

Recruitipedia



Welcome to Recruitipedia: ExecutiveSurf's review of the talent landscape around the world, this month featuring Italy.



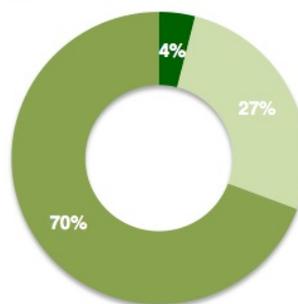
A country with a long history of commerce, considering that it hosted the first financial centres in the world: Florence in the 14th century, Genoa and Venice, in the 15th century, well before Antwerp. NY and London are relative newcomers.

A strong supporter of the European Union (the EU Parliament is named after Altiero Spinelli), Italy became one of the first Eurozone victims of the global financial crisis of 2008.

By mid-2012, Italy had the second-highest level of public debt - 123% of GDP in the Eurozone. This recession has been longer and deeper than in most other EU countries and has affected regions in different ways. Exports have carried Italy's economy through the recession.

Italy is becoming predominantly a services-oriented economy, although the relative importance of the industrial sector is higher than the EU average. Italy has a diversified manufacturing economy, which shows a North South divide between the developed industrial north, dominated by private companies, and a less-developed agricultural south.

SECTORS
2015



■ Agriculture ■ Industry ■ Services

The country's main economic sectors are tourism, fashion, engineering, chemicals, motor vehicles, machinery and food. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced by small and medium-sized enterprises, many of them family owned.

In terms of value added and jobs, SMEs play a more significant role in Italy than in most other EU countries. SMEs are essential to the 'non-financial business economy' in Italy, as they generate 67% of value added and 80% of all jobs.

SME's
2015

	Italy	EU Average
Value Added	67%	57%
Jobs	80%	67%

The manufacturing sector is the highest contributor to SME total value added, with 31%, against the EU average of 20% for that sector.

The 'non-financial business economy' has not yet recovered from the recession. SME value added in 2014 was still about 10% lower than in 2008: value added has increased by only 6%. SME employment has fallen by approximately 9% since the crisis.

JOB MARKET



In 2015, skills shortages were most frequently reported in the manufacturing (metallurgy, automotive), health, ICT, and green sectors.

Italians are seeking better opportunities abroad, driven on by the slow pace of change in the country, rising unemployment and the difficulty of finding well-paid and full-time work. Britain is the main destination - a total of 57,600 Italians registered for a social security number in the UK between March 2014 and March 2015. Currently, Italians make up the fourth largest European community in London. Germany, Switzerland, and France are the most popular destinations after the UK.

The brain drain involves many of the country's youngest (aged between 18 and 34) and brightest talents. Despite the lack of the corporate "incubators" that are multinational headquarters, traditionally training pools for future CEOs, Italy has exported several executive talents, such as Vittorio Colao (Group CEO at Vodafone), Davide Grasso (CMO at Nike Inc.), Luca Maestri (CFO at Apple), Sergio Marchionne (CEO of Fiat and Chrysler) Fabrizio Freda (CEO and General Manager of Estee Lauder), Mainardo de Nardis (OMD Worldwide Group), Alberto Criatore and

The brain drain involves many of the country's youngest (aged between 18 and 34) and brightest talents. Despite the lack of the corporate "incubators" that are multinational headquarters, traditionally training pools for future CEOs, Italy has exported several executive talents, such as Vittorio Colao (Group CEO at Vodafone), Davide Grasso (CMO at Nike Inc.), Luca Maestri (CFO at Apple), Sergio Marchionne (CEO of Fiat and Chrysler) Fabrizio Freda (CEO and General Manager of Estee Lauder), Mainardo de Nardis (OMD Worldwide Group), Alberto Criatore and

Francesco Vanni (Citigroup), Massimo Tosato (Schroders), Guerrino De Luca (Logitech) and Gianfranco Lanci (Lenovo), to name a few.

Although Italian companies are usually small in comparison with other industrialised countries, there is still a lot of room for foreigners. Rome and Milan are the biggest cities, and attract more white-collar workers: while Rome is the first choice for those working in politics and diplomacy, Milan's workforce is more industrially oriented.

The majority of the international business workforce is to be found in foreign companies. It is very rare to find an Italian company hiring non-Italians. This is due to cultural reasons, but also to a strong union mentality which is stubbornly hard to change.

There is a high turnover at blue-collar level, but when it comes to managerial positions, things are pretty blocked. In very recent years, immigration has boomed, and low-income jobs have been taken by foreign citizens in categories such as factory workers, agricultural workers and housekeepers/maids.

Moreover, Italian "pocket-sized" multinationals, i.e. grown-up SMEs with an international footprint, are increasing their demand for international managerial roles. In 2013, 22,004 Italian foreign affiliates operated in more than 160 countries. These enterprises employed more than 1.8 million persons, and generated a turnover of €542 billion.



The growing internationalisation of the Italian economy is confirmed by new foreign investment: 61.4% of industrial multinationals have made or planned new investments of foreign control for the 2014-2015 period (up 7 percentage points from the previous two years).

The sectors showing the greatest growth between 2012 and 2013 are the manufacture of computers and electronic and optical products, medical equipment, measuring instruments, watches and clocks, manufacture of chemicals and pharmaceuticals.

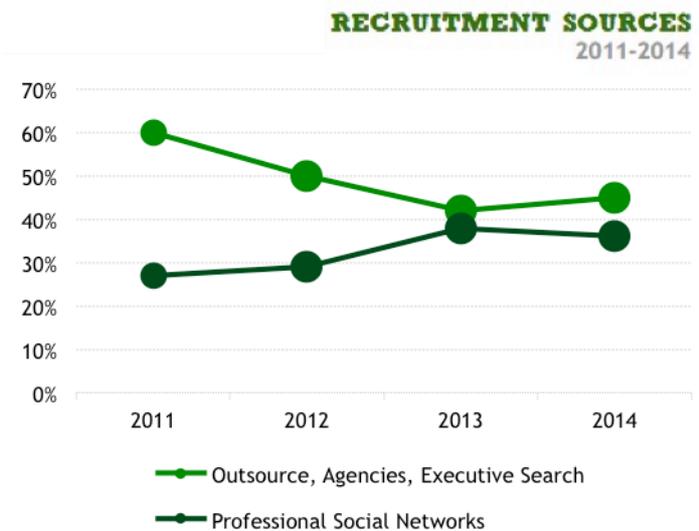
The US is confirmed as the main location for both industrial goods (over 130,000 people) and services (over 111,000).

RECRUITMENT TRENDS

Some facts about recruitment in Italy and other influencing indicators:

- In Italy, the volume and the budget of recruitment has been experiencing an increase during the last years.
- Employer brand is the most critical factor to attract talent.

- The use of professional social networks is growing and stabilising; social networks are now the second most popular source of quality hires.



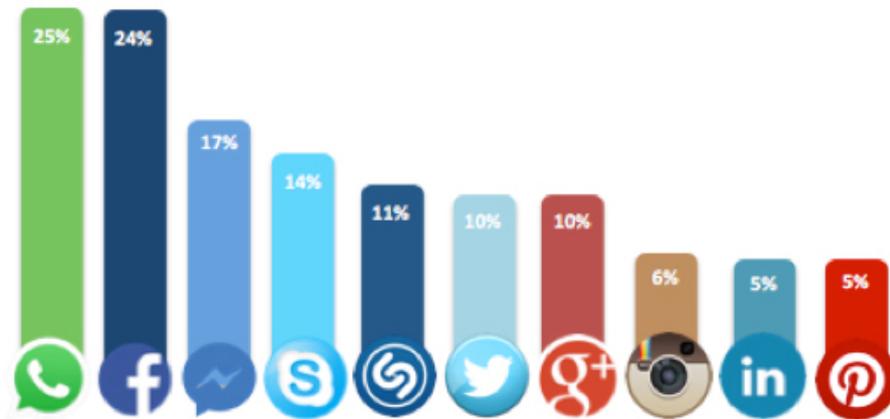
- The % of Italian companies that select passive candidates is below the global average.



- To recruit internationally, Italy is the perfect hunting ground; data shows Italian professionals, usually with excellent academic backgrounds, are most willing to leave their country for a better opportunity overseas.
- The Internet population in Italy is 36.6 million, of which 28 million have a social media account.

TOP ACTIVE SOCIAL NETWORKS

% of users 2015

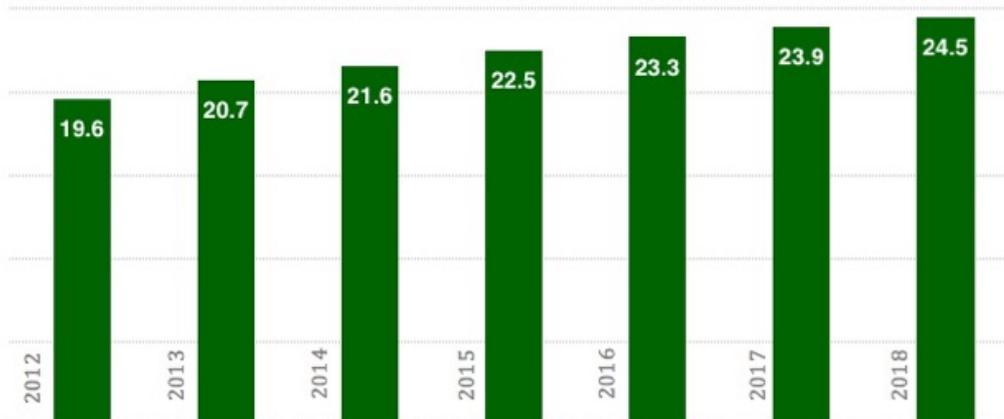


- In Italy, LinkedIn is still considered just a platform on which to post a business profile and not to engage in discussions or to leverage lead generation potential.
- Of note is the fact that WhatsApp is the largest social network, although this has little impact on the talent market as its ascendancy has more to do with strictly social group chats and communications.

Italy still hasn't really hit the "social wave"; the trend is that businesses are turning their attention more and more towards social media and that they will develop a growing interest in this area in the near future.

NUMBER OF SOCIAL NETWORK USERS

(in million) 2012-2018



Traditional social networking, which is particularly prevalent in Italy, has moved massively online, with an openness to accept invitations, which goes beyond most comparable markets.



Word of mouth is still the preferred social network for talent acquisition. 79.4% of Italians believe that it's the most effective way of finding a new job opportunity. In second place are recruitment companies 63.7% and following this is a direct contact with the hiring company at 54%

The employer brand is of extreme importance for Italians. The company's image combined with strong references weighs heavily in their decision to apply and subsequently accept a job offer.

When recruiting for a multinational or recognised brand in Italy, an initial conversation with a potential candidate is almost 100% assured. Italians are always open to talk about a possible career opportunity/project.

A face-to-face appointment is a must when hiring in Italy. Furthermore they'll be more willing to talk about themselves during that meeting.

Most Italians will give a recommendation even if not personally interested in a position.