

Private foundations – a unique player in Danish research funding

A detailed description of the methodology and data underpinning this study is available in the full, Danish language background report, which can be ordered or downloaded through www.dea.nu. For more details about the study please contact Head of Secretariat Maria Lindorf at mal@dea.nu.

About this report

This report is an analysis of the private foundations that give grants to public research in Denmark. It covers foundations that exclusively fund research as well as foundations that have research funding as one of their activities.

We apply a broad definition of foundations, which includes a number of non-profits that fund research, such as commercial foundations, traditional non-profits, independent foundations, fundraising and patient advocacy charities. For the purposes of this study, the terms “private foundation” and “foundation” will refer to all these organizations.

This report is based on data from:

- Qualitative interviews with nine of the largest Danish foundations: The Novo Nordisk Foundation, Lundbeck Foundation, the VELUX Foundations, Carlsberg Foundation, TrygFonden, Realdania, The Obel Family Foundation, the Nordea-fonden, and the A.P. Møller Foundation.
- A quantitative survey of private foundations that support research: A total of 20 private foundations took part in the survey, including the June 15 Foundation, Carlsberg Foundation, COWIfonden, Danish Cancer Research Foundation, Danish Maritime Foundation, The Obel Family Foundation, The Mads Clausen Foundation, the Danish Rheumatism Association, the Danish Heart Foundation, the Knud Højgaard Foundation, the Lauritzen Fonden, Lundbeck Foundation, the Danish Dairy Council Research Foundation, The Nordea-fonden, Novo Nordisk Foundation, the Otto Mønsted Foundation, Realdania, The Rockwool Foundation, TrygFonden and the VELUX Foundations.
- Interviews involved a total of eight Danish universities and were conducted with management and administrative representatives, as well as with four select researchers who had received large research grants.
- Desk research on the importance of foundations for research and collaboration between universities in Denmark and abroad.

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Preface

There have been many critical discussions in recent years regarding private foundations in Denmark and their role in funding public research. Unfortunately, these discussions have often been marred by an unconstructive cynicism that has lost sight of the major support that foundations provide and their importance for research in Denmark. The discussions have also been muddled by a lack of understanding and criticism around grant-giving foundations in Denmark – especially around their diverse aims, rationales and tools for supporting research.

This is a pity. Not only because of the critical role the foundations and their many activities play for universities, and for individual researchers and research projects, but equally because they collectively provide a substantial economic boost to public research in Denmark – which is crucial to ensuring Denmark’s global competitiveness in the scramble for top-tier international research talent, and the ability to make ground-breaking impacts in our key areas of expertise.

It is additionally clear that private foundations are becoming increasingly important for public sector research, due to universities being challenged by the need to bring in more and more external funding for research and as unconditional block grants make up an ever-smaller proportion of their income.

This report is intended to shed new light on foundations that fund research in Denmark, which we hope will help foster a more nuanced discussion around how foundations can contribute to and interact with public research funders in the future.

According to the research, there are good reasons to take a closer look at private research funding foundations. They play a unique role in the research ecosystem – and bring something new to the table, compared to government funding bodies. For one, they enjoy more political independence. Many of them also focus on long-term, unconventional research and are more open to risk. Finally, they tend to be relatively flexible organizations that strive to be un-bureaucratic.

This report also shows that some research institutions and sub-fields are much more likely to access funding from private foundations than others. There is room for a constructive debate on how we can optimize cooperation between private foundations, universities and the public funding bodies – which will be essential to strengthening the position of Danish research in the global economy.

Chapter 1: The Danish Foundation Landscape

Private foundations are substantial contributors to research in Denmark. To give an example, two of the foundations discussed in this report have between themselves, donated around 5.6 billion DKK to research between 2009 and 2011. By comparison, the two largest public funding bodies (Independent Research Fund Denmark and the Strategic Research Council) have awarded 6.7 billion in research grants within this same period.¹

This report focuses mainly on private foundations that fund public research in Denmark and covers foundations that solely fund research as well as foundations that have research funding as one of their activities. This definition of foundations is wide enough to include a number of non-profits that support research, including commercial foundations, charitable foundations, independent foundations, dedicated fundraisers, and patient advocacy organizations.

The sections below present the main findings of our research into the Danish private research funding landscape.

The importance of foundations to research funding

Foundations have a unique role to play for a number of reasons. For one, they are independent from the political system, which enables them to be open to risk and work on a long-term basis in their grant provision. They are also generally considered less bureaucratic (e.g. around grant applications or with process reports for funded activities) than public funding bodies. Many foundations also fund research that challenges the status quo, which on normal grounds might struggle to achieve public funding, such as multidisciplinary projects or research in emergent fields. Finally, private foundations tend to be very flexible organizations, quick to adapt to changes in the research landscape.

Grants from private foundations for public research

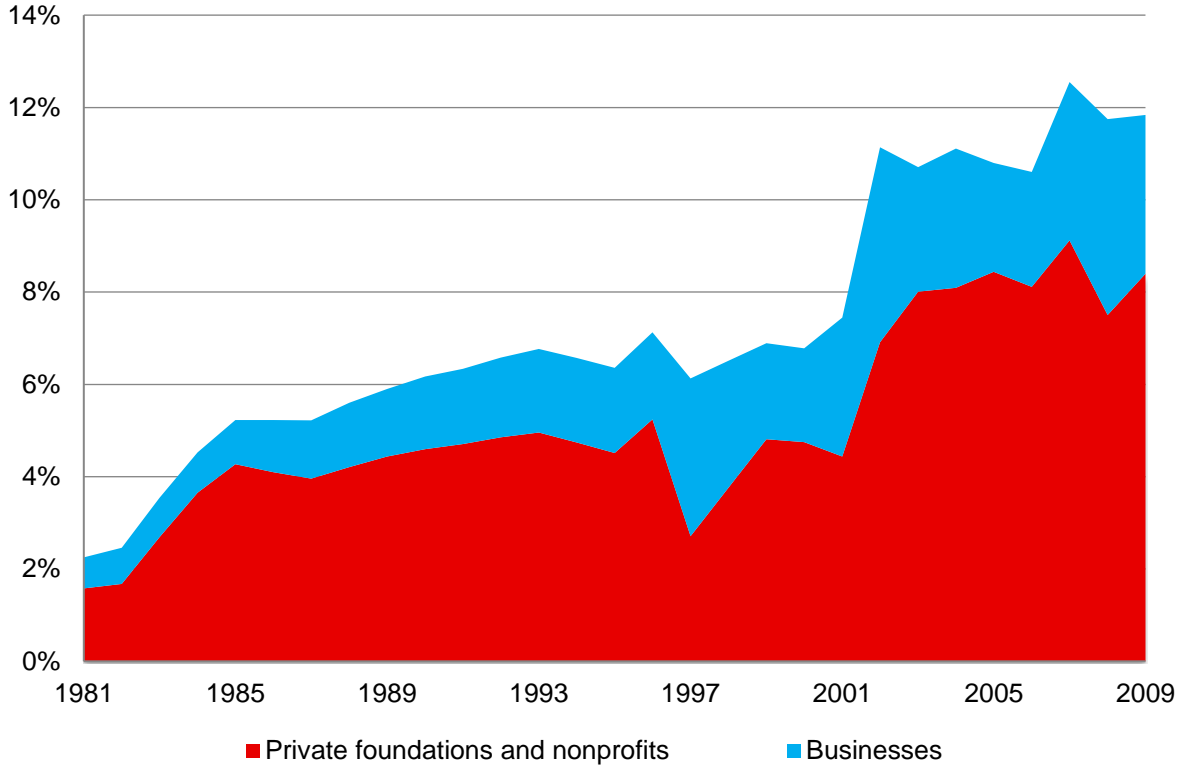
The importance of foundations' economic contribution to Danish research is shown in Figure 1, which depicts the share of overall public research funding provided by foundations and non-profits.

As the illustration shows, the percentage of overall university research funding provided by foundations and non-profits rose from 1.58 percent in 1981 to 8.4 percent in 2009. There has evidently been a considerable increase in the share of research at Danish university that is funded by private foundations.

Figure 1.2 compares the share of overall funding for university research that was provided by foundations and non-profits in 2008 across a number of countries. As is evident in the chart, Denmark has the sixth highest share, below the United Kingdom, Sweden, the Netherlands, Canada and the United States.

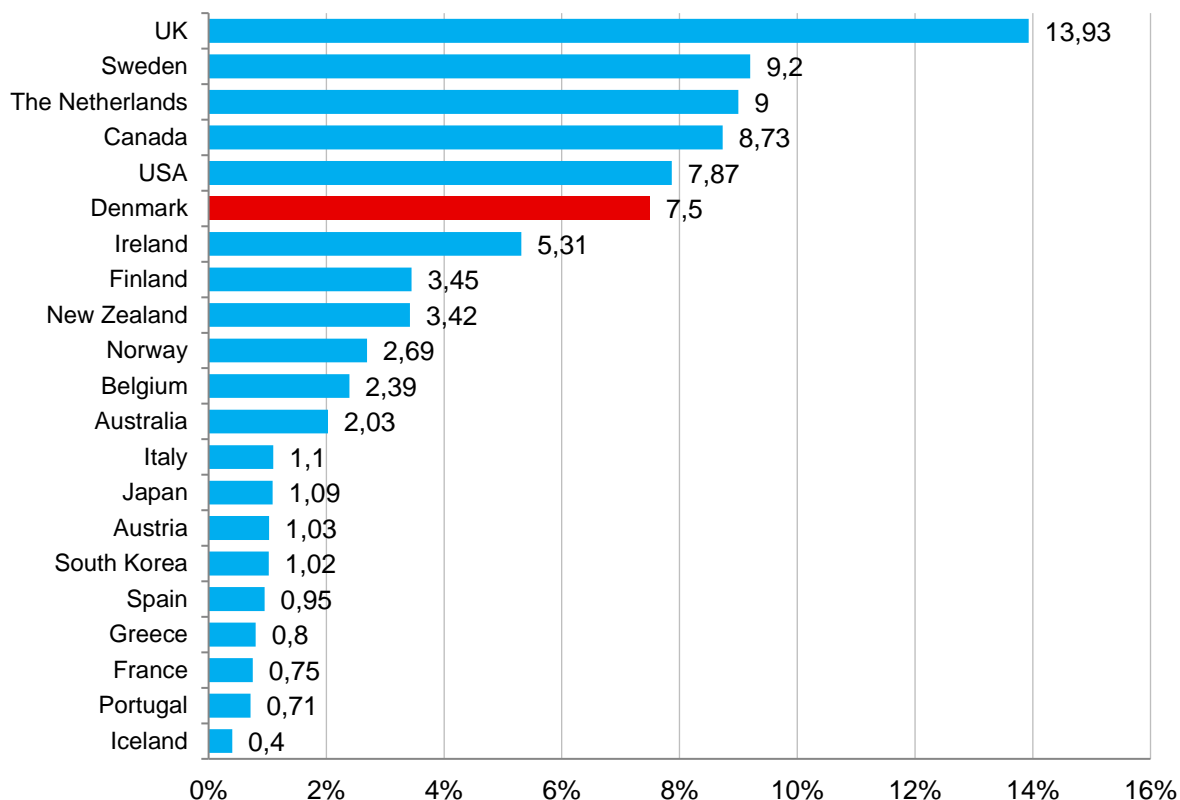
¹ Annual reports from 2011, 2010 and 2009, Independent Research Fund Denmark; Annual Report 2011/2012 and Grant Summary, 2010, Strategic research Council.

Chart 1.1: Funding for public research from businesses, and private foundations and non-profits (cumulatively, shares of the total funding for university research, 1981-2009).



Source: Ministry for Business and Growth, based on figures from the OECD and Statistics Denmark, 2007-2008. Data for 1994 and 1998 are estimates. The data for 2007 and 2008 have been revised by Statistics Denmark in line with OECD data.

Chart 1.2: Funding from private foundations and nonprofits (share of the total funding for university research, 1981-2008)



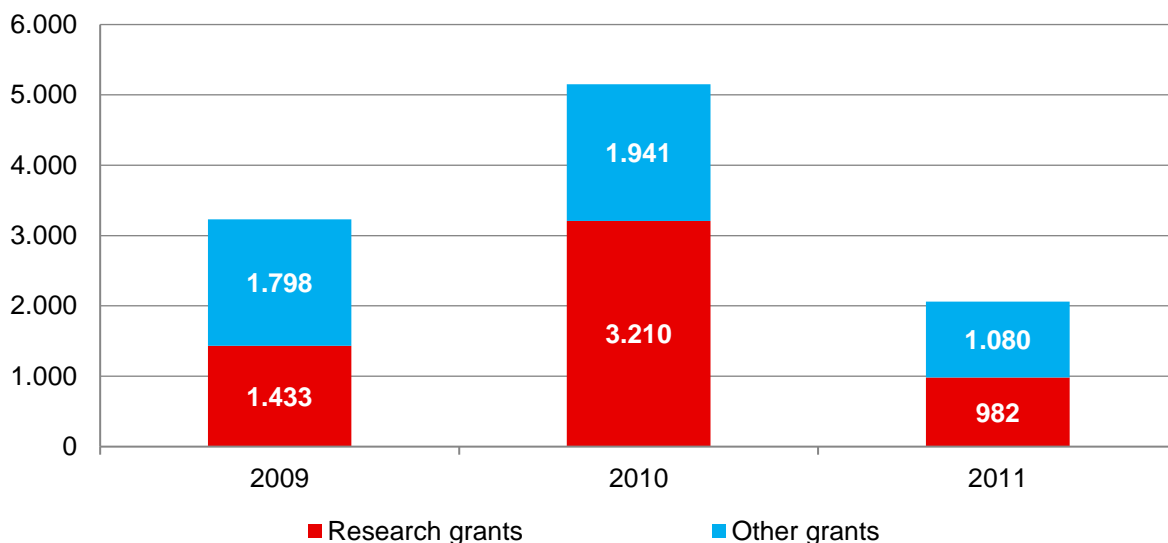
Source: Ministry for Business and Growth, 2011, based on figures from the OECD and Statistics Denmark, 2007-2008. Data for Germany was not available. Data for Norway, New Zealand, Australia, the Netherlands, Belgium and Sweden are from 2007-figures, and the data for Greece is from 2005. The data for 2007 and 2008 have been revised by Statistics Denmark in line with OECD data.

For this report, we conducted a review of research grants provided by private foundations over the last year. Twenty private foundations featured in the survey, cf. “About this report” on page 1. Research funding can be recorded in one of two ways: as funding granted or as funding spent (or disbursed). This report is based on funding granted, to track current developments.

Chart 1.3 shows the trend in grants between 2009 and 2011 (including both years) awarded by the foundations featured in the survey. In this period, these twenty foundations awarded 10.4 billion DKK between them, of which 5.6 billion (or 54 percent of overall grants) went toward research.²

² It is important to note that these figures are not exhaustive. For instance, grants from the A.P. Møller Foundation or Augustin Foundation, both major funders of research, were not covered.

Chart 1.3: Total research grants by private foundations (2009-2011, millions DKK)



N = 20 foundations

Source: DAMVAD, 2012.

Note: The 2010 peak in grants was due to a major research grant made by the Novo Nordisk foundation in 2010 to the tune of 2 billion DKK.

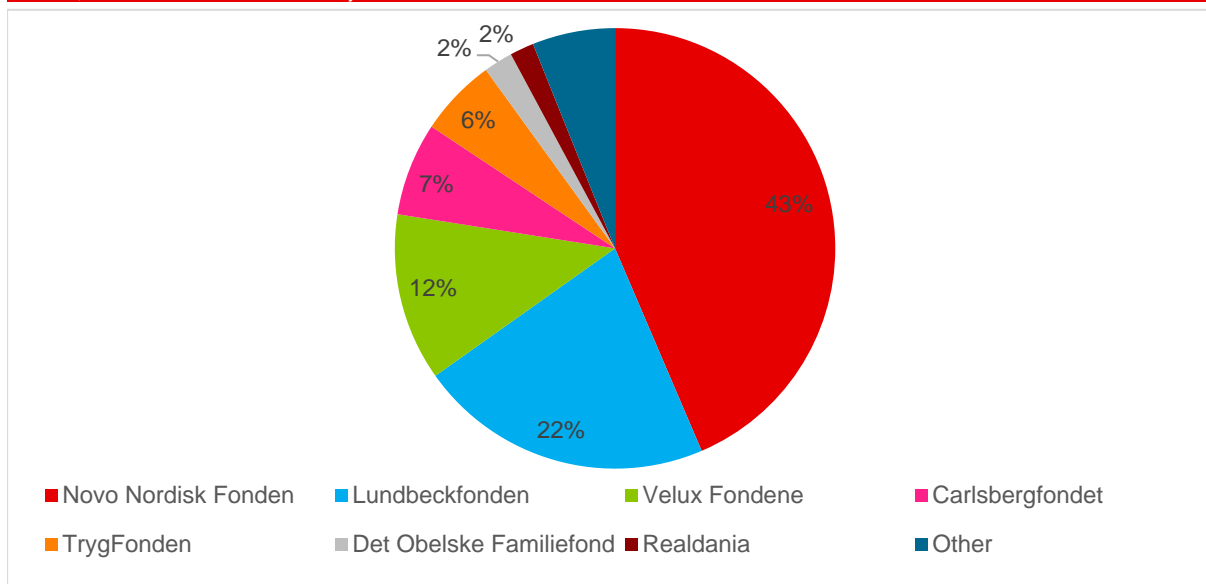
As the chart shows, there are major variations in the level of funding made available by the foundations from one year to another. Our survey also found major annual variations in grants provided by individual foundations.

For instance, the Novo Nordisk Foundation donated more than 2 billion DKK to research in Denmark in 2010 – approximately ten times what they donated in 2009 and 2011, which also explains the high overall level of funding in 2010.

A limited number of foundations account for the majority of research grants

It is also worth noting that a limited number of foundations are responsible for the vast majority of research grants. Chart 1.4 shows that seven foundations accounted for 94 percent of the overall private research funding in the period considered in this study.

Chart 1.4: The seven foundations that awarded the largest grants from 2009-2011 (by award sum, not funds disbursed)

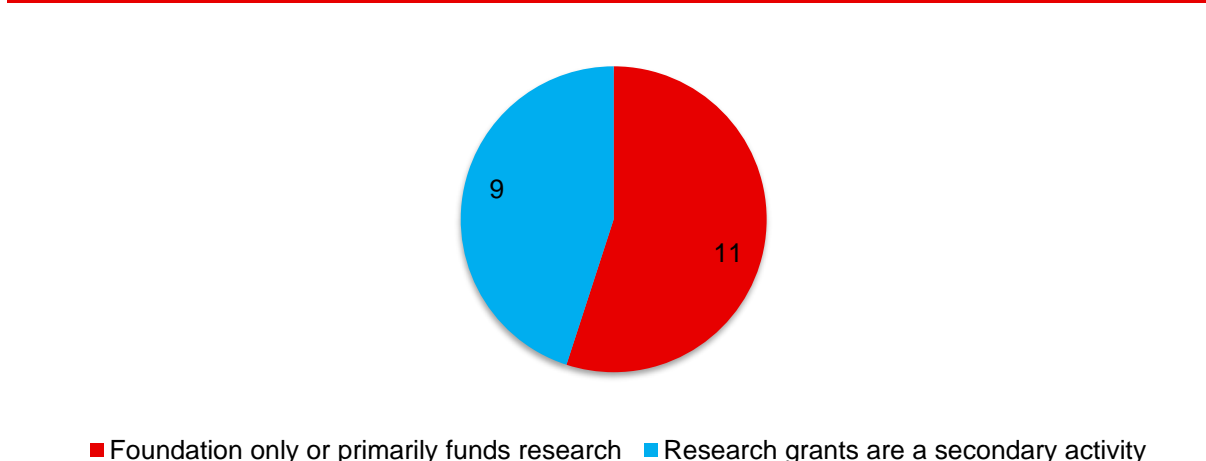


N = 20 foundations
 Source: DAMVAD, 2012.

Funding for research: means or end?

Our research has also found that foundations that support research generally fall into two groups - dedicated research foundations, and foundations that support research as a means to an end. The distribution between the two is shown the chart (1.5) below.

Chart 1.5: Foundations by overall approach to re-search funding



N = 20 foundations
 Source: DAMVAD, 2012.

The first group is composed of dedicated research foundations whose sole or primary function is to provide funding for research. Between them, the 11 dedicated research foundations that participated in this survey have donated 5 million DKK (around 89 percent of the total 5.6 billion in grants made) to

research between 2009 and 2011. Research grants accounted for between 58 and 100 percent of their total donations, as shown in Table 1.1.

The second group comprise foundations that support research as a means to an end, in other words, they consider research funding as one of several tools to be applied in the furtherance of their primary goals, which could be to create better urban spaces or promoting healthier eating among children. Research funding is a secondary priority for these foundations. Nine of the twenty foundations included in the survey made out grants to research to advance a separate cause. Between 2009 and 2011, foundations of this sort gave a total of 622 million DKK toward research, and research accounted for between 3 and 29 percent of their total donations during this time.

Table 1.1: Total grants awarded and research grants awarded (2009-11)

	Solely/primarily supports research	Aggregated grants awarded 2009-2011 (bil. DKK)	Of which awarded for research 2009-2011 (bil. DKK)	Proportion of research funding in total grants 2009-2011
June 15 Foundation	Secondary activity	64	14	22%
Carlsberg Foundation*	Dedicated research foundation	503	385	77%
COWIfonden	Dedicated research foundation	5	3	60%
Danish Cancer Research Foundation	Dedicated research foundation	8	8	100%
Danish Dairy Council Research Foundation	Dedicated research foundation	36	36	100%
Danish Heart Foundation	Dedicated research foundation	70	70	100%
Danish Maritime Fund	Secondary activity	94	11	12%
Danish Rheumatism Association	Dedicated research foundation	33	33	100%
Knud Højgaards Foundation	Secondary activity	147	22	15%
Lauritzen Fonden	Secondary activity	75	2	3%
Lundbeck Foundation	Dedicated research foundation	1.216	1.216	100%
Mads Clausen Foundation	Secondary activity	31	3	10%
Nordea-fonden	Secondary activity	423	30	7%
Novo Nordisk Foundation	Dedicated research foundation	2.570	2.451	95%
Obel Family Foundation	Secondary activity	414	120	29%
Otto Mønsted Foundation	Dedicated research foundation	35	32	91%
Realdania	Secondary activity	2.065	99	5%
Rockwool Foundation	Dedicated research foundation	96	68	71%
TrygFonden	Secondary activity	1.351	321	24%
VELUX Foundations	Dedicated research foundation	1.199	692	58%
Total		10.435	5.616	54%

Source: DAMVAD 2012

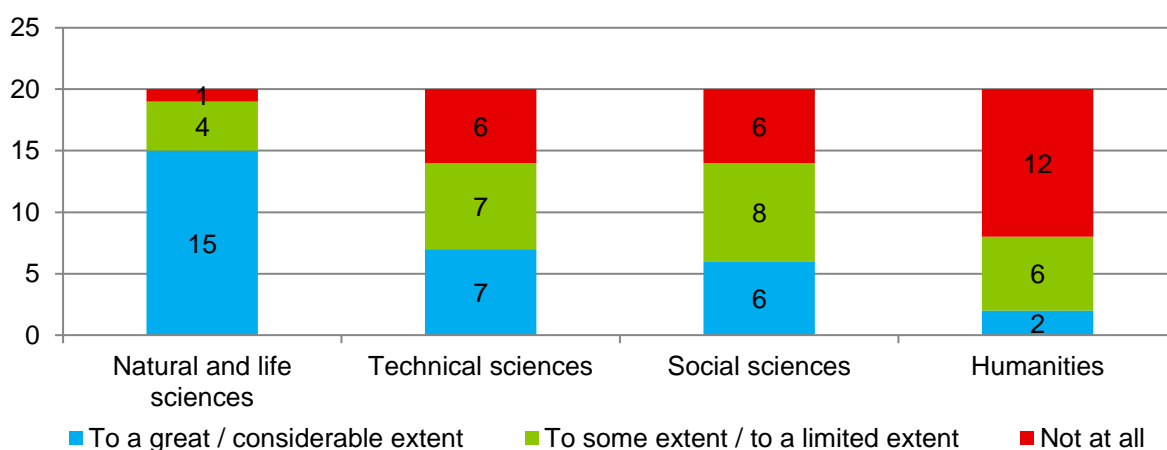
* awards by The Carlsberg Foundation include bi-annual awards for the Carlsberg Laboratory, The Tuborg Foundation and the Museum of National History at Frederiksborg Castle. The majority of these awards also go to research, making the true proportion of awards going to research significantly higher than reported.

Most support for the hard sciences – least for the humanities

Grant-giving by private foundations is naturally governed by the regulations set out in their charters. Many of the 20 foundations featured in this study are bound by their charters to support particular research areas within the natural sciences, life sciences, technical sciences, social sciences or the humanities.

Support for different fields of academia by foundations is shown on Chart 1.6:

Chart 1.6: Research areas supported by foundations



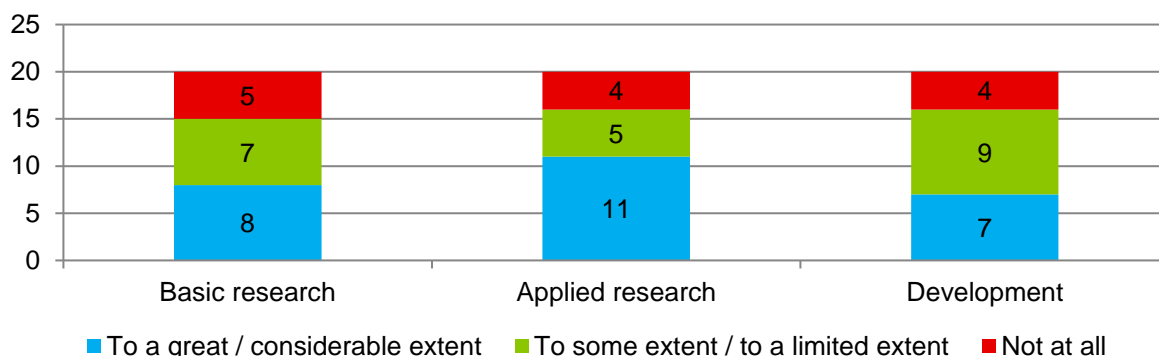
N = 20 foundations
Source = DAMVAD, 2012

As shown above, research in natural and life sciences is supported to a “great” or “considerable” extent by 15 out of 20 foundations. Research in technical fields is supported to a great or considerable extent by seven foundations, while to a limited or very limited extent by seven additional foundations. The social sciences are supported to a great or considerable extent by six foundations, with some or limited support coming from an additional eight foundations. Only two foundations support research in the humanities to a great or considerable extent, while 12 out of 20 of the foundations in this study provide no support at all for the humanities.

Foundations support basic as well as applied research

Chart 1.7 presents the types of research that received support from private foundations. As it shows, private foundations support research throughout the value chain – that is, foundations provide funds for basic research as well as applied research and development.

Chart 1.7: Foundation grants by research type



N = 20 foundations
 Source = DAMVAD, 2012

The survey found that seven of the foundations split their attention equally between basic or applied research and development. The remaining 13 foundations tended to focus on one end of the value chain.

It is also worth noting the considerable extent to which the 11 dedicated research foundations, who accounted for 89 percent of overall research grants from private foundations between 2009 and 2011, focus on basic research. As Table 1.2 shows, basic research was supported by all but two of the dedicated research foundations. All in all, about two-thirds (7 foundations) support basic research to a great or considerable extent.

Table 1.2: To what extent does the foundation support basic research? (Split by type of foundation)

Foundation	To a great or considerable extent (%)	To some extent or to a limited extent (%)	Not at all (%)	Total (%)
Dedicated research foundations	7 (64 %)	2 (18 %)	2 (18%)	11 (100 %)
Other foundations	1 (11 %)	5 (56 %)	3 (33 %)	9 (100 %)

N = 20 foundations
 Source: DAMVAD, 2012

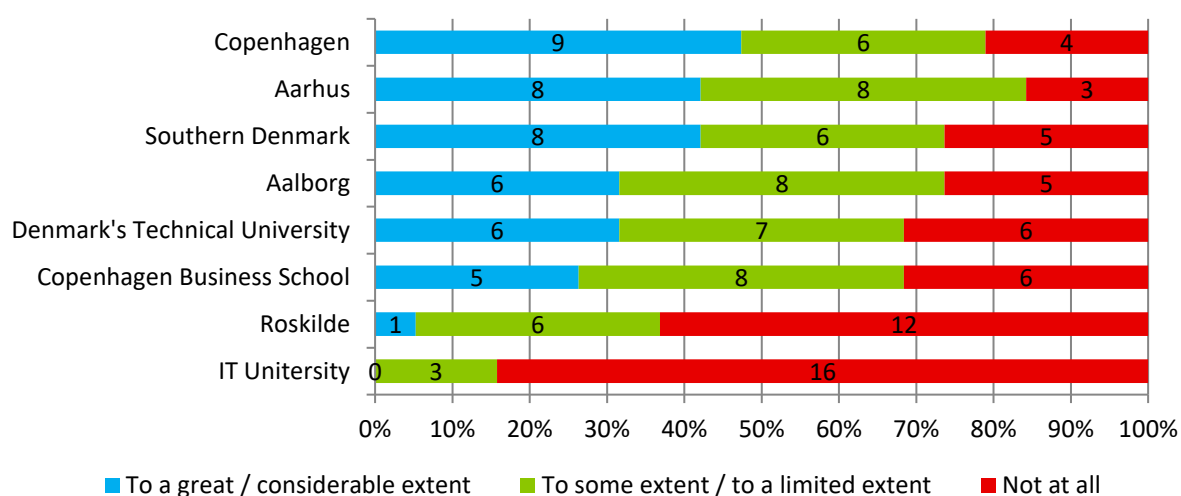
Major differences in support for different universities from foundations

Our survey found major differences in the amount of support the foundations provided for different universities, cf. Chart 1.3³.

³ A number of foundations also support researchers outside the universities, such as independent research institutes (sector research institutes). However, the extent is limited, and hence it has not been included in the final analysis.

The foundations' choice of universities to support primarily depends on which field of research they tend to support. Grant-giving is also influenced by historical circumstances, such as if one of the founders had a particular connection to a university or geographic region of Denmark. The universities of Aarhus and Copenhagen receive support from the largest number of foundations. The universities of Southern Denmark and Aalborg, Denmark's Technical University and the Copenhagen Business School also attract grants, albeit to a more limited extent, while Roskilde University and the IT University receive the least support from foundations.

Chart 1.8: To what extent are the eight Danish universities supported by foundations?



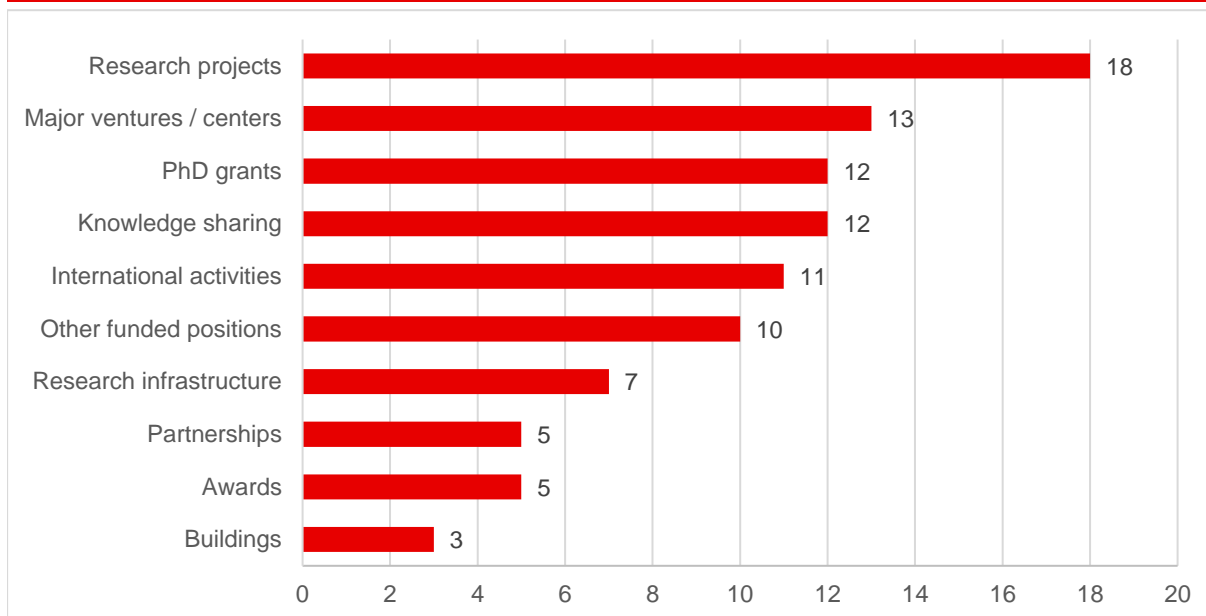
N = 19 foundations
 Source: DAMVAD, 2012

Foundations support a wide range of activities, great and small

The foundations provide a mixture of small and large grants for research, in part because different kinds of support serve different purposes. For instance, major long-term grants can allow researchers to take their research in new directions, while minor grants (e.g. for travel bursaries, publicity or small-scale projects) support researchers in their day-to-day work.

Chart 1.9 shows how grants from foundations were distributed across a number of larger and smaller research activities. Research projects, major research ventures or research centers, funded PhD positions, and knowledge sharing received the most support.

Chart 1.9: Research activities supported by foundations



N = 20 foundations
 Source: DAMVAD, 2012

Project assessment: relevance for foundation’s purpose and research quality are the main criteria

When assessing projects and potential grant recipients for grants, private foundations apply a set of more or less formalized criteria. Chart 1.10 lists criteria used by foundations to prioritize projects.

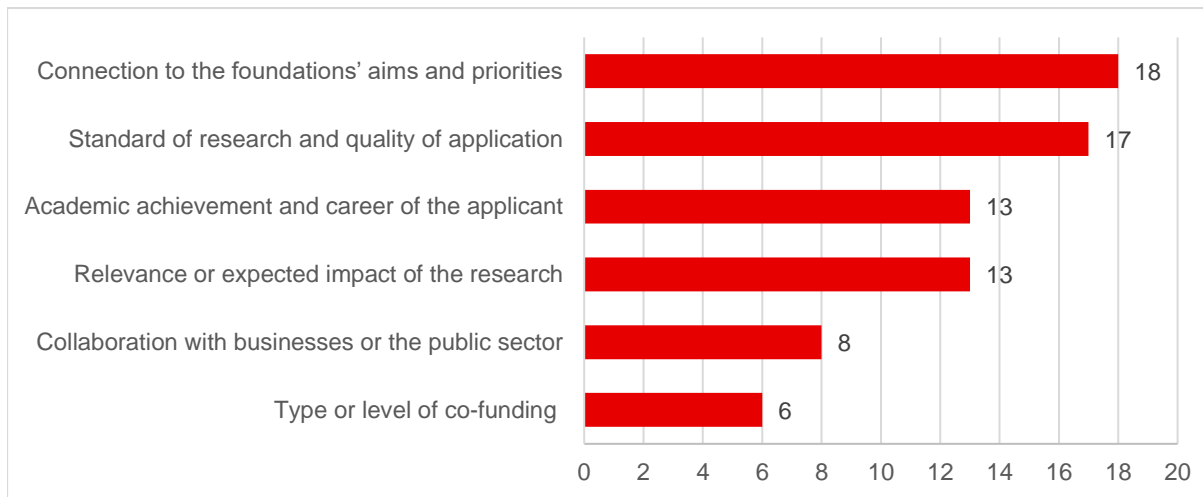
The most used criterion in grant application assessment is “alignment with the foundation’s purpose and priorities.” Naturally, projects need to fit in with the stated aims of the grant-giving foundation.

Thirteen foundations consider “the relevance or expected impact of the research” in their application processes. This criterion, which is also used by the Danish Council for Strategic Research, is especially applied by foundations that support research as a secondary activity, i.e. in support of a different ultimate purpose.

In contrast, dedicated research foundations, for whom research funding is their primary activity, tend to emphasize the same “classical” grant criteria as applied by the public funding bodies, e.g. “quality of research and application” and “the applicants’ research achievements or career,” which are taken into account by 17 and 13 of the foundations, respectively.

Overall though, research excellence stands out as the central criterion of assessment among the foundations included in this survey. This is often a result of a principled commitment on the part of the foundations to only support high-quality research. Others mention the importance of being seen to support high standards as a part of maintaining the legitimacy of the foundation among academic researchers. Last but not least, a number of the foundations have highlighted that supporting the best researchers increases the odds of favourable outcomes for the activities they support.

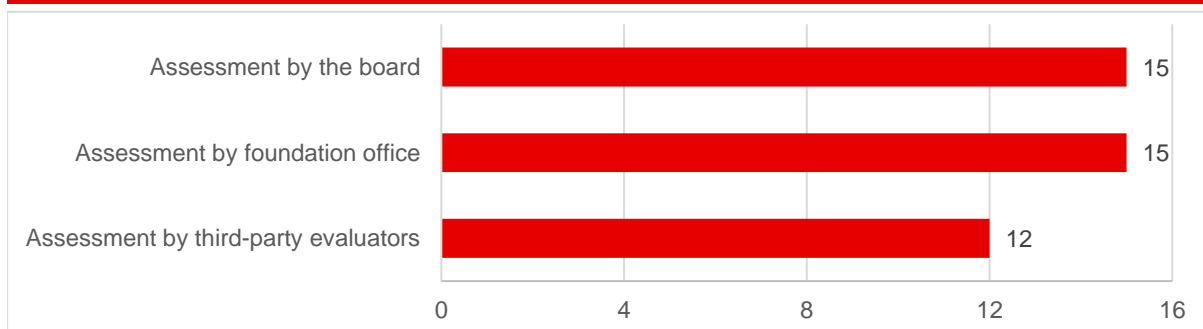
Chart 1.10: Research grant application criteria



N = 20 foundations
 Source: DAMVAD, 2012

The survey also asked the foundations to indicate which procedures they have in place to assess and select candidate projects. The responses are listed in Chart 1.11.

Chart 1.11: Procedures for assessing applications and other potential projects in Danish foundations



N = 20 foundations
 Source: DAMVAD, 2012

Of the 19 foundations that answered the question, 15 indicated that the board of directors influences the final decision on which projects to support. In many cases, it is merely a formal ratification by the board of a recommendation from outside assessors, or where the board makes a final selection from a shortlist of projects that have received positive evaluations by outside assessors.

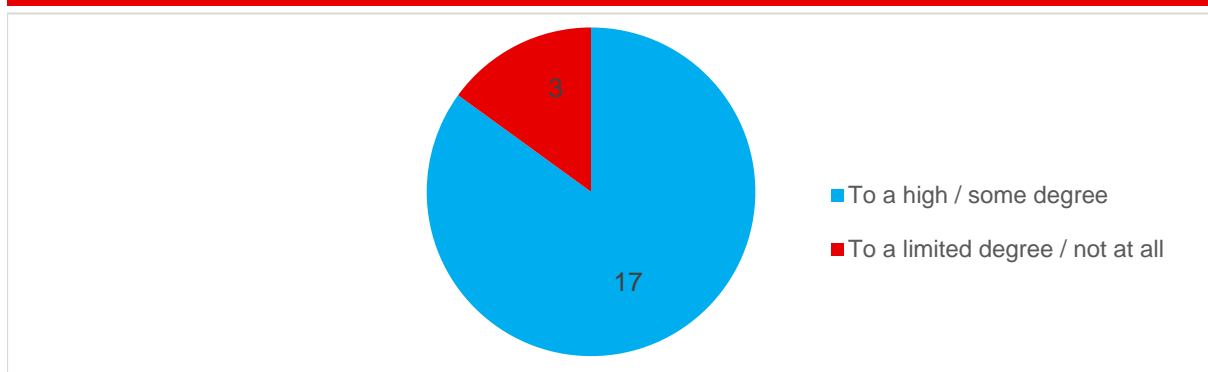
Input from the foundation's office is another important factor for 15 of the foundations.

Nevertheless, 12 out of 19 foundations base their grant decisions on recommendations from outside assessors. These recommendations can be made in different ways, including by panels of relevant outside experts or through full peer review processes like those used by public funding bodies.

Considerable focus on publicity

Ensuring that the results of the activities they support are communicated to the business world and general public is a major priority for many of the foundations. Communications efforts to that effect are undertaken within the scope of the projects supported (Chart 1.12) and by the foundations themselves (Chart 1.13).

Chart 1.12: Whether foundations require project activities to be communicated to the public / practitioners

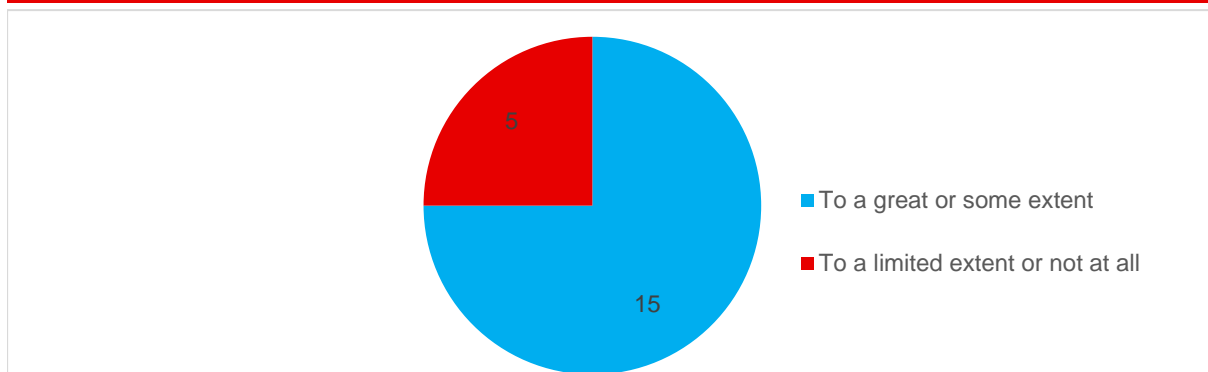


N = 20 foundations
 Source: DAMVAD, 2012

Communication is particularly important to foundations where research serves an instrumental purpose. By requiring that results be published, these foundations can ensure that they make an impact.

For a few of the foundations, education is the most important way in which their research projects are communicated. Supporting research-based education and the training of new postgraduates and researchers at the top of their fields is a key output of the projects they support. This helps ensure access to a qualified pool of talent in the future. As a result, these foundations rarely, if ever, allow researchers to use grant funding to reduce their teaching loads during projects.

Chart 1.13: Whether foundations prioritize communicating grant project outcomes on their own



N = 20 foundations
Source: DAMVAD, 2012

Chapter 2: Research Grants from Private Foundations from A University Perspective

Universities are the primary recipients of grants from foundations, which are used to fund individual researchers or research groups and centers. In this section of the report, we take a closer look at how foundations support research as seen from universities.

While the findings presented in the previous chapter were based on a survey of 20 foundations and additional interviews with a select list of foundations, this section is primarily based on insights from interviews with respondents from the eight Danish universities. The respondents consisted of eight representatives of the university management and administration appointed by the universities, and four researchers who have been recipients of large grants.

Private grants give you “room to do research”

The interviews with the representatives of the eight universities indicate a generally welcoming attitude of the university toward research grant-giving by private foundations and their interactions with the foundations.

The universities especially, appreciate private funding because of the long-term nature of the grants, which gives them “room to do research”, because they are accepting of risks and only require minimal administration. Both the researchers and representatives of university management see major differences between receiving grants from private foundations and ordinary funding from public research funding bodies.

The university representatives also appreciate the opportunity to focus their investments in a few key areas – whether thematic or geographical – given the foundations’ charters and stated aims.

A more proactive approach to cooperating with foundations

The relationship between universities and foundations has been constantly changing in recent years. As basic block grants from the government diminish from the share of the universities’ total funding, and universities have come under increased pressure to secure outside funding, the incentive to cooperate with private foundations has increased steadily. This is in no small part because private grants come with fewer bureaucratic burdens (associated with applications as well as disbursements), and because many foundations have begun to support more ambitious research ventures that promise to achieve a greater critical mass and raise standards in the research community.

Traditionally, foundations have tended to interact with university researchers on the individual level. Considering the developments mentioned above, Danish university administrators have taken a more pro-active approach toward the foundations.

To this end, some of the universities make an effort to contribute actively to conversations with foundations, for instance around identifying potential projects. Other universities try to coordinate their researchers’ grant applications – partly to help them produce high quality applications for grants from relevant foundations, and partly to avoid researchers from the same institution sending too many competing applications to the same foundation.

Finally, some universities point out that conversations with private foundations help them stay abreast of relevant existing or future forms of support and focus areas for the foundations, thus allowing them to coordinate their own initiatives to better align with the interests of the foundations.

It should however also be noted that management at some universities have made a conscious decision not to approach foundations or play an active role in cooperating with them. This is usually to avoid discouraging the researchers' own bottom-up efforts to secure outside funding, for instance from private foundations. All the universities do; however, provide advice and support for researchers who so desire.

Free money comes at a cost – in the form of strategic support

The universities share an understanding that “money isn't free.” Large grants are particularly likely to involve a considerable amount of co-funding from the universities. Among other reasons, this is because many foundations will not fund overhead costs, i.e. fixed cost at the universities, such as wages, offices, and administration. This entails that universities must provide matching funds to cover their fixed costs.

Large-scale private grants also require considerable co-investment from universities, to ensure that the activities funded through the grant are properly embedded and built on within the university, for instance by recruiting additional academic or administrative staff, buying or operating research infrastructure, and investing in complementary or associated research and educational activities spurred by the initial project.

If the universities fail to embed the grant-funded activities within the organization, they are likely to fizzle out when the grant expires, which limits their potential value to the department.

Money for project co-funding comes out of the department or university's existing budgets. The considerable financial obligations that universities incur to secure large donor investments can thus have the effect of reducing the amount of funding available for other research activities. There is a risk that these projects will tie up a disproportionate share of the department's funding -- to the detriment of its overall research profile.

Hence, the decision to accept a large donation by a foundation is also a decision about the university's strategic investments and requires the support of the university leadership.

Calls for greater transparency on how foundations prioritize, assess, and approve grant applications

Because of their growing financial importance, private foundations have become more influential in academia through their choices on which projects and research topics to support. Universities are very accommodating when it comes to foundations' choice of subject matter, manner of support, or area of interest – especially when the foundations do not only fund areas where they have a direct interest, but also support independent research and basic research.

Universities do; however, generally request that grants go to the best researchers and research teams, which puts some demands on the foundations' procedures for identifying potential projects and transparency around their assessment criteria. Arguably, it is important to the legitimacy of the foundations that particularly large grants go to the most-skilled researchers.

While foundations have become more open in recent years, some universities still point to a need for greater transparency around their priorities, assessment criteria and grant-giving procedures and so on. The purpose of obtaining this information would be to enable universities to improve their grant application guidance and ensure that university researchers only contact relevant foundations.

Grant-funded research teams must be integrated into the rest of the department

A number of the interviews conducted with universities pointed to the importance of ensuring that major private foundation grants do not create “isolated research islands,” that is, clusters of researchers who are not in touch with their surroundings. To avoid this, research groups that receive private grants ought to be considered as part of other research projects and relevant working groups within the department. Another way to coordinate between grant-funded research teams and the wider department is to ensure that the grant project contributes to existing or new education programmes. For this reason, some universities try to avoid major grant projects that require reduced teaching loads for researchers (especially senior researchers).

Chapter 3: Trends in Research Funding by Foundations

Foundations are sometimes portrayed in the media as static and opaque institutions. On the contrary, this survey suggests that foundations have seen continual changes, which has included greater openness about their goals, activities and procedures. In the following, we present a range of trends that are apparent in how all the participating foundations award grants for research – despite their different goals and charters.

Foundations as agents of change in academia and society

Effecting change is important to almost every private foundation, and many like to think of themselves as agents of change. What difference they want to make, in what way, and to what extent varies greatly from foundation to foundation. Some foundations hope to influence a particular area or address a particular challenge in society or academia, while others hope to develop and support particular research fields. Our survey suggests that foundations can approach their role as agents of change in a wide variety of ways.

Foundations also approach their role with different motivations. Some might describe themselves as “problem solvers” in academia, while others might highlight their desire to “make a difference” for a particular social issue.

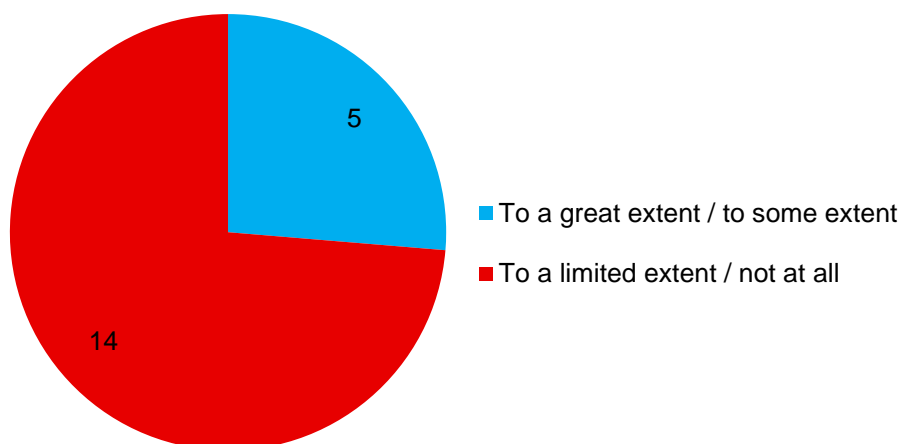
Some foundations focus on identifying and addressing unmet needs in academia. There are also cases where foundations choose to focus on research areas that they consider to be underprioritized, or special themes that are important to the overall development of research in Denmark (such as career development, internationalization, or cooperation between Danish research groups and universities).

Catalytic philanthropy

Catalytic philanthropy refers to an issue-driven approach to philanthropy (also known as philanthrocapitalism), where foundations use their expertise and resources to create positive social changes, e.g. by contributing solutions to broad human challenges. The US-based Bill & Melinda Gates Foundation, for instance, has opted to focus its efforts on eradicating malaria. Catalytic philanthropy differs from other forms of philanthropy in that the foundation is not thought of as an individual agent taking on the issue, but rather as an organizing body that rallies other agents around solving a particular problem. Interest in this form of strategic philanthropy is inescapably associated with the growing realization that large-scale societal challenges cannot be solved by any single entity, but rather calls for general cooperation.

Our survey of foundations found that while foundations do tend to want to make a difference in research, a clear majority do not intend to set the agenda in research or in research policy, cf. Chart 3.1.

Chart 3.1: Foundations' desire to influence the political, research agenda, etc.



N = 19 foundations
Source: DAMVAD, 2012

Greater adventurousness

Several of the foundations express an interest in supporting more and larger research ventures. This was especially true for the larger foundations, such as The Novo Nordisk Foundation and The Lundbeck. The renewed interest in giving larger, stand-alone grants is not limited to large foundations alone, though. A number of smaller foundations also expect to funnel more of their grant money into a reduced number of research projects and centers. The main reasons behind the proliferation of this mode of grant-giving are that they have a high profile and make a significant difference to the recipient subfield or group of researchers. This promises better returns for the foundations on their investments.

Professionalization of the grant-giving process

As evident in this report, we have identified a marked shift in how foundations go about their grant giving, away from ad-hoc, qualitative assessments of projects and toward systematic status reporting with the involvement of outside assessors and bibliometric evaluation tools. The shift has long been underway in the large dedicated research foundations but is now spreading to a broad group of private foundations, including smaller foundations and foundations that support research as a secondary activity. The increasing focus on research quality in grant-giving, as described above, is a part of this tendency toward professionalization.

There is also a rise in the foundations' use of outside parties to assess grant applications, especially in connection with larger research projects and ventures (e.g. setting up research centers). Among other reasons, foundations use outside assessors to show their respect for the research process, and to ensure that grants only go to highly qualified researchers. Outside assessors also bolster the legitimacy and transparency of the foundations.

As the foundations themselves see it, professionalization has not been driven by increased attention around their activities from researchers, authorities or the media. Rather, it is the result of their ongoing efforts to renew themselves, to stay relevant and achieve their goals, and to maximize the impact of their investments into research.

Greater interest in coordination and cooperation

Quite a few foundations have expressed an interest in coordinating and cooperating with other parties in the research community, including through more in-depth conversations with management at Danish universities, greater openness toward working with other foundations and similar independent institutions in Denmark and overseas, as well as greater openness to working with research councils, government departments and other public bodies.

As far as deeper coordination with universities go, the foundations stress that working with university leaders will supplement – and not replace – their more traditional bottom-up cooperation with researchers on the individual level.

The foundations that show an interest in working more closely with university managers give two distinct reasons behind their renewed interest. The first reason is to gain strategic support from managers and ensure co-financing (and proper affiliation) at the universities. The second reason why some foundations have become more open to conversations with university managements is based on their belief that beneficial cooperation requires mutual understanding of the parties' aims, strategies and modus operandi.

As for cooperation with research councils, ministries and other public bodies, our study has found only limited cooperation. The study also indicated that cooperation today tends to be limited to the relevant line ministry and to a lesser extent to the Ministry of Higher Education and Science.

Our analysis did; however, also find that the private foundations show more interest in working with the public research councils and bodies in cases where they share a common interest. The foundations insist on two key prerequisites to working directly with public bodies. For one, it is crucial to the foundations that they maintain their independence – especially from political interests. Second, the foundations want to be involved as active partners, not just as sources of funding.

Strategic cooperation between foundations

Private foundations are increasingly choosing to set up joint ventures. In 2012, for instance, the Novo Nordisk and Lundbeck Foundations established BioBank Denmark, to collect blood and tissue samples from the Danish population and match them against registry data about the donors (e.g. medical history and lifestyle). The BioBank is a unique resource for research into the origin and prevention of disease.

In 2010 and 2011, The Novo Nordisk Foundation also joined forces with the Danish Cancer Society to establish cancer research centers in Aarhus and Copenhagen.