

# REPUTATIONAL IMPACTS OF INTERNATIONAL RESEARCH AND INNOVATION

**Professor Muthu De Silva**  
**Dr Maryam Ghorbankhani**

Birkbeck, University of London

March 2025

## Chapter 1: Why reputation generated through international R&I matter

The reputation gained through international research and innovation (R&I) generates a wide array of impacts. These impacts can manifest at various levels, including local, regional, national, and international. The reputation built through such R&I efforts not only enhances the UK's standing in the global community but also brings about tangible benefits across different sectors and geographies. Some of these impacts and the pathways for generating them are closely linked to specific types of R&I collaborations, highlighting the importance of strategically selecting specific mechanisms of international R&I based on intended impacts. We discuss in this chapter the different impacts generated by the reputation gained through international R&I, showcasing the multifaceted benefits that arise from a strong and respected presence in the global research and innovation landscape. These impacts generated from the reputation further justify the need to better understand, capture, and measure reputation.

## 1.1. Financial Impacts of Reputation Building through International R&I

1. New pathways for generating financial returns
2. Enhanced national and international funding and foreign investment in the UK
3. Improved market advantages
4. Reduced risks and costs through the leveraging of increased opportunities for shared addressing of common challenges

### Box 1.1: Financial Impacts of Reputation Building through International R&I: Overview

The reputation gained through international research and innovation (R&I) has profound financial impacts by way of increasing financial returns.

- » **Firstly**, due to the reputation developed through international research and innovation (R&I), new pathways for generating financial returns are emerging, driven by improved relationships with clients and beneficiaries, new business development opportunities, and increased chances to launch new products, services, and processes in new markets (Rodríguez et al., 2018; Teixeira et al., 2016; Teixeira et al., 2008; Abecassis-Moedas et al., 2012; Appiah-Adu & Singh, 1998; Laforet & Tann, 2006; Laforet, 2008, 2009; Salavou et al., 2004).
- » **Secondly**, the reputation increases investor confidence and enhances national and international funding and foreign investment in the UK, which in turn fuels economic growth and development (Wittneben & Kiyar, 2009; Laforet, 2011; Salman & Saives, 2005; Freel & Harrison, 2007; Dodgson & Rothwell, 1991; UKRI India; Horizon 2020; Gov 2024).
- » **Thirdly**, the reputation results in improving market advantages, such as better market positioning, market access, market share, and market valuation, enhancing the UK's credibility and trustworthiness in the global market, making it a preferred destination for investors (Gassman et al., 2009; Barnett & Storey, 2000; Birchall et al., 1996; Bowen & Ricketts, 1992; Chandler et al., 2000; Dodgson & Rothwell, 1991; McAdam et al., 2004; Amel-Zadeh et al., 2021; Potepa and Thomas (2023)).
- » **Lastly**, reinforcing the UK's standing as a resilient and forward-thinking country, developed through international R&I, increases opportunities for shared addressing of common challenges and high-risk projects, which reduces the risks and costs of R&I (Reuer &

Ragozzino 2014). This financial robustness, driven by a strong international R&I reputation, ensures sustained economic benefits and long-term prosperity (Huang et al 2024).

## 1.2. Resource Impacts of Reputation Building through International R&I

1. Enhanced opportunities to access and/or develop new national and international resources, capabilities, and knowledge
2. Enhanced opportunities to access, and/or engage in the development of national and international infrastructure
3. Improved consideration of the UK as a resource for future R&I

### Box 1.2: Financial Impacts of Reputation Building through International R&I: Overview

The reputation developed through international research and innovation (R&I) has significant resource impacts by way of access to, and/or development of, resources of value to the UK. These resources would be of value for scaled-up collaboration, economic growth, and other advantages.

- » **Firstly**, the reputation enhances opportunities to access and develop new national and international resources, capabilities, and knowledge, that might otherwise be inaccessible. In particular, the reputation developed through international R&I would offer access to cutting-edge laboratories, knowledge, and databases as well as associated skill development opportunities. These resources foster further collaboration and economic growth (Laforet, 2011; Salman & Saives, 2005; Freel & Harrison, 2007).
- » **Secondly**, the reputation provides increased chances to access international infrastructure or engage in the development of new international infrastructure, laying the groundwork for future advancements. The reputation developed by companies and research organisations by engaging in international R&I also offers enhanced opportunities to win additional grants and collaboration opportunities to jointly further develop and/or access national infrastructure (Ryan 2023).
- » **Lastly**, the enhanced perception of the UK as a resource for future R&I is crucial for seizing resources and opportunities to unlock new paths to improve the UK's key competitive advantages that have not existed before, further solidifying the UK's position as a leader in innovation and ensuring sustained resource availability and development (Amanatidou et al 2016; Cunningham 2015).

### 1.3. Research and Innovation Impacts of Reputation Building through International R&I

1. Increased opportunities and willingness of national and international actors to collaborate with the UK
2. Long-term commitments from international stakeholders and investors on UK R&I
3. Reduced risk of research and innovation

#### Box 1.3: Financial Impacts of Reputation Building through International R&I: Overview

The reputation gained through international research and innovation (R&I) has profound impacts on various R&I fronts.

- **Firstly**, the reputation increases opportunities and willingness among national and international actors to collaborate with UK organisations. This collaboration can take multiple forms, such as developing new products, services, technologies, processes, and business models for local, national, and global markets, associated with relatively high Technology Readiness Levels (TRL) (Haberberg & Rieple, 2001). It also encourages engagement in larger, international, profitable, and strategically relevant projects (Tlemsani et al., 2023), as well as participation in ground-breaking research, which is often at lower TRLs (Siegel & Wright, 2015).
- **Secondly**, this reputation fosters long-term commitments from international stakeholders and investors in UK R&I, exemplified by the establishment of international R&I centres and associated investments. These commitments ensure sustained investment and support for ongoing and future projects (Integrated Review Refresh, IRR 2023; Global Innovation Index 2023).
- **Lastly**, the enhanced reputation reduces the risk associated with research and innovation, particularly for larger and complex projects. This risk reduction is due to the increased trust and confidence from partners and investors as well as the distribution of risk among collaborators, which in turn facilitates more ambitious and impactful R&I initiatives (Dodgson & Rothwell, 1991; Gassman et al., 2009; Turpin et al., 2004). Overall, the reputation built through international R&I significantly bolsters the UK's ability to attract collaborations, secure long-term R&I commitments, and undertake high-risk, high-reward projects.

## 1.4. Relational Impact of Reputation Building through International R&I

1. Enhanced opportunities to access, strengthen, collaborate with, and/or develop new networks
2. Increased acceptance within the broader international scientific community
3. Enhanced satisfaction of shareholders and their encouragement of others to join UK companies
4. Enhanced employee satisfaction and opportunities to recruit high-profile staff members
5. Increased international student enrolment in UK universities

### Box 1.4: Relational Impacts of Reputation Building through International R&I: Overview

The reputation gained through international research and innovation (R&I) has significant relational impacts by way of improved useful and strategic relationships and networks.

- » **Firstly**, the reputation enhances opportunities to access, strengthen, collaborate with, and develop new, useful networks at local, regional, national, and international levels. These networks are crucial for fostering collaboration, sharing knowledge, and driving innovation and economic growth (Moriarty et al., 2005; Altbach & Salmi, 2011; Lepori et al., 2013).
- » **Secondly**, the reputation leads to increased acceptance within the broader international scientific community, which is essential for scaling up research and innovation outcomes (Gassmann et al., 2009).
- » **Thirdly**, the enhanced reputation of UK companies due to their engagement in international R&I boosts shareholder satisfaction, encouraging them to invest further and attract others to join UK companies. This positive perception among shareholders is vital for securing ongoing financial support and growth (Financial Services and Markets Act 2000; Raithel and Schwaiger 2015).
- » **Fourthly**, the reputation improves employee satisfaction, creating a more motivated and engaged workforce, and provides opportunities to recruit high-profile staff members who are drawn to the UK's esteemed R&I environment (Clark et al., 2015; Abreu et al., 2015; Jones et al., 2014).
- » **Lastly**, the reputation attracts increased international student enrolment in UK universities, as students seek to benefit from the high-quality education and research opportunities available (Siegel & Wright, 2015). These relational impacts collectively strengthen the UK's

position as a leader in research and innovation, fostering a supportive and dynamic ecosystem for continued growth and success.

## 1.5. Political Influence of Reputation Building through International R&I

1. Enhanced status, acceptance, and soft influence of, the UK globally
2. Strategic and successful country-level partnerships between the UK and other countries

### Box 1.5: Political Influence of Reputation Building through International R&I: Overview

The reputation gained through international R&I significantly enhances the UK's political influence on the global stage.

» **Firstly**, the reputation elevates the UK's status and acceptance worldwide, allowing it to exert soft influence (Lomer 2017) in various domains. This influence can shape key decisions (e.g. policy makers, international bodies, funders, companies, and research organisations), such as the choice of sectors and technologies to focus on, as well as global policy and practice. The UK's respected position gained through international R&I enables it to lead and guide international discussions and initiatives, promoting its interests and values. Reputational resilience and soft power are interlinked and the development of trust in a country plays a key role in strengthening this link (House of Commons 2018; British Council 2021). A state's ability to influence and be respected on the global stage relies equally on its diplomatic efforts and the social and human capital within its international networks, which are built through the reputation generated through international R&I, as it does on its GDP or military strength (British Council 2020).

» **Secondly**, the reputation fosters strategic and successful country-level partnerships between the UK and other nations. These partnerships are built on mutual respect and shared goals, facilitating collaboration on large-scale projects and policy development. The UK's strong R&I reputation thus enables it to form and maintain influential alliances, driving forward international cooperation and progress (Archetti 2014; Turner 2019).

## 1.6. Social and Environmental Impacts of Reputation Building through International R&I

1. Enhanced opportunities to simultaneously generate business, academic, social, and/or environmental value
2. Increased opportunities for UK organisations and academics to engage in local, regional, national and international policy-making and advisory roles

### Box 1.6: Social and Environmental Impacts of Reputation Building through International R&I: Overview

Increasingly collaborative R&I is aimed at simultaneously generating different types of value, especially when addressing grand challenges, developing green innovation, and addressing socio-economic challenges. The reputation generated as a socially and environmentally responsive organisation and nation can thus offer further opportunities to scale up social and environmental impacts (Hoffman, 2005; Kolk & Pinkse, 2004; Wittneben & Kiyar, 2009).

- » **Firstly**, the reputation generated by the UK as a socially and environmentally conscious nation offers additional opportunities to collectively address local, regional, national, and international socio-economic challenges. This ensures that the solutions developed are sustainable and beneficial across multiple sectors, and simultaneously generate business, academic, social, and/or environmental value (Dyer & Chu, 2003; Li et al., 2014; Akhavan and Beckmann, 2017).
- » **Secondly**, the increased recognition and credibility gained through socially and environmentally responsive international R&I efforts open up more opportunities for UK organisations, including businesses, public sector entities, and not-for-profit organisations, as well as academics, to engage in policy-making and advisory roles at various levels. This involvement in policy-making can lead to more informed and effective policies that better address the complex socio-economic and environmental issues faced by communities globally (Perkmann et al., 2013; Bozeman & Gaughan, 2007). Thus, the reputation gained from international R&I facilitates a more integrated and impactful approach to solving global challenges.



Now you have read our report we would love to know if our research has provided you with new insights, improved your processes, or inspired innovative solutions.

Please let us know how our research is making a difference by completing our short feedback form via this QR code.

Thank you

The Innovation & Research Caucus

## References

- Abecassis-Moedas, C., Ben Mahmoud-Jouini, S., Dell'Era, C., Manceau, D. and Verganti, R. (2012). Key resources and internationalization modes of creative Knowledge-Intensive Business Services: The Case of Design Consultancies. *Creativity and Innovation Management*, 21(3). Pp. 315-331.
- Abreu, M.C.S.D., Cunha, L.T.D. and eBarlow, C.Y. (2015). Institutional dynamics and organizations affecting the adoption of sustainable development in the United Kingdom and Brazil. *Business Ethics: A European Review*, 24(1).
- Akhavan, R. and Beckmann, M. (2017). A configuration of sustainable sourcing and supply management strategies. *Journal of Purchasing & Supply Management*, 23, pp. 137-151.
- Altbach, P. and Salmi, J. (2011). The Rise of Research Universities: The Case of the Hong Kong University of Science and Technology and the Role of the Overseas Chinese Academic Profession.
- Amanatidou, E., Saritas, O. and Loveridge, D. (2016). Strategies for emerging research and innovation futures. *Foresight*, 18 (3), pp. 253-275.
- Amel-Zadeh, A., Glaum, M. and Sellhorn, T. (2021). Empirical Goodwill Research: Insights, Issues, and Implications for Standard Setting and Future Research. *European Accounting Review*, 32(2), pp.1–32. <https://doi.org/10.1080/09638180.2021.1983854>.
- Appiah-Adu, K. and Singh, S. (1998). Customer orientation and performance: a study of SMEs', *Management Decision*, 36(6), pp. 385-394. <https://doi.org/10.1108/00251749810223592>.
- Archetti, C. (2014). Soft power, new media and diplomacy: evidence submitted to the House of Lords select committee on soft power and the UK's influence.
- Barnett, E. and Storey, J. (2000). Managers' accounts of innovation processes in small and medium-sized enterprises. *Journal of Small Business and Enterprise Development*, 7(4), pp. 315-24.
- Birchall, D., Chanaron, J. and Soderquist, K. (1996). Managing innovation in SMEs: a comparison of companies in the UK, France and Portugal. *International Journal of Technology Management*, 12(3), pp. 291-305.

- Bowen, A. and Ricketts, M. (1992). Stimulating Innovation in Industry: The Challenges for the United Kingdom, NEDO, London.
- Bozeman, B. and Gaughan, M. (2007). Impacts of grants and contracts on academic researchers' interactions with industry. *Research Policy*, 36, pp. 694-707.
- Chandler, G.N., Keller, C. and Lyon, D.W. (2000). Unraveling the determinants and consequences of an innovation-supportive organizational culture, *Entrepreneurship Theory and Practice*, 25(1), pp. 59-76.
- Clark, G. L., Feiner, A. and Viehs, M. (2015). From the stockholder to the stakeholder: How sustainability can drive financial outperformance. *University of Oxford and Arabesque Partners*.
- Cunningham, P. (2015). RIO Country Report United Kingdom. European Commission. 2014. available at: <https://core.ac.uk/download/pdf/38630897.pdf>
- Dodgson, M. and Rothwell, R. (1991). Technology Strategies in Small Firms. *Journal of General Management*, 17(1). <https://doi.org/10.1177/030630709101700103>.
- Dyer, J.H. and Chu W. (2003). The role of trustworthiness in reducing transaction costs and improving performance: Empirical evidence from the United States, Japan, and Korea. *Organization Science*, 4(1), pp. 57-68.
- Financial Services and Markets Act. (2000). Available at: <https://www.legislation.gov.uk/ukpga/2000/8/contents>
- Freel, M. and Harrison, R. (2007). The Community Innovation Survey 4: Profiling Scotland's Innovation Performance, available at: [www.scotland.gov.uk/publications/2007](http://www.scotland.gov.uk/publications/2007)
- Gassmann, O., Rumsch, W-C., Rüetsche, E. and Bader, M. A. (2009). R&D Reputation and corporate brand Value, Research Report, *Research Technology Management*.
- Global Innovation Index 2023 Innovation in the face of uncertainty-WIPO: Available at: <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-2000-2023-en-global-innovation-index-2023-16th-edition.pdf>
- Gov (2024). <https://www.gov.uk/government/news/nissan-triples-investment-in-electric-vehicle-production-in-the-uk>.
- Haberberg, A. and Rieple, A. (2001). The Strategic Management of Organisations, FT Prentice Hall, Harlow.
- Hoffman, A. (2005). Climate change strategy: the business logic behind voluntary greenhouse gas reductions. *California Management Review*, Vol. 47(3).
- Horizon. (2020). Available at: <https://www.discover.ukri.org/uk-in-horizon/>
- House of Commons 2018: House of Commons Foreign Affairs Committee, Global Britain, Sixth Report of Session 2017–19, 12, pp. 19–281. <https://publications.parliament.uk/pa/cm201719/cmselect/cmfa/780/780.pdf>
- Huang, S., Cheng, M. and Shu, Z. (2024). Role of social capital and financial inclusion in sustainable economic growth. *Research in International Business and Finance*, 72(2).

- Integrated Review Refresh (IRR). (2023): Responding to a more contested and volatile world. Available at: <https://www.gov.uk/government/publications/integrated-review-refresh-2023-responding-to-a-more-contested-and-volatile-world>
- Jones, D. A., Willness, C. R. and Madey, S. (2014). Why Are Job Seekers Attracted by Corporate Social Performance? Experimental and Field Tests of Three Signal-Based Mechanisms. *Academy of Management Journal*, 57(2), pp. 383-404.
- Kolk, A., and Pinkse, J. (2004). Market strategies for climate change. *European Management Journal*, Vol. 22 (3), pp. 304- 314. <http://dx.doi.org/10.1016/j.emj.2004.04.011>.
- Laforet, S. (2008). Size, strategic and market orientation affects on innovation. *Journal of Business Research*, 61(7), pp. 753-64.
- Laforet, S. (2009). Effects of size, market and strategic orientation on innovation. *European Journal of Marketing*, 43 (1/2), pp.188-212.
- Laforet, S. (2011). A framework of organizational innovation and outcomes in SMEs. *International Journal of Entrepreneurial Behavior & Research*, 17(4), pp.380-408.
- Laforet, S. and Tann, J. (2006). Innovative characteristics of small manufacturing firms. *Journal of Small Business and Enterprise Development*, 13 (3), pp.363-80.
- Lepori, B., Barberio, V., Seeber, M. and Aguillo, I. (2013). Core–periphery structures in national higher education systems. A cross-country analysis using interlinking data, *Journal of Informetrics*, 7, pp. 622–634.
- Li, Y., Zhao, X. and Shi, D.m Li, X. (2014). Governance of sustainable supply chains in the fast fashion industry. *European Management Journal*, 32 (5), pp. 823-836.
- Lomer, S. (2017). Soft power as a policy rationale for international education in the UK: a critical analysis. *High Educ.*, 74, pp. 581–598.
- McAdam, R., Mc Convery, T. and Armstrong, G. (2004). Barriers to innovation within small firms in a peripheral location. *International Journal of Entrepreneurial Behaviour & Research*, 10(3), pp. 206-21.
- Moriarty, P., Fonseca, C., Smits, S. and Schouten, T (2005). Learning Alliances for scaling up innovative approaches in the Water and Sanitation sector', Background Paper for the Symposium: International Water and Sanitation Centre, Delft, The Netherlands.
- Perkmann, M., Tartari, V., McKelvey, M., Autio, E., Broström, A., D'Este, P., Finif, R., Geuna, A., Grimaldif, R., Hughes, A., Krabel, S., Kitsong, M., Llerenai, P., Lissoni, F., Salter, A. and Sobrero, M. (2013). Academic engagement and commercialisation: A review of the literature on university–industry relations, *Research Policy*, 42, pp. 423–442.
- Potepa, J. and Thomas, J. (2023). Goodwill Impairment after M&A: Acquisition-Level Evidence. *Journal of Financial Reporting*, 8 (2): 131–155. <https://doi.org/10.2308/JFR-2020-026>
- Raithel, S. and Schwaiger, M. (2015). The effects of corporate reputation perceptions of the general public on shareholder value. *Strategic Management Journal*, 36(6), 945-956.

- Reuer, J.J. and Ragozzino, R. (2014). Signals and International Alliance Formation: The Roles of Affiliations and International Activities, *Journal of International Business Studies*, 45, p. 321-337.
- Rodríguez, A., Nieto, M. J. and Santamaría, L. (2018). International collaboration and innovation in professional and technological knowledge-intensive services. *Industry and Innovation*, Vol. 25 (4), 408-431, DOI: 10.1080/13662716.2017.1414752.
- Ryan, L. (2023). Research Infrastructures with European Research Infrastructure Consortium (ERIC) status: Revisiting the case of ERICs and Intellectual Property Rights in the European Research Area. *European Intellectual Property Review*, 45(5), pp. 252-265.
- Salavou, H., Baltas, G. and Lioukas, S. (2004). Organizational innovation in SMEs: the importance of strategic orientation and competitive structure. *European Journal of Marketing*, 38(9), pp.1091-112.
- Salman, N. and Saives, A-L. (2005). Indirect networks: an intangible resource for biotechnology innovation. *R&D Management*, 35(2), pp. 203-2015.
- Siegel, D.S. and Wright, M. (2015). Academic entrepreneurship: Time for a rethink? *British Journal of Management*, Vol. 26(4), pp. 582-595.
- Teixeira, A. A. C., Santos, P. and Oliveira-Brochado, A. (2008). International R&D Cooperation between Low-tech SMEs: The Role of Cultural and Geographical Proximity. *European Planning Studies*, 16 (6), pp. 785–810.
- Teixeira, A. A., Jabbour, C.J.C., de Sousa Jabbour, A.B.L., Latan, H. and De Oliveira, J.H.C. (2016). Green training and green supply chain management: evidence from Brazilian firms. *Journal of cleaner production*. 116, pp. 170-176.
- Tlemsani, I., Matthews, R. and Mohamed Hashim, M. A. (2023). Cross-border alliances and strategic games. *Journal of Work-Applied Management*. 15 (2), pp. 292-313.
- Turner, O. (2019). Global Britain and the Narrative of Empire. *The political Quarterly*, 90 (4), pp.727-734. <https://doi.org/10.1111/1467-923X.12739>
- Turpin, T., Garrett-Jones, S. and Diment, K. (2004). Scientists, career choices and organizational change: Managing human resources in cross-sector R&D organizations. Paper presented at the 18th Annual Conference of the Australian and New Zealand Academy of Management (ANZAM), Otago University, New Zealand.
- UKIR India. Available at: <https://www.ukri.org/what-we-do/international-funding/our-international-offices/ukri-india/#contents-list>
- Wittneben, B.B.F. and Kiyar, D. (2009). Climate change basics for managers. *Management Decision*. 47, pp. 1122-1132. <http://dx.doi.org/10.1108/00251740910978331>

## Acknowledgements

We would like to acknowledge and appreciate the efforts of the IRC Project Administration Team involved in proofreading and formatting, for their meticulous attention to detail and support, and to Kasuni Withthamperuma Arachchige for her outstanding research assistance.

## About the Innovation and Research Caucus

The IRC supports the use of robust evidence and insights in UKRI's strategies and investments, as well as undertaking a co-produced programme of research. Our members are leading academics from across the social sciences, other disciplines and sectors, who are engaged in different aspects of innovation and research system. We connect academic experts, UKRI, IUK and the ESRC, by providing research insights to inform policy and practice. Professor Tim Vorley and Professor Stephen Roper are Co-Directors. The IRC is funded by UKRI via the ESRC and IUK, grant number ES/X010759/1. The support of the funders is acknowledged. The views expressed in this piece are those of the authors and do not necessarily represent those of the funders.

## Find out more

**Contact:** [info@ircaucus.ac.uk](mailto:info@ircaucus.ac.uk)

**Website:** <https://ircaucus.ac.uk/>