

STEWARD OWNERSHIP FROM AN ECONOMIC PERSPECTIVE

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<https://www.enterprisefoundations.dk/>

Agenda

- The classical economic perspe

The classical economic perspective

Given the price system p , the j th producer chooses his production in his production set Y , so as to maximize his profit. The resulting action is called an equilibrium production of the j th producer relative to p .

THEORY OF VALUE
An Axiomatic Analysis
Of Economic Equilibrium

GERARD DEBREU

1959

Institutional Economics

(Ronald Coase, Oliver Williamson, Oliver Hart, Henry Hansmann)

- The firm as a governance mechanism that coordinates economic activity
- An alternative to the market mechanism (the price system)
- Firms defined by ownership
- Ownership as residual rights of control
- Ownership models as alternative governance mechanism
- Steward ownership as one such model

Steward Ownership

**Foundation
ownership**

**Self-
ownership**

**Enterprise
Foundation**

**Company
with asset lock**

Company

**What about
"purpose"?**

Alternatives?

Ideal associations

Nonprofits

Employee ownership

Cooperatives

Stewardship
by investors, family
businesses, SOEs....

Hybrids

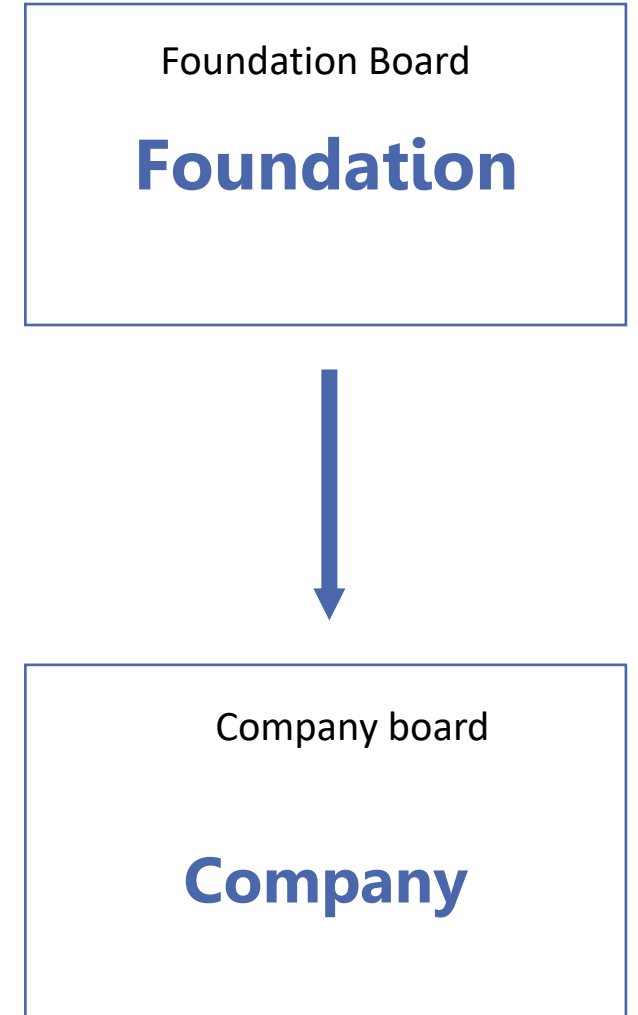
What is the economic rationale for steward ownership?

- Eliminating (reducing) profit incentives (Hansmann 1980)
- Purpose (non-profit goals, sustainability) (Hwang and Lund 2025)
- Long-termism (Thomsen et al. 2018)
- Autonomy
Production without owner control
- Empowering employees
Self-management
- Wealth equality
-

Enterprise Foundations

Enterprise Foundations

- Foundations that own companies
(For example: largest owner with > 20 % of voting rights)
- Created by donation
- Governed by a foundation board according to a charter incl. purpose decided by the founder
- Typical goals
 - Company survival
 - Social purpose
 - Philanthropy
 - Founding family support
- Supervision by a government agencies or courts
- Variations
Double foundations, conglomerates, dual class shares, functional equivalents...



Two types of enterprise foundations

- Public foundations with a philanthropic distribution purpose (e.g. the Carlsberg foundation)
- Private foundations with private distribution purpose typically supporting founding family descendants (e.g. Stichting Anheuser-Busch InBev, B&C Privatstiftung)
- Both may or may not have a “company purpose”:
Longevity and independence of business company

Foundation-Owned Companies



Pierre Fabre



Lloyd's
Register



Country	Firms	Total MCAP (USD bln)	Stock Market Size (USD bln)	% of Market Cap
Sweden	36	219,6	1.042,3	21,07%
Denmark	35	642,4	823,8	77,98%
India	26	306,5	4.374,8	7,01%
Germany	17	69,5	2.732,3	2,54%
Japan	17	43,1	6.561,4	0,66%
Austria	15	36,2	157,3	23,03%
Belgium	11	159,0	378,4	42,01%
Norway	10	25,3	343,7	7,37%
Finland	7	15,7	290,7	5,41%
Switzerland	7	172,6	2.405,7	7,17%
Netherlands	6	22,6	1.278,6	1,77%
United States	6	35,0	62.543,5	0,06%
Luxembourg	5	40,5	331,7	12,22%
Pakistan	5	1,0	30,7	3,36%
Turkiye	5	25,1	347,6	7,21%
Brazil	4	4,0	2.295,4	0,17%
Poland	4	2,1	192,1	1,11%
South Korea	4	0,5	2.009,5	0,02%
UK	4	35,0	4.134,2	0,85%
Italy	3	56,3	737,4	7,64%
Spain	3	45,1	750,7	6,01%
Chile	2	0,0	182,7	0,00%
Croatia	2	0,1	16,9	0,65%
.....				
Total	247	1.970	103.864	1.90%

**Country breakdown
of listed
foundation-owned Firms**

**1/3 Nordic
¾ European**

**>10x more private
foundation-owned firms**

Global total 4000?

And counting.....

Empirical research on foundation-owned companies

Similar profitability as control firms, but perhaps slower growth (Thomsen 1995, 1997, Thomsen and Rose 2004, Block et al. 2023)

Good labour relations (higher pay, tenure, education) (Børsting and Thomsen 2017)

Long-term governance: ownership stability, management continuity, less leverage, longer asset durability, more R&D, higher survival rates (Thomsen et al. 2018)

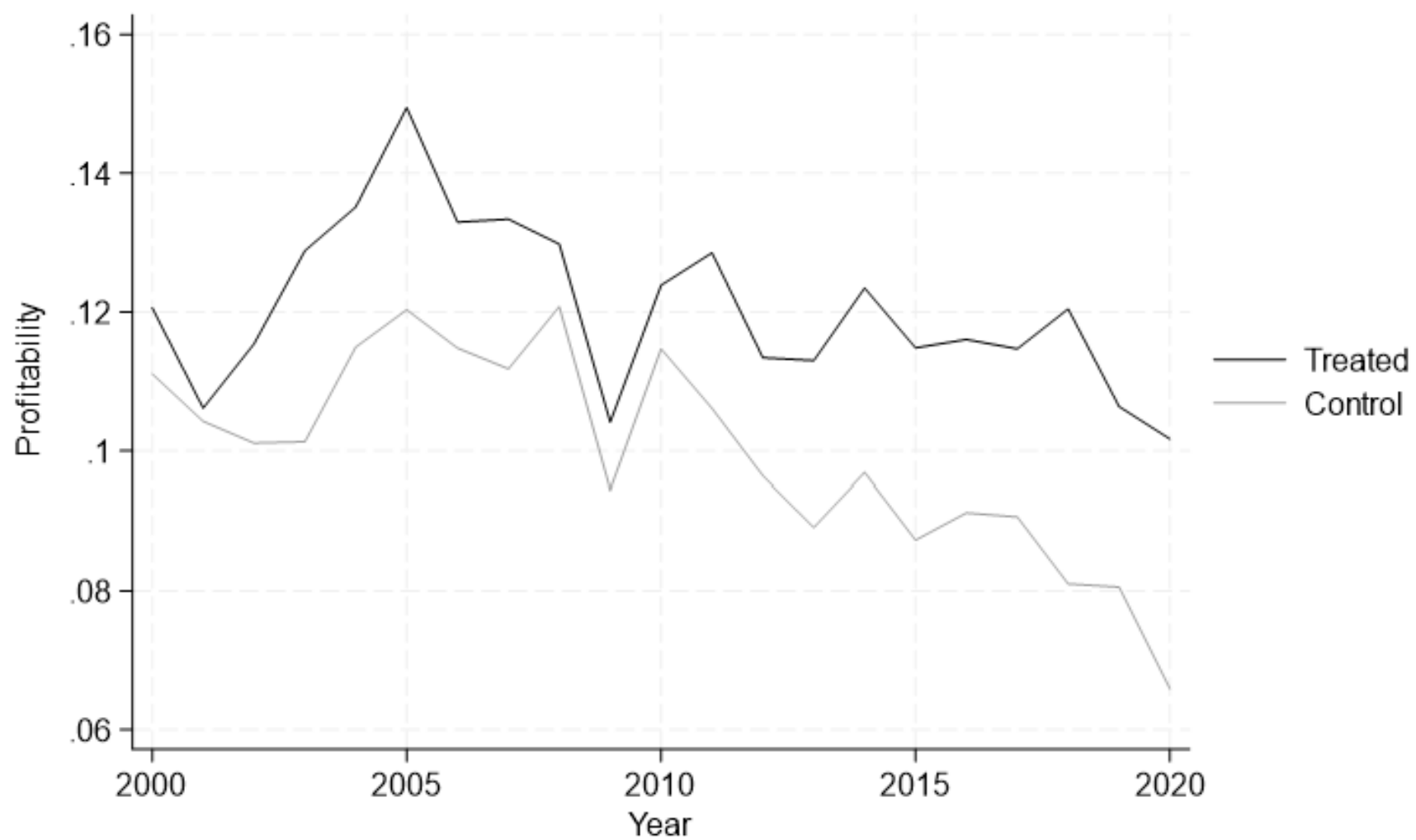
Profitability depends on foundation governance (Hansmann and Thomsen 2021)

Higher credit ratings (Buchanan and Kaya 2024)

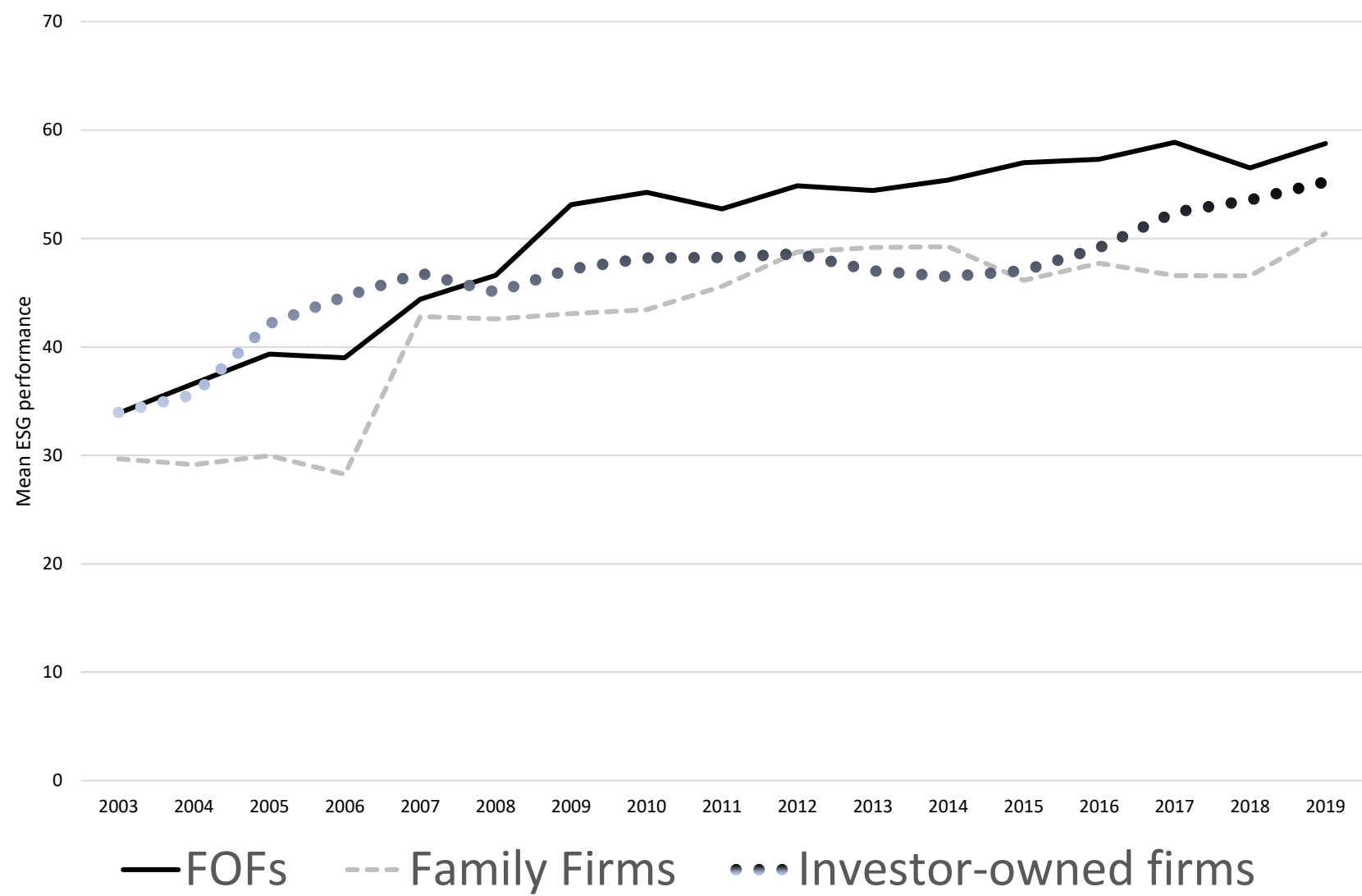
Better sustainability (Schrøder and Thomsen 2025)

Figure 1. Profitability

Figure 1 shows the (average) *ROA* of foundation-owned firms (Treated) versus non-foundation-owned firms (Control).



Sustainability – ESG ratings



Steward Ownership Lessons from Enterprise Foundations

Governance problems and solutions

Governance Problems

Motivation without incentives

Accountability

Financing

Capital allocation

Inflexibility

Governance solutions

Foundation law

Delegation to foundation-owned firms

Holding companies

Purpose and values

Intrinsic motivation

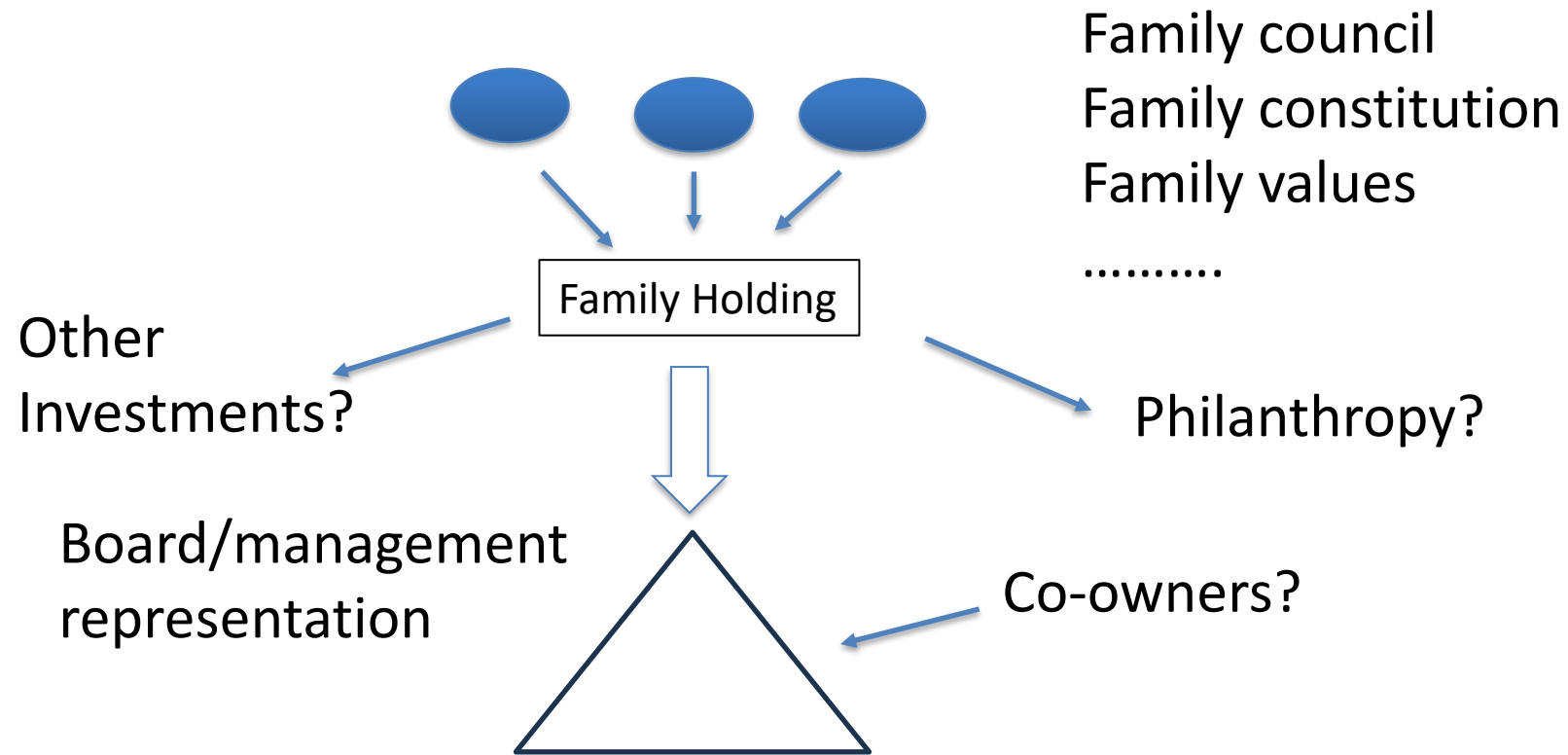
TAK !



Potential implications for responsible ownership

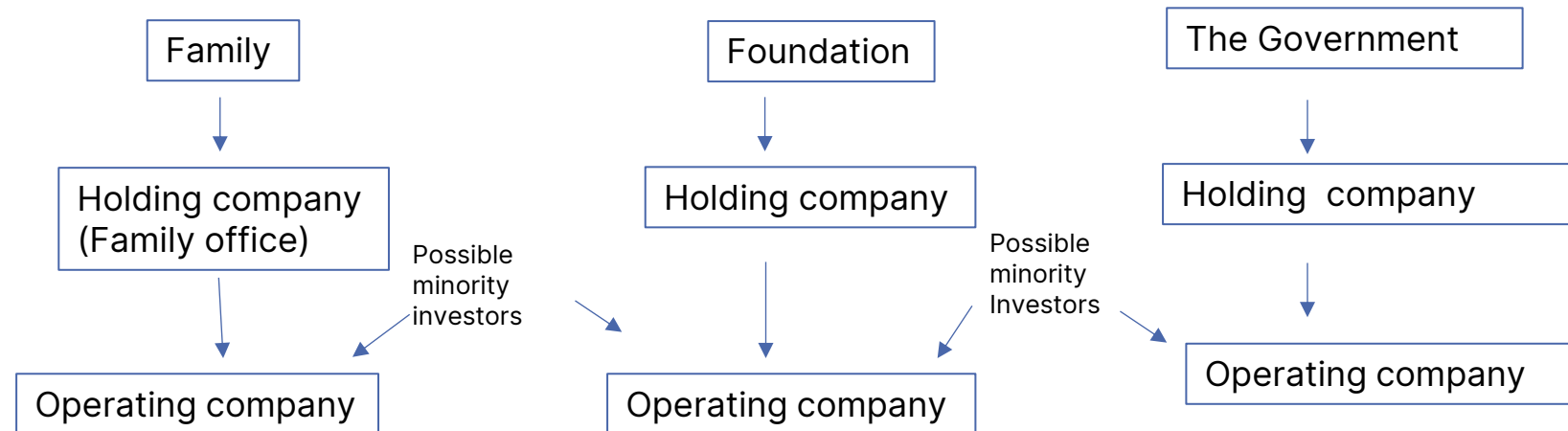
- According to company law, shareholders have limited liability, no legal responsibility and no duty of loyalty
- But controlling shareholder can and often do influence the companies that they control
- Therefore, they have a moral responsibility as stewards of their companies
- Passivity of controlling owners is also a choice with implications (possibly neglect of moral responsibility)
- => Enterprise foundations as practical role models

Stewardship in Family Firms



Similar structures in
SOES, mutuals...

Ownership Models



Owner priorities

- Family first or firm first?
- Ownership of purpose
- Engaged ownership
 - Board membership
 - Dialogue
 - Information
 - Say on pay
- => Say on Strategy, Succession, Supervision

TAK !

