



NATIONAL BANK  
OF GREECE

### History and Corporate Culture

The industrial revolution and the birth of large corporations generated conflicting views about the role and position of businesses in society.

On the one hand, it has been generally accepted that businesses improved living standards by creating broadly affordable consumer products and a wide range of services. Banks in particular, as pointed out in a recent promotional campaign by the Hellenic Bank Association, improved people's quality of life by offering valuable services such as:

- A broad range of mortgage loans supported by flexible consumer loans under terms adaptable to anyone's needs and by modern savings products.
- Convenient programmes enabling consumers to acquire their own house and a variety of consumer products, and upgrade their savings as efficiently as possible, through investments in Greece and abroad.
- A full range of alternative transaction networks including ATM, telephone and internet banking, thus minimising time-consuming queuing for bank services.
- Funding agreements with favourable terms, intended to support business growth and competitiveness.
- Generating new jobs by supporting business growth in Greece and promoting enhancement of the banks themselves.

On the other hand, however, people often adopt a suspicious and sometimes hostile stance towards businesses, in their belief that

the primary, if not sole objective of businesses, is to maximise profit at any cost. As a result of this suspicious stance, the union movement is able to flourish and the public at large puts pressure on the government to enhance regulation of business operations.

Public opinion of businesses depends heavily on the image businesses project of themselves through their activity and adaptability to social changes. Of course, companies need human presence to operate. A company's staff, from senior management to the most junior employee, determines the company's prospects through their individual or joint decisions. A company's image reflects its corporate culture.

A company's archives are mainly held to serve the needs of the company itself. Such archives have also been used for the purposes of research on a company's structure and management, and its position in a country's economic, political and social life. It has been established, however, that when confined to a mere documentation of the past without any consideration to the present and the future, history has hardly any value. Indeed, an archive programme will only be successful if it focuses on supporting the broader corporate mission. For its part, research on the history and development of corporate culture can indeed assist in identifying the key factors that contribute to a company's growth and progress in the future. It is well-known that the most frequent reason for failure of corporate mergers lies in conflicting beliefs and values. If companies about to merge were familiar with each other's internal corporate culture, they would improve mutual understanding and streamline the merger procedure. The successful merger of National Bank of Greece with National Mortgage Bank is attributable, in our opinion, to the common corporate cultures shared by both banks, as Mortgage Bank had stemmed from National Bank in the context of the banking system reform of 1928.

For a number of years, National Bank's Historical Archive has been concentrating its efforts in four key fields:

1. The study of National Bank's history and its role in the economic, political, social and cultural life of Greece.
2. The study of developments in National Bank's corporate culture. More than 40 monographs have been published under the research programme of National Bank's History Committee, creating a valuable and unrivalled source on National Bank's corporate culture throughout its long and successful history. As Theodoros B. Karatzas recently highlighted in an article in the Bank's staff magazine *Emeis Kai I Trapeza*, National Bank of Greece had shaped an impressive corporate culture since its earliest days, explicitly documented in these monographs which projected the picture of a bank playing a dominant role in the economy and occupying a central position in Greek social policy and life. This culture did not harm the Bank at a time when there was little or no competition. Now, however, as Theodoros Karatzas pointed out, the Bank needs to adapt its corporate culture in a way that enables it to play a leading role in a competitive environment.
3. The modernisation of National Bank's corporate culture, enabling it to meet the requirements of the globalised economy of the 21<sup>st</sup> century. The articles published in the staff magazine and a series of interviews stressing the role played by the Bank's units, have been valuable instruments for promoting corporate culture. Awareness seminars were also held to encourage the staff to be more sensitive to the evidence kept in the Bank's Historical Archive. If the staff does not have confidence in a company's methods of operation, the company will hardly be able to thrive.
4. The organisation of sightseeing tours for schools, societies and other associations, to help them discover the other side of National Bank of Greece and become aware of its broader economic and social character.

***N. Pantelakis***

NBG Historical Archives