The constant process of change going on in the world around us does not bypass the Volkswagen Foundation. Not only do our universities and research institutions find themselves confronted with major transitions and challenges: The past few years have also brought about significant changes to the German foundation matrix. It has become younger, more mixed and varied. Not a day goes by without the appearance of two or three new foundations. More than half of the 19,500 registered foundations were formed within the past twelve years.

More often than not, societal developments and the worldwide dynamics of change can be traced to outcomes of research and the subsequent spread of new technologies that encompass virtually every aspect of our everyday lives. Reason enough for us, too – after more than 50 years as Germany’s largest private research funding foundation – to take stock of our own situation, to review our policies, and to reappraise our strategic objectives for the next eight to ten years.

True to our motto “Renewing is our Tradition”, we have once more reappraised the Volkswagen Foundation’s funding initiatives and carried out a critical assessment of their future sustainability. The present “Perspectives 2022” strategy paper contains a summary of the most important results. It takes into consideration the three main goals that guide the Foundation’s funding activities:

1. First of all, to identify and support especially talented young scholars and scientists by providing them with opportunities for further development beyond those offered by conventional publically-financed support programs.

2. A further aim, just as important, is to provide support for innovative teaching projects, particularly original—sometimes risk-taking—research projects, and for especially creative research personalities.

3. In addition to the above, in a globally interwoven research community the Foundation perceives a vital mission in contributing towards shaping the subsequent transition to new forms of communication and cooperation. In so doing, it creates new opportunities for science and scholarship made in Germany, as well as for research partners both within and beyond European borders.

With these goals in mind, in the years to come the Volkswagen Foundation will maintain its focus on funding structural reform and outstanding individuals, providing support for innovative research projects that create thematic impulses in accordance with
emerging societal and cultural challenges, and fostering sustainable as well as explicitly international forms of cooperation in the areas of teaching and research.

Even in today’s crisis-ridden economic environment, the Foundation manages to pursue a successful investment policy designed to generate the means for funding and maintaining its number-one position as a leading German research funding organization, in terms of both quality and quantity.

“We fund knowledge” is the motto adopted by the Volkswagen Foundation back in the year 2000. At the same time, though, we also perceive an important mission in providing the stimuli for change, for acting on new ideas, and creating the conditions necessary for creative minds to achieve real breakthroughs. To ensure that “funding knowledge” will be successful in the long term, and that this knowledge can be put to effective use calls for a concerted effort on the part of a large circle of committed individuals—many of whom contributed towards the “Perspectives 2022”. Inside the Volkswagen Foundation itself, these persons include above all the members of the Board of Trustees who in a series of closed meetings determined the future strategic course. This inner circle was assisted by the Foundation’s employees who contributed their accumulated professional expertise in preparing and formulating the strategy. A further and equally important contribution towards the development of “Perspectives 2022” was made by the members of the evaluation committees with their assessment of the Foundation’s activities over the past ten to fifteen years. I would like to express my gratitude to all of these experts for their valuable contributions.

This brochure serves to illustrate the path taken by the Foundation up to the present time. Above all, though, in addition to this it also defines the broad lines along which the Foundation intends to develop in the years to come. The title “Perspectives 2022” was not chosen by chance; in 2022 the Foundation will be celebrating its 60th year of existence. Where will it be by then?—We all eagerly await the outcome!

Wilhelm Krull
The Volkswagen Foundation is the largest philanthropic research funding organization in Germany. It has a foundation capital of around 2.6 billion euros and a funding volume in excess of 100 million euros per annum (cf. Appendix). The Foundation is financially independent and completely free in its decision-making.

The purpose of the Foundation is to promote scholarship, science and technology in the fields of research and academic teaching. The Foundation provides support for the humanities and social sciences as well as the natural and engineering sciences and medicine. It also supports academic institutions by improving the structural conditions for their activities. The Foundation maintains a special focus on the advancement of young researchers and cooperation beyond the boundaries of disciplines and national borders.

In 2012 the Foundation celebrated its 50th anniversary, by which time it had allocated approx. four billion euros of funding on over 30,000 projects.

The last time the Board of Trustees conducted a major review of the Volkswagen Foundation’s strategic positioning was in 2006. The results appeared in the same year under the title “Perspectives 2012”. In October 2012 the Board of Trustees convened for a closed meeting in order to formulate cornerstone policies for the coming eight to ten years. The basis for this was provided by the Overall Evaluation of the Volkswagen Foundation (2010/11).

The paper “Perspectives 2022” was adopted at a meeting of the Board of Trustees held in March 2013. The present brochure contains an abridged and edited version. It can also be found on the Foundation’s homepage as a PDF download under:

www.VolkswagenFoundation.de/perspectives2022
III. Overarching Objectives

The five fundamental objectives pursued by the Volkswagen Foundation are as follows:

- to complement the funding made available by public authorities, especially by providing support for particularly outstanding researchers and enabling creative research projects that are often associated with a high level of risk;
- to create sustainable links between groundbreaking research and societal challenges, and thus contribute towards a better understanding and appreciation of science and scholarship on the part of the general public;
- to enhance the international and intercultural profile of the Foundation and to engage more strongly than before in funding transnational activities with a European and global perspective;
- to further optimize the Foundation’s asset allocation and take advantage of new opportunities on capital markets under due consideration of the potential risks;
- to further strengthen the Foundation’s international reputation and consolidate its number-one position as the leading German philanthropic research funding organization, in terms of both quality and quantity.

IV. Point of Departure

One of the Volkswagen Foundation’s leading maxims is “Only one thing is certain: Change”. This sums up the stance the Foundation has adopted over the years when facing up to the challenges caused by radical changes in academia and research policy. In so doing, the Foundation never relied solely on established strengths and proven instruments. Rather, it always viewed such challenges as an opportunity to develop new concepts, strategies, and funding initiatives. Looking back over the recent past, we conclude:

- In respect of its funding activities, the Foundation consolidated its leading position as a reliable partner of creative scientists and scholars in the way it has developed and implemented new funding initiatives, dealt with the many applicants, processed proposals, and accompanied projects once they were approved. Moreover, the Foundation has increasingly taken advantage of its room for maneuver to generate new stimuli for institutions, especially with regard to universities.
Via strengthened and extended forms of national and international cooperation with other funding organizations, the Foundation not only succeeded in bundling resources for large-scale projects: These forms of cooperation also simultaneously enhanced its profile and strengthened its visibility and reputation in the minds of the general public.

The funding portfolio itself was restructured and the accordant goals more clearly specified. In this respect, the Foundation placed an increased emphasis on person-related funding, at both the national as well as international level.

In close collaboration with the Foundation’s Information and Communication Division, new funding formats were formulated, along with improved measures of support: This was done with a view to strengthening exchange in partnership between science and society.

A milestone development impacting science and scholarship in Lower Saxony was the restructuring of “Niedersächsisches Vorab” along clearly defined funding lines, and the increased application of quality assurance measures in close collaboration with the Lower Saxon Ministry for Science and Culture.

The Foundation commissioned a subsidiary corporation to finance the reconstruction of Herrenhausen Palace as a modern convention center and museum. At the same time, via an amendment to its statutes the Foundation opened up a number of attractive new possibilities for promoting exchange in the scientific community as well as communication between researchers and the general public.

How Funding Activities Have Been Adapted to Future Needs

For some considerable time now, research, research policy, and research funding have been subject to rapid and sometimes profound change. The accordant dynamics are in turn being shaped by a changed understanding of what science and scholarship means, its goals and functions, even its legitimacy between the conflicting priorities of economy, politics, and society. Within the context of a growing internationalization of the entire academic sector there has been a parallel development leading
to growing worldwide competition to attract the best minds, funding, and ideas. Drastic changes of university structures and the granting of funds, together with the still incomplete restructuring of studies and teaching within the context of the Bologna Process are accompanied by chronic under-funding of the university system. At the same time, there is a growing need for highly-qualified young researchers.

In future, too, the Foundation will do its part to respond to these opportunities and challenges:

- The already problematic situation regarding the basic financing of our universities is almost certainly going to deteriorate further, leading to growing pressure to acquire third-party funding. The uncertain financial situation for the time after the Excellence Initiative in 2017 and the University Pact in 2020 will most likely result in further constraints, and does little to facilitate strategic planning.

- In the area of academia, international competition for the best minds will increase: Here, too, the attractiveness of framework conditions will be a crucial factor. The offer of reliable career prospects will play a pivotal role.

- Cooperation between universities and extra-mural institutions, as well as between researchers, prominent actors in civil society and the economy will become increasingly important in the future and will be indispensable for ensuring that Germany remains an internationally competitive research location.

- Subsequent to expanding our concept of science and scholarship to encompass forms of trans-disciplinary research there will be a need to explore additional funding formats. New forms of cooperation between researchers and individuals in other domains of society may have to be considered. This, in turn, will present research funding with a new set of challenges.
“General Funding” is the Volkswagen Foundation’s most important area of activity. In order to maintain its position as an indispensable strategic actor of research funding in Germany, it is in the area of general funding that the Foundation must live up to its reputation as a trend-setting driving force—also when compared with public funding bodies. In this respect the Volkswagen Foundation enjoys the following crucial competitive advantages:

- legal autonomy and financial self-sufficiency,
- (party-) political neutrality,
- international orientation.

In 2010 the organizational structure of funding was changed with the aim of creating three teams within each funding category to focus on the following areas:

- “Persons and Structures”,
- “Challenges—for Academia and Society”,
- “International Focus”.

By means of focusing on persons as well as content, the Foundation aims (also in future) to further sharpen its profile in the various funding segments, making it even more visible as a partner in all aspects of science and research—even though the resources at its disposal are restricted.

In its funding activities the Foundation pursues the following overarching aims:

- to act as an active partner of science and scholarship,
- to play a leading role in generating initiatives,
- to overcome the boundaries of disciplines and national borders,
- to support risk-taking projects,
- to open up special opportunities for young researchers,
- to provide needs-based and swift support.

Prerequisites in order to achieve these aims are:

- flexibility, trust and dependability in dealings with the scientific community,
- selective consulting and individual attention to specific requests,
- transparency of structures and procedures,
- appropriate consideration of project costs,
- mediation between the internal and external demands of the respective research community.

The Foundation’s reputation depends to a high degree on whether it will also be able in future to match its individual funding decisions as well as the chosen strategic course with the needs of scholarship and science, and at the same time to create scope for innovative and creative solutions.
The focus of this funding segment is on outstanding research personalities and the structural prerequisites for research, academic teaching, and science communication.

Status description

Via its Lichtenberg Professorships program the Foundation combines person-based and structural support within a single funding initiative. The central element here is the tenure track component which offers the best young researchers an opportunity to develop their own research field over a period of five years—with the clear prospect of being awarded a permanent (tenured) position if they are successful. At the same time, the host university has an excellent opportunity to actively recruit the best candidates. The program thus facilitates both personnel as well as strategic planning.

As further cornerstones of support for young researchers, the Foundation introduced the funding programs Schumpeter Fellowships for the social sciences and Dilthey Fellowships for the humanities.

Following recommendations contained in the evaluation of this funding area, in 2010 the Foundation structured its person-based support along new lines: The Schumpeter and Dilthey Fellowships were combined within the new Freigeist Fellowships funding program. This is a flexible and thematically open funding program aimed at excellent young researchers which explicitly targets support for innovative and hence more risk-taking projects located between existing research fields. The focus of attention here is on creative research personalities: They are to be given the freedom to pursue their own ideas and visions. As an incentive for accepting a higher element of risk, in the initial phase of this funding program there is no explicitly structural component. Nevertheless, an important criterion for prolongation is a clear commitment on the part of the hosting institution.
Freigeist constitutes a counterpoint to the formation of large collaborative research units that are likely to offer less scope for individual initiative and creativity, thus constraining the development of any personal USP. As a supporting measure, grantees are given wide-ranging possibilities for networking and are encouraged to explore new territories. Freigeist Fellows thus function as catalysts for the emergence of new fields of research.

The Lichtenberg Professorships will continue to contribute towards establishing tenure track structures on the German university landscape. As the legal prerequisites were already created in early 2013, the Foundation will soon have to decide whether—and if so in what form—it will contribute to the new foundation professorships which open up the possibility to build capital resources.

Future prospects for the funding line “Persons and Structures”

Even though the number of fellows who can be supported may be somewhat low compared with publicly financed funding organizations, one should not underestimate the wider impact caused. The aim is for the Foundation to be seen as an enabler, as a role model for other actors, such as already achieved with the Lichtenberg Professorships model. It is hoped that the Freigeist Fellowships will chalk up a similar sustainable success in years to come.

Ongoing support and accompaniment of the grantees will continue to be a central task. This encompasses offers of continuing education as well as mentoring and alumni activities. Such measures should also be available to grantees as continually available resources.

It is to be expected that science and economy will become even more interwoven, and also that new vocational fields will open up at the interfaces between science, society, and policy making. Options of alternative career paths will therefore gain in significance. Here, too, funding on the part of the Foundation may prove an excellent basis for generating important stimuli in diverse areas of society. In this respect, the success of funding on the part of the Foundation should not be manifested solely in the academic career arena but also in the assumption of management responsibility in areas apart from science and research.
This is where the Volkswagen Foundation bundles support for trend-setting topics in different subject areas and between the established disciplines. In so doing it provides support for researchers to quickly act on new issues in all disciplines and at all stages of their career: Networking and cooperation that crosses the borders of disciplines and national borders as a counterpoint to disciplinary and national isolation.

The specific objectives pursued here are:

- the funding of currently emerging fields,
- support for interdisciplinarity and cooperation,
- the new and further development of scientific methods.

Six initiatives fall under this funding area in 2013:

- Experiment! In Search of Daring Research Ideas;
- Key Issues for Science and Society. Integrative Projects in the Humanities, Cultural and Social Sciences;
- Integration of Molecular Components in Functional Macroscopic Systems;
- Research with Free Electron Lasers: Peter Paul Ewald Fellowships at LCLS in Stanford;
- European Platform for Life Sciences, Mind Sciences, and the Humanities;
- Symposia and Summer Schools.

Status description

Many of the topics initially funded by the Foundation were later taken up and developed by other institutions, or entered into the programs of larger funding organizations (e.g. Research Training Groups and Collaborative Research Centers), or led to professorial appointments for the Foundation’s grantees. By means of funding offers aimed at methodical innovations (e.g. “single molecules”) the Foundation was able to anchor the leading international role of German research in this field at a decisive moment in time.
The funding initiative Experiment! started in 2012 is the most recent evidence of the Foundation’s endeavors to generate stimuli for new approaches to research. In the first “Experiment!” call, by March 2013 project proposals had been received from researchers in science as well as the engineering, behavioral, and life sciences.

The purpose of this program is to attract radically new research ideas that fundamentally challenge established knowledge in favor of unconventional hypotheses, methodology and technologies, or that open up completely new lines of research. Successful applicants initially receive funding for a limited exploratory phase, during which they can test the feasibility of their concept. After one year the progress is evaluated within the context of “Forum Experiment!”. The Foundation will then invite the leaders of successful projects to submit a follow-up application or to participate in formulating a new call.

The procedure is quite straightforward and applications are dealt with speedily—a feature that is not always so self-evident in the area of science funding. Initially, applicants merely have to send in an outline of the proposed project. They are then notified whether their proposal has been successful or not within 3 months of the deadline date for submission of applications. The completely anonymized evaluation procedure ensures that only the research idea counts.

Once the Foundation has had sufficient experience with the “Experiment!” program, it is intended to introduce analog offers for the humanities and social sciences.

Beside the large number of radically new research ideas expected to result from “Experiment!”, the Foundation will in future also continue supporting promising research ideas via other programs. In this respect, it will develop procedures to identify specific thematic calls. Launching suitably customized funding programs will ensure that the best incentives are put in place for taking up and establishing seminal research developments.
Within the context of its international activities, the Foundation perceives a central task in promoting the internationalization of science by helping German researchers establish and maintain contacts with partners all over the world. Only in this way it will be possible to ensure that science made in Germany can remain competitive in the longer term.

The present regional foci have been selected on the basis of historically recent processes of change (Central Asia/Caucasus), specific catch-up needs (Central Asia/Caucasus, sub-Saharan Africa), and the relevance of particular research for Germany (USA fellowship program).

The advancement of young researchers will continue to constitute a main feature of all the Foundation’s funding activities. An important dual objective in this respect is to make certain that the training of young researchers meets the requirements necessary for them to be able to compete successfully in the international arena. It will also remain important to overcome existing asymmetries in the context of international cooperation, and to ensure even more than in the past that such cooperation entails actors working together in equitable partnership.

Taken as a whole, the four funding initiatives constitute the Foundation’s funding policy. The main thrust is to establish funding mechanisms that function in partnership. In this way the Foundation is able to continually develop new funding instruments and pave the way for other funding organizations.

Many of the funding initiatives are not only international with respect to their research objectives. The Volkswagen Foundation has also succeeded in securing the cooperation of other European and US American foundations. This not only results in concerted action: It also opens up a mutual learning process and contributes to the reputation and enhanced visibility of the Volkswagen Foundation in the international scientific community. The cooperation with other foundations is to be further developed over the coming years. In the case of regional initiatives, this will include forms of cooperation with local funding bodies within the region itself. This move is also
significant with regard to the development of exit strategies.

**Future prospects for the funding of “International Focus”**

In future, the Foundation’s funding activities in the segment

- “International Focus” will encompass above all countries which:
  - are interesting for German science and scholarship due to strong research traditions;
  - like the BRICS countries are experiencing a surge in their development;
  - or, as in the case of emerging economies and developing countries, are striving to establish qualitative research in their region (Capacity Building).

Continuation of the established large regional funding initiatives is scheduled up to the year 2022. However, in the medium and long term, significant changes will be made to other parts of the funding portfolio in this segment. This will mainly entail measures to take stronger account of the challenges arising from globalization, with new transnational funding formats and strategic partnerships.

That the segment “International Focus” is able to respond flexibly to current developments is amply illustrated by the reaction to the so-called “Arab Spring”. The Volkswagen Foundation started funding accompanying research designed to shed light on the causes, effects, and mechanisms of the profound socio-political change that culminated in the “Arab Spring”. Also in the years to come, when formulating funding lines it will remain important that the Foundation can bring in its experience and strengths in regional funding abroad. Moreover, the support offered is to be qualitatively different from the usual forms of bilateral cooperation supported by the German Academic Exchange Service or the German Ministry for Education and Research.

In addition to the above-mentioned regional funding activities, within the area of international funding there should be a stronger emphasis on offers of supra-regional support that take the impacts of globalization into account. Also within this context, in future more attention should be paid to providing support for German researchers working in multilateral
cooperations with partners in other countries.

Off the Beaten Track

The Volkswagen Foundation is always interested in outstanding research ideas, innovative and exceptional approaches to research, and people who think beyond the mainstream and across disciplines. Under the heading “Off the Beaten Track” it therefore offers a special funding format for ideas and concepts of a particularly unconventional and forward-looking nature. By linking up different subject areas and methodological approaches, such projects open up new perspectives – in research, academic teaching, and in the interplay between science, the practice, and the public at large. The Volkswagen Foundation is therefore also prepared to fund projects that do not fall under any of its other funding segments. It should be noted, though, that this offer is only open to truly exceptional proposals.

Search Procedure

The Foundation makes use of several sources of inspiration to identify new research topics and issues.

Conferences and workshops remain the best option for an in-depth exchange of ideas and views on subject areas, research issues, and methods. The permanent discourse with engaged researchers is an indispensable prerequisite for developing new funding concepts. The framework for this exchange is provided by the thematically open funding initiative “Symposia and Summer Schools”. These are now augmented by other events organized by the Foundation in the recently reconstructed Herrenhausen Palace, especially the Herrenhausen Conferences.

The Foundation also prepares special calls for proposals which allow for a broad scope for applications, Idea Contests, and invitations for young researchers to attend interdisciplinary workshops designed to promote international Networking. And recently the Foundation introduced a completely new initiative with the title “Experiment!”.

New research ideas are constantly being submitted to the Foundation via Project Outlines. Furthermore, the funding procedures and formats are continually being developed further in close cooperation with other...
foundations, both on national as well as international levels. The international perspective, and especially the global dimension of science funding, will become increasingly more important in the years to come. Over the past few years the Foundation has therefore actively sought deeper cooperation, including strategic alliances with other research funding organizations in Germany, and especially abroad. This is particularly the case with regard to initiatives which due to their international orientation and structure clearly stand to benefit from long-term cooperation, as well as projects which can only be feasibly realized via collaboration with complementary actors. Successful examples for this include the cooperation with the Mellon Foundation, the funding initiative “Europe and Global Challenges” implemented together with other European foundations, and the consortium formed in the thematic field “Neglected Tropical Diseases”, a joint effort involving a total of five foundations in all.

On the national level, special mention should be made of the Council of German Foundations on Integration and Migration set up in 2009 following a joint initiative by the Foundation Mercator and the Volkswagen Foundation. The Council now comprises support from nine German foundations. The Volkswagen Foundation will in future continue to seize the opportunities presented through international cooperation of this type— despite its relatively low funding volume compared with publicly funded institutions, the Volkswagen Foundation will continue to set future trends. Niedersächsisches Vorab

Niedersächsisches Vorab occupies a very special position for research in the Federal State of Lower Saxony. The central task of this funding segment is capacity building in new fields in Lower Saxony. One yardstick for the success of such capacity building measures is the visibility of the funded projects far beyond the borders of the state; another is the success of follow-up activities like the establishment of Collaborative Research Centers, other research centers and clusters, and large-scale
EU projects.

Legal and financial basis

The name Niedersächsische Vorab comes from the wording of § 8 in the Foundation’s statutes, whereby certain portions of “the resources available to the Foundation for the purpose of funding are to be allocated to projects in the Federal State of Lower Saxony [Niedersachsen]”, namely:

- the counter value of the annual profit from 30,234,600 ordinary shares accruing to the Volkswagen Foundation from the State of Lower Saxony’s participation in Volkswagen AG;
- the yield on an investment of 35.8 Mio. € regulated in a contract between the Federal State of Lower Saxony and the Foundation concluded in 1987 and
- ten percent of the earnings from the Volkswagen Foundation’s other capital assets.

The sum total from these sources of income accrues to Niedersächsisches Vorab. These funds are to be allocated to academic institutions as additional funding in the form of specific grants of up to five year duration—they are not subject to the principle of annuality. Recommendations for their use are put forward by the Lower Saxony Ministry of Science and Culture, and upon being approved by the state government passed on to the Board of Trustees of the Volkswagen Foundation for implementation. Hence, as opposed to general funds, Niedersächsisches Vorab constitutes a joint funding instrument adminis-

The financial situation of the federal and state budgets, including Lower Saxony, has been difficult for several years. The role of Niedersächsisches Vorab has therefore become all the more important, for instance with regard to providing support for professorial appointments and negotiations with professors to remain in office in competition with European and overseas universities or in establishing new lines of research.

Parallel to the strategy process which gave rise to “Perspectives 2012”, in 2006 the funding activities of Niedersächsisches Vorab were realigned according to the still currently valid six structural components:

- Collaborative research groups and research concentrations,
- Attract & retain,
- Excellence Initiative,
- Third-party funding for Lower Saxony,
- Research cooperation between Lower Saxony and Israel,
- New and emerging fields of research.

The procedures concerning the preparation of calls and subsequent selection processes in the respective funding lines are administered by Wissenschaftliche Kommission Niedersachsen (WKN), the Volkswagen Foundation or the (AGIP) Arbeitsgruppe und Geschäftsstelle innovative
Projekte in der angewandten Hochschulforschung.

WKN and the Volkswagen Foundation play an important role in the ongoing quality assurance. For example, for over ten years now the WKN has been carrying out independent scientifically-founded evaluations. Its recommendations form the basis for the state’s decision making and policy in the area of research funding. The Wissenschaftliche Kommission is especially active in the structured lines “Collaborative research groups and research concentrations” and “Support for new and emerging fields of research”.

Along with WKN, the Volkswagen Foundation provides the expert opinions on research projects funded within the scope of Niedersächsisches Vorab, in particular in the area of person-based funding (i.e. “Niedersachsenprofessur Forschung 65+” and the “FH-Professuren”), and the structured line “Research cooperation between Lower Saxony and Israel”, as well as projects within the context of the call “Strengthening the competitiveness of Lower Saxony as a university location”.

New formats were introduced and tested in the area of selection procedure. Such measures range from state-wide calls for proposals up to selection meetings and search workshops.

The restructuring of Niedersächsisches Vorab along clearly-defined structured lines and the introduction of more transparent selection and evaluation processes have contributed greatly to this area’s strategic further development. The competitiveness of universities and research institutions in Lower Saxony is to be strengthened further, both in Germany as well as in the international arena.

The “Location Contest” held in 2012/13 offered universities in Lower Saxony an opportunity to position themselves in their respective regional environment. Also in the years to come, the unique possibilities offered by Niedersächsisches Vorab are to be specifically utilized in support of science and technology in research and academic teaching in Lower Saxony. By receiving more support than would be forthcoming from core budgets, institutions can be equipped with the means to deal with future challenges.

With regard to future large-scale projects, the further development of Niedersächsisches Vorab is to include closer coordination with the long-term planning of the institutions receiving funds. The endeavors of universities in Lower Saxony to sharpen their profile could possibly be given a boost, improving their chances of positioning themselves in Germany and in the international scientific community. The orientation of Niedersächsisches Vorab to projects that enable research of inter-
national repute at institutions in the state will constitute an important component of this strategy. The aim is that leading researchers of international renown will increasingly be attracted to Lower Saxony and its institutions.

Furthermore, support is to be made available above all for top-level interdisciplinary and particularly innovative—and therefore risk-taking—projects. The funding line “New and emerging fields of research” provides the ideal basis for this. Notwithstanding the need to carefully weigh up the parameters of such an orientation, in future Niedersächsisches Vorab should also remain open for funding lines that open up strategically interesting funding prospects for smaller locations.

The growing needs of science and research funding for legitimation, as well as the self-image of the Volkswagen Foundation as a learning organization, form the basis for its comprehensive concept of quality assurance.

By introducing evaluations, the Foundation conforms to the principle of “Good Governance”, the “Grundsätze Guter Stiftungspraxis” recommended by the Federal Association of German Foundations, and the “Principles of Good Practice” of the European Foundation Centre (EFC) as well as the “20 Principles of Good Foundation Practice” initiated by the Foundation itself.

The main focus of quality assurance in the area of research funding is on the ex-ante assessment of applications and pre-proposals. Over the past few years, with the aim of quality assurance and improved quality the Volkswagen Foundation has further developed different ways in which applications can be submitted and made the whole process much leaner, in particular for the applicants.

One example is the introduction of a two-stage procedure, whereby initially only brief outlines of project proposals are sent in: Those applicants with the most promising proposals are then invited to submit more detailed applications. This considerably
reduces the initial effort involved. At the same time, the Foundation endeavors to present a transparent description of the funding lines and the evaluation and decision-making processes. Especially the evaluation procedures entail constant reflection and review: They are continually being adapted to suit the different conditions and requirements of the respective funding initiatives.

In view of the significance of quality assurance for the profile and reputation of the Volkswagen Foundation as a science funding organization, the huge effort involved in the evaluation procedure—every year 800 to 1,000 experts in Germany and abroad volunteer their expertise—would not appear inappropriate.

Generally speaking, monitoring the course of projects and the examination of project results can be taken care of perfectly well by Foundation staff and does not call for any systematic involvement on the part of external experts. This should continue to be the case, also in order not to overtax our experts and impair their willingness to participate. Person-based funding initiatives constitute an exception to the rule. In this case, there has to be a systematic evaluation of mid-term results on the part of external experts in order to reach decisions concerning the second funding phase and possible continuation.

In 2005 Volkswagen Foundation expanded its concept of quality assurance by the instrument of external evaluation. From 2006 till 2011, both mid-term as well as ex-post evaluations were carried out at the levels of funding initiatives and funding segments. In 2010 the Foundation further expanded its approach towards evaluations to include management, and in 2010/2011 an overall evaluation of the Foundation’s activities was carried out (see diagram).

The step-by-step introduction of concrete evaluations over the past few years enabled the Volkswagen Foundation to develop standards in preparation for their content and organization, implementation and use. All this is contained in an “Evaluation Handbook.”

Previous experience has shown that in respect of larger evaluation objects—i.e. funding fields or management—the greatest learning effect for the Foundation can be derived from mid-term evaluations, and future evaluations should take this into account.
Moreover, the Foundation is to expand the know-how gleaned from such evaluations to include Niedersächsisches Vorab, so as in the medium term to be able to contribute towards harmonizing the quality standards of general funding and Niedersächsisches Vorab.

The Volkswagen Foundation is planning to carry out an overall evaluation again in 2020/21. As in 2010/11, this will encompass matters of governance, the legal framework and dictates of the statutes, and will range from the funding portfolio and funding procedures, up to matters of finance, administration, and the Foundation’s asset allocation.

Since the opening of Herrenhausen Palace in January 2013 the Volkswagen Foundation has held a number of its own scholarly meetings and events there. So that Herrenhausen becomes established as a venue for the discussion of new research fields and a place of inspiration for new funding ideas,

- the “Symposia Weeks” should be held in Herrenhausen,
- Herrenhausen is to be developed as a platform and future workshop for scientific and scholarly innovation, and
- the exchange between academia and society is to be fostered via evening lectures and discussion forums which are open to the public–to be held especially on these premises.

status description

In April 2009 the Board of Trustees passed a resolution to amend the statutes, so as in future it will be possible that scholarly events and projects can be directly financed from the Foundation’s funding resources. At the same time, the creation of the new domain “Events” also creates the prerequisite for members of the Foundation to develop sophisticated events on their own.

The Foundation is firmly of the opinion that, in the same way as all
academic work, research funding should inexorably be combined with communication. By means of holding its own events—above all in Herrenhausen—and in order to strengthen national and international visibility, the Foundation therefore intends to bundle both its offers and its commitment in the area of communicating science and scholarship at its own location.

Future prospects for the funding line “Events”

- The objectives pursued by holding events in Herrenhausen are
  - to advance discourse within the respective community on new research issues;
  - to provide legitimation for the area of research via the professional presentation of research results;
  - to provide stimuli for the transfer of knowledge in society;
  - to deepen the ties between science and society, and
  - to strengthen Hanover as a leading research location, and Herrenhausen as a venue for intellectual discourse—both in Germany and abroad.

Through these measures, the Volkswagen Foundation expects to generate significant new stimuli for its funding activities. In order to lend its support for science and scholarships an even stronger international profile, in 2012 the Volkswagen Foundation initiated the Herrenhausen Conferences. Here, the objective pursued is to transform societal challenges into concrete research questions, and in so doing to develop solutions for the world of tomorrow. In addition to this, the Foundation endeavors to bring the attendees of the Herrenhausen Conferences to reflect on how their research work can be put to the use of society as a whole.

In order to bring about changes of perception on the part of its guests, these events organized by the Foundation itself in Herrenhausen Palace are held in a unique atmosphere that lives from meeting with people at different stages of career, from different disciplines, cultures, nations, and with different levels of experience. Moreover, the baroque Great Garden that surrounds Herrenhausen Palace provides guests with a most suitable venue for dialogue and
discourse—entirely in the tradition of Leibniz, the legendary Hanovarian universal genius. The veritable boom in new foundations has also given rise to new research funding bodies. This has led to even more competition for the best minds and most original ideas—and intensified the struggle for attention on the part of primary target groups, viz. the scientific community, the media, members of the public interested in research, as well as the most important actors in politics, culture, and society.

The video portal Sciencemovies (2011) was a successful pioneering test of how audio-visual formats can be used for publicity to high effect. The videos feature researchers themselves as camera operators and “actors”. In 2011 the project was awarded the coveted “if communication design award”.

Establish at an international level the Foundation’s own conferences and symposia as quality features. The rapid transformation of media communications and their changed use on the part of increasingly fragmented target groups necessitate continual optimization of the means of communication adopted by the Foundation. Above all, the Internet is a constant source of new challenges. It is no longer possible to treat the communication of science as a one-way street—from sender to receiver. Social networks have defined new standards for P&R activities, resulting in communication becoming a matter of discourse between equals—between the Foundation and its target groups. The Foundation is prepared for this and ready to tackle the changes brought about by digital media. Within this context, in 2012 the Foundation’s homepage was given a completely new platform and adapted for more comfortable use via mobile devices like smartphones and tablet computers, for instance. In the years to come, these two types of device will increasingly dominate the

future prospects in the area “Communication”

- In this area, the Foundation’s communication unit pursues the following main objectives:
  - information and publicity on the Foundation’s funding lines and events to target groups,
  - media reports on exemplary projects to stimulate applications with outstanding innovation
  - emphasize the value of research funding,
  - public relations activities to strengthen the transparency of the Foundation externally,
use of communication on the Internet—and in turn bring about further change.

The Internet will also necessitate solutions to new challenges in the area of “science mediation and communication”. This adds urgency to the question regarding how the growing amount of data produced in the area of research (“Big Data”) can best be processed—also in order to be able to present results to the broader public. In this context, the recently established discipline of data journalism will have a growing effect on P&R activities. The Foundation will continue to carefully monitor developments in this area and, where considered necessary and possible, will continue to generate stimuli to advance the transfer and transparency of science and scholarship.

The start of the second decade of the 21st century confronted the management of the Foundation’s assets with new challenges for which there is no easy answer. On the one hand, following 10 years of falling interest rates for top quality bonds have fallen to a merely nominal level with low earnings potential which, despite continuing modest rates of inflation, often results in negative real coupon income.

At the same time, the euro is under pressure due to the banking crisis triggered by the collapse of property prices in the USA and the unsustainably high sovereign debt of several countries in the euro area.

On top of this, the US—still the dominant economic power in the world—is suffering an equally dramatic burden of public debt.

In this environment, the Foundation’s assets are faced with greater uncertainty and risk—but also with some clearly discernible opportunities.

On the one hand, the money needed to fulfill the Foundation’s mission, i.e. the means for funding research and financing operations, has to come from safe investments (interest, dividends, bonds). On the other hand, the real value of assets must be maintained, i.e. earnings must be sufficient to offset inflation. According to the German Fiscal Code, part of the Foundation’s

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Income can be used for this purpose, but not more than one third of the surplus earned on investments. It is therefore becoming increasingly more difficult to earn enough money from asset investments to achieve the necessary objectives. Moreover, the euro crisis harbors a multitude of incalculable economic and financial risks that could spill over onto types of investment categories like bonds and shares, or real estate. In all probability, the growing globalization of the economy and the financial system will lead to countries outside Europe also being affected.

The management of the Foundation’s asset investments has to take all these current and future challenges into consideration. Maintaining the real value of the Foundation’s capital assets increasingly calls for solid investments (shares and real-estate).

Suitable response to the increased market volatility calls for a more active management of share depots within the frame of the defined levels (20% to 32% of total foundation capital), in order to activate reserves accumulated and ensure the future finances of the Foundation.

Notwithstanding, it is not perceived as a priority to introduce active asset management in general—not only for reasons of cost: It will remain an option solely in exceptional and duly substantiated cases. Experience has shown that a carefully planned strategic passive management is usually the best bet in the long-term.

In future, the Volkswagen Foundation will take growing account of sustainable aspects with regard to its asset management. The Foundation carefully examines all possible investment opportunities to see whether they may conflict with the Foundation’s perception of what is ethical, ecological, and socially compatible. Correspondingly, investment opportunities that conform to what is considered socially responsible will
continue to be given priority, always assuming they fit the overall asset management strategy. Along with the means for funding, highly qualified members of staff will remain the most important resource for a successful foundation. The division of finance and administration is therefore not only faced with the challenges presented by capital maintenance and financial planning: At the same time the conditions have to be met for the Foundation to act as an attractive employer, – part of which necessitates forward-looking concepts for organization and personnel development.

**status description**

So far, the Foundation has never experienced any recruitment problems when it comes to employing department managers or other key positions. Nevertheless, it has not gone unnoticed how firms and agencies in different branches of the economy have had to adopt highly proactive measures to recruit qualified personnel. In the years to come, it is therefore quite likely that the Foundation will also be obliged to put more effort into recruitment and present itself as an attractive employer.

Due to its small number of staff and flat hierarchy compared with large firms, the personnel development efforts of the Foundation can only play a relatively small part in strategic long-term career planning and development. A pioneering concept for the development of leadership skills is the team-leader model introduced in the funding department in 2010. Placing a time limit on the leadership function, but not on employment itself, has the advantage of strengthening ties between the Foundation and its employees, and at the same time regularly giving members of staff the chance to acquire leadership skills.

In addition to this, in place of training seminars, a model was developed in 2012 that provides employees with (accompanied) practical experience of other life and work environments, helping them to strengthen their inter-personal skill sets. The target group for this personnel development measure comprises mainly members of staff with leadership responsibility.

As, due to its particular field of activity, the Foundation is unable to offer any kind of formal vocational training, it is happy to welcome trainees and interns who have the initiative to apply. As opposed to many other employers, such opportunities of work experience are not offered in order to exploit cheap labor, but constitute rather the result of a
self-commitment towards contributing to the training and education of early career employees. To make sure the Foundation is perceived as an attractive employer and in order to maintain this position vis-à-vis other employers in respect of young graduates once the demographic change becomes felt (approx. 2017 onwards), it will be necessary to create the accordant parameters:

1. Selective internationalization: Here, the Foundation is already well positioned at the level of experts and evaluators. This could be supplemented by (associated) members of staff, e.g. working as temporary consultants to support the Foundation Office in creative areas like the funding department and the area of events. However, this should not be allowed to lead to a form of unconstrained “internationalization craze”, and the prime everyday working language of the Foundation should remain German. Here, it should not go unmentioned that cultural differences can be connected with significant challenges and numerous processes of adaptation.

2. The use of targeted fluctuation by means of planned limited contracts of employment or associated members of staff.

3. The development of mutual respect for other value systems, e.g. generations X and Y with regard to ecology, hierarchy, status orientation, or open-ended teamwork.

4. The development of mutual respect in view of different working methods as a result of age differences.

5. Attractive salaries (level and
<table>
<thead>
<tr>
<th>Foundation Name</th>
<th>Funding Volume</th>
<th>Assets in Million Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen Stiftung</td>
<td>2.672</td>
<td>144</td>
</tr>
<tr>
<td>Robert Bosch Stiftung</td>
<td>5.289</td>
<td>69</td>
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<tr>
<td>Stiftung Mercator, Essen</td>
<td>249</td>
<td>61</td>
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<tr>
<td>Deutsche Bundesstiftung Umwelt</td>
<td>2.109</td>
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<td>Bertelsmann Stiftung</td>
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<tr>
<td>Baden-Württemberg Stiftung gGmbH</td>
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<tr>
<td>Dietmar-Hopp Stiftung GmbH</td>
<td>3.000</td>
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<tr>
<td>Else Kröner-Fresenius Stiftung</td>
<td>828</td>
<td>21</td>
</tr>
</tbody>
</table>

*Source: independent research
Europe's largest private research funding foundations:

- Wellcome Trust: $15,385,000,000, $837,000,000
- Knut och Alice Wallenbergs Stiftelse: $6,349,000,000, $154,000,000
- VolkswagenStiftung: $2,672,000,000, $144,000,000
- Fondazione Cariplo: $7,345,000,000, $140,000,000
- Compagnia di San Paolo: $6,498,000,000, $128,000,000
- Novo Nordisk Foundation: $789,000,000, $128,000,000
- Fundação Calouste Goulbenkian, Lisbon: $3,132,000,000, $111,000,000
- Fondazione Monte dei Paschi di Siena: $1,274,000,000, $103,000,000
- Villum Kann Rasmussen Foundation: $540,000,000, $101,000,000

*no information available
A Foundation of Knowledge

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