ALLEN & OVERY

A view on culture from… *Italy*

HAVE YOU SEEN A CHANGE IN THE WAY CLIENTS ARE APPROACHING CULTURAL ISSUES WITHIN THEIR ORGANISATION? IF SO, WHAT ARE THEY DOING?

In recent years we have certainly seen that clients have been adopting a new approach to certain cultural issues within their organisation: this indeed constitutes a new phase which is also involving lawyers.

For the first time, after years of merely legal assistance, managers are now asking that we help them to spread, within their organisation, the fundamental principles of a culture based on respect, diversity and dignity in the workplace. We receive more and more requests for training sessions and interactive workshops aimed at informing employees and managers about issues which are not strictly related to the business, but which are instrumental in improving the working environment and ensuring sustainability over time. The new awareness has been undoubtedly triggered by the considerable impact in social sectors of the #MeToo movement and it is certainly no coincidence that the first clients who showed increased sensitivity to these kinds of issues belonged to the show-business and entertainment industry.

The trigger has been that for-profit organisations have finally understood that a working environment that fosters human rights is vital when trying to attract young talented people and ensuring their retention over time, with obvious direct benefits, not least in economic terms, for the business.

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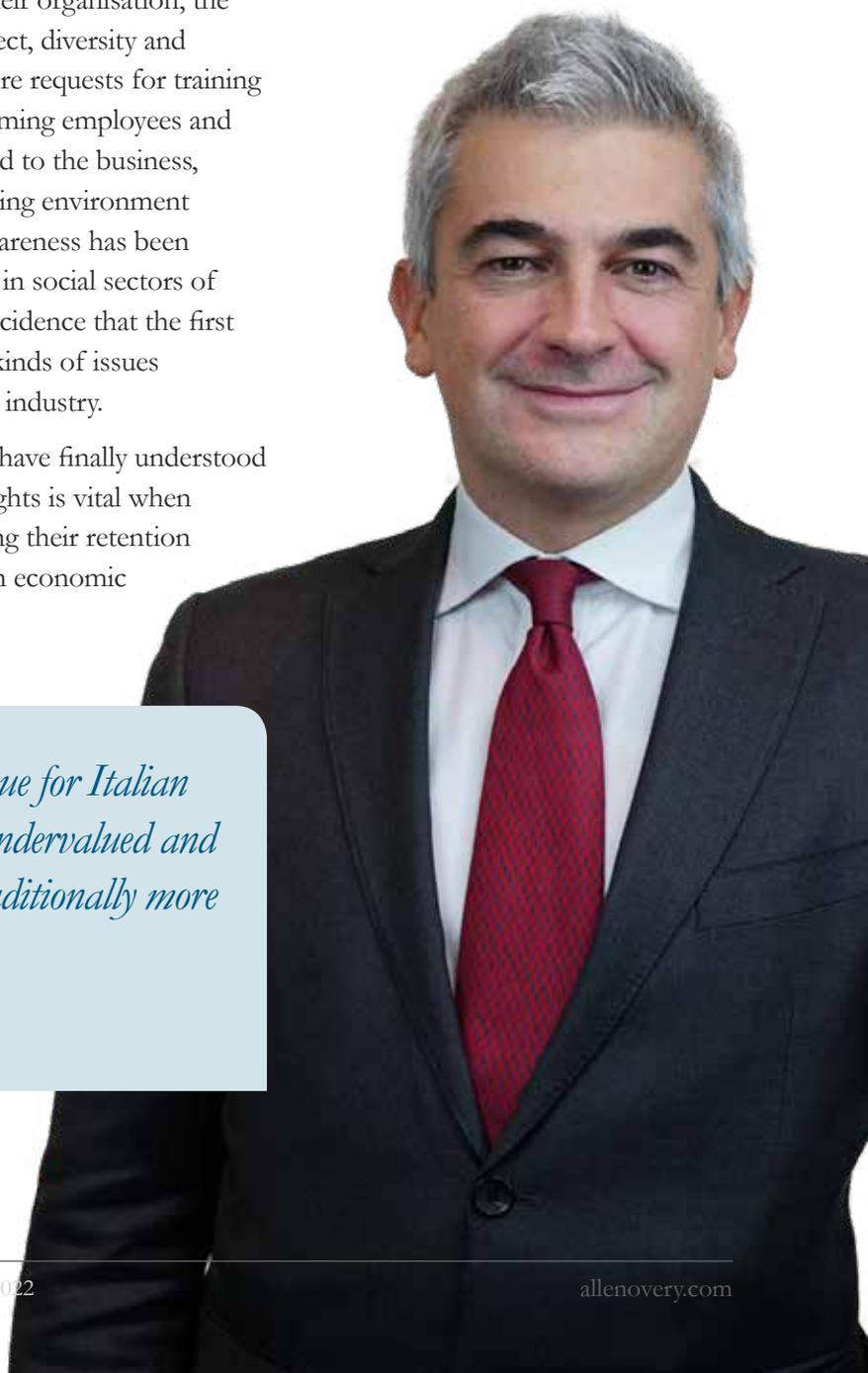
HAVE YOU SEEN AN INCREASE IN ANY PARTICULAR CULTURAL ISSUES? EG HARASSMENT, WHISTLEBLOWING, MENTAL HEALTH ISSUES

Harassment is an extremely relevant issue for Italian organisations: so far, it has often been undervalued and tacitly accepted by employees due to a traditionally more accommodating cultural approach. In many companies, especially those where the approach is less formal, the boundaries between professional and personal life are very thin; the two areas often overlap and generate working environments with a high risk of distortions and consequently disputes.

Whistleblowing has also become more central following the introduction of specific rules, less than two years ago, at a local level, which is beginning to bear fruit in spite of the employees' mistrust in the confidentiality guaranteed to whistle-blowers.

It is our belief that, in the not-too-distant future, the key issue, even in terms of cultural change, will concern the invasion of technology into employee life and the accompanying right to disconnect; this issue is starting to be discussed in Italy, especially in the banking sector

ARE ANY PARTICULAR SECTORS MORE AFFECTED THAN OTHERS?

Communication, showbusiness and entertainment companies have been the first to implement initiatives aimed at promoting a step change in business culture, with specific regard to dignity in the workplace and, more generally, the issue of discrimination and harassment, as a result of the extensive media coverage given to the Me Too movement which significantly highlighted those specific issues throughout the world.

In general, however, Italian companies that belong to multinational groups and benefit from the higher awareness which has been developed over recent years abroad and which drives consistent and cutting edge policies with regard to cultural change, are in turmoil. Conversely, local businesses and manufacturers are lagging far behind in this respect.

WHAT WOULD YOU SAY HAS BEEN THE BIGGEST DRIVER FOR CHANGE/ HAD THE MOST IMPACT ON CULTURE IN RECENT YEARS?

The #MeToo movement has triggered a wide range of initiatives that have brought to life a cultural change (previously latent and ready to explode). However, it seems that the millennials' entry into the labour market is significantly contributing to the emergence of certain issues which will necessarily bring about a redefinition of our so-far crystallised business culture; their generation is in fact raising just expectations of work-life balance, gender equality and anti-discrimination both upon recruitment and retention.

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HAVE YOU SEEN ANY PARTICULARLY INNOVATIVE WAYS CLIENTS HAVE BEEN ADDRESSING CULTURAL ISSUES WHETHER TO PROACTIVELY IMPROVE CULTURE OR TO ADDRESS SITUATIONS OF POOR CULTURAL BEHAVIOUR?

Certain clients are now less reluctant than before to sanction conduct which until recently would have passed unnoticed, even when they are put in place by managers, thus spreading a message of awareness about certain themes among their labour force. It should also be noted that many organisations are increasing their initiatives aimed at publicising employee reporting systems that are often anonymous or widely protected.

WHAT TRICKY ISSUES HAVE ARISEN IN YOUR JURISDICTION RELATING TO CULTURE?

The most difficult aspect to handle is certainly the employees' distrust of the true nature of the change in corporate culture. Employees are often left with the feeling that the change in culture is actually imposed from above, particularly in the case of multinational groups, by the holding company; therefore, they have doubts concerning the true and proper commitment to introduce the cultural change on the part of the Italian business. Frequently, the main fear is that the change in culture is merely formal and that any action implemented by the employees could incur the risk of retaliatory attitudes.

WHAT WOULD BE YOUR TOP 5 TIPS FOR CLIENTS FACED WITH A COMPLAINT OF POOR CULTURAL BEHAVIOUR?

1 Surveying employees' expectations and examining their demands for change so as to appropriately correct any organisational shortcoming

Surveys should also be anonymous in order to ensure reliable results.

2 Showing self-criticism without any ex-post justifications

No matter what; employees expect to witness genuine cultural change, and not something merely cosmetic and superficial.

3 Having the courage to sanction any conduct

Which was previously accepted or not officially recognised

4 Learning from countries

Where the cultural change was implemented some time ago, thus absorbing practical and concrete knowledge and ways of coping.

5 Rewarding

Any conduct actually in line with the new culture that is emerging in many organisations.

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