profits from its annual conference to support its activities. The CRC community strongly supports the CRCA with all but one CRC being a member.

The activities of the CRCA are focussed principally on the CRCA's membership and delivered by a small team.

Significant features of the internal environment include:

- The existence of a range of skills within the organisation, including advocacy, Government relations, governance, research communication and network facilitation.
- A strong identification of the CRCA with its Chief Executive Officer, Tony Peacock.
- A diminishing number of CRCs being funded by the Commonwealth Government means that a strong financial reliance on individual CRC memberships will inevitably lead to a decreasing CRCA budget, all other things being equal.
- Greater scrutiny of the value provided by CRCA membership by CRCs.
- No current uptake of CRCA membership by CRC-Ps.
- Small CRCA team means that there is a limit to the amount and depth of activities the CRCA can successfully achieve.

RELATIONSHIP MANAGEMENT/STAKEHOLDER MANAGEMENT

The CRCA has a number of key relationships both within the CRC environment and external to it.

These include:

- Current CRCs;
- CRC Programme staff and Advisory Committee;
- Innovation and Science Australia;
- Commonwealth and State Government departments and agencies;
- Universities and other research providers;
- Range of companies and consultants providing services to the CRC community;
- International agencies and organisations running or engaging in collaborative research activities;
- Current CRC-Ps;
- Potential future CRCs and CRC-Ps;
- Network of people with current or historic links to CRCs or the CRC Programme.

RISKS

The principal risks to the CRCA are related to strategy, financial stability and delivery of the organisation's activities.

Strategy

The CRCA has historically operated largely in response to external factors (e.g. Government reviews of the CRC Programme) and the wishes of CRCA members. With declining numbers of CRCs (there are currently 32, of which 12 will terminate in 2017 or 2018), over-reliance on membership fees from CRCs is a risk to the CRCA.

Given the changes in the external environment, there is a pressing need for the CRCA to become strategic in its approach to funding, articulating its value to members/stakeholders, activities and resourcing.

Consequently, it is important to:

- Develop and implement a CRCA strategy that sets out short and mid-term objectives that will ensure the CRCA's ongoing value, relevance and sustainability.
- Deliver on the objectives outlined in the strategy while retaining flexibility to respond to changes in the environment.

Financial stability

Given the current funding model of the CRCA, any reduction in the number of CRCs taking up CRCA membership will result in a direct reduction in the CRCA's income. Even with a 100% membership take up by CRCs, the predicted decline in the number of CRCs funded will lead to an inevitable reduction in the CRCA's available resources.

The vast majority of the CRCA's funds are spent on staff salaries and supporting a small team. If the CRCA's activities are provided by the CRCA staff, contractors and service providers, there is an obvious link between the personnel budget, staff profile and the range of activities that can feasibly be delivered.

The brand of the CRCA is very strongly associated with the CRCA's Chief Executive Officer, requiring much of his time to be devoted to delivering these activities. This raises the question as to whether this is sustainable into the future and highlights the associated 'key person' risk.

Consequently, it is important to:

- Review the current funding model for the CRCA and the quantum of the current and likely future funds.
- Review potential funding streams for the CRCA and pursue those that fit with the CRCA's mission and activities.
- Review how the activities of the CRCA are delivered to ensure that they are provided in the most effective and efficient manner possible.
- Reduce the reliance on delivery of CRCA services by the Chief Executive Officer by making information and resources more readily available online and via others.
- Investigate ways in which the CRCA brand can be strengthened in its own right so that, combined with a range of CRCA service delivery options, the sustainability of the CRCA depends less critically on the person in the Chief Executive Officer role.

Organisation activities

The CRCA is committed to providing value to its members via a number of existing services. However, there has been no assessment of the benefits of these individual activities/services to the CRCA membership or how they could be optimised. A comprehensive review of the core strengths of the CRCA has not been undertaken with a view to understanding what other services or activities the CRCA could perform that would strengthen the business.

Consequently, it is important to:

- Understand the value of the CRCA's activities/services to each of the existing and potential future members and other existing and potential users of CRCA services. The services/activities should be adjusted/optimised depending on the outcomes of the review.
- Assess other potential CRCA activities/services that could be used to increase the CRCA value, funding base and reputation while remaining true to the CRCA's mission, e.g. accounting/admin services to CRC-Ps, advice on CRC bids, etc.
- Assess other activities that build on the CRCA's core skills which could strengthen the scope, reputation, influence and funding of the CRCA whilst remaining true to the CRCA's mission, e.g. policy advice, commentary on innovation delivery, etc.

SWOT ANALYSIS OF THE CRCA

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong relationships with Government, policy makers and other relevant parties • Excellent alignment with Government policy and objectives • Strong engagement and support from existing CRCs, demonstrated through 100% membership • Well known and recognised brand • Good communication networks and messages • Committed and capable staff • Effective governance structure and strong processes 	<ul style="list-style-type: none"> • Heavy reliance on membership fees for core funding • Lack of clearly articulated benefits of CRCA membership • No future strategy for the CRCA • Unstructured approach to CRCA activities means that services are not delivered effectively and/or efficiently • Heavy reliance on the leadership/ knowledge/ contacts of the Chief Executive
Opportunities	Threats
<ul style="list-style-type: none"> • Develop a value proposition that would make membership of different types attractive to a wider range of organisations/individuals • Develop a package of membership benefits that would make it attractive for CRC-Ps to join • Develop stand-alone services that could be provided on a 'one off' basis • Develop a reputation and track record for activities building on the CRCA core skills 	<ul style="list-style-type: none"> • Reducing numbers of CRCs • Disengagement of CRCs • Disinterest from CRC-Ps and other potential members/partners • CRCA seen as less relevant as the 'innovation space' grows more diffuse

Strategic Objective	Desired Outcomes	Actions to Achieve Outcomes	Timing
<p>Advocacy and policy <i>The Commonwealth Government remains very positive about CRCs. CRCs continue to offer a significant return on investment despite the Cooperative Research Programme budget dropping significantly since its peak.</i></p> <p><i>The introduction of the CRC-P subprogram in 2016 was exciting and a big change for the CRC Programme. It draws on the same pool of funding as the CRC Programme.</i></p> <p><i>The emphasis on commercial impact from the 2014 Miles Review is too great and other means of delivering impact and benefit should be included in CRC selection.</i></p>	<p>Increase in Commonwealth budget allocation to the CRC Programme by at least 25% annually compared to the 2016/2017 year.</p> <p>Reverse the decision to limit the life of a Cooperative Research Centre to 10 years and return to fully merit-based selection.</p> <p>Selection of the CRCs should be based on their ability to deliver impact for Australia, whether this is a social, environmental or economic benefit.</p>	<p>Advocate directly to the Commonwealth for the CRC Programme budget to be increased.</p> <p>Provide annual Budget Submissions seeking support.</p> <p>Build support for an increased CRC programme budget from Industry, Research organisations, States and the Federal Opposition.</p> <p>Contribute to policy discussions and make submissions to appropriate inquiries and reviews</p>	<p>Annual</p> <p>Annual, in January</p> <p>Annual, ongoing</p> <p>On request</p>
<p>Governance and Benchmarking <i>CRCs and CRC-Ps should be considered amongst the world's most efficient and effective means of delivering high impact R&D.</i></p> <p><i>CRC governance should be Australian best practice.</i></p>	<p>Shared knowledge on CRC and CRC-P performance available to all members.</p> <p>Greater diversity of CRC Boards, management and scientific teams available to CRCs.</p> <p>50% of all leadership positions in CRCs to be held by women.</p>	<p>Formally benchmark CRC metrics biennially.</p> <p>Benchmarking studies extended to CRC-Ps.</p> <p>Gender diversity of Boards, management and scientific teams measured.</p> <p>Establish and promote a database for female Directors.</p>	<p>2018, 2019, 2021</p> <p>2018</p> <p>2018</p> <p>2017</p>
<p>Financial stability <i>The CRC Association runs on a budget of \$1.2 million (2016) to achieve its objectives.</i></p> <p><i>During this plan, the budget is expected to continue to grow at approximately the CPI.</i></p>	<p>100% of CRCs are Full Members; 100% of CRC-Projects are Associate Members; and 25% of Australia's Universities are Supporting Members of the CRC Association.</p> <p>The Association maintains a surplus equivalent to 50% of its annual operating costs.</p> <p>The Association maintains clear annual independent financial audits.</p>	<p>Conduct a review of value for each membership class and a subsequent membership drive.</p> <p>Develop a plan to attract additional revenue streams to the CRCA.</p>	<p>2017, 2020 (Associate)</p> <p>2018, 2021 (Supporting)</p> <p>2019 (Full)</p> <p>2017</p>

Strategic Objective	Desired Outcomes	Actions to Achieve Outcomes	Timing
<p>Member Services <i>CRC Association members need ready access to the tools for managing a CRC or CRC-P.</i></p> <p><i>The CRC Association has the experience, know-how and connections to provide them with the necessary administrative arrangements to get on with their jobs while ensuring good governance and accountability.</i></p>	<p>“CRC in a Box” available to Members for ready access to standard information and templates for the most common management needs of a CRC or CRC-P.</p> <p>A new “Supporting” membership developed and offered to allow CRC-P managers (and that of other similar collaborations) to concentrate on their key business of delivering innovation.</p> <p>Members have more opportunities to share knowledge through facilitated meetings in their home States.</p>	<p>Common management templates compiled and available to members via “CRC in a Box”.</p> <p>Continuous improvement and development of “CRC in a Box”.</p> <p>Members’ view of CRC Association performance assessed by survey.</p> <p>At least one members’ event held in each State each year.</p> <p>Meet with every Full Member every year.</p>	<p>2017</p> <p>Ongoing</p> <p>Annually, by May</p> <p>Ongoing</p> <p>Annually</p>
<p>Promotion and Awareness <i>The CRC Association has developed an enviable reputation as an effective communicator.</i></p> <p><i>More organisations are now promoting benefits of collaboration so it will become more important to distinguish the benefits of CRCs and CRC-Ps.</i></p>	<p>CRC Association remains a strong and credible voice in the Australian innovation sector.</p> <p>CRC Association increases awareness of CRCs and CRC-Ps in the Australian business community.</p> <p>CRCs and CRC-Ps enjoy an international reputation.</p>	<p>Publish a fortnightly electronic newsletter and expand its coverage to 20,000 active emails over the course of this plan.</p> <p>Maintain a strong and positive social media presence.</p> <p>Participate in at least four significant business events annually.</p> <p>Promote CRCs and CRC-Ps to selected international audiences.</p> <p>Deliver an annual conference for the benefit of Members.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>At least 4 x annually</p> <p>Annually</p> <p>Annually</p>