

The Productivity Institute Business Innovation Funding Call

Strategic Productivity for Business Functions and the Leadership Team

Introduction

[The Productivity Institute](#) (TPI) brings together world-leading and UK experts from a range of disciplines and backgrounds, working directly with policymakers and businesses to better understand, measure, and enable improvements in productivity across the whole of the UK, with the aim of improving living standards and well-being.

As part of TPI's programme on [Strategic Productivity](#), this second Business Innovation Funding Call 2025 aims to better understand strategic approaches adopted by organisations to improve productivity. We want to develop the evidence base around how well-connected different functions within an organisation are and how the leadership team prioritises actions to align activity across different functions to improve performance.

Therefore, we invite research proposals that will provide actionable insights on how to improve business productivity. These may include, but are not limited to, clear case studies, tested frameworks or solutions and tools that will address barriers to improving productivity within an organisation.

We also encourage applicants to collaborate with eligible partners including UK businesses, charities or business support intermediaries.

Background

A Business Innovation funding call in 2023 focused on trying to better understand within-firm decision making and strategy to improve business performance and specifically productivity. It concentrated on activity within key functions including **Digital & IT, Finance, HR and Marketing and Operations**.

Previous research found that it is common for firms to track KPIs such as profit, margins, employee engagement, customer satisfaction and so on. However, the link between these and productivity is less well understood. As a result, businesses often fail to explicitly address productivity as part of their strategy.

In addition, it can often be the case that each functional area has different interpretations and priorities when it comes to understanding and driving productivity. This can lead to a misalignment of priorities and activities which can hamper efforts to raise performance.

For this round we want to build upon the findings from the previous research, which were primarily focused on the specific functional areas, to look more at how to facilitate collaboration on productivity between functions and in the boardroom of organisations.

Furthermore, we are interested in examining these issues both from the perspective of the functional leader and from the perspective of the boardroom and the CEO.

For example, from a functional leader's perspective, where do they connect with other functions in the organisation? What methods do they use, and what challenges or opportunities do they face when trying to align the productivity KPIs they prioritise with the organisation's broader strategic goals?

In contrast, from the viewpoint of the CEO and boardroom, the focus is on how these different functions work together effectively. What mechanisms exist at the board level to enable better connections between those different functional perspectives?

Research Questions

We are particularly interested in the following specific questions:

To what extent are the key functions listed above and the roles of the Chief Financial Officer (CFO), Chief Information Officer (CIO) and the Chief Human Resources Officer (CHRO) connected on productivity drivers? Both with each other and within the boardroom?

- **Does each function have a different approach or lens through which it drives productivity? How do they approach the 5 drivers of productivity (see below)**
- **Where there are different approaches, how do these come together in the boardroom?**
- **What are the best tools, methods and techniques to join up these approaches to ensure there is a coherent, strategic approach to improving productivity?**
- **Different priorities and approaches will invariably lead to conflicting views and potential trade-offs. How does the boardroom align these?**
- **What do they prioritise and how do they arrive at these decisions? Are there bottlenecks and, if so, how are they best overcome?**

In addition and more specifically, we are also interested in understanding more about:

- How can the boardroom best engage in discussions about the drivers of productivity both within the boardroom and their respective teams?
- How can the boardroom ensure that the importance of productivity is ingrained within the everyday actions of the functions of the wider organisation?
- How can functional leaders incorporate better measures of quality, innovation, customer value etc into productivity metrics?
- Have new technologies (e.g., AI) changed the nature of the barriers that previously hindered technology adoption? Is there now a greater need for skills, data, and other resources to fully exploit these technologies—needs that were not as critical during earlier waves of adoption?
- To what extent do new technologies and automation challenge the sustainability of certain business models (e.g. billable hours in professional services)?
- Is new technology helping or hindering diffusion of best practice relating to productivity between businesses and within the wider ecosystem?
- What role can public institutions (e.g., business schools) and business support intermediaries play in overcoming the challenges identified above?
- To what extent can the company's purpose and mission help to connect the different perspectives on improving productivity?

We would also be willing to consider specific proposals on questions that are not listed here but would be pertinent to helping us better understand productivity for business functions, the leadership team and how they interact with each other.

The five productivity drivers according to research by The Productivity Institute are:

- 1. Innovation and digital adoption**
- 2. Worker skills, engagement and well-being**
- 3. Management competencies**
- 4. Access to finance and cost savings**
- 5. Marketing and communication**

Funding Criteria

A maximum of £50k (100% fEC) will be awarded per application. Applications may be submitted by organisations eligible to receive ESRC funding. These include researchers at any UK University and Independent Research Organisations within the UK.

We would strongly encourage applications that include eligible partner organisations in order to improve the impact of the research and any potential application of research outputs. Partner organisations include:

- UK based businesses or UK sites of international firms
- UK charities or third sector organisations
- Business representative bodies or support agencies

Applicants should have a PhD or equivalent industry experience.

The project must be completed within a maximum of 11 months and be undertaken between 1st September 2025 and 31 July 2026

Should you have any queries or would like to discuss any aspect of this funding call before submitting a proposal please contact Adam Hardy on adam.hardy@manchester.ac.uk

Application Process

1. Applicants are required to submit a written proposal for their research activity using the application template provided.
2. The application should clearly demonstrate that the proposed research explicitly relates to the **investment decision-making and business planning processes within UK firms** and should include:
 - i. An outline of the proposed research including the title or research question, methodology and expected outputs of the research.
 - ii. Timeline and summary budget of project costs.
 - iii. Details of how partner organisation will contribute actively to the project through the provision of direct and in-kind resources (including finance, facilities, equipment, consumables and technical expertise).
 - iv. Names and affiliations of the research team (institution/school/faculty/discipline as applicable) and names and affiliations of the partner organisation.
3. The deadline for applications is 7th July 2025 and all submissions should be made via email to TPI-Applications@manchester.ac.uk.
4. The Productivity Institute commissioning panel will review applications in two stages. Applicants whose proposals are shortlisted will be invited to attend an interview. Interviews are expected to take place across the following dates: 16th, 17th, 22nd, 23rd July.
5. Successful applicants will be notified by Friday 25th July. Unfortunately, we are unable to provide individual feedback to unsuccessful applicants.
6. Proposals which contribute to promoting and improving UK business innovation, growth and development are particularly welcomed, as are proposals that include collaboration between research organisations, firms or business support organisations from across all parts of the UK.
7. An in-person workshop to present results of the work will be planned for the Spring of 2026 (May/June).
8. An [insights paper](#) is expected as part of your project deliverables. We also encourage you to include blogs and policy or strategy pieces in your application, where relevant.
9. Applications from early career researchers will be looked upon favourably.

Conditions of the award

- All funding will be subject to [ESRC/UKRI terms and conditions](#) and additional terms as may be required by The Productivity Institute, which are non-negotiable.
- Proposals will need to be costed by the applicant's research support team. Funds can be used for a range of research costs including researcher time, travel, events and consumables.
- Proposals will need to show 100% of full Economic Cost (fEC) of the proposed research. Approved proposals will be funded at a fixed rate of 80% of this sum. By accepting the funding, the Research Organisation agrees to find the remaining 20% from their own resources.
- The proposed activity will lead to a report that will be published as a full Insight paper by The Productivity Institute.
- All award recipients are expected to attend a one-day workshop in the Spring of 2026 (May/June) to present their research results.
- Funded projects are expected to contribute to future Productivity Institute seminars/events, and to inform The Productivity Institute of any research successes resulting from this award (such as subsequent grants, awards and publications).
- Applicants are expected to undertake any engagement activities which arise from the project and report on these activities to The Productivity Institute (as per UKRI terms and conditions).
- Applicants would be expected to demonstrate that the approaches and outputs adopted are robust and any research methods, case studies, data collection and so on, and meet sufficient quality standards to be representative and add to the existing evidence base.
- Applicants will need to adhere to data protection and GDPR guidelines, and to the UKRI's guidelines and procedures on research integrity, according to the UKRI's [Policy and Guidelines on the Governance of Good Research Conduct](#), as well as the [ESRC's](#) ethics policies and procedures.
- Funds will be paid quarterly in arrears based on actual costs incurred on the submission of a detailed expenditure report of costs incurred. The final payment will be made on completion of the project.
- **The Productivity Institute is unable to arrange for any extension of the funds past the agreed end date (31 July 2026)**