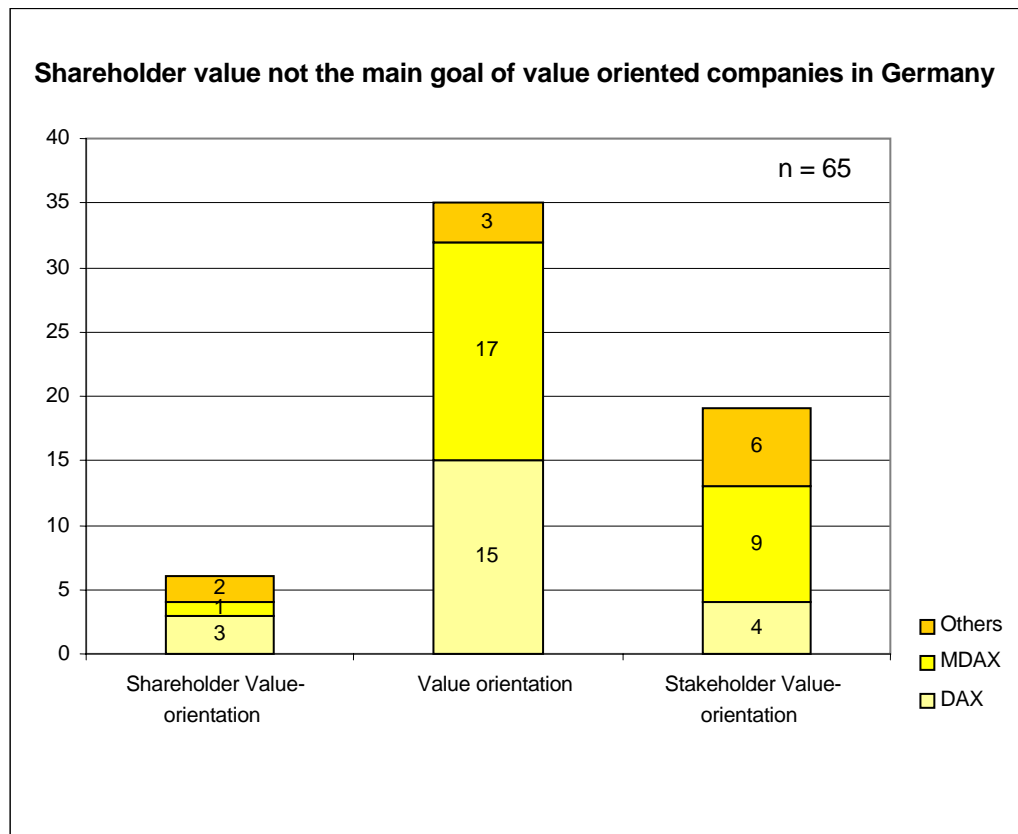


BEYOND SHAREHOLDER VALUE

After corporate scandals like at Enron in US and Parmalat in Europe we must know: How should Shareholder-Value, a recent key concept, be evaluated today? How relevant is the concept in real business life? Our analysis of more than 100 German companies listed on the German stock exchange¹ reveals, that the majority claims to go for value, but surprisingly shows no preference for a specific group like shareholders (see figure).



Reserve is not unreasonable as experiences especially in corporate America show. However, recent events seem to prove the converse: greed cycles were established, shareholders have been exploited and jobs vanished.

Obviously, a market based corporate governance is not enough. However, also the alternative, the popular idea of a stakeholder oriented corporation, does not seem to fulfil the expectations. It is the mix of success factors that counts: long term visions, focus on value as well as on values (corporate social responsibility), on people and customers.

¹ Yasmine Chahed, Malte Kaub, Hans-Erich Müller: Konzernsteuerung börsennotierter Aktiengesellschaften in Deutschland. Edition Hans Boeckler Foundation No 109. Düsseldorf 2004, 114 pages

Control of Stock Corporations in Germany

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