

new begin nings

The Volkswagen Foundation's
new funding strategy



VolkswagenStiftung



INTRO

Why are we adopting a new funding strategy?

Following a process of evaluation and reflection, the Volkswagen Foundation is realigning its funding strategy as of 2021. From now on, the following four key concepts will determine all its funding activities:

- providing impetus
- taking risks
- crossing borders
- shaping structures

These concepts reflect not only the basic features of our self-image as a funding foundation. They are also to be seen as quality criteria, and as points of orientation for decision making in the course of everyday funding. Closely linked to the new strategy is the Foundation's desire to analyze the impact of its actions even more systematically – on the one hand, in the context of an ongoing self-learning process and, on the other hand, to create a lasting impact on shaping the scientific landscape.



„Swimming ahead of the tide“

The Foundation itself develops a radical new take on the future: and asks its researchers to do the same. A talk on strategy with Georg Schütte and Henrike Hartmann.

What triggered the changed strategy? What was the perceived need for action?

Schütte: Our Foundation practices a good tradition of having external experts hold a mirror up to it every ten years or so. The instrument for this is the overall evaluation. The most recent one ended in June 2020 with a presentation to the Board of Trustees. The panel carried out a methodical survey among our community – both here in Germany and abroad: How do you see the Foundation? What do you expect from it? The feedback led us to rethink our strategy from the bottom up, to reduce the broad variety of funding programs and to seek answers to questions like: What are the emerging major challenges? What contributions can science make towards resolving them? And how can we as a funding foundation create the conditions for science itself, driven by intrinsic curiosity, to ask radically new questions and provide relevant answers?

What challenges do you want to take up in the future?

Hartmann: We have formed three new profile areas. The first is called „Exploration“. The aim here is to encourage risk taking, i.e. to enter into previously unexplored areas of research with uncertain outcomes.



Dr. Georg Schütte has been Secretary General of the Volkswagen Foundation since 1 January 2020. Before that, he was State Secretary at the Federal Ministry of Education and Research for ten years.

As a funding foundation, we stimulate the desire to experiment and say: failure is part of the game. We accept that a project – despite the very best foundations – may not always achieve what it sets out to do. In my view, this attitude constitutes a unique selling point of

our Foundation. The second area: „Social Transformations“. We are surrounded by upheaval in many different areas. The pandemic has acted like a burning glass. Here, science has a duty to develop solutions and assume its social responsibility.

The third profile area, „Understanding Research“, is about the system itself: How can science work in the best possible way? What structures does it need to take on the major challenges of the future? We want to create impetus for

What we promote should create impact, break through structures, shape the future.

- Georg Schütte



structural renewal; not only in the scientific community, but also at its margins. This is where the field of science communications plays such an important role.

Where do the ideas for new funding topics come from?

Schütte: In broad terms, they come in two ways. Firstly, in a bottom-up process within the scientific community itself, for example at specialist conferences, in individual discussion, but also in the occasion of expert hearings initiated by the Foundation itself. But of course our own experts are also never short of stimulating ideas themselves, which we then field to the community with a request for feedback. The overriding objective is to create an impact, to bring about structural changes and initiate follow-up projects.

Which target groups do you specifically want to address through the new funding opportunities?

Schütte: Creative, daring, and inquisitive researchers. We, for our part, are ready to promote unconventional ideas, and we expect that applicants will be able to face critique from peers.

Hartmann: Powerful pressures and dependencies exist in the science system. As a result, many ideas that

could possibly be capable of opening up new perspectives never amount to anything. In this respect, we want to pave the way for people who are prepared to say: I don't just want to swim with the tide – or at least not all the time...

How does the Volkswagen Foundation see itself going forward?

Hartmann: Ideally, we want to swim ahead of the tide, i.e. discover the future potential of emerging topics early on and then put them on the science map. By supporting daring new research ideas we are encouraging others in mainstream research to do the same. The Foundation is big enough to create a deep impact. And we are small enough to be agile. As a private foundation, we are also independent, so we can decide for ourselves what to put on the agenda. And we do that with the greatest possible flexibility.

Schütte: I would like to emphasize that we not only expect experimentation and a willingness to take risks from our applicants: we also expect the same of ourselves as an institution. We are prepared to tread new territory, too. For example, we were the first science funding institution in Germany to add a „luck of the draw“ component to the traditional reviewer process.

This „semi-randomized selection process“ caused quite a stir – both at home and abroad – meeting with applause as well as criticism. We welcome both. And at the moment, we are dealing with the question of how to best make use of our recently intensified experience with digital communication tools and methods. For example, should our review panels request video presentations in the future? Do we want to offer video chat sessions for our community? How do we become more visible and interactive on social media? We want to continue exploring here, too.

What was the process of strategy development like? Who was involved?

Hartmann: It was an iterative process in the best sense. Any members of staff who wanted to contribute could do so. I think it was very important that we listened to everyone and gathered our ideas step by step. The process benefited from the fact that we had the recommendations of the overall evaluation to draw on. Moreover – and this was an immensely valuable source of inspiration and an important sounding board – it was accompanied by the Research Committee of the Board of Trustees, which was closely involved and provided ongoing critical-constructive feedback. Taking all this into account, we now have a really solid basis for launching the steps to come.

What can we expect during the transition period?

Hartmann: The transformation process will inevitably involve some



The Foundation is big enough to create a really deep impact.

- Henrike Hartmann



and improve. Anyone who generates impulses for others will likewise receive impulses from the outside, be creatively energized and draw inspiration. If we, as a learning organization, continue to embrace change, then not only will the next ten years be successful, but also the decade that follows.



What will the Foundation stand for ten years from now?

Schütte: How we work at the Foundation is a continuous learning process. Buzzwords here are agility and digitality. No question that the Foundation will continue to develop

Dr. Henrike Hartmann has headed the funding department since 2015. Previously, she was team leader of “People and Structures” and responsible for several funding initiatives, e.g. in biomedicine.



→ funding initiatives coming to an end. The Board of Trustees decided this in December 2020. However, rather than bringing things to an abrupt end, we are organizing a well-communicated phase-out based on partnership. Some initiatives, though, can be assigned to the new profile areas as soon as we have modified them. And finally, we are developing several quite new initiatives that will hopefully appear in our funding offer in the course of 2021.

Keyword financing: Going forward, will the volume of funding be affected due to ongoing low-interest rates?

Schütte: A clear no to that! We are both cautious as well as forward-looking when it comes to how our foundation capital is invested. And despite all the uncertainties connected with the capital and financial markets, we are very confident that we will be able to maintain our annual funding volume in the area of general funding. In any event, there is no “hidden agenda” associated with the realignment of our funding portfolio. We are not restructuring because we want to save money.

The guidelines of our funding activities

The purpose of the Volkswagen Foundation is to promote science and technology in research and education. The Foundation is committed to the freedom of science. It regards digitality and globality as significant requirements for modern knowledge production. Its funding decisions are made with the aim of ensuring the highest scientific quality. In its funding practice, the Foundation is guided by four fundamental guidelines:

Providing impetus

With its initiatives, the Volkswagen Foundation provides targeted impetus in all scientific disciplines and research fields. It seeks and promotes new research approaches as well as prototypical improvements to structures and processes in the science system. The Foundation strives to play a forerunner role and, with innovative pilot projects, paves the way for subsequent, broad-based funding by other players.

Crossing borders

The Volkswagen Foundation opens up new possibilities and helps to overcome borders – between disciplines and research fields, between countries and cultures, between science and society. Transnational, inter- and cross-disciplinary projects make up the core features of its funding activities. In order to realize its goals and to pool forces, the Foundation cooperates with partners around the world.

Taking risks

The Volkswagen Foundation supports researchers who show a great willingness to take risks, whose ideas are original and far-reaching, and whose projects have the potential to further develop scientific knowledge, the structural parameters of research and education, as well as social applications. The Foundation also creates experimental spaces for future top researchers.

Shaping structures

With its funding activities, the Volkswagen Foundation seeks to achieve an impact beyond individual cases. It contributes to the expansion of knowledge and the improvement of structural parameters. To this end, the Foundation continually evaluates the intended stimulating effect of its funding projects and instruments. It shares the findings from its funding activities with reference groups both within and beyond the scientific community.

Strategy process 2020



Exploration

The Volkswagen Foundation is known for its approach of funding risk-taking research with high potential – and for being prepared for such projects to sometimes fail. Both form essential conditions for successful basic research, which, in turn, enables scientific breakthroughs. Going forward, the Foundation will live up to its reputation for giving promising researchers opportunities to contribute to resolving major science-driven challenges with unorthodox questions and experimental methods. Like a future lab, the Foundation wants to pave the way for new topics and research methods and establish previously untapped research fields. Where science is to venture, the innovative power of research funders is needed in return. The Foundation will constructively drive developments in this area with new procedures for identifying topics, with new funding formats and selection processes: An example is the recent introduction of the partially randomized selection process, in which peer review is complemented by a lottery procedure. Moreover, by creating an “action fund”, the Foundation ensures that it is able to act swiftly to promote targeted research in unforeseen circumstances – such as the Covid 19 pandemic – or to take advantage of windows of opportunity when they open up at short notice.

Experimental physicist
Uwe Morgner develops laser
applications at the Institute
of Quantum Optics at the
University of Hannover.





Jurist Sabine Müller-Mall is working at the TU Dresden on the question of how algorithms inscribe themselves into our social world.

PROFILE AREA

Societal Transformations

Whether artificial intelligence, climate change, loss of biodiversity or growing social inequality: the 21st century is characterized by enormous global challenges. Science, technology, business, politics, culture – almost all areas of society around the world are confronted with a historically unique concentration of immense upheavals, which are both the source and drivers of current change. In order to be able to act responsibly in these transformation processes, our knowledge must be expanded and subjected to critical evaluation, also from a historical perspective. That is why the Volkswagen Foundation supports research addressing multifaceted aspects of transformation processes. In addition to supporting cross-border and multi-perspective approaches, the Foundation is opening up new ways to participate in shaping social transformations and reaches out to actors outside science to become involved. Another key challenge is to link relevant debates within the sciences with current public debates. In doing so, the Foundation does not merely want to supplement the discourse with diagnostic expertise, but to anticipate the future and develop concrete options for societal action – also in the sense of prevention. In short, it is a matter of responding with new ideas to a question that never ceases being topical: What kind of world do we want to live in?

Understanding Research – Evaluation and science practice

The corona pandemic has once again highlighted the reform and innovation backlog that exists in important areas of the science system. Standards of research and ethics, procedures of peer review, evaluation and publications, careers and governance – many things that have long been taken for granted are increasingly coming in for critical scrutiny.

In this new profile area, the Volkswagen Foundation will provide targeted impulses for the structural improvement of research and education. The focus is on three thematic areas:

- Research cultures,
- Research careers,
- Scientific discourses.

The Foundation promotes structural analyses, opens up spaces for experiment and supports ambitious pilot projects. We promote careers in research and support those who research the system, as well as others who have the courage to assume responsibility for structural renewal themselves. We want to bridge the boundaries between university and non-university institutions and make those between science, politics, business and the administration more permeable. To ensure that the funding impulses achieve maximum impact, the Foundation shares project results with university leaders and other science funders, also at international level. And – as a further building block in its multifaceted commitment to the research and practice of science communication – it will set a framework that enables actors external to science to participate in individual projects.

Anemar Bruno Kanj, a doctoral student of chemistry, is a refugee from Syria doing research at the Karlsruhe Institute of Technology



Science in Society

During the corona pandemic, it became clear how necessary it is to have fact-based science communication that is oriented toward the common good: it creates trust among its target groups. This is the prerequisite for science to maintain its independence and fulfil its role as a shaper of the future. This structure is still largely intact. With the growing number of social transformation processes, however, the pressure on the science system to defend its relevance and legitimacy and to be present in more and more areas of discourse, including digital ones, is increasing. This poses enormous challenges for science communication – challenges that the Volkswagen Foundation also helps to tackle. It wants to offer the science system spaces for discourse and interaction in order to pave the way for forward-looking attitudes and concepts. In the Herrenhausen Palace conference center in Hanover, the Foundation will offer the general public panel discussions with top-class experts on current scientific issues, partly in cooperation with public broadcasting media. In addition, centers are set up and supported at selected universities in which research communication will be carried out on an internationally competitive level – with partners in Germany and abroad and on issues that are to be particularly relevant for communicative practice. The goal is not simply more science communication at any price, but better science communication – putting science where it belongs: at the center of society.

Lay people discuss food waste with experts: On almost a hundred days a year, the Foundation invites the general public, as well as specialist communities, to scientific events at the Herrenhausen Palace conference center in Hanover.

„What I particularly appreciate about this foundation“

Six members of the Board of Trustees and the Chairman of the Foundation’s top decision-making body have closely followed the strategy process. What features of the funding concept do they find most important?



Björn Thümmer,
Minister of Science and Culture of Lower Saxony, Hannover, Germany; Chairman of the Board of Trustees.



When the Foundation initiates a new funding measure it does so with the self-declared goal of taking on a pioneering role and swimming ahead of the tide. The Board of Trustees decides which project proposals meet this ambition and which do not. That is why, for me, the discussions in this body are among the most insightful at the interface between science and society.



Prof. Dr. Beate Söntgen,
Professor of Art History, Leuphana University of Lüneburg, Germany



By identifying as yet barely visible topics with a high future potential, the Foundation becomes an important source of impetus for science and research. It is willing to support unconventional, promising new directions in science, such as transdisciplinary exchange. And it is highly committed to the humanities and cultural sciences!



Prof. Dr. Hans Michael Heinig,
Chair for Public Law and Ecclesiastical Law, University of Göttingen, Germany



The Foundation is in constant contact with the scientific community. A creative dialogue at eye level, in which new funding ideas emerge and the Foundation incessantly challenges science to think in radically new ways, to experiment with high risk, and to act responsibly toward society.



Prof. Dr. Stefan Treue,
Director of the German Primate Center, Göttingen, Germany



Pilot projects initiated by the Volkswagen Foundation with its funding are often adapted and further developed by other actors. By doing so, it succeeds in generating sustainable, system-changing impact, across disciplines and even national borders.



Prof. Dr. Cornelia Denz,
Director of the Institute for Applied Physics, WWU Münster; Professor of Experimental Physics and Gender Research in Physics, Germany



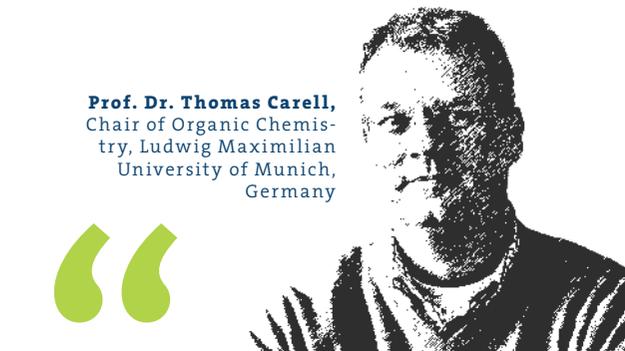
The Foundation succeeds in combining specialist topics with social relevance by facilitating interdisciplinary collaboration on an equal footing. In doing so, it captures the perspectives of tomorrow’s generation and succeeds in addressing global challenges with a sustainable impact.



Prof. Dietmar Harhoff, Ph.D.,
Director at the Max Planck Institute for Innovation and Entrepreneurship Research; Honorary Professor at the Ludwig Maximilian University of Munich, Germany



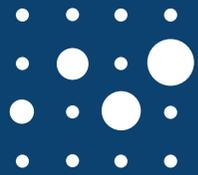
The Foundation seeks to provide stimuli and is constantly on the lookout for seminal ideas. It creates resonant oscillations in disciplines and research fields. The only thing is that these systems only start to oscillate when their natural frequency is hit. An arbitrary impulse is not enough. Therefore, the Foundation must know the systems, but not be bound to their inherent logic.



Prof. Dr. Thomas Carell,
Chair of Organic Chemistry, Ludwig Maximilian University of Munich, Germany



Scientific excellence is the yardstick by which personalities and projects applying for funding are measured. In most cases, excellence automatically leads to relevance for solving social, political and structural problems. All of the Foundation’s funding formats aim to ensure that this link succeeds.



VolkswagenStiftung

1962

The Foundation

The Volkswagen Foundation (VolkswagenStiftung) is the largest private research funding organization and one of the major foundations in Germany. Its purpose is to support the humanities and social sciences as well as science and technology in research and higher education. It was founded by the Federal Republic of Germany and the State of Lower Saxony as an independent non-profit foundation under private law and started its activities in 1962. The Foundation is not affiliated with the Volkswagen company; it is based in Hannover.



Concept

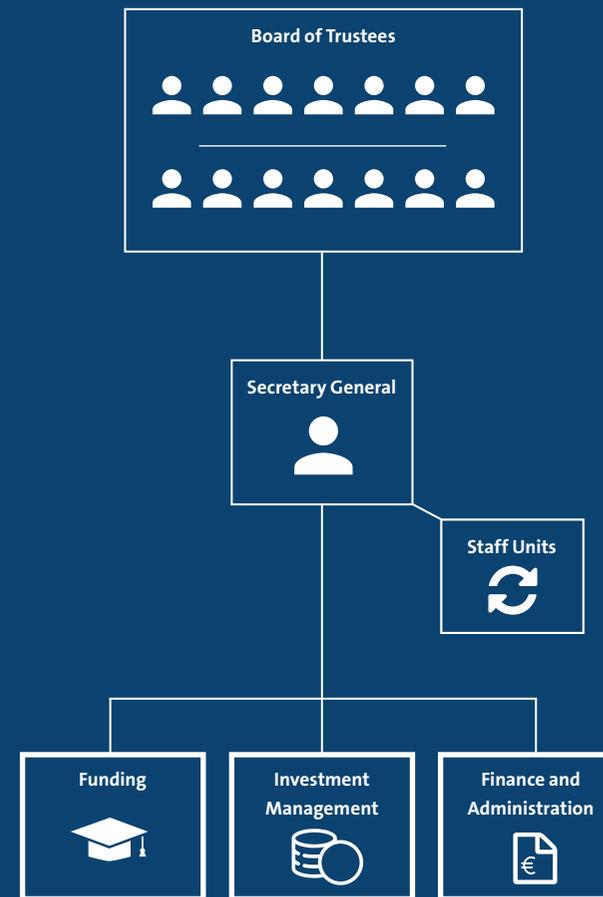
The Foundation strives to be an inspiring partner of the scientific community. Through carefully developing its funding initiatives, the Foundation heeds the requirements of research while taking into account the need to address the challenges facing societies worldwide. The focus is on opening up innovative fields of research, encouraging interdisciplinary approaches, and supporting outstanding, in particular young scholars. The Foundation also fosters cooperation beyond the borders of nation states and continents, opening up new options for interdisciplinary, multi-national research on global issues.

www.volkswagenstiftung.de/en/funding

Organization

Today, the Volkswagen Foundation has about 100 employees, mainly organized in three divisions (Funding, Investment Management, Finance and Administration). Four staff units directly report to the head of the Foundation, the Secretary General. The Foundation is governed by a Board of Trustees comprising 14 eminent persons drawn from different domains of the scientific community and civil society. The Board usually convenes three times a year to discuss strategy and to decide on applications.

www.volkswagenstiftung.de/en/foundation/about-us



History

The Foundation owes its existence and its name to a treaty between the Federal Republic of Germany and the State of Lower Saxony which settled a controversy over the ownership of the “Volkswagenwerk” after World War II. The company was turned into a joint stock venture and proceeds from this privatization provided the endowment capital for the Foundation.

www.volkswagenstiftung.de/en/foundation/history



Capital and Funds

Today the Foundation capital amounts to about 3.5 billion euros. The funds allocated are generated from the investment of assets, mainly benefitting the area of “General Funding”. In addition there are profit entitlements accruing from 30 million Volkswagen shares held in trust by the Federal State of Lower Saxony (mainly dividends). These funds are allotted to research institutions in Lower Saxony in close cooperation with the state government (“Niedersächsisches Vorab”). In total the Foundation awards on average some 200 million euros per annum.

<https://www.volkswagenstiftung.de/en/foundation/assets>



A Foundation of Knowledge

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