Country Guide

ITALY

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About Italy

Italy is famous for its ancient cities and breathtaking countryside which attract expats in search of la dolce vita from around the world. But aside from rich landscapes and cultural heritage sites, Italy offers a wide range of professional and business opportunities.

As the world’s eighth largest economy, Italy is associated with some long-running global brands from designer fashion houses such as Prada and Versace, to clothing retailers Benetton and sports car manufacturer, Ferrari. Italy is also home to the world’s oldest surviving bank, Banca Monte dei Paschi di Siena, which was established in 1472.

The cultural emphasis on family values and the number of regional and national holidays also offer Italian residents a healthy work-life balance, making it an ideal location for expats to raise their families.

• Population: 60 million inhabitants (approx.)
• Capital city: Rome
• Area: 301,338 km²
• Political system: Parliamentary constitutional republic
• Main language: Italian
• GDP: Total – $1.852 trillion (8th)
  Per capita – $30,231 (26th)
• Main religion: Catholicism (83.3%)
• Time: GMT+1
• Currency: Euro (EUR) (€)
• International dialling code: +39
• Emergency numbers: 112 (military police), 113 (police), 118 (ambulance), 115 (fire)
Family Values

Family values play a large part in the Italian lifestyle. National holidays such as Easter and Christmas can involve many family traditions and are popular occasions for relatives to spend time together.

Italians often look to their families for emotional and financial support. Historically, this has given rise to a large number of family-run businesses in Italy. In areas involving artisanal production methods, family businesses abound, for example, in the production of leather goods, food and wine, jewellery making and other specialist products and services.

Food

Italy is also well known for its wealth of high quality fresh produce.

Every region has a distinct cuisine showcasing local products which makes travelling and eating in Italy an exciting and educational experience.

Sharing food and drink is a social activity that is central to the Italian lifestyle, whether at home or in public.

Italian Style

Dress well and make a good impression. Since Italians assess each other within the first few seconds of meeting, your style and fashion sense can communicate a number of factors to those around you, for example your social status, profession, level of education and personal interests.

Given the importance of appearances, it is not surprising that Italy has a strong reputation for fashion and tailoring with renowned names such as Gucci and Armani enjoying global success.
Italy has the highest number of SMEs (small and medium-sized enterprises) and family-run businesses in the whole of Europe. Even many of Italy’s largest companies still have individual families as the main stakeholders, for example: Ferragamo (leather goods), Ferrero (chocolates), Lavazza (coffee).

The typical business structure is strongly hierarchical and decisions are usually made top-down with the involvement of middle management. The family-run business model often means decisions can be made quickly and with an emphasis on long-term planning.

As a result, family and business connections are of great value and knowing the right people is very important. Job titles do not accurately indicate people’s true position of power within a company since individuals may be very well connected and have the ability to shape decisions beyond the scope of their role.

When doing business with a company in Italy, it is invaluable to spend time at the beginning of the business relationship to work out the particular decision-making process within the company.
Management Style

Networking and maintaining professional relationships is of the utmost importance. Since an individual’s degree of influence within a company depends on the strength of his or her relationships with senior managers, it is recognised that spending a considerable amount of time on cultivating work relationships is a good investment.

Managers must also be good at adapting to change since plans may follow short to medium term goals. It is less common to make long term plans and business situations may change quickly.

Plans may also undergo change as a result of negotiations so it is essential for managers to be up-to-date on their projects and modify plans when necessary.

Perhaps due to the influence of traditional hierarchies and family values in business, most people prefer their team leaders and managers to demonstrate a ‘paternalistic’ management style.

However, far from being authoritarian, this means that Italians expect their managers to be in control without being dominating or controlling.

Simply issuing orders will risk losing the respect and cooperation of team members. Instead, Italian workers expect managers to involve them in consultations and to have their opinions and ideas taken into consideration during decision-making. Managers should listen to staff first and then make decisions based on their consultations.
Business Meetings

First meetings are often set up by mutual business contacts. Being introduced to a potential client or business partner by someone they are already familiar with is a useful way to start new business.

One primary goal of meetings is to establish trust between participants and team members. Italy is a relationship-oriented culture so it is a good idea to invest time in getting to know everyone and develop rapport. The focus of meetings tends to be less about making decisions and more about analysis and gaining a deeper understanding of the topic on the agenda.

Agendas are seen as flexible and discussions can go off topic.

All members can actively participate in discussion and interruptions are frequent, with participants often holding side conversations or being called away to take phone calls. Meetings are often a formality to ratify decisions that have already been made in pre-meetings between smaller groups of participants. It is usually necessary to be involved in these pre-meetings in order to influence the final decision.

Punctuality, while valued, is less important than in other cultures but participants will try to be punctual. However, if urgent business matters involving colleagues arise Italians will often prioritise helping a colleague over being on time. Being late is not a sign of disrespect.
Teamwork

Ideally, teams work under the supervision of a team leader who motivates the members and creates a feeling of team loyalty. The team leader also directs the team and keeps them focused on the goals of the project.

Teams that lack such guidance risk becoming too individualistic with each team member working independently with little coordination with the rest of the team.

It is also typical for team members to work on various projects at the same time so they may lose focus on certain tasks as time goes on. It is important for a team leader to bear this in mind and manage the work flow and direct the team’s attention to the tasks in hand accordingly.

Since relationships are so vital to team work, once a strong team has been established, it is generally not a good idea to separate the team. Instead, continue assigning work to the team as a whole.

Team spirit is often developed and maintained through social events, preferably involving sharing good food.

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Communication Styles

Italians are more talkative than some other nationalities and can be particularly voluble when they feel strongly about a point and wish to be persuasive.

Displaying emotion during debate is a way to show interest whereas a calm manner could be interpreted as a lack of interest rather than professionalism. While such verbosity and show of emotion may be misunderstood as unprofessional, mastery of verbal and non-verbal communication is a powerful management tool.

Formal presentations are not the preferred method of business communication since they can appear rigid and excessively academic. Instead, informal and small meetings are more effective for sharing information.

Italians are more likely to trust information that has been verbally given by someone in a position of trust as opposed to written information from a less familiar source.
Negotiations

Allocate sufficient **time for negotiations** which may involve many participants, each with his or her own area of expertise. Italians will want to **analyse** potential risks and evaluate ideas so negotiations cannot be hurried.

Due to the **hierarchical structure** of companies, decision-making can take time since middle managers may need to report back to top level management. This will slow down negotiations and also raise new areas of enquiry.

Once a **verbal agreement** has been made, you can trust that your partner will honour the commitment.

**Final contracts** will correspond to previous informal agreements from past meetings.

Be prepared to **change plans** during negotiation as situations may change quickly. However, this degree of flexibility does not usually affect the degree of commitment.
Italian Language Facts

1. There are only 21 letters in the Italian alphabet

Italian is a Romance language, like English, that only uses Roman characters. But unlike English, Italian does not use the letters: j, k, w, x and y. Italian words containing these letters have been borrowed from another language.

2. Dialects in Italy

Standard Italian is based on the Tuscan dialect but there are also several other regional dialects that are spoken in Italy. However, these are very different to each other and so not mutually intelligible. In fact, the Sicilian dialect is so different that linguists often propose classifying it as a language on its own.

3. Words with no translation in English

✓ abbiocco, a nap or a snooze, the drowsiness you feel perhaps after a heavy meal.
✓ magari, hopefully, or ‘with any luck’.
✓ gattara, a cat lady.
✓ freddoloso, to be sensitive to cold
✓ scarpetta, literally ‘little show’ to refer to the piece of bread used to mop up the last remaining sauce on your plate at the end of a meal.
Typical Italian Proverbs

«Non tutte le ciambelle riescono col buco», literally means ‘not all doughnuts turn out with a hole’. Things don’t always turn out as planned.

«L’ospite e’come il pesce: dopo tre giorni puzza», literally ‘guests are like fish: they stink after three days’, meaning to outstay your welcome.

«A menar il can per l’aia», to beat about the bush.

«A caval donato non si guarda in bocca», ‘don’t look a gift horse in the mouth’.

“Conosco i miei polli”, literally means ‘I know my chickens’. I know what I’m talking about.
Useful Tips

1. Loyalty and personal strengths are highly respected.

2. Meetings are usually informal and used as opportunities to gauge public opinion about certain topics and not necessarily to reach decisions.

3. Traditional leadership is usually authoritative and top down.

4. Pre-arranged agendas are not usually followed strictly.

5. Investing time in building strong, loyal business relationships is necessary for successful collaboration.

6. It is common practice for participants to enter and leave meetings when necessary. Leaving a meeting to answer a phone call is acceptable, particularly if it is important or comes from someone in a position of authority.

7. Displays of emotion are not always seen as unprofessional and can actually be a powerful form of communication.

8. Ideas are judged less on merit and more on the reputation or influence of the person putting forward the idea.

9. Talking is the most effective and trusted form of communication. People prefer to directly give and receive oral instruction over written. Good verbal communication skills are vital.

10. Italians will strive to be punctual but they will give priority to other people’s demands on their time since human relationships are more important than punctuality.

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ALLA PROSSIMA!