Foundation Seminar Series
Session Two

Country Profile

ITALY
Francesca Bergamante (ISFOL)
Ornella Cilona (CGIL)
**Firm size:** over 95% of Italian companies have no more than nine workers

**Labour market fragmentation**

**Governance:** the Italian corporate governance system features a high concentration of direct ownership

**Very limited degree of separation between ownership and control**

**Negative effects in terms of innovation, internationalization, productivity and H&R management**

**Labour market segmentation:** lack of guarantees for temporary workers; low quality of work for the young; low female participation in the labour market

**Territorial dualism:** the north south divide; territorial disparities (GDP inh., employment and unemployment rates, female participation)

**Sector of employment:** around 24% of the total employment is in the public sector (18.8% for men, 31.5% for women); the remaining quota works in the private sector or is self-employed.

**NO LEGISLATION PROMOTING DIVERSITY AT THE WORKPLACE**
CONTRACTUAL ARRANGEMENTS

- Only 54.2% of around 23 millions workers have a permanent full-time contract. 10.6% of them have a permanent part time contract.
- The percentage of atypical workers is 12.3% of the total employment. 10.4% of the total employment has fixed term contracts and the remaining 1.9% works as freelancer.

GENDER SEGREGATION

- Italian women are more likely than men to be employed with an atypical contract: women's employment rate with non standard contracts is 14.6%, compared to 10.6% for men.
- In the two-year period 2011-2012 only 12% of women having atypical contracts have had a permanent contract (the same quota for men is 20%).
- Women suffer a huge occupational segregation (vertical and horizontal) with a high negative impact on pay gaps
- Low enhancement of skills is another negative factor that characterizes women quality of work.
- Women are also more overeducated than men
PEOPLE WITH DISABILITY

- Out of a total of 1’882’000 people with physical and mental disabilities living in Italy only 300’000 (16%) are occupied. The majority of workers are men (27% compared to 7.8% for women).
- 81.2% of people with physical and mental disabilities are inactive, a rate almost double that of the entire population.
- About a quarter of employed people with disabilities have problems concerning the work activity: working hours (asking more flexitime) and the type of job done.
- 54.7% of employed people with functional diversity works in the public sector.

YOUNG PEOPLE

- 53% of young employees have now permanent fixed term contracts or work as freelancers (+10% compared to 2007).
- During the crisis, from 2008 to 2012, the employment rate of people aged between 15 and 29 years decreased by 7%.
- The involuntary atypical contracts involve around 96% of young workers.
- Overeducation is rising up: 58.4% young employees with secondary education and 44.8% for young employees with university degree.
**IMMIGRANTS**

- 4 millions of non Italian citizens live in Italy (in 2001 they were 1,334,000). In just over ten years, 2.5 millions immigrants have arrived in Italy.
- In 2012, 10.2% of workers were immigrants (+0.4% compared to 2011).
- Although the 55.6% of employed immigrants owns a higher level of education, only 9.8% performs a skilled job (the rest is overeducated).
- Women mostly work as social careers and domestic workers, while men are mainly employed in agriculture, in construction and in non qualified occupations.
- Immigrants have been affected by the crisis more than Italian citizens: in 2012, their unemployment rate was 14.1%, while for Italian citizens was 10.3%. Since the crisis, the employment rate of immigrants fell by 6.5% compared to 1.8% of Italians.
- The employment rate for immigrants is still, however, higher than the Italians' one: in 2012, it was 60.6% compared to 56.4% for Italian citizens.
- Immigrants' net monthly salary is 25.8% less than Italians' one.
Identification

Multinational group based in Italy and operating in 40 countries across 4 continents

Sector: power and gas markets of Europe and Latin America,

Workforce: nearly 74,000 employees

Revenue: around 85 billion euros.

Social responsibility

In 2009, Enel and the three Unions (CGIL, CISL and UIL) signed an agreement on Corporate Social Responsibility (CSR), which provides initiatives in addition to those provided for by law and by the national contract on issues such as training, health and safety at work, equal opportunities and diversity management.

Each year, after the publication of the Sustainability Report, ENEL informs Unions on the actions taken by the company on CSR issues, with a special focus on diversity management.
Diversity issue addressed

No diversity manager, but a specific unit People care (set up in 2005-2006) within HR management with large-scale effort goals

- People care operates in a context of corporate welfare that has been set up in agreement with the trade unions

- The People care unit deals with the main types of diversity:
  - Disabilities
  - Equal opportunities
  - Age diversity
  - And culture

- Thanks to very good relations with trade unions existing in the group, Enel aims at improving the quality of work, fighting all sorts of discrimination.
Key characteristics of actions/measure/programme/policy

**HOW**
- Study of the socio-demographic composition of the Enel labour force
- Focus group to understand difficulties (e.g. in combining work and life in the big cities)
- Email address devoted to collect people’s suggestions/complaints

**WHAT**

- **Equal opportunities**
  - Family audit (quality certification)
  - Parental program
  - Services (baby sitter, laundry, etc.)
  - 30 days project (for children aged 3-13)
  - Financial aid to pay crèche costs

- **Disabilities**
  - Information booth
  - Training courses

- **Culture**
  - Cultural exchange
  - Training courses on the “other”
  - Books on tour

- **Age**
  - Programs to nurture talents

- **Sustainability**
  - A Mobility manager coordinates car-pooling service
  - Car sharing and bike sharing services are available
  - Discount for public transport
Some outcomes

- 3.6% of the workers have physical or mental disabilities
- 31% of the workers have a tertiary level of education
- 97.4% of the employees have a permanent full-time contract
- 44.8 hours is the number of training hours per employee per year
- 45 years is the mean age
The diversity management can boost the competitiveness of a company and at the same time improve the working conditions and defend workers' rights.

**Weaknesses**
- In Italy there is no national legislation on the promotion of diversity practices.
- Difficulties in company industrial relations due to the economic downturn.
- Italian companies still lack the awareness of how important this issue is, with some exceptions such as ENEL.
- Very small size of the Italian firms.

**Strengths**
- In Italy, the strength of the bargaining model and the long tradition of consultation between the social partners are crucial to foster policies aimed at promoting diversity at the workplace.
- Existing good practices in SMEs concerning e.g. cultural diversities.
Suggestions

✓ Social partners need to be supported by the government in the promotion of diversity at the workplace.

✓ A European Directive on diversity at the workplace can promote and disseminate this theme in all Member States, not only in large enterprises, but also in small and medium-sized ones.

✓ Tax incentives and financial aid (using e.g. ESF) to implementing diversity management at the work place.

✓ The use of appropriate statistic methodologies could be a way to show how the implementation of DM practices can be favorable also for companies.
Thank you
f.bergamante@isfol.it
o.cilona@cgil.it