

Successful Greek Business Leaders in Greece and the United States: A Comparative Study of Two Cultures

By
Asterios G. Kefalas, Ph. D.
Professor of Management, Emeritus,
Terry College of Business, The University of Georgia, Athens Ga. 30602

akefalas@terry.uga.edu
www.terry.uga.edu/~akefalas
www.kefalas.biz

**ΜΙΑ ΕΙΝΑΙ Η ΟΥΣΙΑ. ΔΕΝ ΥΠΑΡΧΕΙ ΑΘΑΝΑΣΙΑ!
ONE THING IS CERTAIN. THERE IS NO IMMORTALITY!**

A BRIEF HISTORY OF THE RESEARCH PROJECT

I spent the last 45 years of my life studying the private for profit business enterprise. The complexity of this phenomenon captivated me. Despite its tremendous useful service it offers to humanity, most people are extremely suspicious of the motives and tactics of their captains. The most recent revelations surrounding the Enron debacle added to the perennial controversy over the private enterprise. From the days of Henry Adam's *Democracy: An American Novel*, in the late 1800s, until today academic scholars and journalists describe numerous scenarios of sinister collaborations between the main actors of the business and government establishment.

The contemporary business leaders are literary perplexed. While they know that whatever they offer is of value to the society they frequently suspect that some people question their real motives. While it is discomfoting to experience this lack of appreciation by the public at large it is absolutely devastating when members of their own family are the eye of the storm.

During my 35 or so years academic career I have experienced numerous incidents in which a close relative took issue with the motives and actions of the leader of a Family Business. Sometimes it was a son or daughter. Sometimes it was the spouse. Finally sometimes it was a group of shareholders who took an active interest in the running of the enterprise and forced out the leader. During the last two years I have been publishing a Sunday column in a Greek newspaper called MAKEDONIA. The paper is published in Thessaloniki since the beginning of the 1900s. I have received numerous e-mails and have met many leaders of Greek Family Business who confided to me their "ponos."

Literature on Family Business provides ample evidence of the difficulty of perpetuating the enterprise beyond the second and third generation. The saying that "***The First Generation Makes the money; The Second Spends it; and the Third Loses it***" is almost as universal as the law of gravity. A very small percentage of family business survives the stage we call the "cousins consortium."

Greeks are known as having "strong family ties." In particular Greek parents go to great pains to secure a "future" for their children. They value education of their children as a means for securing a life better than their own. Still Greeks also frequently practice Kanutism, the futility of trying to avoid the unavoidable. We do not wish to speak for "the" day. We all prefer to deceive ourselves that we will be around forever and thus we avoid any discussion on planning for succession. Suggestions from friends and advisors that we must plan for the day where somebody else will sit in our chair or stand behind our counter are brushed away liked contaminated food. We tend to believe that always bad things happen to others but never to us. We are invincible. We are immortals. We will be around forever!

SYNOPSIS

***What counts is not necessarily the size of the dog in the fight -- it's the size of the fight in the dog.
Dwight Eisenhower, 34th US President***

The Concept

The basic idea behind the project is to compare the successful Greek business people in the USA with those in Greece. Many thoughts contributed toward this project. The first is the question often asked: ***“why is it that so many Greeks found it, and still find it, easy to create a successful business in the US?”*** Conventional Comparative Management literature advocates that it is the “environment” that accounts for the majority of success in business rather than a person’s heritage or genes. Most people believe that the US has an environment that is more conducive to business success than Greece. Some ten years ago I started drafting some ideas about doing some research on this issue but I got sidetracked by a book in Greek which was published in 1999 entitled **The Enterprise in the 21st Century [Η Επιχείρηση στον 21^ο Αιώνα]** (Ellinika Grammata). A few years ago I started reading some “light” stuff in Greek like novels and biographies. For some reason every book I read revolved around Greek people in business that came from Asia Minor and the Pontos. Obviously this finding surprised me and I decided to do some more thinking and reading.

So I began to think maybe it wasn't the US environment and its huge market that accounted for the success of the Greeks in the US. Maybe it was the "size of the fight in the dog, and not the size of the dog in the fight." In other words maybe it was the "burn" inside these people and not the size of the market or the type of the government and all these other things we call the business environment. The Greeks who came from Asia Minor to Greece in the late 1920s found a business environment that was miserable. Greece was ravaged by numerous disastrous wars against its neighbors in pursuance of the Megali Idea. Yet within a generation these devastated refugees created some rather impressive businesses that still dominate the Greek business establishment. Actually if only a small portion of the descriptions of the adversities these entrepreneurs encountered by the native Greeks were to be true their actions were indeed heroic. My personal experience with Greek business people in the US confirms this assertion. Greeks who managed to create serious business in the US, from the small corner gyro and souvlaki shop, to huge groups of restaurants and other food related business all tell the same story: It wasn't easy, my friend!

As part of my research I flashed back to my graduate work at the University of Iowa, in the late 1960s. I remembered that we read a book entitled **Big Business Leaders in America**, by W. Lloyd Warner and James C. Abegglen (two sociologists from the University of Chicago).

The book was dedicated to the memory of Elton Mayo a great Australian Psychologist who did the famous Hawthorn Studies with Western Electric that gave the name to the so-called Hawthorn Effect. The basic theme of the book is the question of the **American Dream**. In the 1950s it was felt that "moving on up" in the social ladder was no longer possible because top positions in business were "hogged" by the sons of the business and professional elite. So the authors went out "to examine the kind of men these people are, how they climbed to the top levels of American enterprises, why they succeeded, and their meaning and significance for Americans." Through a series of interviews the researchers tried to determine the degree of contribution to these successes of the parents of these men as well as the impact of their wives' background and psychological profiles.

In reporting their findings they broke down these men into two main categories:

(1) the mobile men and (2) the birth elite men. The **mobile men** were leaders who moved up from their parents' social stratum of farmers, laborers and clerks. The **birth elite** men were the sons of big business leaders and professionals such as, for example, bankers, lawyers and such. Their main finding was that although the American system isn't as open (i.e., it doesn't allow the upward mobility of lower level men) it isn't as closed as some people seem to think. As the authors put it "But when seen in this larger span of social time, change not stability, flexibility not rigidity is the underlying reality." (p. 23)

I found their findings regarding the mobile men very interesting and realistic...at least they seem to apply to my own case. The quote below summarizes the main message of the book.

"Some of the elements of the process of mobility have come into focus. The mobile man **must be able to depart**: that is, he must maintain a substantial **emotional distance** from people, and not become deeply involved with them or committed to them; and he must be an **energetic person** and one who can focus his energy on **a single goal**. There has probably been in his life a **basic and deep experience of separation and loss** that sets the system in motion in terms of family of birth and his feelings toward his primary love objects, his parents. He must be ready to **detach himself**, and in moving have **no continuing concern for the past**." (p. 81) [Emphasis mine]

At first glance this quote seems to describe a rather "cold" person who doesn't seem to care about others. However, when one reads the entire book that's not the impression one gets. Perhaps I am a bit biased because this description DOES seem to fit my own profile. So I started wondering if that's true for the Greek businessmen here in the USA. After all they too were able to depart and leave their families behind and not look back for quite a while. Further, I started thinking about these Asia Minor and Pontos refugees who settled in Greece. Finally, I thought "what about the Greeks who left their villages during the WWII and the Civil War that followed and went to the big cities?" They too left their homes and families and settled in a new, devastated and even hostile environment and went on to build some very successful business. So I asked myself:

Are there any common threads running through this rather long and diverse fabric of Greek businesspeople? Do these people share some traits that account for their success regardless of the environment in which they pursued their dreams and exerted their energies?

The Research Questions

This endeavor is not intended to be a "scientific" study. Rather the intention is to do a "popular" journalistic type of a book along the lines of W.F. White's **The Organization Man**. The research questions are not meant to be hypotheses to be tested. Rather they are intended to be guidelines for the interviews and the writing of the book.

The main question this researcher asks is the following:

Are there any common characteristics between the successful Greek Businesspeople in Greece (GBiG) and the successful Greek Businesspeople in the US (GBiUS)?

A number of secondary research questions will be subsequently examined. For example it will be interesting to ask the following questions:

1. Are there any significant differences between the Greeks from Asia Minor and the Pontos and native [non-immigrants] Greeks in the GBiG and the GBiUS?
2. Are there any similarities between the Greek immigrants from Asia Minor and Pontos in Greece and the Greek immigrants in the US?
3. Are the Greeks from the rural areas who settled in the cities after WWII more similar to their Greeks from Asia Minor and Pontos or to the Greeks in the US?

Methodology

Data for the study will be gathered using a mixture of library and primary research. Library research will consist of getting some demographic data on both the business and the people in Greece and the US. A short questionnaire will be sent to the sample to supplement the library research. Finally, a set of interviews will be conducted in Greece and in the US to get specific information on their psychological personalities and their business philosophies. For comparison purposes a few Public Figures of Greek origin will be studied.

The Sample

A sample of 50 businesspeople will be part of the study split evenly between Greece and US. The term businesspeople includes both entrepreneurs, i.e., owners of business and managers in large private corporation or public organization.

Criteria for successful **entrepreneurs [Owners]**

Longevity	Must have been in business for at least 25 Years
Economic/Financials	Must have been profitable for the last five years Must have a ROI above national average Must have a growth rate above national average

Criteria for Successful **business leaders [Executives]**

Longevity	Must have been employed for at least 25 Years
Hierarchy	Top Management

Criteria for successful **public servants [Prominent Public Figures]**

Longevity	Must have been in office for at least 25 Years
Hierarchy	High Rank in a Public Function such as Parliament

The Collaborators

A number of collaborators who will assist in this work have been already identified in the US and in Greece.

In Greece

The editor of the newspaper Makedonia [Thessaloniki] has agreed to assist in the research and the Greek language and if his time permits to co-author the book.

In The United States

A number of goodhearted compatriots, old and young, from Atlanta to Wisconsin have also volunteered to help.

Biographical Questions

ABOUT YOU	
1. Your Age	<input type="checkbox"/> Less than 40 <input type="checkbox"/> More than 40 <input type="checkbox"/> More than 50
2. Your Marital Status	<input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Other
3. Number of Children	<input type="checkbox"/> Less than 2 <input type="checkbox"/> More than 2 <input type="checkbox"/> None
4. Highest Degree	<input type="checkbox"/> Ph. D <input type="checkbox"/> MA <input type="checkbox"/> BA <input type="checkbox"/> High School <input type="checkbox"/> None
5. Years in the Company	<input type="checkbox"/> Less than 5 <input type="checkbox"/> More than 5 <input type="checkbox"/> More than 10
6. Years in Current Position	<input type="checkbox"/> Less than 5 <input type="checkbox"/> More than 5 <input type="checkbox"/> More than 10
7. Place of Birth	

ABOUT YOUR COMPANY	
1. Year Established	
2. Industry Category	
3. Number of Employees	<input type="checkbox"/> Less than 100 <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 1,000
4. Latest Sales Volume	\$
5. Rank in Sales Revenue	<input type="checkbox"/> Top 10% <input type="checkbox"/> Top 25% <input type="checkbox"/> Top 50%
6. Rank in Profitability	<input type="checkbox"/> Top 10% <input type="checkbox"/> Top 25% <input type="checkbox"/> Top 50%
7. Rank in Innovation	<input type="checkbox"/> Top 10% <input type="checkbox"/> Top 25% <input type="checkbox"/> Top 50%
8. Future Prosperity	<input type="checkbox"/> 50%-50% <input type="checkbox"/> Less than 50% <input type="checkbox"/> More than 50%
9. Future Growth Via	<input type="checkbox"/> Internal <input type="checkbox"/> External <input type="checkbox"/> Combination
10. Sale of Company?	<input type="checkbox"/> 50%-50% <input type="checkbox"/> Less than 50% <input type="checkbox"/> More than 50%

QUESTIONS ON MANAGEMENT PHILOSOPHY

The questions below are the pivots around which our discussion will revolve. They are intended to elicit rich, lively and juicy responses.

Q1. What are your biggest challenges today operating a global business?

Q2. What trends do you foresee in your industry?

Q3. What was your biggest on the job mistake?

Q4. What has been your greatest accomplishment?

Q5. What mantra do you live by?

Q6. What do you believe are the key components of success?

Q7. What are your strengths and weaknesses?

Q8. Was there any particular experience or event [a crucible] in your life that influenced your management philosophy or style?

Q9. What were the major decision points in your career and how do you feel about your choices now?

Q10. Was there any particular person that was, and/or, is your HERO?

Q11. When you are not working, what do you enjoy doing most in your free time?

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Sources: Leaders: The Strategies for Taking Charge, Warren Bennis & Burt Nanus, (1985) Harper & Row, New York; Bennis & Taylor, Geeks and Geezers, Business to Business, Interviews, e.g., with Bob Ratliff, AGCO Corporation, and other literature.

CONFIDENTIALITY AGREEMENT

This Agreement is entered into this date by and between Asterios G. Stell Kefalas, a researcher and author, [The Interviewer] and _____, [the Interviewee].

WHEREAS, We are engaged in business of researching successful Greek Entrepreneurs, Managers, and Administrators in the United States of America and in Greece in pursuance of identifying common traits, characteristics, or modus operandi of successful leaders;

WHEREAS, you are considering providing the Interviewer with valuable information regarding the background, philosophy and strategies of yourself and your business;

WHEREAS, I plan to develop a book and other publications on the subject in English and Greek, the financial proceeds of which will be donated to a Foundation for the Education of Aspiring Young and Successful Old Entrepreneurs which is in the planning stage;

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

Section 1: Strict confidentiality. In order to get accurate, honest and useful information I need your complete open and unfettered responses to my questions. I for my part agree to adhere to complete confidentiality of the information supplied by you.

Section 2: Prior Approval of Intended Publications. In cases where it is necessary to make reference to you or your business by name all papers and/or books intended for publication will be reviewed by you [the Interviewee] before publications.

Per:

by: Asterios G. "Stell" Kefalas, Ph. D.
 Professor of Management, Emeritus
 3131 Mars Hill Road
 Watkinsville, Ga 30677
 706 546 1706
akefalas@terry.uga.edu

Signature:

Signature

Date: