

Centre for Industry and Government

The role of industrial and innovation policy





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The Centre for Industry and Government (CIG) provides novel research to support developments in industrial and innovation policy, as well as working directly with companies and governments, to support ongoing efforts to improve economic growth.

The nature of manufacturing has fundamentally changed. Manufacturing now encompasses everything from understanding markets and technologies through to product and process design to operations, distribution and services. The nature of the business-government relationship is also changing. Policymakers are being forced to reassess their models for intervention and find it increasingly difficult to understand – and appropriately support – industrial development.

The Impact of the global economic crisis brought these issues into sharp relief and highlighted a lack of research to support strategy and policy development. CIG brings together the diverse disciplines required to address these challenging issues, from economics to policy analysis. Starting from an understanding of technology development and how manufacturing firms operate, we are developing a better understanding of the role of production in companies and economies, new frameworks to capture the blending of manufacturing and service-based activities, and new options for policymakers and regulators to support industrial growth.

Core research projects

Emerging industries: Impact of policy and regulation

What roles can and do governments play as new industries emerge from the science base? This project is investigating the rationale for government intervention as such industries develop, analysing the impact of regulation on the success of new industries, and looking at how government support for new industries is working in practice.

High value production: the link between production structure and company outcomes

This project aims to further our understanding of when and how production structure relates to profitability and turnover growth. By looking at how companies are structured and the outcomes they achieve, we hope to understand which patterns of production ownership and location provide the best returns.



Industry and government views on modes and timing of innovation support

While the significance of innovation is recognised, the attitudes of the public and the private sector on how innovation should be supported are not well understood. We are surveying the views of senior UK managers and civil servants on these issues in order to assess how well theories of support align with actual policy, and how well they match the expectations and understanding of managers and legislators. The results will help inform discussions between industry and government on policy interventions.

Defining modern industrial policy frameworks

This project is developing a framework for thinking about industrial policy for leading economies, based on the maturity of a given industry in a particular country and on the maturity of that industry globally. The findings will support a more nuanced discussion on the rationales for intervention, beyond standard market failure arguments.

Investigating industrial policy development processes

Building on the frameworks developed for modern industrial policy, this project is looking at existing approaches to industrial policy development as well as discussing how new models might be introduced. It will investigate whether existing approaches work in the current uncertain environment. The project will look at how countries such as France, the USA and China approach the development of industrial policy. Futures methods (such as horizon scanning, scenario development and roadmapping) will be considered to inform the research and as key elements of industrial policy development.

Further details of CIG research can be found on our website:
www.ifm.eng.cam.ac.uk/cig

The Institute for Manufacturing

CIG is one of several research centres within the Institute for Manufacturing (IfM) – part of the University of Cambridge's Department of Engineering. The IfM provides a unique environment for the creation of new ideas and approaches to modern industrial practice – from understanding markets and technologies, through product and process design to operations, distribution and related services.

The IfM integrates research and education with practical application in industry. It works closely with industry, at a regional, national and international level, providing strategic, technical and operational expertise to help companies to grow and to become more competitive. This work brings benefits to both parties. Industry receives practical solutions based on the latest applied research. The university receives live feedback to help set the agenda for new research and an income stream to assist in funding future research activities.

The IfM's work with industry is characterised by:

- practical solutions underpinned by research
- collaborative working style designed to transfer knowledge
- balance of training and consultancy chosen by the client
- projects delivered and facilitated by experienced industrial professionals

