

## **CSR: How Far Has Greece Gone? A Case Study: Piraeus Bank**

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## **I. INTRODUCTION**

This research project aims to give a view of the Greek reality concerning Corporate Social Responsibility (CSR). CSR has been relatively new in the Greek corporate world and some special features of the Greek market make its adaptation a bit difficult.

This report gives an image of the current face of CSR in Greece and tries to answer this question: 'CSR: How far has Greece gone?'. At the same time the reader will be able to observe an example of a CSR programme. The corporation chosen for this case study is the Piraeus Bank Group (P.B.) because of the fact that it is one of the fastest growing corporations not only in Greece but in the greater Balkan area.

The current image of CSR in Greece, given in this report, creates the framework of CSR in Greece and gives the possible answer to the main question of this project. The case study aims to provide further flesh to add to the framework.

It is possible that the choice of the corporation made by the author is not the most representative. Nevertheless it is an example which can set high standards for other Greek corporations to follow.

## **II. ABOUT CSR**

As Hancock (2004) outlines the path of CSR is created and indicated by the acronym itself. In the acronym the strongest word is the word responsibility. It is followed by the word social which is an indication of the audience towards which the responsible actions are taken and finally the word corporate shows that the corporations are those that need to act responsibly towards the society in which they interact. Therefore corporations ought to be responsible and to develop the relationships with all these audiences that society consists of.

Frederick (1992) and Hancock (2004) explain that the first indications of CSR can be found in the United Kingdom during the Victorian era. Back then CSR had the form of philanthropy and was given to the poor by the big and wealthy families of Cadburys and Hershey. On the other side of the ocean, in the new world, CSR was first applied by the business leaders of the beginning of the 20<sup>th</sup> century. These leaders were the Ford and Carnegie. Their philanthropic work hadn't only the form of charity. It was expanded to the limits of an effort to improve the lives of their employees and their families.

As years passed by, the face of CSR, both in the UK and the US, changed. According to Hancock (2004), in the recent years CSR is included in the annual agenda of the corporations' boards and its traditional philanthropic role has been replaced by a well organised strategy. The real change came when the United Nations announced the official approach of CSR in Rio de Janeiro in 1992.

An exact definition hasn't been given for CSR. Giving some examples of what CSR is not, may help the reader to gain an understanding.

To begin with CSR is not only what can be profitable for a corporation to invest in by helping society at the same time. Furthermore, it is not a passive behaviour towards a corporation's stakeholders that can influence its activities.

As Hancock (2004) indicates that CSR is the sum of actions that corporations wish to take in order to help in solving social problems as they are outlined in the agenda of Rio de Janeiro. Ultimately CSR is when the corporation's values and visions are applied in all its activities. It is when a corporation's responsible behaviour can become a help to the solution of issues such as social or environmental ones. In the final analysis CSR is when all the

corporation's activities are planned and implemented according to its values, visions and purposes.

Cannon (1994) draws the structure according to which CSR is applied. The structure that is followed consists of specific steps that corporations usually take. First the capacity of the corporation to conduct a CSR programme is considered. After that, what needs to be decided is which activities will NOT be included in the CSR programme. During the third step the objectives of the CSR programme are pointed out. The fourth and fifth steps are dependent on one another. The fourth step consists of the choice of the activities that will create the CSR programme and the fifth of the fixing of the budget. The sixth step that needs to be taken by the corporation is the creation of the right structure within the corporation's mechanism in order for the CSR programme to be putted in action. The last step is the creation of a system that will be used for reporting and evaluating the CSR programme.

Frederick (1992) insists that the aim of a CSR programme is not just the charity that might be given by corporations to members of the society. The real goal of corporations when a CSR programme is adopted is to make sure that the whole range of the corporations' stakeholders will be benefited by this programme.

In order for the above goal to be achieved, Hancock (2004) believes that the corporations need to build successful relations with all their stakeholders. Such relationships can be built when the values and principles can be identified in all the corporations' activities. If such behaviour is adopted by the corporations, then the success is guaranteed and both business and society benefit.

Hancock (2004) also adds that the corporations' stakeholders are not the only ones to benefit from the CSR programmes. These programmes are beneficial for business as well. The establishment of a good reputation and a corporation's positive actions that are made known to the public, play a very important role in the improvement of the shareholder value.

The contribution to the economic development of the society and the growth of wealth is the main role of the corporations indicates Cannon (1994). On the other hand it is the society's role to put boundaries to this growth because society demands from corporations more than just economic development. This is a reason why the triple-bottom-line performance (economical/ social/ environmental factor) is applied by the majority of the corporations in Western Europe in addition to their traditional financial performance insists Hancock (2004).

Hancock (2004) at the same time underlines that corporations face a big challenge. How will it be possible for them to adopt CSR programmes that are beneficial for the society and at the same time manage to have profits? The CSR programmes that can contribute positively not only the society's life but also to the bottom line of the corporations are those to be the most popular among corporations' boards.

Milton Friedman, as it is given by Hilton (2002), is one of the analysts who stands against CSR because he believes that it is not good for the corporations' financial performance to spend so much energy and money on CSR. He states that: 'Few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stakeholders as possible'.

It is supported by many that corporations' responsibility to the society and the state is not to save the world but to pay the taxes annually as Cannon (1994) points out.

What is indicated by Friedman's argument is that maybe the corporations in order to create wealth and have positive economical results at the end of the year they need to focus on that performance only. However Frederick (1992) believes that a socially

responsible behaviour allows corporations to have profits as well.

Investors prefer to invest in corporations that are aware of the importance of the social and environmental issues according to Hancock (2004). The more investors are attracted the higher the shareholders' price will be and the corporation's position within the market will be improved.

Hancock (2004) adds that reputation plays a very important role in a corporation's position in the market and CSR can contribute to this as well. It is shown by a survey that the 86% of consumers have a positive image for the corporations that try to contribute to the development of people's life.

Corporations understand that their role is not only the creation of wealth, products and services. It has been clear that the society expects them to offer more. CSR covers this demand and also allows corporations to have positive results for their income through this beneficial procedure for the society.



### **III. THE LINK BETWEEN PUBLIC RELATIONS (PR) AND CSR**

During the recent years corporations have been out of control in terms of earnings. This extreme growth resulted in lack of trust towards the corporations and big businesses from the public. Now, according to Wilcox (2006), businesses and corporations have reached a point where they need to restore and regain the public trust that has been lost, while at the same time, their reputation and their relations with their stakeholders have to be rebuilt. The main stakeholder groups for the majority of corporations and businesses are the investors and shareholders, the government, the customers, the employees and the members of the community in which the corporations interact.

All these audiences are considered 'key audiences' for the corporations due to the fact that they are influential in their performance. This is the main reason that drives corporations to develop relations. It is necessary for these audiences to have a positive view towards corporations for trusting them. Therefore reputation plays a very important role in the creation of these relations.

Wilcox (2006) underlines that CSR can be beneficial for corporations in the field of reputation. It can be considered as a high priority on

the agenda of the executives and the PR staff of corporations, that is those who work on improving the corporations' reputation in the society. PR practitioners are the specialists in the building of the corporations' reputation as long as 'PR is about the reputation effect of what you do, what you say and what others say about you' as Hart (1995) indicates. (p.95)

Wilcox (2006) shows that, and the author agrees with this, CSR is supposed to be conducted by a corporation for practicing good business and for improving and developing its relations with its stakeholders and not for publicity. However there is a weakness in this approach. Hart (1995) continues by saying that even if a corporation is doing something good, it won't be rewarded if its audiences are not aware of these actions.

Consumers ask for products or services which are delivered in an ethical way, Hancock (2004) insists. He adds that communities demand a responsible behaviour towards the environment and their standards of living. Investors prefer to invest in socially responsible businesses than in others. Wilcox (2006) believes that governments do not apply strict regulations when corporations are self-regulated through their CSR programmes, employees are proud and more loyal when they participate in a business that acts ethically.

The 'key audiences', which are analysed above according to Hart (1995), can damage or rescue a corporation's reputation. This is why adopting and conducting CSR programmes is not enough for corporations. It is essential to communicate these programmes to the corporation's stakeholders.

CSR programmes demand not only good corporate planning but also effective communications as well within the corporation Wilcox (2006) indicates. It is the PR staff's responsibility to inform the board members for the current climate in the society and give them the chance to make the right choices about the activities that will be included in the CSR programme. These actions must be beneficial both for the society and the corporation.

The PR practitioners have the duty of delivering the messages from the society to the board and from the board to the society and to establish a two-way communication between the corporation and its stakeholders something that is necessary for the success of a CSR programme. Jack Bergen, Senior Vice President of marketing and communications for Siemens Corporation told in PRWeek: 'We are the eyes and ears of an organisation. The best way to be socially responsible is to have your eyes and ears trained on all the stakeholders, to know what they want and need from the company. These are classic public affairs issues and the idea that they should

be handled by anyone else would show a lack of understanding’  
(cited in Wilcox *et al.* 2006 p.451)

To summarise all the above, corporations need to re-establish the lost trust and to re- build the relations with their stakeholders that have been lost and destroyed. The corporations’ ‘key stakeholders’ are the customers, the investors, the government, the employees and the members of the community in which they interact.

There is a need for corporations to please all these audiences in order to survive in the market place. This can be achieved if the corporations act responsibly and the reason for doing that is none other than saving their reputation and building effective relations with their ‘key stakeholders’. It needs to be underlined that CSR is not only a philanthropic approach by corporations towards society. It is beneficial for corporations as well. But these benefits can’t be collected unless a CSR programme is successful and it is communicated correctly.

To create a successful CSR programme corporations need to listen to the needs of their stakeholders and the PR staff are the corporations’ eyes and ears. This is why they are those who will counsel the board for planning the correct CSR programme and they

are those who will establish the effective communicational mechanism between the corporations and their stakeholders.

#### **IV .THE CSR IN GREECE**

Greece welcomed CSR a few years ago when, in 2000, the first network for CSR was created and the big corporations started publishing their activities that had some characteristics of CSR says Mr N.Tsitsas in his article published in the 'Annual Publish for CSR' by Ethnos (2007) under the title 'The great social challenge'.

There are other approaches that support the continuity of the CSR from the ancient Athenian society until the corporations' actions of today. It is true that donations have been very popular in ancient Greece. The rich Athenians felt obliged to give some of their money in order that some of the society's needs be covered. They considered that it was their obligation and honour to serve their city in such a way.

All these actions are not to be considered as CSR activities insists Mr Spanos, Managing Partner of Eurocharity Organisation, in his interview<sup>1</sup>. They were conducted for the improvement of the citizens' lives but they don't have many of the necessary characteristics of the CSR actions. However, it is important to keep in mind that the word 'philanthropy' and 'philanthropos' (words that

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<sup>1</sup> The interview has been given to the author during the research process.

are closely related to CSR) are Greek words and serve the same meaning since the ancient times.

In modern Greece the first organisations which tried to include CSR programmes in their policies were the big corporations that had shares in the stock market and the international corporations which adopted their international CSR programmes in the Greek reality describes Mr Spanos in his interview. The smaller corporations and enterprises followed the new trend.

However, the Greek corporations and enterprises were not ready to include CSR in their practices. Especially the fact that the majority of the enterprises in Greece are medium-small companies and not big corporations made the adoption of CSR even harder. There are those who insist on blaming the politicians for not recognising the importance of CSR. On the other side there are those who believe that CSR is an approach in which volunteerism plays the most important role. These people underline the lack of the will for volunteerism among the members of Greek society both in companies and in communities said Mr Papadopoulos, member of the Hellenic Network for CSR, in his interview<sup>2</sup>.

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<sup>2</sup> The interview has been given to the author during the research process.

Even though Greece was not ready to welcome CSR the picture changed the last few years. The new scene has all the kinds of CSR actions. Philanthropy is still the most popular approach of CSR but there are corporations and enterprises that conduct organised and well planned CSR programmes. Big corporations are the protagonists of this approach while the medium and small companies follow with simpler but more focused actions. No matter what the CSR approach might be, society is the big winner as Mr Spanos underlined.

Corporations and enterprises focus on specific fields of CSR. The majority of CSR activities are focused on the internal communications and on the employee relations according to Mr Papadopoulos. Environment and elimination of poverty follow. Budgets as well as the geographical position of a corporation are the main drivers of CSR in Greece as Mr Spanos explained.

At the same time corporations and enterprises realise that CSR can work to their benefit as well. The first steps have been taken and CSR is now widely launched, the media publish the corporations' CSR activities and people that work in the CSR field have started to talk about it as Mr Spathas, Managing Director of Connective Communications, says in the 'Annual Publication for CSR published by 'Ethnos' newspaper (2007). This has created a very positive



climate for CSR. Corporations and society have started realising the meaning of CSR and that is not just a current trend that will disappear in a little while.

After all CSR has gained a lot of publicity, not in terms of activities and strategies, but in terms of meaning Mr Papadopoulos underlined. Greece met CSR through the media he added. This habit drove the consumers to consider CSR as a different way of advertising. This started changing when corporations decided to make their CSR programmes known to a wider public. The publicity of the activities and strategies will help the smaller and medium companies to improve their CSR programmes following the examples that big corporations set.

The future of CSR can't be considered as a bright one yet. CSR in Greece is in a very early stage and any assumption won't be correct due to the lack of evidence. The optimistic part of the research sample believes that the Greek society and corporations will embrace CSR and will make it a reality and necessity in the future. On the other hand, there are those who believe that after a big rise in adoption of CSR by corporations in the following years, the final numbers of CSR activities won't be so high.

## **V. METHODOLOGY**

### **V.a. Introduction**

As it has been pointed out that the attempt of the present project is to discuss whether there is any improvement on the CSR field in Greece. The author's interest about the current scene of CSR in Greece arose when another assignment was carried out. This assignment was a case study about a corporate practice.

A small research was conducted by the author in order for the best possible case study to be found. The CSR programme of Piraeus Bank was the one chosen and the topic of CSR in Greece arose. After this, many articles and publications about CSR in Greece were found and the current image of CSR in Greece surprised the author, who was not so thoroughly informed about the application of this strategy in Greece.

The internet proved to be a very important tool in the preparation of the research for the present project. The majority of the articles and interviews that created the framework of the questionnaires were downloaded from the web and part of the sources used was sent by e-mails upon request.

Finally, the increase of the commercials and advertisements about CSR in the Greek mass media reassured the author that CSR in Greece has started becoming the centre of attention for the society and therefore an interesting field of research.

The results presented in this report have been gathered from four interviews with people from organisations for CSR that are activated in Greece and from the Piraeus Bank Group (P.B.) which is the organisation chosen to be the case study in the present project in an attempt for a clearer picture of CSR in Greece to be given.

### **V.b. Methods of Research**

The methodology selected for this project had as a purpose to serve the aims of the project as they have been described in the introduction (the creation of an image about the current face of CSR in Greece and the investigation about CSR's progress).

For these aims to be served in the best possible way semi- formal, face-to-face interviews were chosen as the main method of primary research. The interviews are characterised as semi formal due to the fact that their features can be met in both the formal and informal interviews.

The present research can be considered as a qualitative one as long as no numerical results were needed to be found. The main question was 'How far has Greece gone in the CSR field?' and for answering this question qualitative data were needed to be collected.

Therefore the open- ended questions were chosen as the best way for the necessary information about the current image of CSR and its progress to be collected. The open- ended questions allowed the respondents to analyse their opinions in depth and to illustrate the reality of CSR in Greece in both an analytical and a critical way.

The rest of the interviews used in this report were collected through publications about CSR in Greece. They are interviews of people that are related to CSR activities in Greece in various ways. The questions asked are open- ended as well and the responses are used as an additional tool to the attempt of the creation of the current image of CSR in Greece.

Another tool used by the author in the present report is a survey conducted by 'Spin Communications' and it was published in the annual report about CSR of a large Greek newspaper called 'Ethnos'. The findings from this survey are the only numerical findings that have been used in this project and they serve one of the aims of

this report (to give the current image of CSR in Greece) as they have been described.

The decision of including a case study in this research project resulted in face-to-face interviews with two people working in the CSR department of P.B. and a one day observation in the department. Information about the organisation's CSR programme was gathered partly through the annual reports about CSR that have been published on the web site and partly through the interviews conducted.

### **V.c. Choice of Sample**

The sample chosen for the present research programme can be considered as a strategic one. Four interviews were conducted, published interviews and survey findings were included in the research findings.

The specific survey has been chosen because it was the most recent one conducted in Greece about CSR. This gave the author the chance to include the freshest results considering CSR in Greece in this report. The results and findings from this survey were the most appropriate to be used for the current picture of CSR in Greece and its development to be given.

The published interviews were another useful tool at the author's service. People that cannot be easily approached, like the minister of culture, talk about CSR in Greece in these interviews. The total of these people was not possible to be approached and interviewed by the author in the time given. Additionally the high position of some, made it impossible for the researcher to set up interviews.

The two people that were chosen to be interviewed are members of the workforce of two organisations that exist in Greece about CSR. The first is the Hellenic Network for CSR and the second is the Eurocharity organisation.

The strongest features of these two choices are the following. First these two organisations are those who assist the corporations and enterprises to choose, organise and adopt their CSR programmes. Therefore they are aware of the reality about CSR in Greece. Second they are aware of the market and the impact the CSR has upon it. How CSR affects the competition among companies and how consumers react towards CSR are the main questions asked by them in order to have a clear view of the Greek reality.

One of the weaknesses of these organisations as part of a research sample is that they are aware of how CSR is implemented in

countries with a long CSR tradition. This doesn't allow them to be objective to the Greek reality. They expect from companies to perform as they have deep knowledge of CSR. This might make them pessimistic about the future of CSR in Greece and dissatisfied with the progress that has taken place in Greece. However they were the most appropriate people to be interviewed due to their experience and deep knowledge of CSR in Greece.

P.B. was chosen to be the case study of this research project for various reasons. The first one was the Greek reality. In Greece banks are considered to be the most profitable corporations. Therefore a bank's attempt to behave responsibly was chosen as the best example of CSR adoption in Greece. The second reason was the fact that CSR hasn't been part of the Greek companies' practices for long. Therefore this new corporation strategy would be adopted by big corporations first, something that left the small and medium companies out of the group of choices.

The last reason was the fact that the specific CSR programme of P.B. was complete and covered a wide range of issues. This feature of the programme was helpful for the aims of this report because it would give the readers an example of a serious attempt of an organisation to meet the international standards of CSR.

## **V.d. Plan of Research**

The research was planned and conducted by the author. The first step was the gathering of the published interviews and of the survey's results which was conducted by 'Spin Communications', the second was the creation of the questionnaires for the interviewees, the third the communication with the potential interviewees and the meeting arrangements for the interviews to be conducted. The fourth step was the gathering of information about P.B.'s CSR programme and the fifth the sending of e-mails to thank all the participants for their help in this report.

The published interviews and the results from the survey, conducted by 'Spin Communications', were gathered after a research was conducted on the CSR publications in Greece. The information included was the corner stone for the first picture of CSR in Greece to be created and gave the author the possibility to create a more focused questionnaire.

The questionnaires were created for serving the central aims of this research project. The two main questions that have been asked (the creation of an image about the current face of CSR in Greece and the investigation about CSR's progress) in this report were also



asked of the interviewees. The questionnaires constituted of 14 main open-ended questions and these were the base for a conversation between the author and the interviewees.

After the creation of the questionnaires the potential interviewees were contacted. The aim was to interview two members of the organisations for CSR in Greece, the Hellenic Network for CSR and the Eurocharity organisation, two members from the P.B.'s staff working in the CSR department and two journalists who had published articles related to CSR in Greece.

All of them were contacted both by e- mail and by phone. The members of the two organisations responded positively and wanted to contribute to this report. The members from the P.B.'s CSR staff were positive to a possible interview. Finally the journalists did not respond and they didn't want to share any kind of information with the author due to their heavy schedule.

The interviews were planned according to the interviewees' schedules and the questionnaires were sent by e- mails to them in advance. None of the interviewees allowed the interviews to be recorded. Notes were kept throughout the whole procedure.

The face- to- face interviews took place according to plan except for one which was cancelled two times by the interviewee and it was finally conducted by e- mail. The interviews lasted 45 minutes on average apart from one which lasted 1h 15'. The notes kept were written in the electronic form right after the interviews were conducted in order to be easily used by the author.

The interview with the members from the P.B.'s staff took place in the headquarters of the bank. The interviews lasted 45 minutes each and the rest of the day the author was allowed to observe the way that the CSR programme was applied within the corporation.

The same day the total of the information about the case study was gathered both from the interviews that were conducted and the annual reports of CSR that had been published in the P.B's web site.

The interview with the member from the Hellenic Network for CSR was conducted as scheduled in the offices of the organisation. The interviewee's approach was positive to the fact that more and more research is conducted about CSR in Greece during the last years.

The last interview was with the member of the Eurocharity organisation. It was agreed that the questionnaire would be answered by e- mail and not by a face to face interview.

After all the above, thank you e-mails were sent to all the participants. The whole experience was educative and enlightening for the author and the data collected were the corner stone of this project.

## **VI. CASE STUDY**

### **VI.a. Introduction**

Piraeus Bank Group (P.B.) is one of the most active financial groups in Greece. It was founded in 1916 and it arrived in its present state in 1991 when it was privatised after a period of state ownership (1975-1991).

The financial activities of the Group are expanded in the South-eastern Europe and Eastern Mediterranean. In 2000 P.B. launched the first completed electronic banking network in Greece. In June 2007 P.B. employed 10,227 people and numbered 574 branches in Greece and abroad.

CSR activities of P.B. can be dated back to 2000. However these actions were not included in an organised strategic plan of CSR. Therefore the 'key' date for CSR in P.B. can be considered the year 2002 when the Global Contract "which pertains to ten principles in the areas of human rights, employment rights, environment protection and combat against corruption" was signed by P.B. and is mentioned in the P.B.'s annual report for CSR (2006 p. 7)

The table below taken by the annual report for CSR (2006 p.28) shows the ten principles as well as the actions taken by P.B. in order for these principles to be served.

<b>Principle</b>	<b>Reference to the Annual Report or Implementation Method Description</b>
1) Support and respect the protection of internationally proclaimed human rights within businesses and their sphere of influence	1) Full compliance with the relevant Greek and international laws
2) Make sure that businesses are not complicit in human rights abuses	2) Full compliance with the relevant Greek and international laws
3) Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	3) Annual Corporate Social Responsibility Report "Human Resources"
4) Elimination of all forms of forced and compulsory labour	4) Full compliance with the relevant Greek and international laws
5) Effective abolition of child labour	5) Full compliance with the relevant Greek and international laws
6) Elimination of discrimination in respect of employment and occupation	6) Annual Corporate Social Responsibility Report "Human Resources"
7) Support a precautionary approach to environmental challenges	7) Annual Corporate Social Responsibility Report "Society, Environment and Culture"
8) Undertake initiatives to promote greater environmental responsibility	8) Annual Corporate Social Responsibility Report "Society, Environment and Culture"
9) Encourage the development and diffusion of environmentally friendly technologies	9) Annual Corporate Social Responsibility Report "Society, Environment and Culture"
10) Businesses should work against all forms of corruption, including extortion and bribery	10) Code of Conduct - Relevant terms in employment contracts - Relevant labour relations framework in the Bank - Control mechanisms and procedures, and anti-money laundering information system (including corruption)

From that date forward an organised approach towards CSR began. The four sectors covered by the CSR programme of P.B. are those of Corporate Governance, Social Work, Cultural contributions and Environmental Issues.

The two sectors P.B. is focused on are the Culture and the Environment. This choice was not made by chance. These two sectors are important for the Greek Society and play a very important role in the plan and organisation of CSR, as Mr Zavras, a special co-operator of P.B. for environmental issues, underlined in the interview given by him to the author.

According to the theory of CSR the values and the principles of a corporation play the most important role in the planning, organisation and implementation of CSR. It is the same for the CSR programme of P.B..

The main value on which P.B. set the frame for its CSR programme is the belief that 'the development of its activities will be optimal if achieved in a socially robust environment' as it is underlined in P.B.'s web site about CSR.

The improvement of CSR is for P.B., as the Chairman, Mr Sallas, outlines in his note in the Annual Report for CSR in 2005, 'the growth philosophy, the success strategy and principal business culture of Piraeus Bank.'

The importance of CSR for P.B. is proved by the creation of a separate body for CSR which organises and plans all the CSR

activities of P.B.. In this area P.B. has taken the risk to try something new for the Greek reality.

P.B. decided to include professionals who were not familiar with the banking systems and the financial issues but had a different professional background which was related to the CSR activities. This was a winning choice as has been proved by the successful results of CSR activities.

The decisions about CSR activities are taken by the Direction of Business Planning and have a common drive but different directions. The actions decided are planned within a three or five year period of time. The percentage of money spent for CSR is the 2.5% of the profit during 2006.

The development of the CSR activities is counted through the application of a monitoring system, applied in all the range of the CSR activities. This system is used for counting and controlling the progress of the CSR programme and for giving the professionals a picture of these activities. The results from this system about the CSR activities are those to be taken into consideration in terms of continuing or pausing the CSR activities adopted.

## **VI.b. Corporate Governance**

As it has been analysed above Corporate Governance is the first portal of P.B.'s CSR programme. This part of CSR is structured and organised under the prism of strengthening the main values of P.B. and defending its corporate interests as it is refereed in P.B.'s annual report for CSR.

In 2005 the General Division of Corporate Governance was created having as its main responsibility the development of the activities and programmes of Corporate Governance in Greece and abroad.

At the same time there are other bodies and regulations assisting in the application of the harmonious function of P.B.. These bodies and regulations are: the 'Internal Operating Regulations', the 'Code of Conduct', the 'Audit Committee', the 'Internal Audit Division', and the 'Group Compliance Unit'. At the same time there other services aiming to contribute to the harmonious function of P.B. such as Investor Relations, Shareholder Registry and Corporate Announcements services.

All the above work for the creation of a well structured body of governance aiming to improve the professional life of P.B's employees. Additionally there are CSR activities aiming to contribute to this effort of improvement.



First, there is a series of benefits adopted for the staff's well being. A programme of group insurance has been chosen to contribute to this achievement. This programme includes hospital- medical care, life, accident and permanent total disability insurance.

There are other activities adopted to the improvement of the employees' lives. One of these is the coverage of the costs for the nursery schools where the employees' children go while their parents work. There are additional activities in the same direction such as the rewarding schemes for the employees' children who study in universities in Greece and abroad.

In the same list of benefits are included the possibility given to the employees of the additional days off in case of child sickness or hospitalisation. When the employees have more than three children they enjoy a special one- off benefit.

In addition to the above the CSR programme of the internal governance includes an extended educational programme for the staff which aims to develop the employees' skills and increase their opportunities for a better professional status.

The educational programme of the P.B. aims to converge the actual and the desired performance of the staff by strengthening the staff's knowledge of the financial products and services provided by the P.B. and to increase their technical skills for providing high standard and completed financial services to the P.B.'s clients.

1479 in- house and external training courses for the staff were held by P.B. in 2006. 68% of the employees participated in at least one course and the figures counted by P.B. show that each training course represented 31 man- hours of training per individual, an increase of six hours compared to the same number in 2005. The total of the man- hours counted during the training courses is 287,984 up by 40% in relation to the same figure in 2005.

The majority of the man-hours spent were dedicated to the development of financial knowledge as it has been referred to in the 2006 annual report for CSR of P.B.. The courses focused on the product and services knowledge and selling skills followed. Finally there were courses for the improvement of the operation and customer service quality, for personal and management skills, for the enhancement of the knowledge of information systems and for the development of specialised technical knowledge.

Part of the total training was conducted in classrooms, as has been mentioned above, and part of the training courses had the form of e-learning. 4.962 trainees preferred the e-learning courses instead of the others conducted in a classroom.

The members of the staff preferred the e-learning form of training due to its various benefits. The e-learning type of training allows the problems to be solved as soon as they are identified and at the same time it gives the trainees the chance to be trained at a time and place of their preference.

Within the P.B. five kinds of managers 'Schools' are operated aiming at different roles and levels. Four more 'Schools' are planned to begin in 2007.

At the same time members of the staff are chosen to be supported in order to develop their skills by participating in graduate or post-graduate programmes.

Another activity included in the total of the activities for the Internal Governance is the adaptation of a Human Resources Management System which evaluates the data management and the Business Excellence Programme.

### **VI.c. Society**

The social policy of P.B. has been organised around the frame CHILD- FAMILY- HEALTH. There are activities serving this goal and supporting the families and children and disadvantaged social groups. Another point of P.B.'s social policy is the promotion of knowledge and science.

More specifically P.B. since 2000 in cooperation with the Greek Church supports the families with many children in Thrace every year. In 2000 programmes started for financing organised communities and organisations for disadvantaged and orphan children.

Major events for these children and others, those suffering from severe and incurable diseases and those with special needs, have been sponsored by P.B.. Other organisations for elderly people have been supported as well.

At the same time the programme for the support of the people trying to be detoxified. The programme has been expanded and these people are supported in their effort to be socially re-integrated after their therapy is concluded.

P.B. focuses on the promotion of research and in the contribution to knowledge. This is why P.B. participates in the research programmes conducted in the academic community. At the same time practical opportunities are offered to students something that allows them to have a closer look at the real business world while at the same time a link is created between the academic scene and the labour market.

Additionally three groups of students were sponsored by the Human Resources and Training Division of P.B. to participate in the Global Management Challenge 2006 organised by SDG Hellas. The Global Management Challenge was a business game creating a virtual business environment allowing the students to practice their managerial skills.

Finally the first complete training seminar in Greece was organised by P.B. in cooperation with ALBA. The seminar was focusing in the 'e-Commerce and e-Banking: The Future of Business'. 65 owners and managers of medium and small enterprises participated in the seminar.

#### **VI.d. Culture**

The contribution to the cultural scene of the country by P.B. is made through the Piraeus Group Cultural Foundation (P.I.O.P). The Foundation has been expanded throughout the country due to the national network of museums. There are other services, apart from the museum service, which belong to the P.I.O.P's activities such as the publications service, the research and promotion service, the historic archive service and the technical service.

The museums network includes the following museums:

The Silk Museum in Soufli,

The Open-Air Water Power Museum in Dimitsana

The Museum of the Olive and Greek Olive Oil in Sparta

The Museum of Industrial Olive- Oil Production on Lesvos Island

The Rooftile and Brickworks Museum N & S Tsalapatas in Volos

The Museum of Marble Crafts on Tinos island

The Museum of traditional Crafts and Environment of Stymphalia at Stymphalia lake.

Activities and events take place in the Museums' Network around Greece giving the chance to the public and the local communities to improve their knowledge as well as the quality of their lives. Some of these activities are included in the annual report of P.B. for CSR for 2006.

Few examples of these activities are given below. One of those is the event in the Museum of the Oil and Greek Olive Oil in Sparta under the title 'Without oil and vinegar how can we go on a trip' on the occasion of the International Museum Day on the 18-19.05.2006. The other is the event in the Museum of Industrial Olive-Oil Production on Lesvos island with the title 'I offer an olive branch' on the 22-24.06.2006 on the celebrations of the 'European Heritage Day'.

In the sector of the Museums Network of P.I.O.P there are few projects to be introduced such as the proposal for the Museum of Mastic on Chios island, the proposal for the Museum of Paper Technology and Greek Typography and finally there is another suggestion still to be explored this of the Museum of Gold and Silversmith Technology in Ioannina.

The P.I.O.P aims to create Museums- Schools which focus not only in informing the public and provide places of exposure but also in the development of a relationship between the visitors and the traditional ways of production which are shown in the museums of the network. For this reason educational programmes are organised for the public, especially the children who visit the museums.

There are also conferences in which P.B. and P.I.O.P participate. In the year 2006 the museum network was presented at the table Ronde 'L'avenir des Musees' in Paris on the 25.04.2006. and at the conference 'Picture final Conference: Pro-active Management of the Impact of Cultural Tourism upon Urban Resources and Economies» of the European Institute of Cultural Routes in Luxembourg on the 21-23.09.2006.

The publications service aims to offer to the society a variety of published works in the fields of history of technology and industrial archaeology. The publications for 2006 as they have been analysed in the annual report for CSR 2006 are, among others, the work 'Museums and its precursors' by Hooper- Greenhill Eilean in Greek the book 'Masonry of Pelio' by Yiannis Kizis and the book 'Olive Oil Roads in Eastern and South Peloponnesus in antiquity' by Yiannis Pikoulas.

The research and promotion service has an extended programme to present as well. In 2006 many research programmes had been conducted by P.I.O.P.. A total of ten research programmes is announced in the annual report for CSR for 2006. The majority of the programmes were organised and conducted by P.I.O.P.. Others were conducted by other organisations and P.I.O.P participated as a member.



One of these programmes is the research programme on 'The identification of informing regarding areas under the Venetian rule' which was completed in collaboration with the Hellenic Institute of Byzantine and Post-Byzantine Studies of Venice.

Another research programme is the Registry of Greek Industrial Heritage by The International Committee for the Conservation of the Industrial Heritage (TICCIH). This registry aims to create a document for the industrial heritage monuments in Greece. In this attempt the P.I.O.P and other academic and state organisations participate.

P.I.O.P is a supporter of the research programme 'Archive of Musical Illustration' conducted by the Music Studies Department, School of Fine Arts of the Aristotelian University of Thessalonica which aims to create an electronic data base available to the academic community.

## **VI.e. Environment**

The environmental policy of P.B. has been taken seriously and has been considered as the most important sector of P.B.'s CSR programme.

The 'environmental behaviour' of P.B. was defined by the adaptation of its environmental policy in 2003. It was when the P.B. outlined the close relationship between the corporations' activities and their impact on the environment. Additionally the fact that the environment has been increasingly weakening led P.B. to create a distinct environmental policy regarding the internal and external environment of P.B..

The environmental policy and its main principles and objectives were defined by the Board of Directors. P.B. has the knowledge that the energy sources are not unlimited and therefore its activities taken both in the internal and external environment must be driven by this position.

Internally P.B. aims to calculate and reduce the impact of its activities to the environment. In the external world, P.B. intends to inform its clients of the importance of the responsible behaviour towards the environment. Therefore P.B. participates in actions targeting the protection of the environment.

These activities are decided, planned and implemented within a frame created by the Environmental Management System which has been adopted by P.B. according to the European EMAS Regulation. This regulation has been voted by the European Parliament on the 19<sup>th</sup> of March 2001 for the voluntary participation of the corporations and enterprises in the Environmental Management System (EMAS).

For the aims and targets of P.B.'s environmental policy to be met P.B. applied a control, monitoring and measurement system. All the activities adopted for the fulfilment of the environmental targets have been planned and implemented in order to be measured and clearly defined. Finally for the success of these activities to be assured all the projects are communicated to the members of P.B. who are involved.

Additionally to the above in 2006, for the better implementation of its environmental programme, P.B. submitted its proposal to the LIFE programme. The LIFE programme is the main financing instrument for the promotion of EU's environmental policy. P.B. submitted its proposal under the title 'GREENBANKING4LIFE' and it was the only Greek proposal approved as it was considered as one of the most completed at the European Level.

This project has a three year duration, from October 2006 to October 2009, and a €2,000,000 budget. The 50% of the project is financed by the EU and the partner to its implementation is the Ecological Recycling Society. Finally the purpose of the project is the elimination of the P.B.'s environmental impact and the transference of the knowledge to many other corporations and enterprises as well as the broader public.

As has been mentioned above, the P.B's environmental policy consists of activities taken both in the internal and external environment. The activities taken in the internal environment aim to eliminate the impact from the P.B's activities to the environment.

This has been achieved through a programme which monitors the paper, power, water and travel consumption. This programme began in 2005 and continues successfully ever since. The calculation of impact from the P.B.'s activities to the environment will give the chance for actions to be adopted towards the elimination of this impact.

More specifically a recycling programme was adopted in order for the amount of paper used to be less. The paper is collected in special recycle bins placed in the P.B.'s headquarters building. The

programme has been successful and this is proved by the numbers given in the P.B.'s annual report for CSR for 2006.

In the report it is mentioned that the 92% of the needs for A4 paper has been provided by recycled, chlorine-free paper. In total, the recycled paper used by P.B. for the cover of its internal needs reached 300 tones and made P.B. the single largest user of recycled chlorine-free paper in the Balkans.

In 2006, P.B. collected all the power consumption data provided by the Public Power Company. This action aimed at the exact calculation of the power consumed by P.B. and in the creation of a reduction policy for 2007.

In addition to the above, a data base was created counting the kilometres covered by the staff when travelling for business purposes. During 2006 the domestic transportations were slightly less than those in 2005 but the travels abroad were raised due to the P.B.'s expansion in South-Eastern Europe and Egypt. In order for these journeys to be reduced, and therefore the energy consumed to be reduced as well, video conferences have been installed in the subsidiary companies.

P.B. has included activities in its CSR programme for encouraging people to embrace the alternative energy sources. For that reason at the end of 2006 the first 'green' banking product, which targets both individuals and businesses, was launched in Greece by P.B.. This financial product used, for investing in photovoltaic systems. In the design of this product an insurance programme is included created by Piraeus Insurance and Reinsurance Brokerage S.A. to cover the liabilities of such investments.

All the above are the actions taken by P.B. in its internal environment. For the success of these activities the participation of the staff is vital and crucial. For this to be achieved the information about the CSR activities in which the staff can participate actively need to be flown.

The P.B.'s environmental policy is communicated to the staff through a distinctive module in the P.B.'s intranet under the title 'We and the Environment'. In that module the principles, the initiatives and the results of P.B.'s environmental policy are given.

At the same time articles about the environmental policy of P.B. and its products as well as information about the new tendencies in the economic and ecological global scene are always included in the

Newsletters of P.B. such as 'Newline', 'Winners', 'Business Choices' and 'Investment Choices'.

All the above consist the internal actions taken by P.B. in the frame of its environmental policy. Apart from the internal activities there are the external as well. The P.B.'s external environmental activities aim to protect the biodiversity of the Greek nature. For that reason P.B. supported non- governmental and non- profit organisations.

These non- governmental organisations (NGOs) have as their main occupation to protect species which are about to become extinct, to rescue members of these species which can be in danger and to inform the public. Therefore a sponsoring programme was organised by P.B. supporting the NGOs of MOm, ARCHELON and ARKTOUROS. These NGOs protect the Mediterranean seal, the loggerhead sea turtle and the brown bear respectively.

At the same time P.B. participates in the European programme 'LIFE-Nature' which targets the improvement of the Fishing Policy and the development of the fishermen's income. The programme is implemented by the NGO MOm.

In the outline of the principles and objectives of the P.B's environmental policy the enlightenment of the public on environmental issues is included. The method chosen by P.B. for its

staff to be informed about the latest news regarding the environmental issues has already been analysed. For the rest of the public to be informed, other methods are applied.

In the P.B's website there is a link to the environmental issues and policies adopted by P.B.. The principles and objectives are analysed in that link. With the use of the internet P.B. encourages people to participate and help the environmental organisations by the creation of the e-banking platform 'winbank'. The contribution of the public to the organisations' work can be achieved through a special application for credit card holders called 'winlife'.

Additionally P.B. aims to inform the wide public about environmental issues through the articles included in the quarterly publication of 'Newsline'. At the same time P.B. remains the sponsor of a monthly review about ecological issues which sells 30,000 issues per month.

Another way used by P.B. in order for its environmental policy to be communicated to the public was its participation to the ECOLIFE Exhibition in June 2006. P.B. was one of the sponsors of this exhibition and participated in a seminar about the 'Perspectives of the Greek Photovoltaics Market'.



It is worth noting that P.B. has been positively evaluated for meeting the 'FTSE4Good Index Series' criteria. The FTSE4Good Index was established by the independent organisation FTSE after the high demand for socially responsible investments.

The results from the total of the P.B's environmental policy are given in the table below taken from the P.B's annual report for CSR for 2006.

TOTAL ENVIRONMENTAL BENEFIT FOR 2006		
Trees not cut	6,800	trees
Prevention of CO2 emissions	382.4	tones
Reduced water consumption	13,200,000	litres
Reduced solid waste	203.6	tones
Reduced power consumption	1,876,000	kWh

## **VII. FINDINGS**

### **VII.a. Introduction**

The results that will be analysed in this qualitative research project attempt to give an answer to the main question of this report which is if Greece has made any progress in the CSR field. Due to the fact that the research time and space available was limited the results can't give an objective view of the Greek reality about CSR, however they enlighten different sides of this reality and create a representative image of CSR in Greece.

### **VII.b. Greece: Ready or not ready for CSR?**

The first category of findings is focused on the question whether Greece was ready or not to apply and adopt CSR in its mature and correct form when it first appeared in the Greek corporate reality.

The reason for which this question was asked was the fact that this feature of CSR in Greece will give a base for the main questions of this research project to be answered. This feature will give an idea of how reality was in Greece when CSR first appeared.

The answer given from the respondents was negative. Politicians and corporations are to be blamed by the respondents for this.

Mr Spanos, Managing Partner of Eurocharity Organisation told:

'Greece was definitely not ready to adopt and apply CSR. Even if CSR was introduced to the European Union from a Greek politician the political world in Greece hasn't yet understood the importance of CSR'

Mr. Papadopoulos member of the Hellenic Network for CSR underlined that the lack of spirit of volunteering in all the aspects of Greek life is the main reason why CSR, which has a strong voluntary character, didn't find Greece ready.

### **VII.c. The Current Image of CSR in Greece**

After a first impression was given, by the previous findings, about the image of Greek reality when CSR first appeared, here the current image of CSR will now be outlined.

Most of the respondents agreed that CSR is not applied correctly in Greece by corporations.

The main reason for the wrong application is pointed out by Mr Poulopolos, director of business planning division and investor relations of P.B. He said that:

'The fact that there are not yet established rules about CSR in Greece contributes to the wrong application of CSR'.

Additionally to the above the sectors of where the CSR activities are lying are given.

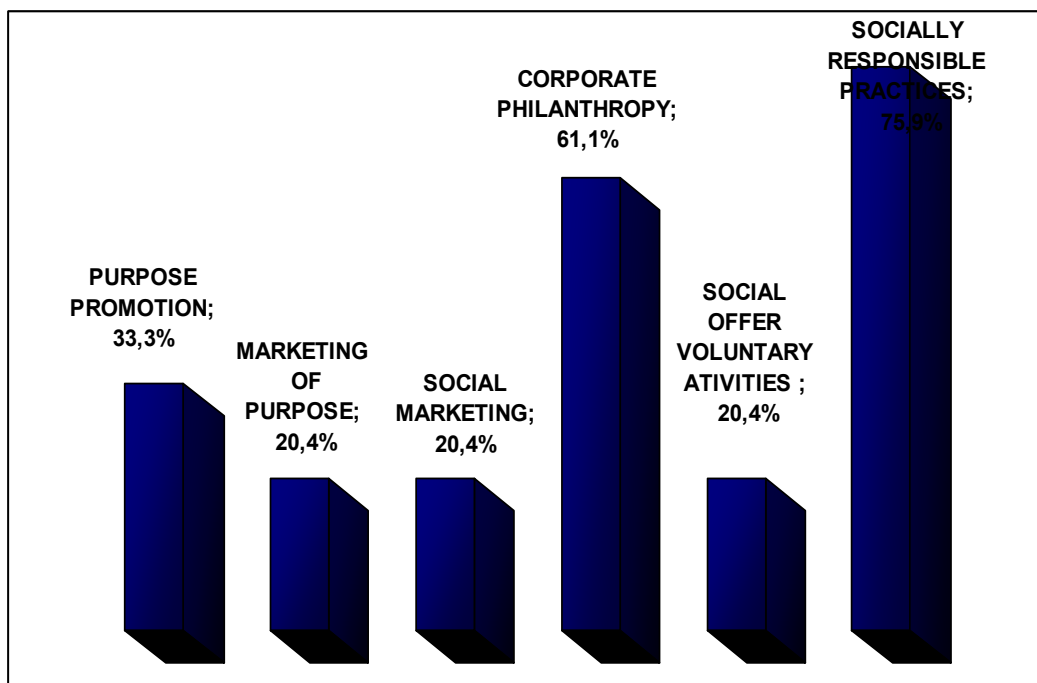
According to Mr. Papadopoulos society asks from corporations to organise and implement CSR programmes in order for specific social problems to be solved. Society seeks from corporations CSR programmes to work firstly, towards the elimination of poverty and the protection of the environment. These are followed by sectors such as health care, education and culture.

The Hellenic Network for CSR has investigated the tendency of the corporations to plan their CSR programmes in the direction of corporate government and the environment. The respondent from Eurocharity Organisation agrees with the above. It is also underlined by him that corporations whose performances pollute the environment are those to adopt environmental strategies as the centre of their CSR programmes.

Another feature of corporations and companies which seems to play a very important role in the choice of CSR activities is the place where corporations and companies are activated. Due to the fact

that the provincial areas, are not as much developed as the urban centres, corporations and companies, which are activated in these areas, choose to adopt CSR programmes related to their development.

The graph below, taken from the published research conducted by 'spin communications'<sup>3</sup>, shows the sectors of CSR activities of the corporations in Greece.



The additional information about the research provided by 'Spin Communications' in the research analysis will set more light in the numbers above. The corporate philanthropy and the socially responsible practices seem to be the most popular CSR activities

<sup>3</sup> The sample researched by 'Spin Communications' includes the 100 corporations with the highest expense for advertising reasons as it was recorded in 2005.

adopted by corporations in Greece. These two sectors seem to be the most popular because Non Governmental Organisations (NGOs) and other pressure groups request from large corporations to behave responsibly and to contribute to the solution of important social issues.

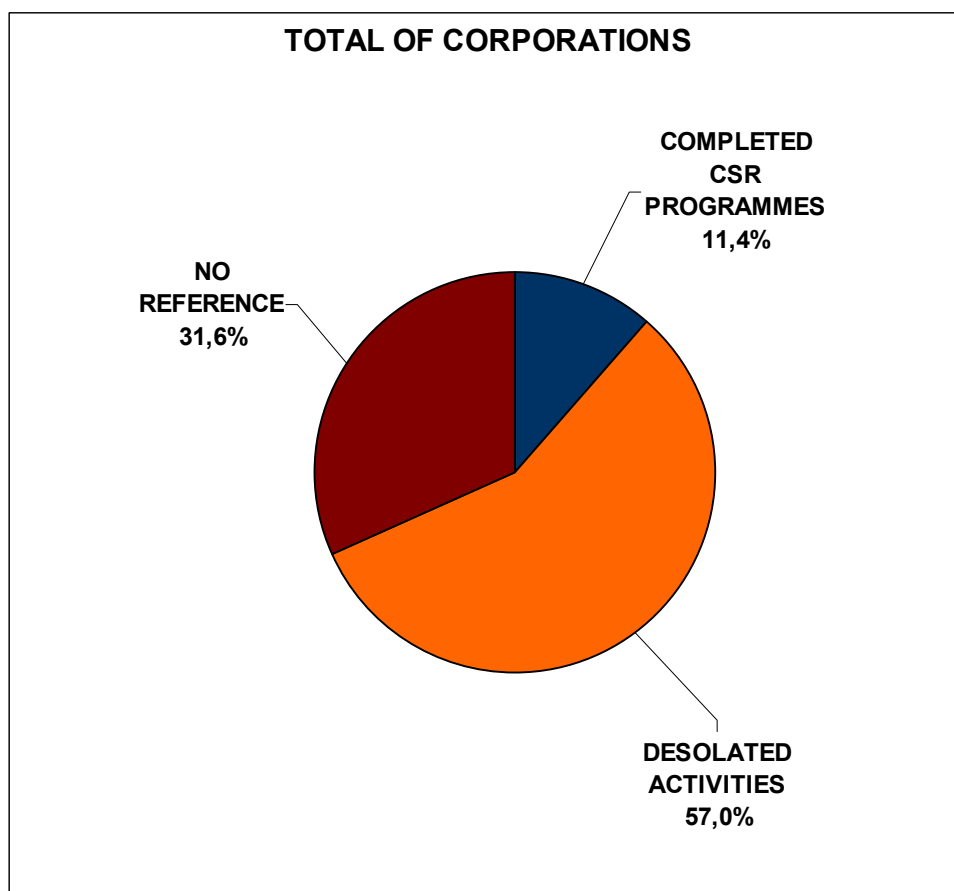
The socially responsible practices include the equality programmes adopted by corporations, or the training programmes launched by corporations for their employees, the recycle programmes adopted and the use of alternative forms of energy. These practices prove the argument of Mr. Papadopoulos for CSR that the majority of the CSR activities in Greece are focused on the sector of corporate government and the environment.

The corporate philanthropy comes second. It is characterised as the offer of money or services or products by the corporations to the NGOs and other organisations with action in the social and environmental sector. The corporate philanthropy is the cheapest and easiest way of projections for the corporations because the money offered doesn't need to be included in an extended and organised programme of CSR.

The very positive outcome from the research about the current face of CSR in Greece is that CSR is a reality for the corporate world in

Greece and not a trend that will be abandoned after a while. Corporations have realised that in the new reality formed in Greece CSR is not a choice but a necessity. 'CSR is here to stay' underlined Mr. Spanos

The results from the research, conducted by 'Spin Communications', reassure this position.



The 68.4% of the corporations researched in Greece includes CSR activities in their corporation programmes. The fact that socially responsible practices play a very important role in the creation of the corporate image in Greece supports the arguments for the

increased tendency for CSR adoption by Greek corporations. Additionally it shows that corporations have realised the meaning and the importance of CSR as a permanent corporate activity.

#### **VII.d. How far has CSR in Greece gone?**

This is the main question of this research project. From the findings above the main features of the first picture of CSR in Greece and its current image are given. Here the results about the degree to which CSR has reached *in* Greece will be given.

The respondents' answers show that there is no doubt about the improvement of CSR in Greece. Positive steps have been made and the image of CSR is better than the one in the past. However it is a common position that CSR in Greece has a long way to go.

Mr. Spanos took matters further. He said that:

'Levels of CSR can be identified in Greece today. There are CSR programmes implemented by the international corporations' departments in Greece. These programmes have been adopted



according to the CSR programme designed by the headquarters of these corporations. On the other hand there are the big Greek corporations which have made their appearance in the stock market. The CSR programmes conducted by these corporations show a significant improvement of CSR in Greece. Finally there are the small and medium enterprises which have started taking their first steps towards adopting CSR programmes.'

The adoption and development of CSR in Greece depends on the size of the companies. Big companies have more chances of adopting and implementing CSR programmes, while the smaller ones have started doing so only the last few years.

The important point of this observation is that even if the majority of Greek companies can be characterised as medium or small only the big ones, which are the minority in the Greek market, have the possibility and the means to organise, plan and implement a completed CSR programme.

The fact that big corporations have departments with people who have a clear view of the international tendencies of the markets in the world and understand the importance of keeping up with these

new habits is the explanation why big corporations have high-quality CSR programmes.

This observation is considered as the main cause why CSR in Greece has a long way to go yet.

The answer to the possible question why small and medium companies don't have organised CSR programmes came directly from Mr. Papadopoulos' response.

He underlined the lack of knowledge about CSR from the small and medium companies. Businessmen are not aware of the possibilities available and therefore they can't create a CSR programme. This can be resolved if examples of fine CSR practices are published and projected by the media and the organisations responsible for CSR and competitiveness that exist in Greece.

He added that the distribution of successful CSR programmes will be helpful for both the companies and the consumers as long as the meaning of CSR will be widely known and the companies will have the chance to adopt or even to be inspired to create new CSR programmes.

### **VII.e. The Future**

The final stage of the research is related to the future of CSR in Greece. The responses did not find any common ground in this part of the research.

Few of the respondents found the future of CSR in Greece optimistic and hopefully bright. On the other side there are the pessimistic ones who characterised the future of CSR 'foggy' and possibly negative. Finally there are those who have a more pragmatic approach towards the future of CSR in Greece. This group believed that CSR will follow the course of many other social issues which have appeared in the Greek society the last years.

Mr. Zavras, a special co-operator of P.B. for environmental issues underlined that CSR will meet a big rise as it will start becoming more and more popular among the corporations and the consumers. Then as time will pass a decrease of CSR activities will follow due to wrong operations made by the organisations and corporations. In the long term, only the corporations which have adopted a serious and responsible approach towards CSR and whose activities have a realistic base and meet the society's needs will survive.

#### **VII.f. To Summarise**

The results given above give some information about the CSR scene in Greece. There are both positive and negative aspects of CSR in Greece and there is no clear view about its future. The only point which is clear (and all the respondents agreed) was the one referring to the fact that CSR is a fact for the Greek corporations and enterprises and not a current tendency.

Different points of view, collected during the research procedure, will be discussed in the next section of this research project aiming to give an answer to the main question of this report: How far has Greece gone in terms of CSR?

## **VIII. DISCUSSION**

### **VIII.a. Introduction**

The results of the research analysed in the previous section of this report will be discussed here. The people chosen to be interviewed for this research project have a deep knowledge of CSR in Greece. However the answers given to the questions asked, were not always the same, on the contrary, sometimes they were completely different.

The respondents' approaches to some matters were not the same either. In some issues the responses had different direction and the respondents were driven to their position from different starting points.

#### **VIII.b. Why CSR in Greece is not applied correctly?**

It has been mentioned by a respondent that the reason why CSR is not applied correctly in Greece lies in the lack of established rules about CSR.

This is partly true, however CSR is defined by the Earth Summit in 1993 in Rio de Janeiro as 'a voluntary commitment of businesses to protect the environment and communities' according to Hancock (2004). Of- course as Frederick (1992) analyses legal advice can be helpful for companies but this might be a cost to the actual meaning of CSR.

On the other hand there is a legal base in the European Union (E.U.), and therefore in Greece, about the socially responsible behaviour of corporations towards communities. As Mr. Dimas, Commissioner in the E.U. for environmental issues, said in one of the interviews given by him to Ms Protaiou and was published in the annual publish for CSR by 'Ethnos' (2007) , the 'Green Bible' and the 'Agenda of Lisbon', launched by E.U., have as their main target to give some guidelines to the corporations about the protection of the environment. Their main role is to show the way to the corporations of environmental friendly policies.

Mr. Voulgarakis, Minister of Culture, has mentioned in an interview he gave to 'Ethnos' newspaper for its annual publication for CSR, that the law voted by the Greek Parliament in 2007 about donations in the sector of culture creates a legal frame for such activities. In the same interview the new bodies created in the ministry of Culture about CSR were outlined.

It is possible that the reason why CSR hasn't been applied correctly in Greece is the lack of information. Another respondent mentioned this as the answer to the question why small and medium enterprises haven't got organised CSR programmes. This

observation can be applied to the fact that CSR is not applied correctly in Greece.

It should be borne in mind that the majority of companies in Greece have medium and small size. Big corporations are a minority. Therefore it is not possible to have a clear view of the picture of CSR in Greece when the CSR programmes of big corporations only are taken into consideration.

These programmes can be used as a guide for smaller enterprises to follow. What is truly needed to be done is that the small and medium enterprises have to be informed firstly about CSR as a phenomenon and after that to be informed and trained in adopting and implementing CSR programmes.

It is the work and duty of organisations about CSR to let the businessmen know about this new tendency of business practice and above all is their duty to show them that their socially responsible performance is vital to the existence of the society and of their businesses as well.

### **VIII.c. Is the Future of CSR in Greece bright or not?**

Both optimistic and pessimistic responses have been given to the question about the future of CSR in Greece. There are indications that CSR has started being important to the strategies of big corporations and this fact is definitely positive for CSR. On the other hand there are many enterprises which show no evidences of CSR activities in their annual reports. This fact creates some clouds on the direction of CSR towards the future.

Apart from the two approaches given above, the optimistic and the pessimistic one, there is a third part approaching things in a more realistic way. The respondents of this group view CSR as a social and enterprising matter. This makes them believe that the process of CSR in Greece will be the same as that of many other new initiatives. The processes will be: rise for the first years, then a big drop and finally an equilibrated scene where the most capable will make their appearance.

This last approach is the closest one to the author's point of view. The author agrees that CSR must be considered as a social and enterprising issue. Society must not be kept out of this because it is the one influencing and the one influenced by the evolutions. The media will play a very important role in the development of CSR in Greece, as well.



The moment CSR will be in the news and in the media as a significant issue, will be when it will start to play an important role in the businesses' competitiveness. Once consumers learn about CSR and its positive impact on society they will start choosing products and services provided by socially responsible corporations and enterprises. Therefore more and more businesses will adopt CSR programmes in order to be competitive.

When the media will stop including CSR in their work, this will be the time of the big decrease. Consumers and society will stop making choices in terms of CSR performance unless CSR will manage to be a deep need and demand from the public. Unfortunately Greek reality doesn't ensure that this will happen.

This procedure of rise and fall will end with winners and losers. The winners will be, apart from society which will have found a new way to cope with various issues, those who will manage to adopt CSR policies and strategies which have strong roots and which target the creation of a real CSR programme. The losers will be the corporations and enterprises which will approach CSR as a medium of projection or as a new 'trendy' habit for attracting more customers.

The winners can be found among those corporations and enterprises which will face CSR as their responsibility and duty towards society. The businesses which will apply their values and principles to their performances, as Hancock says (2004), will be those who will build the reputation of a socially responsible and honest business.

As a conclusion the future of CSR in Greece will be the one that the consumers and businesses will choose to be. Consumers, who have the power to influence the market and the new tendencies in it, must realise how important and positive CSR can be for society and demand socially responsible behaviour from corporations and enterprises. Businessmen need to understand that CSR can be beneficial for the performance of their businesses and it can contribute to the rise of their income. If these two groups realise the mutual benefits that can be gained from CSR then CSR's future in Greece will definitely be bright.

#### **VIII.d. CSR: How Far Has Greece Gone?**

Here lies the aim of this report. To show how far has Greece gone in terms of CSR, Greece welcomed CSR few years ago. It still hasn't been a solid reality but many steps have been taken towards this direction. There was no respondent supporting the opposite view.

The fact that there are publications in Greece about CSR as a business performance, shows that CSR is gaining more and more ground in the Greek reality. Articles and researchers have made their appearance to the media. Therefore the number of people learning about CSR increases every day. This will create a first group of consumers with higher demands from businesses about socially responsible behaviour.

The launch of CSR as a reality and its acquaintance with a wider public is the first obvious step that has been made towards the development of the CSR reality in Greece.

Big corporations publish their CSR annual reports separately from their financial reports. This helps consumers realise the fact that CSR is as important as financial performance. At the same time the advertising space and time in all the forms of media occupied by socially responsible activities by corporations and enterprises is rising. All the above show the fact that CSR has started making its voice heard in Greece.

At the same time the creation of distinctive units for CSR in the big corporations is an additional point of the progress that had been made in Greece.

However the lack of an exact definition of CSR continues to create misunderstandings and confusions. The organisations for CSR in Greece and businesses which have embraced CSR, need to give a solution to this problem. The lack of a definition about CSR creates problems not only to consumers but also to corporations and enterprises.

Big corporations, as it has been analysed in a previous part of the present report, don't have problems defining, planning, implementing and projecting their CSR programmes due to their qualified staff. The problem lies in the field of medium and small enterprises.

These are the businesses which need to be supported and guided by organisations for CSR and other associations with action in a similar field. These are the businesses that will make the difference in the Greek reality about CSR because the small and medium enterprises are the majority of businesses in Greece.

Several steps have been taken towards the direction of informing and guiding the small and medium enterprises about CSR. Conferences have been organised and promoted by the Hellenic Network for CSR which provided businessmen with information

about CSR and good CSR practices that can easily be organised and implemented by small and medium enterprises.

A publication from the same organisation (the Hellenic Network for CSR) with examples of good and successful CSR activities can be considered as a basic guide to CSR for businessmen.

A survey conducted by 'Eurocharity' Organisation on the internet aims to create a clear picture of the current reality of CSR in Greece and to become a useful tool both for consumers and businessmen.

All the above show that efforts have been made for improving the CSR reality in Greece and that there are corporations and enterprises which have made their contribution to this improvement.

## **IX. CONCLUSION**

After the analysis of the results and the discussion of several findings an answer needs to be given to the main question of this research project:

'CSR: How Far Has Greece Gone?'

As it has been discussed CSR in Greece has made steps towards a better and improved future but these steps are just the beginning of the long journey that CSR has to cover in Greece.

It would be both unfair and unrealistic to support that CSR hasn't gone far in Greece. The starting point of CSR in Greece was the absolute absence of the CSR issue in Greek reality almost ten years ago. Now CSR is a performance adopted by the majority of Greek corporations.

It is possible that the actions taken by corporations, within the CSR programmes adopted by them, may not be well planned and structured. It is possible that these actions are not included in a CSR programme but are performed by corporations as gestures of philanthropy.

The result of these activities, albeit wrong, is that CSR has started becoming a need for corporations and a new issue for the Greek

society, though not yet aware either of its existence or its potential. Once society and corporations realise the mutually beneficial role that CSR can play, then CSR will start heading towards the position it deserves to have in every civilised and socially perceptive society.

On the other hand the small and medium enterprises, which constitute the majority of the Greek businesses, and those involved in people's daily routines, are not yet introduced to the reality of CSR. This is a difficulty which needs to be met if Greek business society wishes to go to the next level where CSR is not a new trend but a consolidated reality in Greece.

If there must be an observation to be remembered from this research project then it should be this:

Greece will be able to claim that CSR has gone far when the small and medium enterprises will adopt CSR programmes. It will be when CSR will be in people's daily lives. It will be when everyone will know what CSR is and they will be able to witness the benefits from CSR in their own lives.

Furthermore, Greece will be able to claim that CSR has been actively and fundamentally adopted when corporations will learn to

embrace their main values and principles and to apply them in every action they take.

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## **XI. APPENDIX**



