

The National Debate on UK Manufacturing 2010

Recession Poll Results - outcomes from a
survey and debate

Manufacturing Department
Cranfield University





Background

The UK manufacturing industry's role in securing economic recovery was the topic of discussion at the first National Manufacturing Debate at Cranfield University on 14 May 2010.

The debate demonstrated how technological and business model innovations, such as servitization, can help improve productivity and competitiveness for UK manufacturers. Discussions also covered themes including low carbon and sustainable manufacturing, design and innovation, advanced materials and technology, and product-service systems – as well as the economic recovery agenda.

High profile speakers from organisations such as Rolls-Royce and BAE Systems, the Technology Strategy Board (TSB), Engineering and Physical Sciences Research Council (EPSRC), European Factories of the Future Research Association (EFFRA) and EEF ensured representation from all parts of the manufacturing business.

The message that businesses need to innovate and work together in order to survive and benefit from the economic recovery was evident throughout the debate. Indeed, Martin Temple highlighted that increasing innovation and moving into more niche markets were key to maintaining a competitive edge over the next five years. It was agreed that a more collaborative and open innovation mindset is the key to developing a strong future for manufacturing in the UK.

As a follow up to the debate, Cranfield conducted a survey of manufacturing organisations to try to develop a deeper understanding of how different organisations in the manufacturing sector are preparing for the recovery from the recession.

This paper outlines the responses to this questionnaire and summarises the main findings.



The Recession Poll

The purpose of the Recession Opinion Poll is to provide the manufacturing communities with a richer understanding of their recovery progress following a difficult economic period.

This poll aims to obtain some opinions from manufacturing professionals about their experiences of the recent economic downturn.

More specifically, this poll seeks to shine light on the following questions:

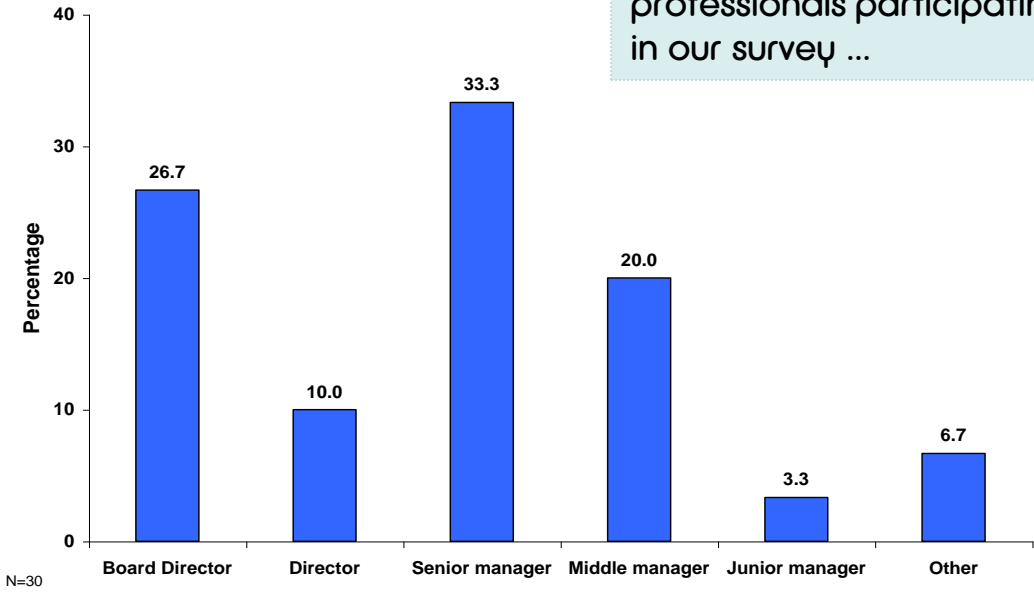
- *How painful was your organisation's experience of the recent economic recession?*
- *How progressive is your recovery from the economic downturn?*
- *How will manufacturers be investing in the near future?*
- *What are your general views and attitudes about UK manufacturing.*

The opinion poll questionnaire was administered at the national debate to delegates. The following sections present the results of the poll.

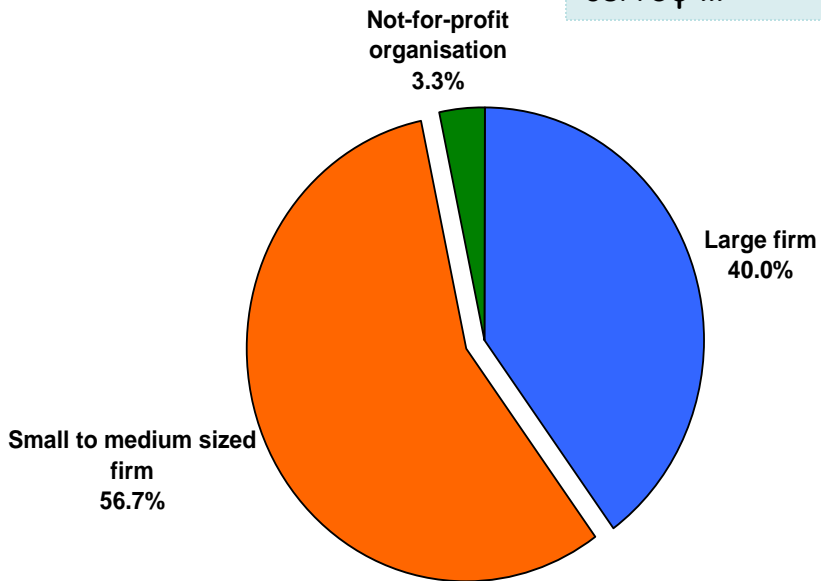
Results...



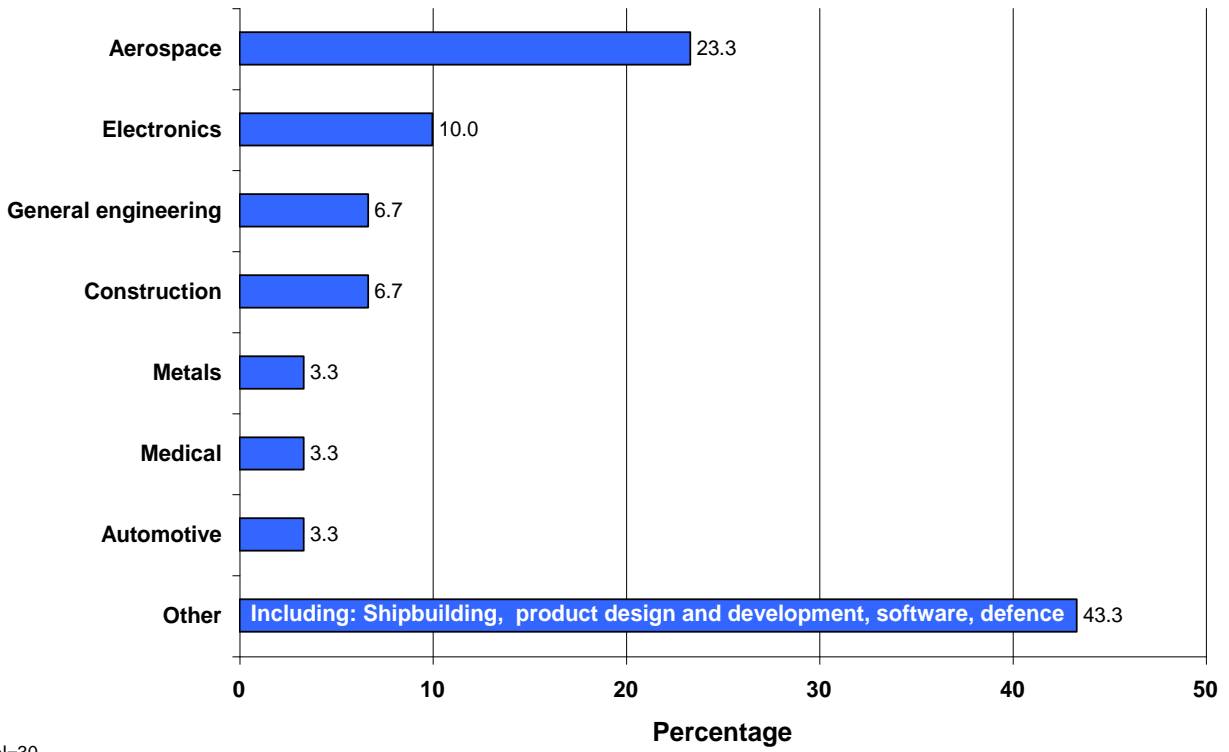
Current position of professionals participating in our survey ...



Type of organisations participating in our survey ...



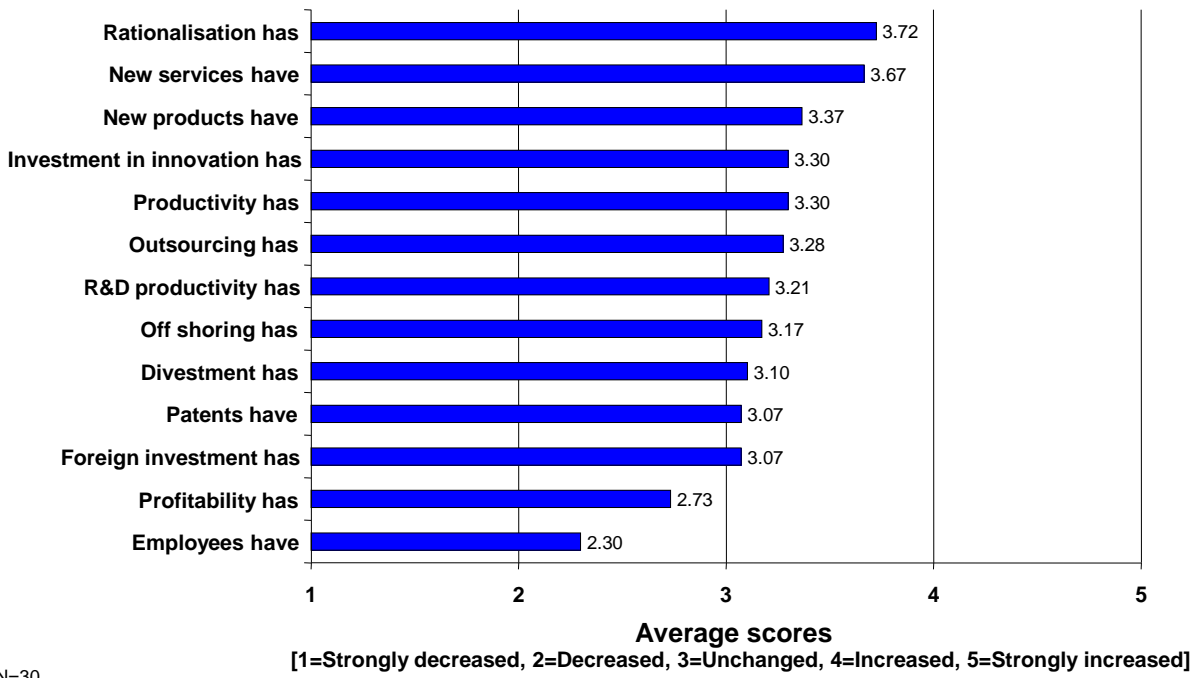
Type of manufacturing organisations participating in our survey ...



N=30



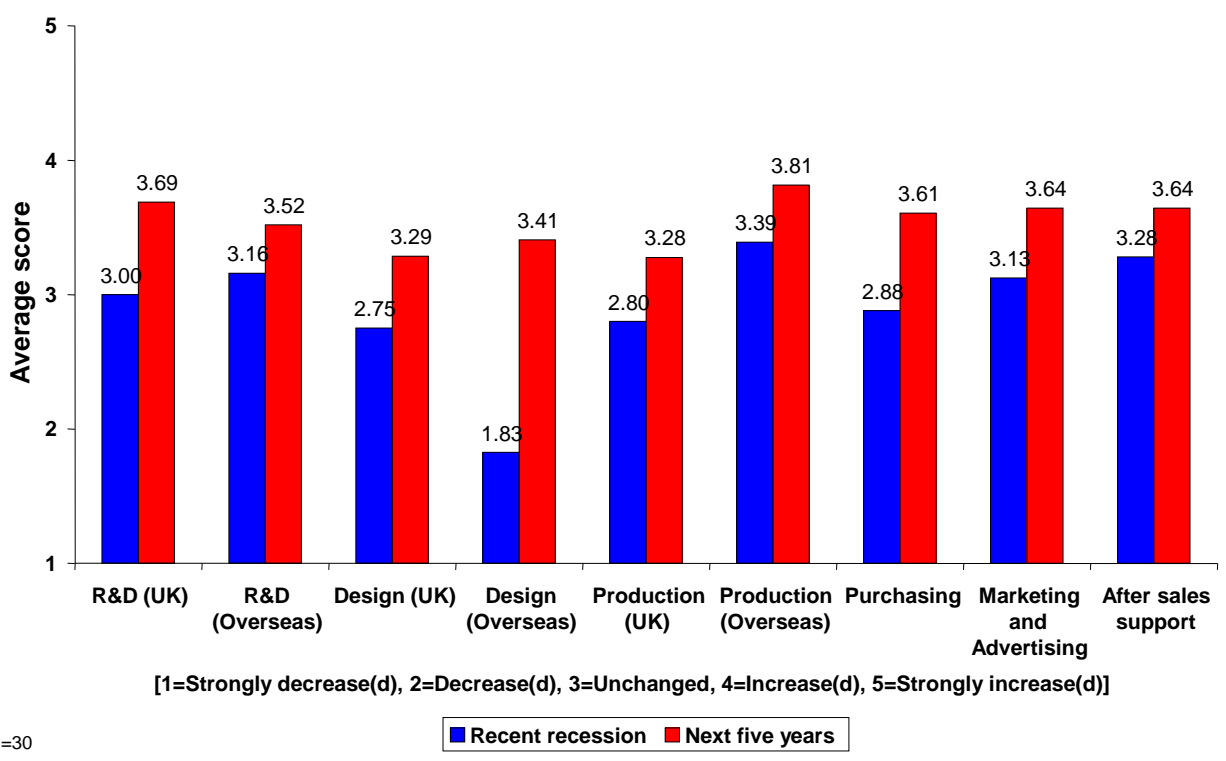
During the recent recession ...



N=30



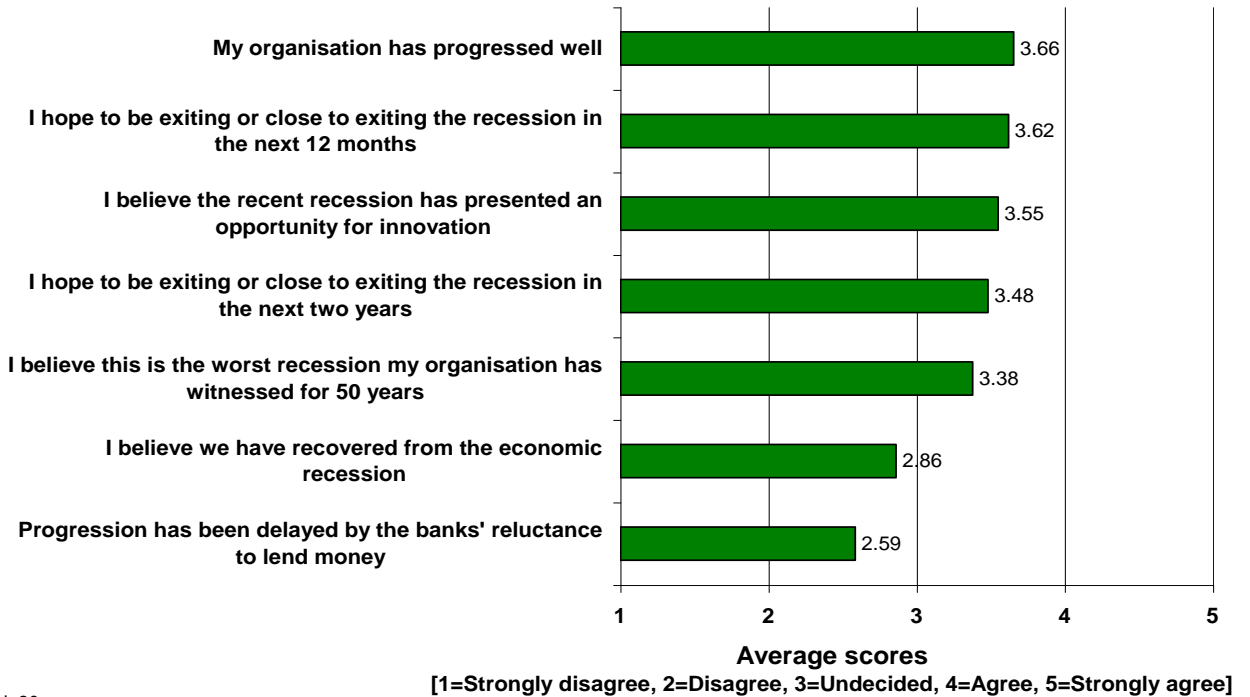
During the recent recession and over the next five years investments in ...



N=30

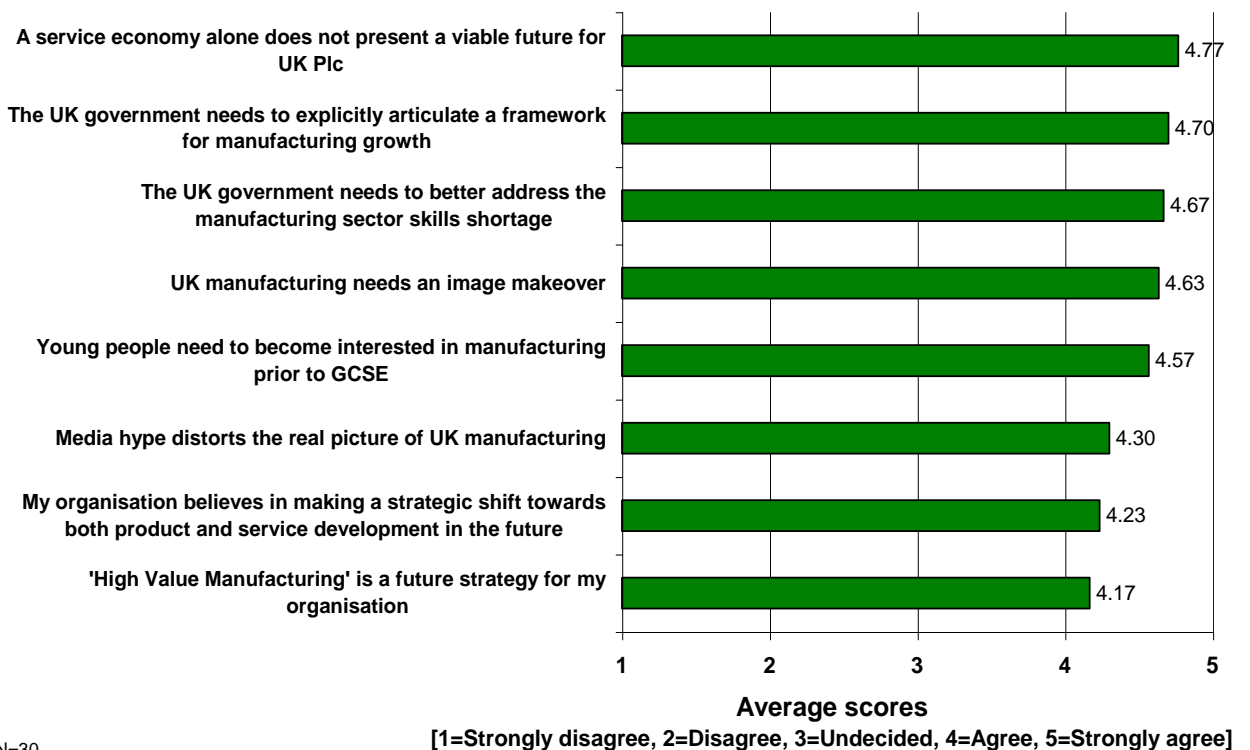


During the recovery ...



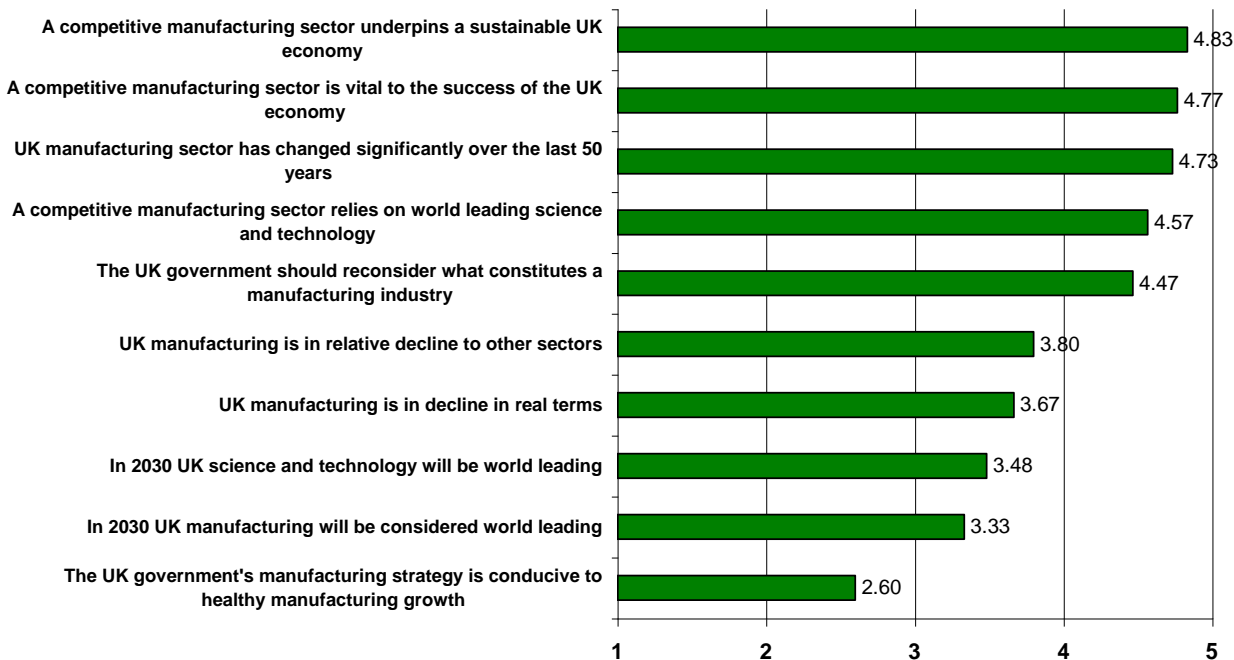
N=30

Manufacturers believe ...



N=30

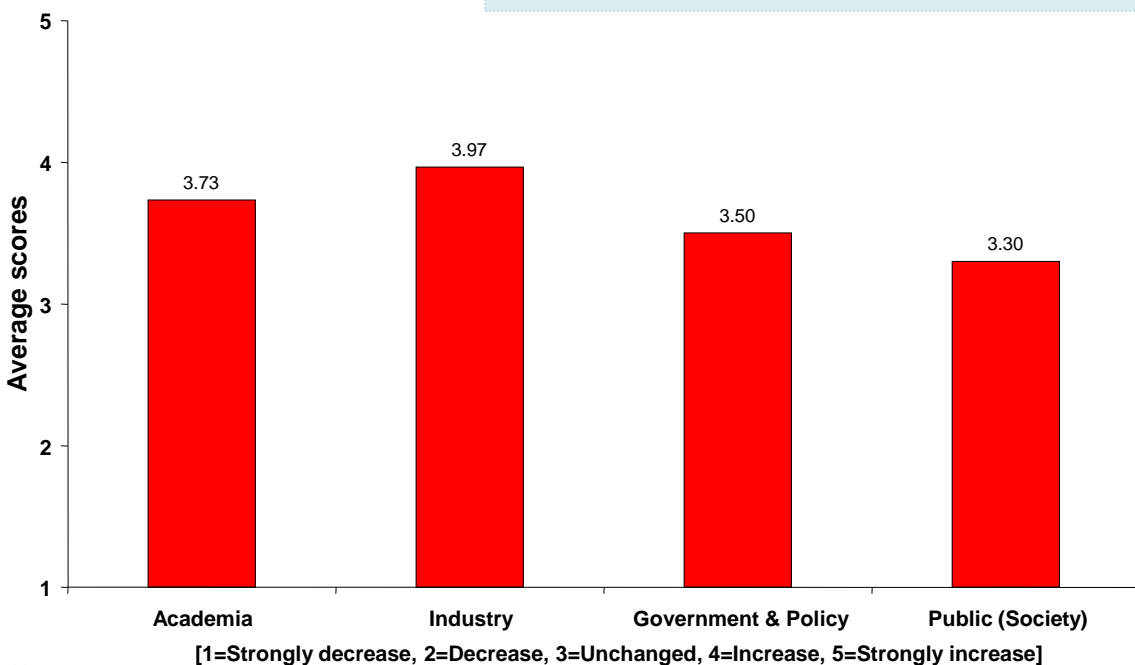
Manufacturing professionals felt that ...



N=30

Average scores
[1=Strongly disagree, 2=Disagree, 3=Undecided, 4=Agree, 5=Strongly agree]

Over the next five years I expect different collaborations to ...



N=30

[1=Strongly decrease, 2=Decrease, 3=Unchanged, 4=Increase, 5=Strongly increase]



Conclusions

In summation, according to the panel of speakers and the results of the survey, a more collaborative and open innovation mindset is key to developing a strong future for manufacturing in the UK.

The single biggest challenge to company success over the next two years was considered to be ...

"investments in innovation"

A vital means to do this is through collaborations with universities, which offer access to leading research and innovations. A **'learning in partnership with industry' mode of operation is proposed.**

In the current era of open innovation, manufacturing organisations are increasingly recognising the benefits of collaborating with universities such as Cranfield to develop their ideas at reduced risk, and cost, to the organisation. Universities can provide ready-made environments for testing and researching ideas to ensure they are viable technologies for deployment in the marketplace. Businesses are able to gain an insight into current research that will lead future developments in manufacturing. Universities benefit from stronger links with industry to enhance the provision of teaching for developing the engineers and leaders of tomorrow's businesses.

In addition to developing relationships between business and universities, it was also noted that the links between smaller organisations and large multinationals are also ever more important. Larger organisations can use the focused skills and technology of smaller organisations, which benefit from the expertise and contacts of the bigger partner to improve their market offering.



A **stimulating** debate that resulted in five strong messages for UK manufacturers ...

- **Investment in manufacturing to focus on excellence**
"We need to focus on our current strengths and the supporting research that will underpin the emergent technologies of the future." Derek Gillespie, EPSRC.
- **Exchange rate stability**
Competitive exchange rate(s) that allow(s) for macroeconomic stability.
- **Attract foreign investment**
UK Manufacturing needs help from the likes of UKTI to attract foreign investment from sustainable businesses.
- **Address skills shortage**
Will Barton from The Technology Strategy Board attributed innovation and high value added manufacturing as "the engine of economic growth" in a high labour cost economy, where product differentiation and brand development are key strategies for UK businesses to win and retain new customers. Therefore, we need to be committed to long term investments in training and development of the next generation of skilled people.
- **Support for small to medium sized enterprises**
Proving appropriate finance and a degree of deregulation for smooth and timely operation of SMEs is paramount.

If you require further information, please contact:

**Manufacturing Department
Cranfield University
Building 50
Cranfield
Bedfordshire MK43 0AL
Tel: +44 (0) 1234 758374
Email: manufacturing-debate@cranfield.ac.uk**

Cranfield University is a wholly postgraduate institution with a worldwide reputation for excellence and expertise in aerospace, automotive, defence, engineering, environment and water, health, management and manufacturing. The University is made up of the following Schools: Cranfield Health, School of Management, School of Applied Sciences, School of Engineering, and Cranfield Defence and Security at Shrivenham. For more information visit www.cranfield.ac.uk

