



## Cooperation with a Capital C CSI-Study of Foundation Partners' Satisfaction



In an online survey by CSI, roughly 6500 partners from five major German foundations as well as the Stifterverband für die Deutsche Wissenschaft were asked about their perceptions of and satisfaction with their partner foundation's contact, collaboration and administrative processes.

Due to growing competition for external funds and grants, the work of foundations is increasingly becoming the focus of discussion. In particular, it raises questions about transparency and legitimacy of grant allocation, but also about the administrative side of the application process, the organisational effort during the project's implementation as well as the public perception of foundations, which until recently have hardly been addressed.

In order to obtain answers, the research project "Learning from Partners" was created to systematically compile feedback, for the first time, from the people and organisations that are directly associated with the foundations: the partners.

The survey was initiated and sponsored by the Stiftung Mercator, the Fritz Thyssen Stiftung and the Robert Bosch Stiftung in cooperation with the VolkswagenStiftung and joined also by the Stifterverband für die Deutsche Wissenschaft and the ZEIT-Stiftung Ebelin und Gerd Bucerius.

The results of the survey paint a very positive picture of the foundations overall. In many instances, the partners show great satisfaction.

94% of all respondents rated the relationship with their partner foundation as good or very good. The direct contact with the employees and other contacts within the foundation were also positively perceived from 87.5% of the respondents.

Beyond the immediate financial support, additional positive effects of cooperation between foundations and their partners can be observed: many partners profit from the networks of the associated foundation and use this as an excellent platform for more extensive exchange. Many of the respondents reported specific support services and opportunities made possible through the partnership, which strengthened their capacity to carry out projects or develop new ones. The partners characterise the six foundations as reputable and reliable, while also demanding, which is also supported by a confirmation from over

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## Editorial

Dear Readers,

Cooperation is the „leitmotiv“ of this edition of the CSI Report.

Recently, we have had the opportunity to publish results of our research on the work of foundations focusing on cooperation.

Both our "Learning from Partners" project as well as a study of the asset management of the top 200 German foundations address issues of cooperation at the heart of their interest – on the one hand concerning their impact in terms of their mission, on the other in terms of their revenue yielded from the endowment. While the former can only be generated working with a multiplicity of partners, the latter requires the external advice and support of competent service providers.

Our research on social entrepreneurship has shown that cooperation is crucial for their capacity to address and resolve societal problems: cooperation between young and old, recently founded and established, innovative and traditional grown non-profits.

And finally, a new cooperation with the Dutch bank ABN Amro allows us to live cooperation ourselves as a result of a European tendering process. A funding agreement positions CSI to work on innovative and effective forms of social investment respectively. This is complemented by a service agreement to provide for the dissemination of our know how to both staff and clients of the bank.

We wish you stimulating reading, a peaceful advent and a happy holiday season.

Stefan J. Geibel  
Volker Then  
Helmut K. Anheier





## Fireside Chat: The Deutsche Umweltstiftung

The CSI programme "Fireside Chat" was continued in October with the CEO of the Deutsche Umweltstiftung, Jörg Sommer.

The author of the award-winning youth book series, "Ein Fall für die Greenteams", spoke about his interests in journalism when he was a student and his later endeavours in public relations. From his discussion, it was possible to directly experience storytelling as an essential communication skill for a third-sector executive. As with his interest in journalism, he has



Active discussion with students

been committed to volunteering since his youth and is serving on numerous advisory boards and committees on sustainability.

His comments on the Deutsche Umweltstiftung, which is one of the oldest and largest civic foundations in Germany, were especially exciting. Their motto, "Hoffnung durch Handeln", is realised – with a very individualised structure and self-understanding – by environmental

education and information as well as consumer protection.

Additionally, several activities on nature conservation and environmental protection are promoted.

It became clear that the goal of the Deutsche Umweltstiftung is also to promote dialogue between scientists and persons involved in preventative environmental research. The main effect is due to a sustainable network and the speed of translating ideas simultaneous to consensus-based decision-making between 1601 donors.

The subsequent discussion revolved not only around the societal effects, but also around network building, as initiated by the students, and the question of what is needed – from the standpoint of an expert – to achieve a leading position in the non-profit sector. Networks are, according to Sommer, not only essential on the way to a leadership position.

In the office of an executive, developing contacts is as important as the ability to understand different stakeholders in order to coordinate diverse interests.

"Professionalism in the third sector" for Mr. Sommer means: networker and moderator, to be a mediator between different logics, attitudes and views, and at the same time, able to understand it and to think strategically and act entrepreneurially. While practical experience at the highest hierarchical level in the third sector is essential, expert authority is not.

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## New in Teaching

Since the winter semester, there are new organisational changes within the master's programme. The e-learning system is updated to the newest version from the data centre, and the faculty and senate have approved the new examination rules. The examination regulations on the organisational side, now offer the chance to inquire about small achievement tests during the semester course. This is useful not only for didactic purposes, but also for time management.

The training offered by CSI will be complemented by forthcoming events, designed for aspiring or established leaders in the non-profit sector. The new offerings on various topics, such as social entrepreneurship or impact measurement, are based on prior knowledge, individual goals and needs. In order to meet demand as closely as possible, an expert workshop on organisation and educational format for social entrepreneurs took place in July. In small groups, a training exchange took place with well-known representatives in the area.

For more information, visit our website: [www.csi.uni-heidelberg.de/lehre/start\\_e.htm](http://www.csi.uni-heidelberg.de/lehre/start_e.htm)

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52% of the respondents that their reputation improved by association.

In addition to these positive results, the survey indicates areas where the foundations can improve their performance.

This applies inter alia to the flexibility of the organisation and also to the transparency of the decision-making process. In particular, the communication of grant application rejection was criticised as inadequate by the partners concerned. A recommendation of the study is to optimise the processes that positively reflect the work of the foundations overall.

The results of the study were presented at the Deutscher Stiftungstag 2012 for the first time, providing a valuable contribution to the research of the German non-profit sector. They highlight the prominent role of foundations in society and also refer to the necessity and importance of their community service.

Referring to the findings and statements from the raw data, nearly 6500 people were invited to respond to the anonymous online survey.

1981 people (30.5%) participated, among which 1458 of the responses were from au-

thorised partners, and 523 responses from declined applicants.

In order to trace changes and improved processes, it is intended to repeat the survey in two or three years, giving other foundations a chance to join.

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## Investment Behaviour of the Top 200 German Foundations

On October the 15th, CSI and the Bundesverband Deutscher Stiftungen presented the results of the study, "Anlageverhalten der kapitalstärksten deutschen Stiftungen" in Berlin. Funded by the Banque de Luxembourg, the study questioned 200 of the most financially strong German foundations on their investment behaviour. 44 took part in the survey, representing a wealth of more than 13 billion euros.

The central find of the study was: The financially strongest foundations have solid mechanisms for investment management. Critical to their investment strategies are objectives, asset categories and risk parameters, preferring more conservative investments in these cases. The deciding body for investment decisions is a managing board.

However, half of the surveyed foundations did not require expertise in financial matters as an explicit criterion for the appointment of board members. Rather, external consultants, who three-fourths of the foundations employ, provide additional investment expertise. Criteria for their selection include specialised

skills and previous experience. Interestingly, investment performance is not mentioned as



Discussion with Dieter Lehmann, Dr. Volker Then, Dr. Michael Hanssler at the public presentation

a particularly important criterion. With respect to internal control mechanisms for investment decisions, 41% of the foundations do not have a separate supervisory body for financial assets. Additionally, 41% do not publish financial statements regularly, thereby avoiding public scrutiny of their investment. Mission investing, i.e. an asset investment within the scope of the foundation's objective is a relatively new

concept for the larger German foundations as it is currently practiced by only 30%. Looking to the future, a third of the foundations are "slightly positive" toward mission investing, while another third is "slightly negative" and 20% stated to be neutral. Another 11% of the foundations plan to adopt this approach. This also indicates that foundations are cautious to invest in emerging markets.

The final report of the study (in German) can be accessed online at

[www.csi.uni-heidelberg.de/downloads/CSI-Studie\\_Anlageverhalten\\_Stiftungen.pdf](http://www.csi.uni-heidelberg.de/downloads/CSI-Studie_Anlageverhalten_Stiftungen.pdf)

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## New Project on the Application Process for Scientific Research

As of September 2012, CSI through the DFG will fund a two-year research project, "The way we ask for money...", a qualitative study on the transformation of scientific research through application processes.

Under the direction of Jun.-Prof. Dr. Kathia Serrano-Velarde, the project is devoted to the question of how research focus has changed in response to research funding applications between 1975 and 2005 and what reasons can be identified at the organisational and societal level.

Examples of different legitimisation structures will be identified and analysed in departments of political science and chemistry.

The first focus is an analysis of the guidelines and information of various German research funding organisations.

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## Innovative Solutions to Social Problems

Research Project Monitors and Analyses Social Services

What innovative social service projects are currently available in Europe? In which contexts are they found and what distinguishes them? What are the challenges requiring creative and innovative solutions?

These questions are the subject of the EU-funded research project, "Social Platform for Innovative Social Services" (INNOSEV). It is operated together by CSI and nine European partners for research and practice. Guiding the two-year project is the Diakoniewissenschaftlichen Institut (DWI) of the University of Heidelberg.

The central aims of the project are to capture the latest trends in science, practice and policy; to discuss and identify knowledge gaps; and to develop a research agenda. Thus, the link between research and practical application is

created. Scholars, practitioners, policy makers and also the recipients of social services should talk with one another in order to promote the subject of innovative social services in Europe.

The project team will first examine present key factors that will be central to future innovation in social services. Then, 20 of the most innovative European projects in education, health and social services will be identified, shown on film and accompanied by detailed case studies.

For more information and current discussions on the projects' topics: [www.inno-serv.eu](http://www.inno-serv.eu)

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## Personalia

**Rüdiger Knust** has been joining to strengthen the advisory services team at CSI since June 2012.

Rüdiger studied economics with a focus on international management and organisation at the University Paderborn and worked afterward for the British Invensys PLC in a Financial Shared Service Centre in Antwerp.

Later, he was the assistant manager of direct marketing at Arvato Services in Gütersloh, and then moved into a consultant position for customer experience management by Ad Scopum in Paderborn.

Rüdiger developed strong interests in the third sector and CSI topics after having worked, for many years, in a day care home of the Caritas. He never abandoned pursuing the topic ever since. At CSI he is particularly concerned with projects around the issue of social entrepreneurship and social business.



**Miriam Schwarz** works as a research fellow for the project on the transformation of scientific research through application processes since September.

Miriam studied political science and history at the Südasiens-Institut at the University of Heidelberg. In addition to spending time abroad in Sri Lanka and India, she studied for a semester at the University of Oslo and attended the Essex Summer School to pursue her interest in poststructuralist discourse analysis. In her thesis, she traces how the Rajapaksa regime in Sri Lanka defends its government policies given human rights abuse in the last phase of the Eelam war.



## CSI Wins New Grant

**ABN AMRO Private Banking supports the research activities of the Centre for Social Investment at the University of Heidelberg.**

The contact was formed through a graduate of the Master's Programme, Jörg Ultsch, Director of Foundations and Non-profit Organisations at Bethmann Bank, the ABN AMRO private banking representative in Germany.

In a European competition, CSI won ABN AMRO Private Banking as a new funding partner, receiving the opportunity to further expand its research on the third sector.



Opening session in Heidelberg

A long-term partnership between ABN AMRO Private Banking and Bethmann Bank will ensure continued support for foundations and

non-profit organisations. Through the support of the bank, CSI has the opportunity to further advance research on the strategic alignment and value of civil society organisations in the European context, especially in education, health and other social functions.

CSI has already participated in workshops of the cooperation partners. For example, Volker Then and Robert Münscher gave speeches at workshops of Bethmann Bank in Frankfurt and Coogne. Issues for discussion were the challenges and current trends in the non-profit sector in Germany as well

as modern methods to realise sound social impact assessment studies.

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## Social Entrepreneurs – Opportunity for Social Innovation

**Politicians, academics and practitioners discuss the results of a two-year research project on social entrepreneurship.**

On September the 13th, representatives of the seven participating universities and the Stiftung Mercator shared the findings from the two year investigation of the Mercator Research Network "Innovatives Soziales Handeln. Social Entrepreneurship" at ProjektZentrum in Berlin. The results of the study can be summarised as follows:

Social entrepreneurs in Germany often encounter many promising innovations, not only in young, founding organisations, but also in larger, more established organisations. Here, the finance organisations usually consist of a mix of public and private funds. A purely market-based income is rarely successful, but there are

different possibilities for effectively supporting social entrepreneurs. It makes sense to have a network of social entrepreneurs with various sponsors, such as government, companies, private investors and welfare organisations. Transfer agencies can support social entrepreneurs in accessing appropriate funds at different stages of development. In addition, policy-makers should create flexible funding incentives and generate innovation incentives in regulated markets such as health care and youth services, e.g. an innovation clause in social law. To study the effect of social entrepreneurial activity should also be encouraged.

The project report can now be purchased online: [www.csi.uni-heidelberg.de/downloads/Policy%20Paper\\_Sozialunternehmertum\\_2012](http://www.csi.uni-heidelberg.de/downloads/Policy%20Paper_Sozialunternehmertum_2012)

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## Imprint

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