

REPUTATIONAL IMPACTS OF INTERNATIONAL RESEARCH AND INNOVATION

Professor Muthu De Silva
Dr Maryam Ghorbankhani

Birkbeck, University of London

March 2025

4.4. UK's ranking in global research and innovation indices

The UK's R&I reputation is also shaped by its ranking in R&I indices such as the Global Innovation Indices by WIPO, participation in the Global Entrepreneurship Monitor, and World Bank evaluations. The nature of this reputation is characterized by the UK's performance in research and innovation, entrepreneurial spirit, significant investment in R&I, governmental commitment to R&I, and competitive advantages in key sectors. The UK's reputation is built not only on its presence in international rankings but also on its constant endeavour to maintain high scores in those rankings. The positive reputation built through ranking results in financial, resource, research innovation, and political impacts [Figure 4.4].

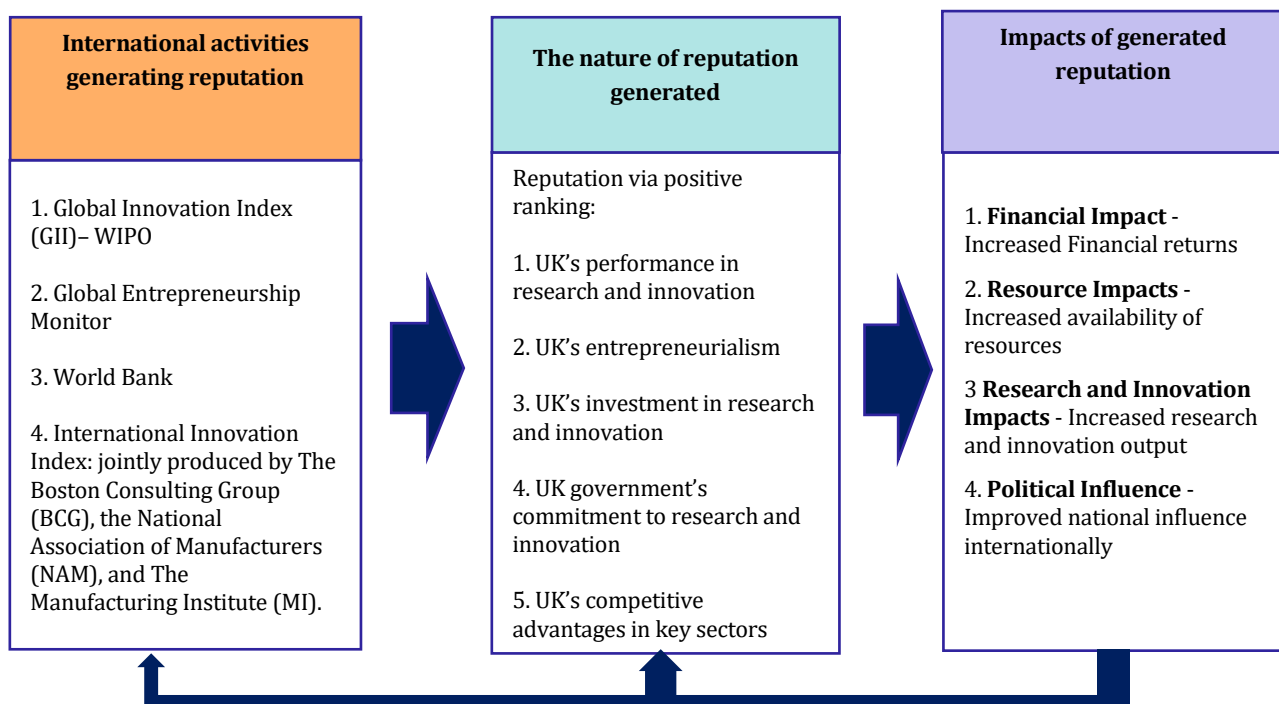


Figure 4.4: UK's ranking in global research and innovation indices generating reputational impacts

4.4.1 International activities



Global Innovation Index – WIPO

The UK is ranked as the fourth most innovative economy globally behind Switzerland, Sweden, and the United States, and the third in Europe according to the 2023 Global Innovation Index (GII), which highlights its strong performance in innovation among high-income countries. In terms of science and technology clusters, Cambridge in the UK is recognized as the most Science and Technology (S&T) intensive cluster globally, underscoring the UK's significant local innovation output.



Global Entrepreneurship Monitor (GEM)

The UK's rankings of R&I depict a mixed but predominantly positive reputation according to Global Entrepreneurship Monitor (GEM) 2023-24. The UK demonstrates strong performance in R&I, entrepreneurialism, and government commitment, despite recent economic challenges. However, entrepreneurial conditions, particularly social support for women and access to finance, lag behind, with the UK ranked 22nd out of 49 economies in the National Entrepreneurial Context Index (NECI). The UK's commitment to supporting small businesses and entrepreneurial growth, through programs like Help to Grow and the Start Up Loan program (Global Entrepreneurship Monitor 2023/2024), reinforces its reputation as a nurturing environment for innovation and entrepreneurship as well as a well-established international R&I collaborator.



World Bank

In its 2023 overview, the World Bank highlighted the UK's active role and significant contributions to research and innovation, entrepreneurialism, investment, governmental commitment, and competitive advantages in key sectors. The United Kingdom is ranked 8 among 190 economies in the ease of doing business, according to the latest World Bank report. The UK holds a position as the major shareholder and participates actively in the World Bank project and contributes with its expertise and solutions to various sectors, which reflects its commitment to global development and innovation. Through membership in institutions like the International Finance Corporation (IFC), the UK contributes to fostering entrepreneurship and private sector growth both domestically and globally.



International Innovation Index

The International Innovation Index is a global measure of a country's innovation level. It is collaboratively produced by The Boston Consulting Group (BCG), the National Association of Manufacturers (NAM), and The Manufacturing Institute (MI), which is NAM's nonpartisan

research affiliate. The index assesses both business outcomes of innovation and the government's role in promoting and supporting innovation through public policy. The study involved: (A) a survey of over 1,000 senior executives from NAM member companies across various industries, (B) in-depth interviews with 30 of these executives, and (C) A comparison of the "innovation friendliness" of 110 countries and all 50 U.S. states. The International Innovation Index provides valuable insights into innovation ecosystems worldwide, emphasizing the importance of both private sector efforts and supportive government policies.

The UK is ranked 9th in relation to innovation performance and innovation output. The UK ranks seventeen out of 166 countries showing readiness to use frontier technologies according to The Frontier Technologies Readiness Index (2023). However, this rank displays a drop of 14 places since 2021 when, it was ranked 3. In the same index, the UK is ranked 12th for skills, and 6th for R&D. The United State, Sweden and Singapore hold the top three positions.

4.4.2 The reputational impacts of ranking



UK's performance in R&I

UK's performance in R&I is demonstrated by its high rankings in various innovation indices including GII-WIPO and GEM. The UK's reputation for high performance in R&I has significantly influenced its global standing and catalyzed several impactful outcomes. High rankings in various international indices highlight the UK's robust R&I ecosystem, required for international investments and collaborations. Overall, the indices showcase the UK's well-established position as an active player in shaping global advancements and collaborations in R&I.



UK's entrepreneurialism

UK being ranked highly in indices such as GII-WIPO and Global Entrepreneurship Monitor for entrepreneurialism demonstrates the UK's vibrant entrepreneurial ecosystem, supported by government programs for small businesses and a positive outlook among business leaders (GEM 2023-24).



UK's investment in R&I

The UK's significant investments in R&D by both public and private sectors - demonstrated by the global country rankings - underline the UK's commitment to sustaining its innovation landscape (World Bank 2023; GII-WIPO 2023). As evidenced by global ranking, the reputation of relatively high expenditure on R&D enhances its appeal as a destination for high-tech industries and skilled professionals and makes it a magnet for international R&I (GII 2023).

The UK's financial contributions to global development through the World Bank, along with its strategic partnerships, highlight a robust commitment to R&I. This commitment positions the UK as a leading hub for technological advancements (World Bank 2023).



UK government's commitment to R&I

UK rankings in World Bank, GEM, and BCG showcase UK government support for international and national R&I, often offered through strategic policies and funding initiatives. The prestigious positioning (e.g. the fourth most innovative economy globally and third in Europe in the 2023 GII) highlights the UK's strong innovation ecosystem and government's commitment, fostering further confidence among private investors (GII 2023; GEM 2023-24).



UK's competitive advantages in key sectors

The UK's strengths in key sectors have been ranked highly by the World Bank, GEM, and BCG. The UK actively participates in global development projects and leverages its expertise and solutions across various sectors as highlighted by the World Bank, demonstrating its commitment to international collaborative R&I and competitive advantages in key sectors, especially in the high-tech and life sciences sectors (GII 2023).

4.4.3 The impacts of the generated reputation

Table 4.4: Impacts of reputation generated through UK's ranking in global research and innovation indices

Types of Impact	Specific Impacts
1. Financial Impact - Increased Financial returns	The positive reputation of the UK's entrepreneurialism and investment in research and innovation attract international investment
2. Resource Impacts - Increased availability of resources	The positive reputation of the UK's performance in research and innovation increases access to resources and skilled talent.
3 Research and Innovation Impacts - Increased research and innovation output	The positive reputation of the UK's performance in research and innovation, investment in research and innovation and UK government's commitment to research and innovation makes the UK an attractive destination for high-tech industries.
4. Political Influence - Improved national influence internationally	The reputation of the comparative positioning of the UK compared to other countries enhances the UK's "soft" influences on key global decisions

References

Global Entrepreneurship Monitor (GEM). Global Entrepreneurship Monitor 2023/2024 Global Report.

Available at: GEM Global Entrepreneurship Monitor (gemconsortium.org)

National Association of Manufacturers (NAM). Available at: <https://nam.org/a-key-trading-partner-the-nam-hosts-make-uk-parliament-members-31116/?stream=policy-legal>.

State of UK Business 2024: Emerging Optimism. Available at: <https://www.bcg.com/united-kingdom/centre-for-growth/insights/state-of-uk-business-2024>

World Bank 2023 Overview. Available at: <https://www.worldbank.org/en/country/unitedkingdom/overview>

International Innovation Index. (2023). Available at: Global Innovation Index 2023: Innovation in the face of uncertainty (wipo.int).

World Intellectual Property Organization (WIPO). Global Innovation Index. (2023). Available at: Global Innovation Index 2023: Innovation in the face of uncertainty (wipo.int).

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

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