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Corporate Welfare and its tools.

Smartworking as a response to emergency
and work life balance

Supervisor

Ch. Prof. Vania Brino

Assistant Supervisor

Ch. Prof. Adalberto Perulli

Candidate

Ilaria Cacco

Matriculation Number 844056

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INTRODUCTION

This thesis aims to analyse a topic that is evolving and becoming increasingly important in the economy and in the world of work: Corporate Welfare. Corporate Welfare is generally understood as the set of benefits and services provided by companies and/or trade unions to employees in order to improve their private and working life in a number of areas, from family income support and parenting, to health protection and up to leisure measures and commercial facilities.

The attention that this issue is attracting is also due to the particular historical moment we are living in the last year, a year dominated by a pandemic, which has challenged the economy of all countries. In fact, it is precisely at a time of crisis that corporate welfare is most tested: just as it can help productivity and business efficiency in normal times, it can represent, through its many measures, a lifesaver capable of preventing a company from sinking at a time of great difficulty.

The first chapter of this thesis provides a general overview of the phenomenon under consideration, first of all retracing the fundamental stages of its development, from the first experiences directly in the company, such as that of Olivetti, to the collective bargaining of recent years. An attempt will then be made to give a more precise definition of the concept of corporate welfare, which can take on innumerable nuances as it does not yet have a well-defined regulation. Analysing the concept of Corporate Welfare we cannot but come across Corporate Social Responsibility experiences, which are often internalised by corporate welfare practices. In this thesis we do not intend to deal with the whole topic of CSR, but only from a functional point of view to define corporate welfare models. As CSR is defined as all those practices through which companies internalise the needs of their stakeholders, the focus is to examine in particular the actions put in place towards workers, as stakeholders, and to assess how the actions of socially responsible companies can and are appreciated by the outside world. Going more into the specifics of the topic, the various institutions that can form a company welfare plan will be analysed, both regarding the role of the legislator in contributing, through tax reductions, to their diffusion, and with regard to workers' responses. A final analysis concerns corporate welfare measures in emergency situations: how companies have reacted and which instruments have been most widely implemented.

The second chapter deals with the vast theme of Work-Life Balance, which is the common denominator and at the same time the ultimate goal of corporate welfare policies themselves, at least from a theoretical point of view. In order to deal with this issue it has been necessary to make an assessment of the composition of the current workforce, in order to have a better understanding of the problems that emerge: in addition to a progressively ageing workforce, and the difficulty for younger people to find employment, the role of women workers and consequently the gender gap are the hottest and most problematic issues.

In this respect, the solution most often adopted by companies concerns increasing the flexibility of working time, in particular through the use of agile working. It is this tool that the third chapter of the thesis deals with, together with an analysis of its usefulness in emergency situations. The ability to use smartworking, more than other measures, could be used as an index to measure the virtuousness of a company in relation to its workers, as it is among other things a measure defined as "zero cost", which in fact does not involve a direct economic outlay by the company, but only a more administrative and managerial commitment.

Finally, the case study of a company, the *Reckitt Benckiser pls*, which stands out for its corporate welfare, social responsibility and, in particular, employee protection policies, is reported.

Regarding the sources supporting the various arguments discussed, mainly surveys and reports from *Bollettinoadapt* were used along with various reports on Second Welfare, including the one edited by M. Tiraboschi for Welfare for People and the Welfare Index PMI 2020, drawn up by Generali.

1 CORPORATE WELFARE

1.1 THE DEVELOPMENT: From Olivetti's Experience to the present days

The word "Welfare" was first used to refer to the so-called "Welfare State". This is identified as the responsibility of the state towards the population of workers with regard to major social risks ranging from accident, illness, unemployment and elderliness.

One of the first definitions of the Welfare State dates back to 1961 and made by A. Briggs¹: it is defined as a system to guarantee the subsistence of individuals and families, to reduce their insecurity through support in case of certain events and to ensure to the totality of the citizens, without differences in social status, certain standards in terms of social services.

In the course of time, this responsibility has evolved into a set of public assistance and social protection laws and regulations to provide services and benefits both in nature and in economic terms with the aim of protecting citizens in difficult situations. Over time, and in different ways in different countries, other purposes such as education and health have been added to this purpose.

As a result of the progressive weakening of Welfare State, there is an evolution of private measures in the pursue of welfare. The emergence and development of various forms of private welfare in the corporate sector have been associated by many authors with so-called "Industrial Paternalism", linking them to the most relevant industrial experiences of the late 19th or early 20th century², or cases of enlightened entrepreneurship inspired by Olivetti's philosophy in the first half of the 20th century, when the Welfare State did not exist and the needs of workers were for the most part without an organised public response. When talking about corporate welfare, the Olivetti case and the history of its company deserve particular attention.

The greatest extension of Olivetti's social services system was achieved between the 1950s and 1970s, but its roots lie in the spirit and culture of the founder Camillo Olivetti. The first company mutual society dates back to 1909, just one year after the

¹ Briggs A., *The Welfare State in Historical Perspective*, Archives Europeennes de Sociologie, 1961, vol.2, n.2, pp. 221-258

² Ascoli U., Mirabile M.L., Pavolini E., *Dal welfare di cittadinanza al welfare nel lavoro? Contrattazione collettiva e iniziativa d'impresa in Italia*, in *La Rivista delle Politiche Sociali*, 2012, n 3, pp 53-76

company was founded; in 1932 the Domenico Burzio Foundation was set up to provide workers with social security beyond the limits of insurance; the social workers' office and bus service for employees date back to 1937. Until the 1930s the social services were set up by the management to assist workers in situations of need; but later the measures were institutionalised in an organic system, with a strong focus on the individual and a constant search for quality and efficiency. They were no longer concessions from the boss, but a right of the worker.

Olivetti's social services differed from similar experiences in Italian industry not only in terms of their size but above all in terms of quality, management independence from the company, and openness to the local community; the management board was an internal but autonomous body, made up of representatives from the company and the employees, and among other things had a binding opinion on the allocation of resources assigned by the Management of Social Services and Assistance.

Between 1949 and 1950 the Management Board drew up the Welfare Charter, which emphasised a particular aspect of the future welfare systems: "..The social service has a supportive function. Every worker in the company contributes with his work to the life of the company itself and can therefore access the welfare institute and apply for the relative benefits without these taking on the features of a personal concession to him".

In Olivetti, therefore, social services were not intended as a paternalistic donation by the boss, but as part of the company's social responsibility. A basic principle of Olivetti's philosophy is that business is one of the main factors of change in society, so it must contribute to the pursuit of a better quality of individual and collective life. In addition, an extensive social welfare system contributes to improving the performance, productivity and involvement of workers, since they know that their future and that of their families is protected and assured. Thus, according to Olivetti's philosophy, which will become a general feature of welfare programmes, the creation of a positive social environment strengthens the loyalty of workers and their willingness to actively collaborate in the development of the company.

Obviously, the social services offered by the company were not intended to replace the public system, but rather to overcome its shortcomings or to anticipate them.

During the period of greatest development, Olivetti's social services were not limited to the company but were open to the entire population and the whole surrounding area benefited.

Six main areas of intervention can be identified:

- MATERNITY AND CHILDCARE ASSISTANCE
- HEALTH ASSISTANCE with a very wide coverage also addressing families through an internal solidarity fund, established in 1960 and financed by workers' and company contributions
- SOCIAL ASSISTANCE: this is the presence of social workers in the factory who, acting independently from the personnel office, operate both in the cases of individual workers and at a collective level
- PROFESSIONAL EDUCATION: with a mechanics training centre, a course for draughtsmen, evening courses, a technical institute; this part was one of the areas open to the population
- CULTURAL SERVICES including conferences, concerts and shows held in the vicinity of the factory
- MISCELLANEOUS MANAGEMENT including canteen, transport, housing (loans and bank guarantees, technical and architectural consultancy etc.)

Another point of view on the origins of corporate welfare is that of Zamagli³: he traces the birth of welfare back to American welfare capitalism at the end of the 19th and beginning of the 20th century. This model is closely linked to the development of the Fordist enterprise, characterised by the scanning of workers' life times on the basis of the company's production needs. In this context, the company is not only central to the local and national economic system, but also becomes the centre of gravity of the life of the worker and of the entire community, including the social and personal sphere. And it is in this scenario that the company 'takes responsibility' and tries to look beyond its own direct interests, shifting its focus outwards and also caring for the needs of its employees and families. The basic principle of Welfare Capitalism is to make the worker participate

³ Zamagli S., *Dal Welfare della delega al Welfare della partecipazione*, Le Giornate di Bertinoro per l'economia civile (XIII edizione), 2013

in the good performance of the company, through the allocation of high wages, productivity bonuses and greater security related to health care and housing; in this way the capitalist recognises the importance and the decisive role of each individual worker, and feels morally committed to giving them back part of his own fortune.

In the Italian scenario the prevailing idea is that until after-war the first forms of private welfare were promoted by enlightened patronage of entrepreneurs, which partly filled the absence of a public welfare system that was still precarious; in the post-war period, however, a new phase of development of corporate welfare began, which took up traits of US welfare capitalism, in particular as regards the scientific organisation of work and paternalistic personnel policies. In the post-68 welfare state season, private welfare necessarily changed its features and became more marginal and concessional in nature, compared to an increasingly present and costly public welfare. It is well known that the relationship between national and decentralised regulation of working conditions is a general problem in industrial relations, and not only in Italy; welfare institutions were not only first tested in companies, but developed from within companies, although in a context unbalanced towards national bargaining.

In 1986, with the approval of the Consolidated Income Tax Act (TUIR), the first translation into law of the factory paternalism typical of Italy's early industrial growth took place. However, from 2008 onwards, more and more companies began to approve company welfare plans that, while complying with regulatory constraints, were driven by reasons opposite to those advocated by the legislator, i.e. explicitly economic, in contrast to the paternalistic vision of the TUIR.

Since the 2016 Stability Law there has been a regulatory revolution: in collaboration with companies and trade unions, the Government has overturned the basic purpose of the provision of goods, benefits, works and services, which do not lose their social purpose but take on an explicit economic function; in fact, corporate welfare plans are allowed, if chosen by the worker, to replace traditional monetary productivity bonuses, and the monetary benefit of the same is maintained even when they are collectively and individually bargained.

Returning to the present, and with an eye to the future, it is also important to reflect on the prospects opened up by the Fourth Industrial Revolution. According to

Tiraboschi⁴, the boundary between capital and labour will become thinner and thinner, as well as the boundary between internal and external markets; as a consequence, co-creation, sharing and fruition of the value generated by companies will converge in the direction of collective well-being but also of sustainability in the social field and in the general public interest.

The evolution of the so-called 'Industry 4.0' now imposes a definitive overcoming of the Aristotelian laws of labour law, namely "the unity of place-work (work on the premises of the company), of time-work (work within a single time sequence), of action-work (a single occupational activity)". (B. Veneziani, 1991).

The current labour scenario sees a decisive change in the relationship between the person and the machine, and more generally between the factors of production (capital and labour), among which the role of technology in wealth creation processes stands out. This is why a reappraisal of the legal regulatory system is needed to take account of these new production relationships, in addition to the major changes in the demographic and environmental context and the globalisation phenomena that characterise our century and pose new and urgent problems for the sustainability of production processes and labour.

The first fact to be considered is the ageing of the population: this affects the organisation of work in two respects, both as regards health and safety conditions in working environments that are no longer identifiable within a specific workplace, and as regards the difficulty for generations of workers to interact with the new technologies, since in our country, more than in others, adequate vocational training is lacking. (see Table 1)

⁴ Tiraboschi, *Secondo rapporto su il Welfare occupazionale e aziendale in Italia*

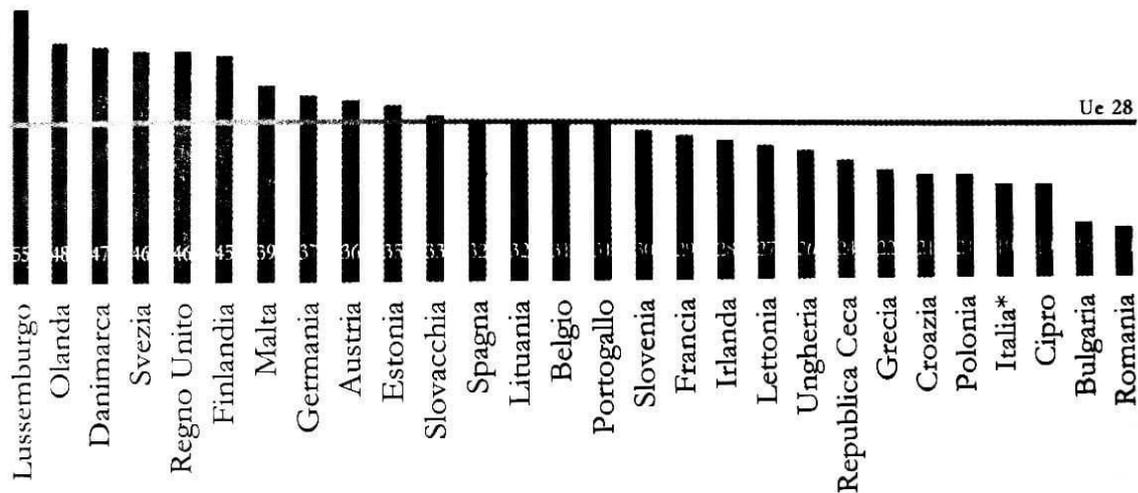


Table 1. People among 16-74 years old with high digital competence level per country – year 2017 [database: Eurostat]

However, solutions such as the pension reform of 28 January 2019, designed to solve the issue of an ageing population and the employment of young people, raise some perplexities. First of all, there is the question of how the social security system will hold up after this reform, which will be at the expense of future generations; moreover, although it allows some workers to leave early, there is no guarantee that they will be replaced by as many trained and competent workers.

All this leads to minor changes in welfare programmes, which are currently focused on employment status rather than on the individual.

Examples are the guaranteed minimum income to ensure the subsistence of the individual, the so-called *Universal Basic Income*, or the *Outplacement Income* for training courses to get the worker back into the labour market.

This is also the direction in which the first experiments in social finance are heading, in line with the social changes taking place. Social finance is an instrument that activates private resources in support of specific projects with a social impact, operating through a mix of philanthropy and financial investment; this can represent a new logic of private investment that does not have the sole aim of economic return but also a different relationship between the territory and the production system. One example is the experience of Luxottica, whose corporate welfare initiatives are linked by simultaneous initiatives in the local area and in the reference community, thus creating a link and a positive exchange between the company and the local area. This was Adriano Olivetti's

warning (1955) when he stated that: "it is not possible to create a higher island and find ignorance and misery and unemployment all around us'.

Therefore, the changes taking place in the current work environment, including the overcoming of the standardised production methods typical of the Fordist economy and the internationalisation of markets caused by globalisation, make the tension of statutory labour law and national bargaining systems, which were elected as the 'common rule' of the market and of the way of doing business, useless. However, even the company level is in risk of being a regulatory framework that is not adapted to the dynamics of agglomeration and the way of doing business, as has been observed in many European countries. All this seems to aim at a cooperative and participatory renewal of our system of industrial relations with the logic of territorial bilateralism, which envisages a rethinking of the welfare system with the aim of cooperation between community and territory.

In this perspective of labour relations, it is particularly useful to frame Welfare institutions within the framework of economic relations, as highlighted in our Constitutional Charter, which not by chance places article 38 on "social protection" within the chapter dedicated to economic relations. From this it can be deduced that public welfare and private welfare can no longer be understood as mere integration or complementarity, let alone in terms of hierarchy. In fact, the aim is not to fill gaps and inefficiencies of the "first" Welfare, but rather to reconstruct a new economic and social paradigm consistent with the dynamics of the "fourth" industrial revolution, which affects both the state and the market.

Corporate welfare is becoming an essential element in the major economic and social transformations of our times, as it responds to the insecurities and social conflicts inherent in these transformations (as in all industrial revolutions) and combines the values of productivity, redistribution of the value created and workers' welfare. In fact, it is no coincidence that our constitution speaks of social protection in the context of economic relations, but puts it before articles dedicated to trade union freedom and the right to strike, thus putting the rights of the individual ahead of the rights of the worker (trade union freedom and the right to strike).

IL WELFARE AZIENDALE
Dalla riforma del 2016 ad oggi



From a regulatory point of view, the TUIR is the legislative source that regulates what is now known as 'company welfare', although this expression is not found in any legislative provision. More specifically, the articles to look at are 51 (which concerns income from employment) and 100 (which regulates the treatment of 'socially useful expenses').

In the company's interest: Article 95 (employment expenses) and Article 100, which states that “expenses relating to works or services usable by all employees [...] *voluntarily* incurred for specific purposes of education, instruction, recreation, social and health care or worship, are deductible for a total amount not exceeding 5 per thousand of the amount of expenses for employee services resulting from the tax return”

1.2 CORPORATE WELFARE: The Context and the Fenomenon's Feature

Close to public welfare, which provide for state interventions to protect citizens, private welfare, and especially corporate welfare, has developed. The latter is based on the initiative of individual companies, outside the context of common purposes for the whole society⁵. Hence the risk of pursuing partial objectives and encouraging tendencies towards services' sectorialisation. A number of trends have been identified that lead to

⁵ Treu T., *Welfare aziendale 2.0*, Ipsoa, 2016

the need for personalised services and require specificity of intervention, as well as greater freedom and participation of individual subjects: on the one hand, the weakness or reduction in some cases of public resources, as a result of the slowdown in economic growth and then of the crisis, induce the State and welfare institutions to be more selective than in the past in identifying social services, distinguishing between those that are essential (and therefore compulsory) and those that can be entrusted to the free choice of individuals and can also be managed on a private basis; on the other hand, the qualitative evolution of the population and its needs must be considered.

Public policy orientations have differed from country to country, as can be seen from comparative analyses, showing unequal degrees of development of private welfare also in relation to the size and quality of the public social protection system. The link is not mechanical, as has been pointed out, because even countries with strong public welfare verified the usefulness of second welfare in responding to the changing and growing needs of citizens.

In fact, all analyses show that the expansion of private welfare is a common trend in advanced countries. This trend has accelerated in recent years, partly due to the conditioning of crisis, which has required the public sector to select its interventions more carefully and has stimulated the involvement of social actors, and non-traditional social actors.

Beyond the different specific configurations, European legal systems have shared the same favour for corporate and private welfare institutions in general, supporting their development through tax concessions. The Italian case is not an exception, even if this support has been expressed with regulations that are far from consistent and variable over time, with significant innovations introduced by the 2016 Stability Law.

In the Italian legislation, it is hard to find a precise and comprehensive description of what is intended for Corporate Welfare. In the Tax agency circular of 15 June 2016, number 28/E, "Corporate Welfare" was defined as the set of benefits with a social purpose but excluded from the employee's income; this is a reductive and limiting definition as it does not take into account that there may also be Welfare measures and benefits in addition to those tax-advantaged.

There are many studies and treatises on corporate Welfare from which the difficulty of a generalisation clearly emerges; this is due to the continuous evolution of the phenomenon; in fact, easily we find the public Welfare state, which derives directly from the highest level of the sources of law, that is from our Constitutional Charter, in particular article 38 of the Constitution, which states: "Every citizen unable to work and lacking the necessary means to live has the right to maintenance and social assistance. Workers have the right to be provided for and assured adequate means for their living needs in the event of accident, illness, invalidity and old age, involuntary unemployment"; what is more difficult to define concerns the so-called "Private Welfare", which is part of a subsidiary Welfare; there are lots of Welfare typologies that integrate the public Welfare, therefore not only Welfare financed by private resources (horizontal subsidiarity) but also the one provided by local authorities (vertical subsidiarity).

Private Welfare is also called "Second Welfare", the adjective "second" has a double meaning: temporal because some forms of assistance are added to those of the first Welfare, i.e. the one identified in the State during the 20th century⁶, and functional because it integrates some of its gaps by stimulating modernisation and experimenting new organisational, managerial and financial models not yet explored by the public sector; moreover, the second Welfare mobilises non-public resources made available by a wide range of economic and social actors.

For the non-expert in the subject, there is undifferentiated discussion of contractual and negotiated welfare, corporate and occupational welfare without a clear delimitation of the areas of interest, which contributes to general confusion.

The various definitions in the doctrine tend to describe which services can be included in each area or which needs are met rather than to define precisely the different types of welfare. However, different authors provide different definitions that do not appear to be unambiguous.

⁶Ferrera M., *Secondo welfare; perché? Una introduzione*, in Maino F., Ferrera M. (a cura di), *Primo rapporto sul secondo welfare in Italia*, Centro Einaudi, 2013, pp 7-16

The most widely discussed concept is that of "Occupational Welfare", which is defined as "the set of social benefits provided by firms to their workers under the employment contract that binds them to each other"⁷.

We can therefore speak of social benefits provided voluntarily by private employers or by the state in its role as employer.

According to Natali and Pavolini⁸, there is a further distinction between "voluntary" and "compulsory" concerning occupational Welfare, bearing in mind what is reported by the state law in the configuration of the national Welfare system. However, it is evident that Occupational Welfare includes both bilateral and unilateral contracts.

Traditionally, from contractual Welfare there was a distinction between corporate Welfare that was born by unilateral and voluntary initiative of the employer without the need of negotiation with the workers. This is because corporate welfare has always been interpreted as the evolution of factory welfare, i.e. the set of social figures put in place by the paternalistic entrepreneur, typical of the early growth of Italian industry.

Given the lack of a clear definition of Corporate Welfare, it is however important to observe the regulatory provisions for the Italian context. In fact, the 2016 Stability Law does not attribute unilaterality and voluntariness to corporate Welfare, essentially overturning the previous approach. If previously services provided on the voluntary initiative of the employer were excluded from the employee income, now the tax regulations allow the exclusion from the income of Welfare measures subject to negotiation, only if they are not unilateral, which in that case have a deductibility limited to 5 per 1000 of the amount of expenses for employee services.

The law remains one of the main defining instruments and point of reference, so the boundaries of some concepts can be drawn:

- Voluntary Corporate Welfare is granted unilaterally by the employer without legal, contractual or regulatory constraints.

⁷ Titmuss R., *Essays on the Welfare State*, Allen and Unwin, Londra, 1958

⁸ Natali D., Pavolini E., *Comparing (Voluntary) Occupational Welfare in the EU: Evidence from an international research study*, OSE Research Paper, November 2014, n.16

- Compulsory Corporate welfare, the one deriving from a union agreement or unilateral regulation; in the first case we can talk about contractual corporate welfare.

At its origins, among the reasons for the rise of private welfare were the specific needs to create an ideal type of worker, morally upright so as not to create problems and willing to cope with Fordist rhythms. It was necessary to intervene in order to contain the social behaviour that could be an obstacle to the production system, and it was necessary for the Fordist industry that a certain psychophysical balance existed to prevent the physiological collapse of the worker, squeezed by the new production method.

The focus on the worker here is the result of a conception of human capital as a productive factor to all intents and purposes, at the same level with machines and other elements; the aim was therefore to optimise its use by identifying increasingly standardised tasks. The resulting productivity element allowed the Fordist company to reduce the number of hours and the load on the workers, while also increasing wages. In this way the undeniable difference of labour compared to other factors of production was recognised, but only as a philanthropic attempt to help the worker by granting him greater socio-economic benefits. A design that may seem positive and favourable to the worker, but which in no way recognises his centrality in the production process.

Security of remuneration, high wages and pension contributions are therefore compensation for the limited creative possibilities and personalisation of work according to a contractual paradigm of subordination in which the personality of the individual is a factor holding back the production process. Some elements of entrepreneurial paternalism can also be found in present-day welfare, but with a change in approach: many innovations in the field of welfare now appear to be the result of an increased average sensitivity from companies, accompanied by a concrete need to contain production costs and increase the productivity of workers.

There is no unanimity among experts on the origins of private welfare. There are those who argue that it developed from the gaps left by public welfare (retrenchment), those who link it to industrial relations and the major transformations of work, and thus to changes in the way of understanding wage elements, contractual exchange, organisational practices, production processes, company objectives and new forms of work.

It is not possible to talk about corporate welfare without talking about collective bargaining; if the welfare initiative in the past years was mainly taken by the company management, the intervention of collective bargaining has been growing in more recent years, again mainly in large companies. It was the bargaining in pilot companies that stimulated the establishment of welfare forms that were no longer unilateral but agreed⁹; in practice, but also in literature, welfare originates primarily from collective agreements of different levels rather than from individual contracts.

It therefore takes shape at the national level, through national labor contracts (CCNL), which have played a decisive role both in regulating supplementary pensions, with the launch of the so-called *closed funds*, now present in all the main categories, and in regulating supplementary health care, whose coverage is included in large part of the economic sectors; as well as at the sub-national level, with decentralized bargaining up to agreements or interventions at the level of individual companies. The topic of CCNL deserves special mention; in the Italian labour law, it is a type of labour contract concluded at national level between the organisations representing employees and their employers or by the respective social partners following collective bargaining and subsequent agreement. The contracts and their subsequent amendments are collected and stored in the national archives of the National Council for the Economy and Labour.

The national and territorial dimension of bargaining, as mentioned, is particularly suited to supplementary pension and health care, because they require a critical number of stakeholders, in order to optimize the administrative and financial costs. Corporate and territorial bargaining is more appropriate for other types of benefits, because it allows them to be specifically related to the needs of companies and people concerned, thus making them more appreciable and better controllable.

The normative part of the CCNL is made up of all the clauses that take effect with respect to the parties to the individual employment contract and regulate workers' salaries. The compulsory part of the collective agreement, on the other hand, is made up of all the clauses that do not have direct effect on the parties to the individual employment contract, but which must be considered binding exclusively for the parties that have signed the collective agreement. Article 39(1) of the Constitution sanctions the freedom

⁹ Treu T, *Introduzione Welfare aziendale*, Working Paper Massimo D'Antona, 2016

of each individual not to join any trade union organisation and its contractual framework; despite this, a note from the Ministry of Labour¹⁰ states that the contractual clauses laid down in the CCNL must be applied to all companies that are members of employers' associations that sign the CCNL.

The negotiation of social benefits at the local level is a phenomenon that dates back to around the 1970s when, in a phase of consolidation of the unions, workers' representatives used to take on an important role in policies at the local level, particularly those related to assistance. These interventions began as a self-generated phenomenon, appearing almost spontaneously when workers and their representatives attempted to exercise collective voice power in order to improve working conditions. Since the 1990s, the so-called "social bargaining" began to assume characteristics of greater stability within the syndicate. This same period also saw the start of the process of defining the two levels of bargaining - national and decentralized - through the stipulation of the Interconfederal Agreement of July 23, 1993; this process then continued with the Agreement in "separate" of January 22, 2009 (not signed by the CGIL), the Agreement - this time unitary - of June 28, 2011, the Consolidated Act on Representation of January 14, 2016 and the so-called "Pact for the factory" of March 9, 2018. In the agreement between CGIL, CISL and UIL of 14 January 2016, a unified position was taken on the new system of industrial relations: it recognises the power of contractual welfare to help organisational well-being and work-life balance, within a broader framework of improving productivity and working conditions. Hence the preference for bargaining welfare institutions, rather than unilateral forms decided by companies, to be tailored to the characteristics of individual contexts, starting from the real needs of people and companies.

It is important to consider the potential of various forms of bilateralism in the spread of second welfare, especially at territorial level and for SMEs. Bilateral bodies are defined as bodies set up on the initiative of one or more of the most representative employers' and employees' associations, as privileged sites for the regulation of the labour market¹¹, as a kind of 'mediator' between trade unions and employers. A priority area of development has been income support in the event of job suspension and loss, for which mixed forms of self-regulation and administrative control have been made possible

¹⁰ 21 December 2006

¹¹ D.lgs 276/2003

(in particular for social shock absorbers); through interprofessional funds, bilaterality has also contributed to the spread of professional and continuous training: it fully represents a welfare action in the form of social investment, which largely replaces public action; more recently, bilaterality action has been expressed in support of family and reconciliation policies.

Bilaterality has proved to be an effective tool for meeting the interests and expectations of both sides of the relationship, as can be seen from the broadening and differentiation of the sectors covered, but there is still a lack of awareness of its potential not only to serve but to renew welfare as social investment¹².

In recent years, also thanks to the opportunities linked to the regulatory innovations mentioned above, the representatives of company managers and employees, i.e. the social parties, have seen corporate welfare as a new tool for dialogue. In particular, following the contingencies dictated by the extension of the economic and productive crisis, which have severely restricted the opportunities for negotiating salary improvements, the social partners have increasingly turned to corporate welfare during negotiations: the possibility of introducing welfare goods and services by contract (at various levels) has in many cases been seized as an opportunity for renewal for both trade union and employer representatives; this practice has also proved to be a valuable resource for workers to increase their participation in the stages of defining working conditions. The collective nature does not necessarily imply the adoption of standard measures and benefits valid for all beneficiaries. The second welfare has developed precisely to overcome the standardised approaches typical of the welfare state and to respond to the increasingly personalised needs of workers.¹³

In Italy there is a dispute between supporters and opponents of corporate welfare. The opponents, with regard to the perspective of second welfare, underestimate its function of integration and complementarity with public welfare, exalting instead its contrasting and alternative features. Occupational welfare would weaken public welfare, as it would end up draining resources intended for it, and would increase structural inequalities between insiders and outsiders, large and small enterprises, north and south. On the other hand, there are those who argue that the coexistence of public and private

¹² Treu T., *Introduzione Welfare aziendale*, Working Paper Massimo D'Antona 2016

¹³ Treu T., *Introduzione Welfare aziendale*, Working Paper Massimo D'Antona, 2016

welfare does not necessarily entail a redistribution of resources to the detriment of the public, but rather that a 'win-win' mechanism is created, reflecting the structural change in the way companies organise themselves and the renewed centrality of the individual in the sphere of work.

In this regard, the thesis of M. Isceri¹⁴ is worth of notice: he argues that work today can no longer be characterised only economically but as a purely 'human' event, and in relation to this, it is necessary to ask how to guarantee happiness and productive well-being. He argues that if it is true that markets are the most impersonal form of social relations, it is also true that the market is made up of men and therefore, in order to work, it must be able to trace ethical principles and values of humanity. Welfare in the company should be the result of sharing and therefore bargaining, since only bargaining seems to be the instrument for the realisation of the sense of civil economy (well-being, happiness, dignity, moral progress).

From an organisational point of view, three models can be identified from the link between corporate welfare and business models: the neo-classical paradigm, the corporate social responsibility paradigm and the shared value paradigm. In the neo-classical paradigm, welfare, in line with the idea of business as a profit-maximising entity, is seen as a cost and not as an investment and therefore as a tool of human resources that is not strictly necessary.

On the contrary, in the CSR paradigm, welfare is considered an integral part of the conception of enterprise that characterises this theory.

Finally, according to the paradigm of shared value, companies must develop strategies to converge the interests of shareholders and stakeholders while taking into account the needs of the company, its employees and society as a whole. There is a focus on the social, environmental and human capital development dimensions and welfare is therefore considered a relevant tool to give operational substance to the business paradigm.

With regard to the impact that corporate welfare has on the worker, it is widely recognised in the literature that it has a positive impact on the sense of belonging,

¹⁴ Isceri M., *Economia civile, contrattazione e welfare*, in *Sindacalismo – Comprendere la contrattazione*, 2015, n.32

retention, attraction and loyalty. In many cases, the possible low impact on working behaviour is not to be attributed to the origin of the measure, to the collective contractual source, but rather to the lack of awareness of the professional subject to consider in an active way the issues related to his own and his family's needs.

1.3 CORPORATE SOCIAL RESPONSIBILITY

Analysing the concept of Corporate Welfare we cannot but come across Corporate Social Responsibility experiences, which are often internalised by corporate welfare practices. Corporate welfare is at the heart of Corporate Social Responsibility (CSR) and of a business culture that focuses on enhancing human capital and the satisfaction of employees, in order to meet their needs and those of their families in areas that have social relevance, i.e. that also represent a recognised need of the community and the area where the company operates. Corporate welfare is a CSR tool, therefore 'the vector of a new way of understanding and combining the very purpose and nature of business', as explained by Professor Armando Tursi, Professor of Labour Law at the University of Milan. Indeed, the issue of supplementary welfare in companies for employees is one of those for which reporting is also required in the sustainability budgets provided for by Decree 254/2016 implementing EU Directive 95/2014.

In short, the nature of corporate welfare cannot be limited only to its value as a contractual benefit, nor to human resources management alone. It is both, but is not reduced to either. Corporate welfare is always shaped by the history and characteristics of the company and its employees. In this there is a non-trivial similarity with CSR action: even the social responsibility of the company is qualified by the specific relationship that is created between the company and the territory and the communities linked to that territory, to the original vocation (mission, vision and values) of each individual company.

Being socially responsible means not only fully meeting applicable legal obligations, but also going beyond them by investing 'more' in human capital, the environment, and relations with other stakeholders. Experience with investments in environmentally responsible technologies and business practices suggests that by going beyond legal obligations, companies could increase their competitiveness. For its part, the application of social standards that go beyond basic legal obligations, for example in the

area of training, working conditions or relations between management and staff, can have a direct impact on productivity. This opens up an avenue for managing change and reconciling social development with increased competitiveness.

An increasing number of European companies are promoting social responsibility strategies in response to a range of social, environmental, and economic pressures. The aim is to send a signal to the various stakeholders with whom they deal: employees, shareholders, investors, consumers, public authorities and NGOs. In this way, companies invest in their future and hope that their voluntary commitment will help to increase their profitability.

The concept of corporate social responsibility essentially means that companies decide on their own initiative to contribute to improving the society and making the environment cleaner. At a time when the European Union is striving to identify common values by adopting a Charter of Fundamental Rights, more and more companies are recognising their responsibility more and more clearly and considering it as one of the components of their identity. This responsibility is expressed towards employees and, more generally, towards all parties interested in the company's activities but who can also influence its success.

This evolution reflects what European citizens and stakeholders increasingly expect of the role of business in the new changing society. This vision is in line with the key message of the sustainable development strategy adopted by the Göteborg European Council in June 2001, according to which in the long-term economic growth, social cohesion and environmental protection go hand in hand.

The economic impact of corporate social responsibility can be divided into direct and indirect effects. Positive direct results can, for example, result from a better working environment that leads to greater commitment and productivity of workers, or from effective management of natural resources. In addition, indirect effects result from the increased attention of consumers and investors, which will broaden the company's possibilities in the market.

Conversely, a company's reputation can often suffer from criticism of its business practices. This can damage fundamental aspects of a company, such as its brand or image.

Financial institutions are increasingly using lists of social and ecological criteria to assess the risk of lending to or investing in companies. Moreover, being recognised as a socially responsible company, e.g. by being represented in a stock market index of ethical values, can play a role in the listing of a company and thus bring a concrete financial advantage.

The social indexes of the stock markets are useful references to prove the positive repercussions on financial performance of a selection based on social criteria: since its launch in May 1990, the Domini 400 Social Index (DSI) has outperformed the S&P 500 by 1% in terms of annualised total return (considering a risk adjustment), while the Dow Jones Sustainable Index has increased by 180% since 1993, compared to 125% for the Dow Jones Global Index. It is difficult to assess precisely what determines the financial profitability of a socially responsible company. Studies (Industry Week, 15 January 2001) show that 50% of the excellent results of socially responsible companies are attributable to their social commitment, while the other half is explained by the performance of their sectors. A socially responsible company is expected to report above-average benefits because its ability to successfully solve ecological and social problems can be a credible measure of management quality.

Within the company, socially responsible practices primarily affect employees, e.g., through investment in human capital, health and safety and exchange rate management, while environmentally responsible practices mainly concern the management of natural resources used in production. They pave the way for managing change and reconciling social development with increased competitiveness.

1.3.1 INTERNAL DIMENSION

Why adopting welfare measures? According to a survey carried out on a sample of 103 Italian companies¹⁵, the first two reasons behind the introduction of welfare in the company concern the improvement of the company climate and the satisfaction of employees, and the choice of welfare as a strategy to improve company performance: both refer to the management's desire to focus on the enhancement of its human capital

¹⁵ Mallone G., *Il welfare aziendale in Italia: tempo di una riflessione organica*, Secondo Rapporto sul secondo welfare, 2015

through a new "motivational drive" which, by increasing personal satisfaction, leads employees to increase their contribution in the workplace. The cultural dimension is also very much felt: some companies consider welfare as part of their tradition of human resources management and act in continuity with these principles, recognising its deep roots in the company culture. A smaller number of companies, on the other hand, state that they were motivated by the possibility of savings offered by the tax legislation on company welfare, which provides tax benefits for both the company and the employee linked to the provision of welfare goods and services compared to the equivalent cash payment. The last motivation, recognised by 11 companies, is also linked to the desire to obtain economic savings, related to the containment of labour costs through a possible trade-off between wages and welfare services. The companies interested in saving money, although they do not constitute the majority of those taken into consideration, thus seem to be aware of the advantages offered by the regulations and intend to use welfare as a "lever" to avoid possible salary increases.

Currently, one of the biggest challenges enterprises have to face is to attract and retain skilled workers. In this context, a range of appropriate measures could include lifelong education and training, empowerment of staff, improving the information loop in the company, better balance between work, family and leisure, greater diversity of human resources, application of the principle of equality for women's pay and career prospects, participation in benefits and shareholding schemes, and consideration of employability and job security. Active management and control of employees' absence due to incapacity or accident has been shown to reduce costs.

Responsible - and in particular non-discriminatory - recruitment practices should facilitate the recruitment of people from ethnic minorities, older people, women, the long-term unemployed and people at a disadvantage in the labour market. Such practices are essential to achieve the objectives of the employment strategy, i.e., to reduce unemployment, increase employment rates and combat social exclusion. As far as lifelong learning is concerned, enterprises have an essential role to play, at several levels: by helping to better define training needs through close partnership with local decision-makers who draw up education and training programmes; by facilitating the transition of young people from school to the world of work through, for example, apprenticeships; by making the most of training, in particular by validating previous experience; and by

creating an environment conducive to lifelong learning, particularly for the least educated, least skilled and oldest workers.

1.3.2 OCCUPATIONAL HEALTH AND SAFETY

Traditionally, occupational health and safety issues have mainly been addressed through legislative and enforcement measures. However, the trend towards outsourcing work to subcontractors and suppliers makes companies more dependent on how well they comply with health and safety standards, especially those working on their own facilities.

Businesses, governments, and professional organisations are becoming increasingly interested in complementary forms of health and safety promotion, making it a selection criterion when purchasing products and services from other companies and a marketing element when selling their own products and services. These voluntary measures can be seen as complementing the legislative and control activities of the public authorities, as these instruments also tend to develop a culture of prevention, in other words a better level of safety and health protection at the workplace.

In conjunction with this increased focus on occupational health and safety performance, as well as on the quality of products and services, there is an increasing need for these qualities to be measured, documented, and communicated as part of the company's marketing policy. Several occupational health and safety criteria have been incorporated, at various levels, into existing certification and labelling programmes for products or equipment. Certification programmes for management systems and subcontractors have also been launched, mainly focusing on occupational health and safety¹⁶.

In addition, the tendency of companies and organisations to include health and safety criteria in the definition of their tendering schemes has made it possible to develop

¹⁶ For example, the Swedish TCO Labelling Scheme (TCO Labelling Scheme) for office equipment is a voluntary label that aims to stimulate manufacturers to design more professionally safe and environmentally friendly equipment, helping purchasers to choose material that is less harmful to users and the external environment, and providing purchasers and sellers with a clearly defined tool to save time, energy and costs at the point of purchase.

general schemes based on uniform requirements to be met by contractors' health and safety training or management programmes, whereby a third party can carry out the "certification" or initial approval of the contract and monitor the continuous improvement of the programme.

In the Netherlands, the Safety Contractors Checklist is designed to assess and certify the health and safety management systems of contractors offering their services to the chemical and petrochemical industry.

In Denmark, the IKA system provides guidance on the requirements to be met by cleaning companies in the bid processes.

Surveys have shown that consumers not only want to buy good and safe products, but also want to know that they have been produced in a socially responsible manner. The vast majority of European consumers place importance on a company's social commitments when purchasing a product or service. This attitude reveals interesting perspectives on the market, as a significant number of consumers say they are perfectly willing to pay more for such products, although only a minority currently do so. The main concerns of European consumers are the protection of workers' health and safety, respect for human rights in the operation of the business and throughout the production chain (e.g., not using child labour), protection of the environment in general and more particularly the reduction of greenhouse gas emissions. In response to this growing demand, an increasing number of social labels are being created by manufacturers (self-declared labels) or by business sectors, NGOs or governments. It is an incentive based on market mechanisms (rather than action by regulatory authorities) that can contribute to positive social change among businesses, retailers and consumers. However, social and eco-labelling initiatives can only benefit from a limited scope and potential impact, as they are generally limited to specific niches in the retail market and, in the case of social labels, often in relation to imported products and only accessible to wealthy consumers. As a result, their market share is increasing but remains limited, which proves that the effectiveness of such labels needs to be improved.

Social and eco-labels, which are supposed to guarantee a production free from any form of exploitation or poor treatment, are often characterised by a lack of transparency and independent verification of their claims. In contrast to labels concerning the content

or safety of products, such claims cannot be verified on the product itself. To be credible, social and eco-labels should be based on constant verification of workplaces according to agreed standards.

Furthermore, the spreading of social labels in Europe could be detrimental to their effectiveness, as the diversity of criteria used and the lack of clear meaning from one label to another is a source of confusion for consumers. International Fairtrade Labelling Organizations is an organisation whose aim is to co-ordinate national fair-trade initiatives, implementing more effective monitoring programmes and introducing a single international fair trade label.

There is a growing need for debate regarding the value and desirability - in the context of the internal market and international obligations - of public actions to make social and environmental labels more effective. Examples of such actions include supporting information and awareness-raising on issues of working conditions, promoting best practice through sponsorship of business awards, facilitating the development of partnerships involving all stakeholders, developing social labelling standards and using public provision and tax incentives in the promotion of labelled products¹⁷.

1.3.3 SOCIALLY RESPONSIBLE INVESTMENT

In recent years, socially responsible investment (SRI) has seen a significant increase in popularity among large investors. Responsible social and environmental policies are an important indication to investors of good internal and external management. Such policies help to minimise risk by anticipating and preventing crises that could damage a company's reputation and cause a spectacular fall in prices and shares. Demand for SRI funds is increasing in Europe, and major investment companies are reacting by offering more and more funds of this type; however, little information is published on their number, size and performance, apart from the UK where responsible investment accounts for 5% of all funds invested.

¹⁷ Commissione delle Comunità Europee, *LIBRO VERDE, promuovere un quadro europeo per la responsabilità sociale delle imprese*.

SRI funds place their capital in companies that meet specific social and environmental criteria. These criteria can be negative, excluding the tobacco or alcohol sector, or the arms trade. They can also be positive and include companies that voluntarily adopt innovative practices in the social and environmental field. Engaging in shareholder activism is another great option for investors to encourage the management of companies to adopt socially responsible practices. Equity activism is expected to become more extensive as the importance of corporate governance and pension fund development increases.

However, for socially responsible investment to progress, financial markets need to be further sensitised to its potential for profitability. Following on from the Social Investment Forum created in 1991 in the UK, a number of dedicated Social Investment Forums (SIF) have recently been created in France, Germany, the Netherlands and Italy to provide reliable information on corporate social responsibility policies and to promote and encourage the development of SRI. The planned European Forum on Social Investment (a network of national SIFs) is expected to support the future expansion of socially responsible investment. In May 2000, in Lisbon, the European Commission organised the first European Conference on Triple Bottom Line Investing in Europe¹⁸.

In the UK, the Social Investment Taskforce was created in 2000 to identify barriers to the expansion of socially responsible investment and solutions to overcome them.

Since July 2000, a UK law (the "Trustee Act") requires all pension fund trustees to disclose their policy on socially responsible investment. The French law on salary savings obliges mutual funds that collect funds from salary savings plans, inter-company savings plans and voluntary salary savings plans on a partnership basis to report on their socially responsible investment policy.

Socially responsible investment is an emerging market in which many specialised valuation and analysis agencies (non-financial analysts) use various measurement tools. However, companies are sometimes overburdened by excessive demands on their information. As a result, the development of socially responsible investment may encounter increasing aversion and lack of cooperation from companies. The first standardisation efforts devoted to social audit reports, with which the large rating

¹⁸ http://europa.eu.int/comm/employment_social/soc-dial/csr/csr_conf_lisbon.htm

agencies have associated themselves, are a first positive response to this situation. However, there is a need to ensure greater convergence of the indicators devised by companies and the criteria used by analysts to assess their social and environmental performance. In addition, the lack of transparency in the assessment methods used by the agencies could deter large investors from making a massive shift towards socially responsible investment. Further progress should therefore be made on standardising, harmonising and making transparent the tools used to select agencies.

In August 2000, 11 investment research groups pooled their expertise within the SIRI Group in order to publish harmonised company profiles in comparable form.

In September 2000, the Association "Global Partners for Corporate Responsibility Research" revealed its "Ten requirements for higher information standards in the 21st century", calling for a mix of voluntary initiative, regulatory and market law approaches to achieve a significant improvement in access to company data, integrity and comprehensiveness of information, which are prerequisites for any effective audit and benchmarking of performance.

The Stockholm European Council recognised the need to create a dynamic and efficient European property values market by the end of 2003. In this context, indexes identifying, on the European market, the companies with the best social and ecological performance will become increasingly indispensable for the launch of socially responsible investment funds and the performance benchmarking on which this type of investment is based. In order to ensure the quality and objectivity of such indexes, the evaluation of the social and environmental performance of companies should be based on information provided not only by the management of the company, but also by all other interested parties. In addition, external audits and internal quality assurance procedures should serve to monitor and maintain the accuracy of the data provided, the evaluation procedures and their results.

1.3.4 CSR AND CORPORATE WELFARE

The flexibility of the services offered is extremely wide, also in relation to the values and mission of each company, but it is increasingly clear that business

development necessarily passes through people (with investments in human resources training) and that corporate welfare has a strong impact as a driver of social innovation.

In a context in which central and peripheral administrations are struggling to maintain welfare systems, companies play a growing social role through projects providing services that public finances find increasingly difficult to guarantee, such as, for example, the whole area of work-life balance, care for the elderly and health care. As stated by ISTAT in its latest 2015 report on the state of the country, with specific reference to corporate welfare practices and Corporate Social Responsibility, "among the benefits that companies offer their employees are corporate welfare initiatives that - bringing benefits not only to employees and their families but more generally to the area where the company operates - support local welfare".

The most widespread practices are those of health and safety in the workplace, which are practised by over 80% of manufacturing and services companies and 65% of commerce companies, followed by staff training and refresher courses and the development of internal communication.

Further interesting indications on companies' commitment to social responsibility, in particular to training and corporate welfare initiatives in favour of their employees, emerge from the researches and surveys carried out and published by Isfol on this topic: a first survey on Corporate Social Responsibility policies and practices, designed to meet a twofold objective concerning both the strategies implemented on the subject, at a European and national level, and the analysis of concrete experiences¹⁹; a second survey on CSR in SMEs, aimed at highlighting the peculiarities, critical aspects and development potential of CSR in small and medium-sized enterprises, with particular regard to the emergence of social responsibility, training and implicit innovation²⁰. Smaller enterprises, in fact, although acting according to the principles of social responsibility, generally do not follow a structured method to communicate their CSR initiatives and give visibility to their commitment. The emergence of CSR, particularly in micro-enterprises, is an informal process that is neither organised nor communicated to stakeholders, a process that is bound to remain informal and intuitive, as the European

¹⁹ Nicoletti P., *Responsabilità sociale d'impresa. Policy e pratiche*, Isfol, Roma, 2014 (I libri del Fondo sociale europeo)

²⁰ Nicoletti P., *Responsabilità sociale d'impresa nelle Pmi. L'emersione della formazione implicita e dell'innovazione sociale*, Isfol, Roma, 2015 (I libri del Fondo sociale europeo)

Commission itself states in its latest communication on CSR. This is the phenomenon of 'submerged CSR', i.e. behaviour that, although in line with the dictates of social responsibility, is not organised, identified or communicated to stakeholders as such through various forms of communication, including social or sustainability reporting.

The first objective was to provide an international scenario of Corporate Social Responsibility policies, starting from the analysis of Community guidelines that have developed over the last decades and of the shared principles of social responsibility up to the recent new European strategy and the National Action Plan; a reference framework that can help understand the characterising features of the current configuration of social responsibility at Community and national level and its trend towards sustainability, which aims to reconcile economic growth, social development and environmental protection. The second objective of the research was aimed at identifying some significant experiences of Corporate Social Responsibility adopted in our country, both in multinationals and large companies, and in smaller companies, which have also developed thanks to an articulated and complex system of international social and environmental management standards and guidelines.

A key point in corporate social responsibility governance models is human resources, which are increasingly a strategic business asset, on a par with, and perhaps even more than, credit and exports. There is a growing awareness that there is no social responsibility if people are not at the centre of this process. The centrality of human resources is increasingly one of the fundamental pillars of CSR in the perspective of sustainability, with specific regard to companies' commitment to their employees and investment in human capital, as the trend in investment in training and corporate welfare initiatives shows. This commitment is directed towards a number of priorities: guaranteeing safety and health in the workplace; offering equal opportunities, work-life balance conditions and valuing diversity management; involving employees in the culture and management of sustainability; transferring CSR principles to employees and collaborators, through targeted training initiatives and strengthening cooperation between companies and universities; implementing training initiatives aimed at the qualitative development of the skills and professional knowledge of employees. The orientation of priority commitment towards employees and investment in the company's human capital has historically been part of CSR policies in our country, but today, also as

a result of the financial crisis and its serious economic and social impact, there has certainly been a growing awareness on the part of companies of the need, in order to compete, to have human resources with high skills and high specialisation.

It can be said that, just as in education and training systems - where people have become the focus of policies and pathways - in Corporate Social Responsibility the future of sustainability necessarily passes through people. In education and training systems, whether aimed at young people or adults, the change in perspective over the last decade has been radical, with the transition from a historical and deep-rooted focus on teaching to a more focused transmission of 'knowledge', which focuses on the person learning to learn beyond individual subject matter. More attention has started to be paid to the educational pathway of the subject, in its thousand shades, as the fulcrum of the learning process, with its needs, individualised and personalised paths by virtue of the individual needs and the different goals to be pursued. The teacher thus becomes a facilitator of learning based on the needs expressed by the subjects, no longer a mere instrument of knowledge transfer. Everything is mediated by the person, unique in his or her individuality, and the role of the trainer is to create the conditions within which the person can enrich himself or herself. Hence, there is a close correlation between the principles of lifelong learning, which the EU Commission has tried to disseminate in Europe, and the prospects for developing this theme, which still require strong and innovative interventions. The two themes of training investment made by companies to enhance their human capital and Corporate Welfare initiatives - adopted to meet the needs of employees and their families in areas of social relevance - are of particular interest to Isfol. The results of the two researches carried out confirm these areas of priority commitment, of enhancing human capital and employee satisfaction, of investment that goes beyond the very skills needed to improve production and the competitiveness of the company, in order to orient employees towards increasingly professional functions that on the one hand are more easily spendable in the labour market, and on the other are of interest to the individual for his or her individual growth and relationship with the territory. With reference to the investment in training, Isfol analysed in its first CSR survey the training initiatives carried out for the 'employee' stakeholder, with specific regard to the various professional figures involved in the training activities, and the theme of the paths identified to encourage the transfer of

experience between young people and adults and generational exchange was also addressed.

The survey also analysed, in the context of CSR governance, the ways in which employees are involved in the sustainability approach and process and the different ways in which the CSR function is organised within the companies surveyed. With regard to the model of employee involvement in the sustainability approach, this research aimed to analyse whether all employees are involved in the sustainable business process or only top management and, if all employees are involved, how. The solutions adopted by the companies surveyed - which, it should be noted, are both large multinationals and SMEs - are quite diverse, since in some cases all employees are involved, while in others only top management is involved. Moreover, when all staff are involved, the methods are either information only, information and awareness-raising, or full involvement in the choice of CSR activities to be carried out. There is a widespread understanding of the need to spread awareness and commitment to corporate social responsibility to permeate all levels of the company and the various professional figures, going beyond the top-down approach and developing information and awareness-raising activities that are able to involve all employees both in the approach to sustainability and in the involvement in the choice of CSR areas in which to invest, as the most far-sighted companies already do.

For what concerns how the CSR function is organised within companies, the choices made, even among the same large companies, cover a wide range of organisational methods, with the exception of entrusting this function to the personnel director and the managing director/general manager, which was not done by any of the companies involved in the survey:

- in 66% of the cases analysed, the function/unit operates transversally across departments,
- in 17% of the cases, it is a responsibility entrusted to a specially created ethics committee,
- in 17% of the cases, there is no single CSR manager function.

The subsequent survey focusing on SMEs shows a widespread commitment by all types of enterprises involved (micro, small and medium-sized), both in formal and non-formal training and in social innovation. In fact, one of the main aims of the research was

to analyse the commitment of small and medium-sized enterprises to human resources training as a pillar of sustainability, with the complex problem of the emergence of implicit training, i.e. non-formal, intentional, voluntary but not certified, non-conventional learning that is not measured, that is not easy to take into account, that does not feature in continuous training statistics, but that is widely used by small and micro enterprises almost as a daily practice. It is a submerged training, almost spontaneous, but crucial in small and micro enterprises to transfer know-how to employees. The transfer of knowledge, attitudes and behaviours often takes place in these enterprises through mentoring, or through on-the-job training, or through self-learning, rather than through in-house or external training activities, to which the activities recorded in the statistical surveys refer. This explains why, according to the latest data from Union Camere 2014 Excelsior survey²¹, the industrial and service (excluding agriculture) enterprises that carried out training courses for their staff internally or externally in 2013 accounted for a total of 22.4%, with a huge range by size class and with the data referring to micro and small enterprises showing difficulties in their use, precisely because implicit training activities are not taken into consideration, the so-called non-formal and informal training, but only formalised training activities:

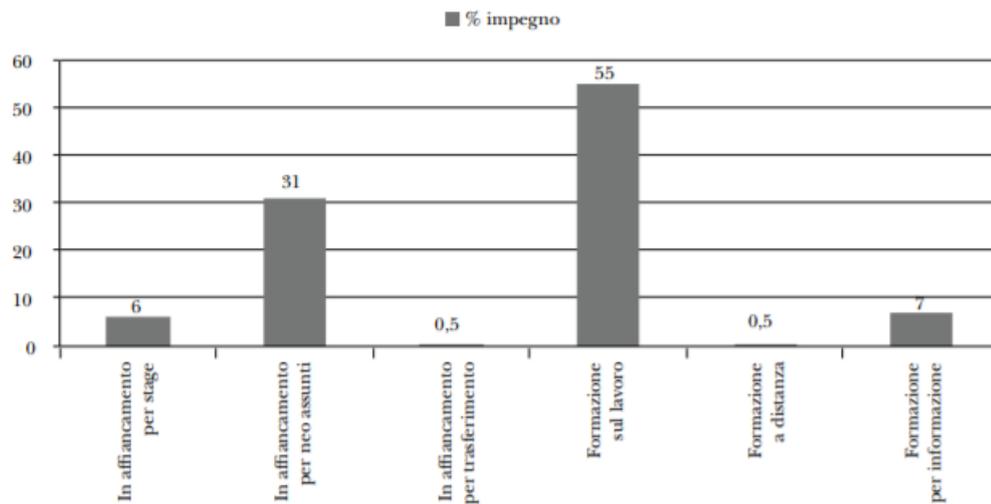
- on-the-job training, for young people in internships or apprenticeships from upper secondary school or university;
- on-the-job training for new recruits;
- on-the-job training for employees transferred or promoted to different jobs;
- on-the-job training;
- distance learning;
- training through information.

As can be seen from figure 1, there is a tendency to provide implicit non-formal training mainly through on-the-job training, which involves 55% of workers, and coaching for new recruits, which is aimed at 31% of human resources. Much less significant is the commitment to training through information (7%), as well as that of

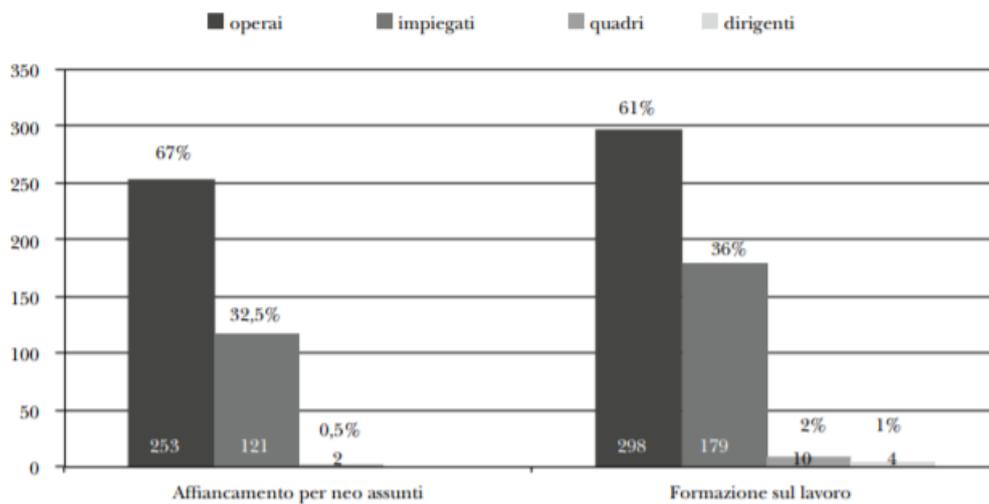
²¹ Ministero del Lavoro, Unioncamere, *Progetto Excelsior. Sistema informativo per l'occupazione e la formazione. Sintesi dei principali risultati*, 2014.

coaching young people in internships or apprenticeships from upper secondary school or university (6%). Figure 1 and 2 summarise participation by occupational category in the two types of non-formal training most used by SMEs.

Figura 1. Tipologia interventi di formazione non formale - val. %



Fonte: ISFOL, 2015



Fonte: ISFOL, 2015

Figure 2- Number of employees formed by mentoring for new recruits and on-the-job training

With regard to corporate welfare, i.e. a corporate culture aimed at enhancing human capital and employee satisfaction, Isfol surveys on the subject have analysed how this responds to the needs of workers and their families in areas of social relevance in the territories.

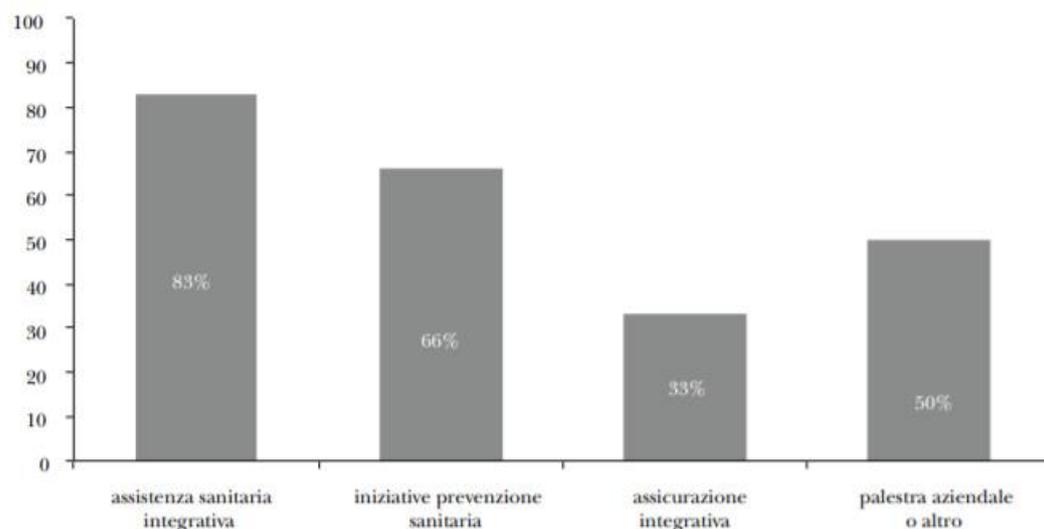
Therefore, the multiple initiatives put in place by the companies interviewed and involved in the two aforementioned surveys were analysed in the areas of educational support, income support, pension protection, health, welfare and assistance, time saving, work/family balance.

The framework of corporate welfare initiatives adopted overall is very rich, the specific fields are very articulated and vary in the different experiences, even if there is a certain concentration on some initiatives, among all those analysed in the above mentioned contexts. Looking at the individual areas, as regards first of all the specific initiatives adopted to favour the reconciliation of work and family time, the survey addressed to all types of enterprises shows that all the companies involved have implemented forms of vertical or horizontal part-time work, adopted flexible working hours (inbound, outbound, lunch breaks), provided leave for special needs, such as voluntary work. There is also a strong concentration on the presence of a company lunch service (83%), especially by medium to large enterprises, and holiday camps in 50% of cases. The initiatives of optional integration of maternity or paternity leave and those initiatives to facilitate mobility between home and work both account for 33%. It is interesting to note that none of the companies surveyed has activated a baby sitting service to help reconcile work and family life and none of them has adopted job sharing.

A second area of corporate welfare investigated is that of income support measures, where there is a strong concentration of initiatives on agreements for the purchase of goods and services that can increase the purchasing power of employees (83%), while income support in the case of CIG (unemployment fund) and prolonged sickness represents 33%, and legal support for personal problems for 17%. With regard to pension protection initiatives, 50% of the companies interviewed have provided for supplementary pension schemes.

Moreover, as regards specific company measures aimed at supporting a fourth area of corporate welfare, education, it should be noted that 83% of the companies

surveyed provided allowances to facilitate the attainment of educational qualifications, while book vouchers for employees' children were not provided, support for learning the Italian language for foreigners and the provision of scholarships for employees' children both accounted for 33%. In the area of measures in support of health, welfare and assistance, the initiative that attracted the most support from the companies surveyed was supplementary healthcare (83%), as can be seen from figure 3. Preventive healthcare initiatives accounted for 66%, dedicated company facilities for employees such as a gym or other (e.g. tennis court) were present in 50% of cases, and supplementary insurance accounted for 33%. It is worth noting that none of the companies surveyed had set up an hourly fund for the care of the elderly. This is surprising in a country like ours, which has one of the highest percentages in Europe of people aged 65-79 and over 80 in the total population.



Fonte: ISFOL, 2014

Figure 3 Company initiatives in the field of health, social security, care

Finally, thanks to time-saving measures, the employees of the companies surveyed can make use of a 730 assistance service (66%), a dedicated car park (66%) and support in dealing with personal paperwork (33%). With specific reference to the emergence of innovation implicit in SMEs, the results of Isfol's second research are in some ways unexpected in number, since all the types of companies involved in the survey have implemented corporate welfare initiatives and the total number of actions detected

shows that the panel companies each promoted more than one corporate welfare initiative during 2013.

Six macro-typologies of social innovation were analysed, with targeted indicators for the following contexts:

- work-life balance measures implemented;
- income support measures;
- education support measures;
- health, welfare, assistance support measures;
- "non-discrimination" actions;
- other corporate welfare actions.

Enterprises have concentrated mainly on welfare initiatives to improve the "work-life balance" and on specific actions for non-discrimination referring to protected or weak categories, women and immigrants, confirming the great commitment of SMEs towards solutions able to directly address the new welfare needs of their employees. A more detailed analysis of Corporate Welfare's commitment to 'work-life balance' highlights some specific areas of intervention, with peaks of 31% on vertical and horizontal part time and 25% on flexible working hours. These are results that in some ways, i.e. with respect to the specific types of intervention, confirm those of the previous analysis carried out by Isfol on Corporate Social Responsibility where:

- in the area of 'work-life balance', priority is given to initiatives for: vertical and horizontal part time, flexible working hours, company meals or meal vouchers, allowances for the worker's personal needs, optional additions to maternity/paternity leave, activation of forms of telework for contingent situations, such as returning from maternity leave;

- within the framework of 'non-discrimination actions', initiatives are mainly adopted in favour of protected or weak categories, women and immigrants;

- within the framework of 'income support' initiatives, the measures activated focus on agreements for the purchase of goods or services, while with reference to specific

company measures aimed at supporting education, the commitment of companies is mainly oriented towards permits to facilitate the achievement of qualifications.

Finally, among the health support initiatives, the action on which the greatest adherence is focused is supplementary health care, followed by supplementary pension protection, preventive health care initiatives and supplementary insurance; - the other corporate welfare actions implemented, in addition to those mentioned above, concern employee benefits that go beyond legal obligations or the provisions of national collective labour agreements, mainly those for tax assistance, the 730 assistance service, but also agreements with medical centres, inter-company aggregation events, individual awards for professional innovation merits, individual awards for length of service, support and assistance in dealing with personal legal and financial paperwork. This constant and growing private commitment of small and medium-sized enterprises to welfare should however be conveyed and measured through management and control mechanisms, as happens in large enterprises, to overcome the informality and lack of traceability of socially responsible and socially innovative activities that are in any case carried out by companies that are not large²².

1.4 WELFARE'S AREAS

According to the detailed analysis carried out by Tiraboschi in the Second Report on Occupational and Corporate Welfare in Italy on the systems of collective bargaining by sector, territory, company, a distinction emerges between welfare benefits granted to the worker as a person (or to his family), which reflect the traditional redistributive logic of social protection systems, and those directed primarily to the worker as such, understood therefore as an active subject in the contractual exchange between work and remuneration. It will be considered benefits, mostly in nature, but also in cash when it comes to reimbursements, that can be provided by the employer to the existing employee and that are not part of monetary remuneration agreed by the individual contract or collective labour agreements.

Usually, the classifications of welfare benefits refer to the categories identified in Article 51 TUIR (Presidential Decree no. 917 of 22 December 1986). This is because the benefits identified in this article, if provided under the established conditions, enjoy

²² Nicoletti P., *Formazione e welfare aziendale nelle iniziative di Responsabilità Sociale d'Impresa*, Osservatorio Isfol n. 1-2/2015

specific tax benefits, consisting in the partial or total exclusion of their value from the formation of the employee's income, as well as being generally deductible from the business income.

The categories identified are:

- supplementary pensions: contributions to pension plans. Exclusion from the taxable base up to the maximum amount of €5164.57/year. Total exclusion if contributions are paid, by employee's choice, in substitution of all or part of the performance bonus

- health care: contributions to supplementary health care funds and insurances; health services, preventive and diagnostic medicine, check-ups, dental or specialist care, therapies, and rehabilitation; health care expenditure. Exclusion from income up to a maximum of EUR 3615.20/year; total exclusion if paid, by choice of the employee, in place of all or part of the performance bonus. 10 % solidarity contribution to be borne by the company

- family assistance and care: home care, nursing homes, caregivers

- insurance: insurance against the risk of non-occupational injury or death; insurance against the risk of non-self-sufficiency or serious diseases

- education/ training: school fees, university fees, textbooks; scholarships, educational grants (nursery, primary, secondary, university and master's fees), school meals, after-school/pre-school care, school trips, summer and winter centres, play centres, baby sitting; educational leave

- recreational/leisure activities: subscriptions or tickets to the cinema, theatre, gymnasium, swimming pool, satellite TV, museum, sporting events; subscriptions to newspapers or magazines; libraries and toy libraries; wine and food tasting; courses; trips for recreational, cultural or religious purposes (pilgrimages)

- vouchers: shopping vouchers, shopping cards, shopping agreements, fuel vouchers

- meal vouchers

- collective transport: it is excluded from tax base

- goods for mixed use: e.g. car, tablet, PC, telephone. taxable cost incurred by the employer for private use. the value shall be taken into account in order to establish the exempt limit of 258, 23 euros referred to in Article 51, paragraph 3

- low-interest loans: taxable 50% of the difference between interest equal to the official discount rate or in force at the end of each year and interest calculated at the rate applied to the same loans. the value is taken into account to establish the exempt limit of €253.23

- housing concession: taxable difference between the cadastral rent (increased by the expenses inherent in the building: e.g. utilities paid by the employer) and the amount paid by the employee. the value is taken into account to establish the exempt limit of €258, 23.

- shares: exclusion from the tax base up to the maximum amount of 2065, 83 euros/year. Total exclusion if obtained, by choice of the employee, in substitution of all or part of the performance bonus.

An important aspect concerns the total or partial deductibility from business income of the expenses incurred by the employer for the provision of such benefits. According to Articles 95 and 100(1) of the TUIR, full deductibility of costs for the employer applies with respect to the provision of goods and services in accordance with provisions of a contract, agreement or regulation that constitutes the fulfilment of a negotiated obligation; while for the provision of goods and services voluntarily by the employer the deductibility is limited to five per thousand of the amount of expenses for employee services resulting from the tax return.

There is the possibility for the employee to opt for the conversion of all or part of the accrued performance bonus into welfare measures. "Performance bonus" means variable amounts whose payment is linked to increases in productivity, profitability, quality, efficiency and innovation. The prerequisite for such conversion is the accrual of the performance bonus, which must comply with the criteria and conditions laid down in the legislation: the provisions of criteria for verifying increases in the indices are set out in company or territorial collective agreements, pursuant to Article 25, Legislative Decree No. 81 of 15/06/2015; the indices may consist of an increase in production or savings in production factors, improvement in the quality of products and processes, including

through the reorganisation of working time, or the introduction of smartworking. The same agreement must define an appropriate reference period for verifying the achievement of the increase.

The agreements have to be deposited within 30 days from their conclusion at the competent Territorial Labour Directorate, together with the declaration of conformity according to the model attached to the same interministerial decree.

There are some limits for the conversion of the performance bonus: first of all, the worker's income in the previous year cannot be higher than 80,000 euros and the maximum tax-free amount is 3,000 euros.

Agenzia delle Entrate has also issued two circulars with the aim of providing interpretative clarifications for the application of the above provisions: circular n.28/E (15/06/2016) and circular n.5/E (29/03/2018).

In order to have a more complete view of Welfare measures it is necessary to refer also to what collective bargaining foresees; therefore further categories enter directly into the company organisation of work and the use of the worker's time and skills:

- training: in the professional sphere of workers (to be distinguished from education), provided either through interprofessional funds or otherwise
- organisational flexibility - work-life balance: various types of leave and leave linked to work-life balance and personal care; flexible entry and exit times; time bank; smart working

On the basis of the normative definition provided by art 38 of the Constitution ("Every citizen unable to work and lacking the necessary means to live has the right to maintenance and social assistance; workers have the right to be provided with and insured with adequate means for their living needs in the event of accident, illness, invalidity and old age, involuntary unemployment"), it is possible to identify measures that fall within this definition and others that come close; a further functional classification can be made considering the two categories of welfare: the occupational one, which concerns the connection to the worker's position, and the corporate one in the strict sense, with purposes not only distributive but of work organisation and production processes.

Therefore, four categories can be identified: the first one, which concerns benefits fully covered by the concept of welfare, concerns measures that can be traced back to the areas identified in Art 38. They come close to the concept of welfare (complementary pension, health assistance, insurances) ; the second category concerns measures that can be traced back to articles 35/46 of the Constitution that concern labour relations in the enterprise (worker's formation, organizational flexibility). Less close to the concept of welfare are the measures that cannot be traced back to the areas identified in Title 3, Part 1, of the Constitution, but which are covered by Article 100 of the Consolidated Income Tax Act and are considered to be of social utility (protection of the family, health, education and training).

Finally, the fourth category concerns benefits that do not even fall under the social purpose of Article 100 TUIR; these are either support and facilitation intended for the community of workers for their daily life or they can be considered as a concession of the employer, or those that constitute a pure economic advantage, in purely redistributive terms (without collective social content). It is the case of granting of housing, mixed-use goods, shares, low-interest loans, shopping vouchers, collective transport.

Taking into account the classifications made so far, i.e. the distance or proximity of a given benefit to the concept of welfare and the distance or proximity to the concepts of occupational and corporate welfare²³, it is possible to assign scores to each benefit on the basis of whether or not they are able to integrate the contractual exchange and actively affect the relationship between worker and employer, business, organisation, productivity, quality of work performance and worker loyalty.

According to this classification proposed by Tiraboschi²⁴ in the ADAPT-UBI report, the measures that most closely resemble the concept of welfare, from a more economic and less redistributive-concessionary point of view, are those that primarily concern organisational flexibility, followed by health care, training, supplementary pensions, insurance, family and care assistance, education/training, and then measures with more

²³ The expression occupational welfare refers to the set of services and benefits that are provided by companies to their employees by virtue of the employment contracts that bind them, while corporate welfare refers to those measures that affect the organisational and productive structure of the company, well beyond the mere tax incentive.

This is what differentiates measures that generate value for all actors involved from more purely utilitarian or temporary measures that aim, thanks to tax regulations, to reduce labour costs.

²⁴ Tiraboschi, *Secondo rapporto su il Welfare occupazionale e aziendale in Italia*

strictly redistributive purposes such as collective transport, canteen and meal vouchers, recreational activities, shopping vouchers/flexible benefits.

W E L F A R E O C C U P A Z I O N A L E		NON riconducibili né al titolo II Cost. (<i>Rapporti etico-sociali</i>), né al titolo III Cost. (<i>Rapporti economici</i>)	buoni acquisto	
		Funzione redistributiva-concessiva	attività ricreative	
			Riconducibili al titolo II Cost.: <i>Rapporti etico-sociali</i>	assistenza familiari e cura
	Welfare aziendale in senso stretto	Funzione sociale		educazione/istruzione
			Riconducibili al titolo III Cost.: <i>Rapporti economici</i>	mensa e buono pasto
		Funzione (anche) produttiva e di organizzazione del lavoro in impresa		trasporto collettivo
				assicurazioni
				assistenza sanitaria
				previdenza complementare
				formazione
	flessibilità organizzativa			

Figure 4 Criteria for measuring the distance of a given benefit from the concepts of occupational and corporate welfare

This classification does not take into account the personal choices of the worker, an aspect that remains relevant in welfare programmes. On the one hand, the extension of choice for the worker would go in the direction of autonomy and the implementation of a contractual scheme inspired by the capability theory, while on the other hand it could represent a risk towards a consumerist vision of welfare.

1.4.1 EMPLOYEE SERVICES

As we have already seen, the term "corporate welfare" refers to all contractual or unilateral initiatives by the employer aimed at increasing the well-being of the worker and his family through "alternative" modalities to remuneration that can consist either in reimbursed sums or in the direct provision of services, or a mix of the two.

This is a clear description of a potentially infinite number of non-monetary services and benefits available: supplementary health care, supplementary pensions, financial support for families and education are just some of the services offered by companies to their employees today. A series of benefits, which not only translate for the worker into a package of possibilities to be added to the classic salary, but which more

generally imply for all parties involved an optimisation of the tax advantage in compliance with the regulations in force (art. 51 and 100 of the Consolidated Income Tax Act).

More precisely, the definition of the amounts to be allocated to corporate welfare can be linked to performance bonuses (PdR) defined on the basis of company performance (increases in productivity, profitability, quality of work produced, efficiency of internal processes), contractual conditions (national, territorial, company contracts) or internal regulations. Since these forms of remuneration benefit from tax incentives (pension funds, supplementary healthcare, risk policies) defined by the Consolidated Income Tax Act (TUIR) and subsequently increased by the Budget Laws (especially for the years 2016/17), forms of corporate welfare are becoming increasingly important both for public and private employees and for companies themselves. And for the State too, since the greater the complementary coverage of workers, the lower the risk for the community of having to intervene, especially in a period characterised by strong changes and difficulties at an economic and social level (financial crisis, atomisation of families, ageing population, etc).

The non-inclusion of welfare goods and services in labour income has significant benefits for both the company and the worker. On the other hand, the well-being of employees is increasingly perceived by companies as a key factor for a healthy and growing business: welfare in the company is now one of the main tools available to HR to help employees reconcile work and private life, as well as a mean to increase their purchasing power and, by improving the climate in the workplace, to reduce turnover and absenteeism. The advantages for the company consist in the deductibility of the value of the welfare plan (in full or up to 5 per thousand of the expenses for employees depending on the type of welfare), in the non-accrual of contractual institutes and, above all, in the complete tax exemption of the value of the goods and services granted to the employee. (See Table 5)

<p>IPOPOTESI: premio/piani di 10 euro (lordo lavoratore); costo impresa 13 euro</p> <p>13 vs 10 o 8 (+30% o +40%)</p>	
<p>MONETA</p> <p>▼</p> <p>13 euro COSTO - 3 euro CONTRIBUTI - TFR e IRAP = 10€ lordo premio monetario</p>	<p>WELFARE</p> <p>▼</p> <p>(3 euro <i>saving</i> da subito) 10 euro COSTO - 0 euro CONTRIBUTI e ALTRI ISTITUTI = 10€ netto premio monetario</p>

Table 5: Example of saving for the company

The advantage is also extremely relevant for the employee beneficiary of the welfare measures, who receives them for their full value, without any taxation and without any contribution to be paid by the employee. The 'net received' is therefore extremely higher than that resulting from any form of monetary recognition (even when tax-free), at the same gross cost. (See table 6)

<p>IPOPOTESI: premio/piani di 10 euro (lordo lavoratore); costo impresa 13 euro</p> <p>10 vs 10 o 8 (+20% o +40%) incrementati con convenzioni e statistica extra</p>	
<p>MONETA</p> <p>▼</p> <p>13 euro LORDO - 1 euro CONTRIBUTI - 1 euro TASSAZIONE = 8€ premio monetario (senza desassazione + 2 euro TASSAZIONE = 6€ premio monetario)</p>	<p>WELFARE</p> <p>▼</p> <p>10 euro LORDO - 0 euro CONTRIBUTI e TASSE = 10€ premio monetario (attenzione al 10% in caso di previdenza complementare)</p>

Table 6: Example of employee's benefit

The decision to specifically incentivise negotiated welfare is based on the idea that the contractual genesis deserves a particular fiscal favour as it can better guarantee the balanced targeting of welfare in respect to unilateral company choices.

1.4.2 WELFARE ON TOP AND PERFORMANCE BONUS WELFARE

One aspect to be taken into account when talking about welfare is the sources of funding: a welfare plan can be fed by the resources coming from the so-called "Welfarisation of the result" bonus or from any other fund not deriving from a detaxed

bonus, so-called "on top" plan. The amounts, goods, benefits, works and services that can be granted to workers in the two types of welfare are the same, as listed in paragraphs 2, 3 and 4 of Article 51 of the Consolidated Income Tax Act; however, the rules and procedures to be followed for the construction of the welfare plan are different.



The welfarisation of the performance bonus is the substitution, in whole or in part, of the monetary distribution of the detaxed performance bonus according to the dictates of the 2016 Stability Law and the subsequent interministerial decree of 25 March of the same year with welfare benefits. The sums and values indicated in paragraph 2 and the last sentence of paragraph 3 of Article 51 of the TUIR in substitution for the bonus do not constitute income and neither are taxed with a 10% substitute tax; the sums and values indicated in paragraph 4 of the same Article 51 (cars in mixed use, loans, rail transport, etc.) in substitution for the bonus instead constitute income and are subject to normal taxation (no preferential taxation at 10%). These benefits are paid in execution of mandatory second-level (company or territorial) bargaining. The agreement governing the tax-free bonus must explicitly provide for the possibility of replacing the cash bonus with company welfare. The manner of exercising this choice or the possibility of revocation is left to the autonomy of the parties, who cannot force the employee's choice: the employee alone is responsible for deciding on the welfarisation.

The performance bonus is represented by sums of variable amount whose payment is linked to increases in productivity, profitability, quality, efficiency and innovation, measurable and verifiable (on the basis of criteria defined in the interministerial decree of 25 March 2016). On the performance bonus, taxation is facilitated with an all-inclusive substitute rate of 10% (unless expressly waived by the worker). The bonus does not entitle the company to decontribution; it cannot be paid to reward an 'ordinary' increase in productivity of the worker; nor can it be paid to

remunerate bonuses (e.g. night work) or overtime. If the company jointly involves the workers in the organisation of work, up to 800 euros the company also benefits from the decontribution of the share of contributions it has to pay. The following benefits are also excluded from income and tax relief, if used in lieu of the bonus: contributions to supplementary pension schemes, even if they exceed the limit of €5,164.65; health care contributions paid to bodies or funds having exclusively welfare purposes, even if they exceed the limit of €3,615.20; shares distributed to employees, even if they exceed the exemption limit of €2,065.83.

Welfare on top is that form of welfare which is realised with the company's own investment and is an alternative or supplement to the welfarisation of the performance bonus. It can be voluntary (unilateral) or compulsory, i.e. the result of agreements, contracts or company regulations.

The bonuses are tax-privileged as they are linked to productivity and profitability indicators and are considered capable of promoting workers' performance useful for business efficiency; this link is specified in the 2016 Stability Law with the aim of better targeting contractual incentives. The other welfare measures do not include such indicators and do not have a direct incentive purpose. However, they are appreciated because they contribute to meeting the socially relevant needs of workers and are useful for improving the climate and overall efficiency of the company system. This is why the choice that social partners have to make between wage premiums and welfare measures is complex. It requires a balance between immediate economic benefits, i.e. savings in salary costs, and benefits that are often not short-term in terms of company performance and the strategies of the actors, i.e. the company and the trade union²⁵.

Another hypothesis is that welfare is financed by an individual contribution of each worker, with a consequent 'sacrifice' of his own salary. This practice is widespread in the English system, while in Italy it has not been successful: both because of union and workers' opposition, and because most of them have low average salaries and are already loaded with indirect taxes. This solution could perhaps be applied to categories of managers or executives with higher pay levels.

²⁵ Treu T., *Welfare aziendale 2.0*, Ipsoa, 2016

There are still more and more cases where, due to economic constraints, companies decide to allocate productivity bonuses to welfare, leaving workers the choice of accepting the welfare measures offered or keeping the cash bonus.

1.5 WELFARE'S MODELS AND PLANS

As already mentioned, what "corporate welfare" is, or could be, is not fully understood. In the lack of a specific legislative provision, its definition is entrusted to the constructions of the doctrine. The expression tries to embrace the multifaceted interdisciplinary instrumentation of the so-called fringe benefits (and, therefore, of the remuneration in kind referred to in Article 2099 of the Civil Code) with the aim of promoting the private life of the individual and not only the working life of the employee. This is a meaning of welfare, generically understood, which is inevitably all-inclusive and in which are brought together, in a disorganised and unsystematic way, all the initiatives of the employer to some extent referable to a purpose of collective welfare that exceeds the minimum levels of health protection imposed by law.

It makes it possible to fully grasp the function entrusted to remuneration in the present day, in which the quotas received in return for work, for an economic benefit in nature or for a higher return, are a candidate for constituting the part of the resources involved in feeding forms of welfare, health and social assistance. In this way, corporate welfare has been elevated to a component of the mandatory social security/assistance/social system, at the moment when it has been given - not even so fast - the competence to deal with services that are institutionally and traditionally devolved to the public sector.

This private-welfare instrument should be seen, first of all, as innovative in terms of the contents and sources of the industrial relations system: this is in line with the changed orientation of collective bargaining, which decides to incorporate in the symmetry of the labour exchange welfare services and benefits, directly linked to qualified social needs and removed from the consumption choices of those with monetary income.

The key to the link between company welfare and remuneration is therefore represented by collective autonomy which, in the line of the tendency to determine the

quantitative aspects as well as the forms and criteria for calculating remuneration, is a candidate as a primary source of welfare regulation²⁶. On the other hand, the generic expression of "remuneration", contained in the preceptive and positive regulation of constitutional principles and the civil law framework, has undoubtedly favoured contractual autonomy in its intention to propose in an innovative manner, different patrimonial attributions that have presented over time, composite forms and names, delivering them to the reflection of doctrine and jurisprudence. The same conclusions were also reached by recent collective bargaining when it agreed that the "minimum economic treatment" (as set out in the factory agreement of 28 February 2018 between Confindustria, CGIL, CISL, UIL, point 5, letters e, f), does not exhaust the overall economic treatment recognised to the worker, given that the so-called "TEC" will include other elements, aimed at financing "also any forms of welfare" that the national collective agreement for the sector "will qualify as common to all workers in the sector regardless of the level of bargaining to which the same national collective agreement for the sector will entrust its regulation".

Looking at the content of the heading 'forms of welfare', the same agreement (point 6(a)) refers to the planning of guidelines, through interconfederal agreements, with the aim of 'enabling, even in sectors lacking specific initiatives, a greater universality of protection' in the field of supplementary pensions, supplementary health care, protection of non-self-sufficiency, social welfare services and work-life balance. These agreements seem to compose a system for the complex and sometimes contradictory mass of protections under positive law, to make up for the inadequacy of public welfare protection, to free themselves from schemes that seem inadequate (or, in some cases, even unjust), to abandon the idea of standardised welfare.

And it is on the basis of this framework that the two different models of company welfare, as identified by the provisions contained in Presidential Decree no. 91712 of 22 December 1986, oscillate. The first model is the so-called '*pure company welfare*'. Unlike self-employment, which does not provide for the exemption from taxation of goods and services that are not strictly remunerative, employees benefit from certain total or partial exemptions (or exclusions) from the so-called taxable income (non-monetary forms of remuneration) which are therefore exceptions to the principle of all-inclusiveness (Art.

²⁶ F. CARINCI, R. DE LUCA TAMAJO, P. TOSI, T. TREU, *Il rapporto di lavoro subordinato*, Torino, 1994

51, c. 2, Presidential Decree no. 917 of 22 December 1986): it is precisely from the identification of individual benefits, expressly identified and listed by the tax legislator, that the employer builds the company welfare plan, to complete the traditional system of remuneration policies, in favour of the generality or categories of employees, excluding any *ad personam* incentive.

Moreover, in the appreciable aim of making non-monetary forms of remuneration more responsive to the progressive evolution of needs, cc. 2 and 3 (last sentence), art. 51²⁷, have been subject to a recent restyling²⁸, which enriched with forms and contents the phenomenon of *corporate welfare* for the private sector. Within this model, it is possible to identify a sub-type represented by the "socially useful corporate welfare": it is about the *fringe benefits* provided by the employer, on the basis of the "new" lett. f), art. 51, for the performance of works or for the use of services, for specific purposes of education, instruction, recreation, social and health care or worship; letter f-bis) for education and support to parents; letter f-ter) for support to non-self-sufficiency; and letter f-quater) in the case of insurance forms for non-self-sufficiency. The novelty is to be ascribed to Article 1, paragraph 190, letter a) no. 1, Law no. 208 of 28 December 2015 (the so-called "2016 Stability Law"), which has made it possible to establish a new form of insurance for non-self-sufficiency. It has now expressly provided that the value of such works and services does not contribute to the formation of employee income, not only when they are incurred "voluntarily" by the employer, but also when (the provision of services with "social content" is the subject of a corporate welfare plan) has been carried out "in accordance with provisions of contract or agreement or company regulations", including "interconfederal and national". A scheme that relaunches the '*contractual welfare*', in the terms in which the need is placed in the welfare dimension, in the shared conviction of assigning to the collective bargaining the task of adjusting the remuneration and responding to the needs of each employee since the absence of the involvement of the social partners entails a limited tax deductibility not exceeding 5 per thousand of the amount charged to the employer.

The second model is that of corporate welfare as the employee's option to the performance bonus and, therefore, to 'shared productivity'. The *2016 Stability Law* has

²⁷ Of Presidential Decree no. 917 of 22 December 1986

²⁸ c. 190, art. 1, l. 28 December 2015, no. 208, cc. 160-163, art. 1, l. 11 December 2016, no. 232 and c. 28, art. 1, l. 27 December 2017, no. 205

imported a new model, solely within the territorial and corporate contractual sphere, and therefore precluded from individual autonomy (as well as national and interconfederal autonomy), which allows the worker to choose between the payment of the performance bonus (the flexible remuneration quantified on the basis of work productivity or profit sharing) and the fringe benefits referred to in the aforementioned Article 51, paragraphs 2 and 3. In the first instance, it is worth recalling that the individual bonus paid in cash is subject to a 10 per cent tax deduction in lieu of the personal income tax (Irpef) and regional and municipal surtaxes (Art. 1, c. 182, Law no. 208/2015) and the ordinary contribution (Art. 1, c. 67, Law no. 247 of 24 December 2007) , while in the case of the conversion of performance bonuses into corporate welfare the tax is set at zero and the compulsory contribution is exempt in almost all cases.

In order to define a welfare plan, whichever method one decides to adopt, it is necessary to take into account some factors: an analysis of the target company population and its socio-demographic features; evaluation of the company and territorial context (from the internal company climate, to absenteeism and turnover indexes, etc.); a weighted survey of needs and expectations in relation to available social security and tax exemptions; an evaluation of costs and benefits and sustainability in the medium-long term. Information to all stakeholders is of primary importance, as well as their involvement in all phases of the activity: from the design, to the choice of the mix of measures, to the corporate strategies.

The conclusion that can be drawn from the analysis of these models is that corporate welfare is not only the answer to the need to recognise to the individual in professional (and not professional) conditions goods and services that contribute together with public ones to the realisation of welfare and social security needs, in some cases simply deserving of protection, in other cases also socially relevant, but it can also be a strategic asset for improving working conditions, increasing the loyalty of workers, the continuity and stability of the relationship, the sense of belonging to the work group, increasing productivity and profitability, the spread of work-life balance tools and even the enhancement of the top position in the company organisation chart²⁹. The national legislator is now convinced that, in the field of company welfare, the extension of opportunities for negotiation, and the promotion of such opportunities on a fiscal level,

²⁹ M. SQUEGLIA, *L'evoluzione del «nuovo» welfare aziendale*, cit., p. 104

allows workers to actively participate in decision-making processes and in the sharing of their welfare, social assistance and supplementary health care paths.

1.5.1 MONEY PREFERENCE OVER CORPORATE WELFARISTIC POLICIES

With reference to the second model of corporate welfare, and thus where preferred to the performance bonus, some scientific evidence points out that eighty per cent of workers prefer to receive money in their pay packet rather than welfare benefits³⁰: the figure, which decreases the lack of appeal of the second model of corporate welfare, must however be carefully weighed and, in some respects, is not even that surprising. The process of loss aversion, according to which the brain does not account for the lack of expenditure that it would ordinarily have to make (think of gym membership fees, theatre subscriptions or health check-ups) in the same way as the payment in cash of sums to be collected³¹, occurs whenever the worker is faced with a monetary choice. The misunderstanding is to think that a tax/tax benefit, however large it may be, is sufficient to induce the worker to choose pension/assistance instruments³². Supplementary pensions, for example, capture this truth. The two tax reforms of 2000 and 2005 that affected pension funds on the one hand, and the data that can be obtained from the annual membership rate provided by the supervisory authority on the other, do not seem to contradict the conclusion that it is not the correlation between the pension/assistance/social security system and tax treatment that is indispensable or effective and, therefore, that it represents the necessary condition for the development and diffusion of '*second and third pillar*' pensions.

Indeed, this corporate welfare model requires a profound cultural change that leads the worker to consider the needs and the problems of their satisfaction. The development of an awareness of the welfare of workers and their families must be supported by employers, trade unions and public institutions.

So how is it possible to direct the choice towards corporate welfare measures?

First of all, it is essential to clearly establish the company's strategic objectives and, therefore, the effect that it wants to achieve from them. One solution is to apply mixed

³⁰ M. BOTTELLI, *Il welfare oggi. L'esperienza di Assolombarda*, in *Personale e lavoro*, ISPER, 2017

³¹ F. FERRARI, *Welfare aziendale e prestazioni lavorative aziendali: quale relazione attesa?*, in *Personale e lavoro*, ISPER, 2018, 2, pp. 4 ss.

³² M. SQUEGLIA, *L'evoluzione del «nuovo» welfare aziendale tra valutazione oggettiva dei bisogni, regime fiscale incentivante e contribuzione previdenziale*, cit., pp. 103 ss.

systems - so as to become aware of the attractiveness of corporate welfare - in which part of the performance bonus is paid in cash (benefiting from decontribution, as well as from tax relief) and the remaining part can be converted into welfare (not subject to taxation or contributions). It is clear that the basic idea is to find solutions that can safeguard the sense of belonging to the work group, rethink organisational models and, at the same time, reward the value of each employee. For this very reason, it is essential to survey the needs of employees in the company in order to first identify, and then develop, services and benefits that are tailored to individual needs, regardless of socio-demographic and economic characteristics, age or gender.

A recent analysis³³ shows how the type of services requested changes considerably according to the phases of the worker's life cycle: flexible hours and "time-saving" services at twenty, company (or contract) day-care centres and part-time at thirty, parental leave and part-time at forty, flexible hours and care for dependent elderly people at sixty.

If it is true that the creation of a corporate welfare system tailored to the needs and requirements of the different targets of the corporate population, along the phases of their life (and work) cycle, does not seem to be questionable, it is equally true that the same needs (social security or welfare) of employees (and not) must be properly overlapped with the specific potentialities of the reference territorial context. And this also in order to guarantee the sustainability of the welfare project as well as its duration over time. In this perspective, the mapping of the resources offered by the territory is fundamental to trigger the virtuous system of company welfare. However, with a few limited exceptions, there are many difficulties in surveying the services that local and territorial authorities already offer: difficulties that originate from a number of factors in terms of organisation and coordination of the various players in the area. In any case, the correct mapping of the resources offered by the territory is an important aspect in the planning of welfare interventions in an integrated way, especially for small and medium-sized enterprises for which the creation of a welfare chain, its public and private components, the territory and its capacity to be a network is essential. A solution could be found in the network contract, in the use of bilateral bodies, in the development pacts and the provision of local financing.

³³ F. RIZZI, R. MARRACINO, L. TOIA, *Il welfare sussidiario: un vantaggio per-aziende-e-dipendenti*, Research by McKinsey & Company, 21 April 2013

Lastly, there have been public and regional calls for proposals that promise to help companies in the process of adopting corporate welfare instruments and with the aim of co-financing them and the necessary organisational adjustments. In Lombardy, in 2014, the Region decided on an allocation of €5 million to finance corporate (or inter-company) welfare projects for small and medium-sized enterprises, provided they have signed a second-level agreement.

1.5.2 ANALYSIS ON THE ITALIAN TERRITORY

In the Generali Italia report on corporate welfare 2020, we find an analysis of the size and characteristics of the phenomenon on the territory, divided by region: The resulting sample is 6,404 SMEs, of which 4,024 SMEs participating in 2020 and 2,380 participating in 2019. The data were then expanded on a regional basis by sector and size class (number of employees) to represent the universe of SMEs in the individual regions. The smallest regions - Valle d'Aosta, Molise and Basilicata - were aggregated with Piemonte, Abruzzo and Calabria respectively.

	MEDIA ITALIANA	Piemonte - Valle d'Aosta	Lombardia	Liguria	Veneto	Trentino Alto Adige	Friuli Venezia Giulia	Emilia Romagna
Previdenza integrativa	30,3	33,4	34,4	37,2	35,1	52,5	36,4	35,5
Sanità integrativa	39,3	44,7	48,4	32,7	47,2	51,9	48,4	43,5
Servizi di assistenza	19,9	19,6	22,5	17,0	19,4	21,6	24,9	18,7
Polizze assicurative	45,0	49,6	51,1	55,4	52,3	58,2	54,2	52,9
Conciliazione vita-lavoro, sostegno ai genitori	47,9	47,2	48,8	60,0	49,2	51,8	49,5	50,6
Sostegno economico ai dipendenti	35,0	32,4	37,7	34,7	35,0	41,3	32,9	42,8
Formazione per i dipendenti	43,6	47,2	42,1	50,2	46,5	43,1	43,0	45,8
Sostegno istruzione figli e familiari	5,4	4,6	7,6	4,7	7,6	9,4	7,0	5,5
Cultura e tempo libero	6,6	6,8	9,2	7,7	7,8	9,3	5,2	6,1
Sostegno soggetti deboli e integrazione sociale	21,1	20,3	20,5	15,4	19,6	27,2	14,5	22,7
Sicurezza e prevenzione incidenti	56,5	57,0	53,8	56,3	57,5	63,4	54,7	55,3
Welfare allargato alla comunità	23,4	19,7	21,1	13,6	22,7	21,8	21,7	24,4

■ Dato superiore alla media nazionale di oltre il 20%

■ Dato inferiore alla media nazionale di oltre il 20%

	Toscana	Marche	Lazio	Umbria	Abruzzo - Molise	Puglia	Campania	Basilicata - Calabria	Sicilia	Sardegna
Previdenza integrativa	27,7	18,5	31,1	29,6	20,5	19,9	21,7	14,9	20,2	16,8
Sanità integrativa	40,9	33,9	37,7	40,7	28,3	27,3	26,3	23,0	15,5	22,7
Servizi di assistenza	19,4	19,3	19,3	16,8	19,5	12,5	17,4	22,3	17,1	23,8
Polizze assicurative	41,2	37,5	46,2	44,0	30,5	29,6	32,3	22,1	30,1	24,9
Conciliazione vita-lavoro, sostegno ai genitori	46,6	46,3	50,0	36,8	38,3	39,7	45,5	45,5	49,7	50,1
Sostegno economico ai dipendenti	24,3	19,7	34,2	26,3	27,2	22,5	33,8	23,7	25,2	20,6
Formazione per i dipendenti	38,7	37,0	43,3	40,1	41,6	43,5	42,2	51,1	40,5	42,9
Sostegno istruzione figli e familiari	3,6	3,2	2,3	6,9	7,5	2,2	4,8	4,4	4,5	4,4
Cultura e tempo libero	5,5	5,3	6,4	5,3	5,3	3,9	6,2	6,6	5,4	5,4
Sostegno soggetti deboli e integrazione sociale	17,5	20,9	20,0	19,5	22,1	22,9	26,0	25,4	23,2	21,3
Sicurezza e prevenzione incidenti	45,3	58,7	57,1	46,5	63,7	51,9	67,7	64,3	61,8	52,8
Welfare allargato alla comunità	22,2	20,7	17,6	20,7	28,9	29,5	23,5	32,7	22,3	23,6

Table 7 Welfare initiative index per region

In general, the regions of Northern Italy show higher levels of activity than those of Central and Southern Italy, although there is some variability between the different territories. If we consider as an indicator the percentage of active companies, i.e. with initiatives in at least four of the twelve areas of company welfare, the highest values are recorded in Liguria, Trentino - Alto Adige, Veneto and Emilia - Romagna; among the northern regions the differences are however rather blurred and all of them record a share of 50% or more. As we move down towards central and southern Italy, activity levels tend to decrease, although not dramatically, with figures close to 50% in Lazio and Campania and lower than average values in the Adriatic regions and on the islands. Similar dynamics can be seen when looking at the percentage of very active companies, with initiatives in at least six areas. Trentino Alto Adige stands out (31.5%), but all the regions of Northern Italy are above the national average. In the Centre and South, the variability is more pronounced, with data close to the Italian average in Umbria, Lazio and Campania, and levels of initiative further apart, especially in Sicily and Sardinia. Table 7 shows the initiative rates of SMEs in each of the twelve areas of corporate welfare. In some of the more traditional areas of welfare, those of supplementary pensions, supplementary

health care and insurance policies, the differences between the regions of Northern and Southern Italy, to the advantage of the first ones, remain significant. Particularly positive, in these same areas, are the data from the North-East regions, but also from Liguria and Lombardy (especially in the health sector).

On the other hand, southern companies stand out in the areas of social inclusion and support for the vulnerable and in welfare initiatives extended to the outside community, areas in which they often exceed the national average and the regions of central and northern Italy. In some other areas, however, territorial differences are more nuanced and all regions are close to the national average: work-life balance and support for parents, training for employees, safety and accident prevention. In the areas of support for the education of children and family members and culture and leisure, there is a greater spread in the North, but in no region does the percentage of companies with initiatives in this area exceed 10%.

While the levels of initiative are in some cases very different, both in terms of extent and specific areas of intervention, territorial differences are less pronounced when analysing welfare management policies and tools. Awareness of the importance of social objectives in business strategy does not differ substantially and is evenly distributed across the territory. If we look at the sources of welfare, we find first of all that the rate of adherence to the CCNL is very similar and exceeds 95% in almost all the regions. On the other hand, the presence of second-level contractual institutions or regulations is less homogeneous, with the highest values in Trentino-Alto Adige and Friuli-Venezia Giulia.

The pro-activity rate of companies, measured as the percentage of SMEs that implement at least one initiative in addition to those provided for by national collective bargaining, is above 60% in all regions and in many cases exceeds the 70% threshold. The involvement of trade unions in welfare decisions significantly exceeds the national average in Friuli-Venezia Giulia and Emilia-Romagna, while it drops in some regions of Southern Italy. There are few differences with regard to workers' involvement, which is practised by about half of the SMEs without strong distinctions between regions.

The gap in knowledge of regulations and tax incentives, which as we have seen constitutes one of the main barriers to the development of corporate welfare, cuts across the territories, although with some significant differences. In an overall picture that is not

particularly bright, the percentage of companies that admit to having a fairly precise and detailed level of knowledge exceeds 30% in Friuli-Venezia Giulia, Umbria and Lombardy. More critical is the data recorded among SMEs in southern Italy, below 20% in all regions (excluding Sardinia). The indication given by the companies about the workers follows fairly closely the same dynamics, both as regards the level of knowledge of welfare measures and as regards satisfaction: the data is better (though not exciting) in the North and falls below the national average in the Centre and the South. More nuanced differences between regions, finally, on the impact of welfare initiatives on company results: labour productivity, worker loyalty, worker satisfaction and company climate, image and reputation.

Here are some examples of companies in Italy that have obtained recognition of merit for their corporate welfare programme, according to the measurement criteria adopted by the Generali report. These criteria evaluate for 70% the number and content of initiatives, the extent of the beneficiary company population and the way in which the initiatives are applied and the level of proactivity of the company; the degree of employee involvement, the centrality of welfare in company choices, economic commitment, perceived social and economic impact, knowledge and satisfaction of the initiatives by workers for 20%, while the originality and distinctiveness of the initiatives are assessed for the remaining 10%.

- **BeanTech** (Udine, Friuli-Venezia Giulia) is a company operating in the IT sector with activities related to the sale, assistance and consultancy of IT infrastructures, implementation, sale and consultancy on Big Data & Analytics, Industry 4.0, CRM, Chatbot and App solutions. The average age of the employees is 33. The belief underlying the welfare system is that those who work in the company should be able to do so in a stimulating, attractive and work-family friendly environment, since they spend most of their day here. BeanTech's most important welfare initiative was recently the purchase of its new headquarters, which, in addition to uniting the two branches, was also designed to facilitate transport, given that it is located on a main road. Spaces have been designed to improve the quality of life of employees in the company, favouring areas for discussion and recreation, including equipped outdoor areas, and in general adopting technological solutions that can improve everyday life. One area of the new headquarters has been dedicated to the creation of an internal academy, called "Know-now", with two rooms,

real high-tech school classrooms for continuous training. The company is a partner in two ITS school foundations and constantly takes on a large number of both curricular and extra curricular traineeships. By virtue of its ateco code, it has remained operational during the lockdown due to Covid-19, devoting a great deal of attention to the health sector, with health protection policies and activating health cover for Covid and telemedicine services also available to employees' families. Already following the first Dpcm, within a week all the staff, i.e. more than 110 people, were able to work in smart working mode and communicate using videoconferencing tools. For the company, in the near future it will also be essential to structure smart working in the best possible way, which, in addition to the obvious technical issues, has provided the opportunity to experiment a different organisation of work.

- **Galvanica Sata** (Brescia, Lombardia) During Covid pandemic, the company, which is located in one of the hardest hit areas, joined the local campaign "AiutiAmo Brescia", a fundraising campaign for Brescia's health service, and the hashtag "Io pago i miei fornitori" (I pay my suppliers) with fast credit transfers to prevent insolvencies and encourage the recovery of activities. Galvanica Sata srl deals with surface treatment of metals on behalf of third parties and for its employees, the company has continuously updated its prevention and emergency protocols since February 2020 through the provisions of the Croce Rossa Italiana, the Ministry of Health and the competent doctors, purchasing and distributing protective masks and gloves in advance of the provisions. During the Covid-19 emergency period, the company took out an insurance policy to protect the employee in the event of illness. Another significant intervention for company welfare in general was the inclusion of a person who deals with personnel management, training, preparation and professional development. The same person is also responsible for keeping employees up to date on welfare initiatives in the company and the local area. In the area of reconciliation, smart working and maternity support were already in place, with bonuses and reduced hours to facilitate breastfeeding. A great deal of attention was paid to internal training, thanks to additional courses organised in the dedicated company room, which involved all administrative and production staff. An external course was organised with the help of a physiotherapist, dedicated solely to operators: staff showed up one morning in tracksuits and went to the gym for a theoretical and practical lesson on the correct handling of loads. Initiatives are also in place to help young people enter

the company through contacts with some local high schools and the willingness to set up school-work relationships and internships.

- **Giacomini** (Novara, Piedmont) The nursery-school is a service directly managed by Giacomini and is open to all children in the area, from 9 months to six years of age. The Novara-based company, a leader in the plumbing and heating sector, has its historical headquarters in the San Maurizio area, which is also the local socio-economic reference context. In 1998-99, in this area and in the neighbouring municipalities from which most of the employees came, there was no nursery school, the nearest one was 15 km away and had long waiting lists. A survey showed that the employees, with an average age of about 35, were in difficulty as they could not find accommodation for their children in childcare facilities. In order to cope with the structural shortcomings in the area, the management decided to provide the families of its employees with a company crèche-school service, creating a facility capable of accommodating 80-85 children between the ages of 9 months and 6 years. The desire to cover such a wide age range was dictated by pedagogical and educational choices guided by the conviction that continuity can be an element of quality in the children's educational process. The architectural structure of the nursery-school itself looks like a large aquarium with transparent windows to offer a place of permeability between inside and outside. The service is highly innovative: the pedagogical project and staff training are taken care of by "Reggio children" through training internships within services in Reggio Emilia with permanent staff training. Active since 2003 only for employees, since 2013 the service is open to all children in the territory. This is combined with low-cost housing projects for employees. The company is aware of the work-life balance area, and in particular towards mothers, who have time management needs linked to childcare. It is also worth mentioning the presence of a trade union agreement that has launched the 'solidarity hours bank', a tool that makes it possible to intervene in critical situations.

There are several possible actions to promote the organisation of welfare in the territory. A first tool is the network contract that has already shown to be able to facilitate the access of SMEs to opportunities and services unattainable by single units. pilot cases of networks have been set up to disseminate welfare among SMEs in different ways: by providing the network enterprises with the professional and economic resources needed to support common projects, or by taking the form of specialised networks able to provide

welfare services to individual enterprises (Giunca). Secondly, territorial agreements for the promotion of welfare have been tried out, mostly at the request of trade union organisations and supported by regional institutions. This institutional presence, in addition to the existence of collaborative industrial relations, facilitated the involvement of business associations, which are notoriously reluctant to accept a territorial level of bargaining.

In some territorial realities further solutions have been experimented to pursue, this time indirectly, the dissemination of territorial welfare. Business associations with local trade unions have developed schemes of welfare packages suitable for small enterprises, and have offered assistance for their feasibility and joint management among the enterprises of the network. These packages are usually included in projects aimed at the development of the territory and supported by the intervention of local institutions, through training and assistance services, as well as through development policies³⁴.

1.6 WELFARE'S RESPONSES TO EMERGENCIES

After having defined the main features of corporate welfare and the tools that are used to support workers and companies, it is interesting to analyse how these assistance plans have reacted in difficult situations, in particular with regard to the recent pandemic due to Covid-19.

Legislative decree no. 18 of 2020 pursues the same objectives of the directive approved on 20 June 2019 no. 1158 of the European union, concerning the equality of parental figures in terms of family responsibilities. This is not only from the perspective of the working father, but also taking into account single-parent families in the absence of other support persons. The last decree therefore takes on a character of particular urgency and centrality with the health crisis, proposing a necessary distribution and reallocation of care tasks, especially in the absence of full-time educational services at all levels.

In fact, Article 25 of the measure refers to gender equality, recognising the right of both working 'parents' to take parental leave, alternatively, for a total period of fifteen days from 5 March 2020. The total period provided for by the decree is therefore

³⁴ Treu T., *Welfare aziendale 2.0*, Ipsoa, 2016

acknowledged to the parents who can take turns in taking leave from work. It is not clear how the days are to be divided, as they may be taken more by one parent and/or by only one parent, but in any case it is clear that the choice to take leave does not fall on a single family member, which presumably could be the working mother. The measure is not structured in the sense of encouraging the participation of the father figure in family care.

The application of the leave provided for in Article 25 concerns only private sector workers. For public administration employees, a specific provision is provided for, which, although referring to the modalities for the use of the leave, differs from the private sector with respect to the time frame of reference, which extends until the reopening of the educational services for children and of the teaching activities in schools of all levels, as per the Prime Ministerial Decree of March 4, 2020.

It is going to be analysed data from a survey carried out by *Percorsi di secondo welfare*³⁵ online on the Survey Monkey platform, in the period that corresponds to the first phase of the pandemic, which had the most impact on the functioning of companies and their organisation. The number of respondents to the questionnaire is 1047, mostly companies already active and interested in the social sphere in some way, since they are connected to an organisation that deals with corporate welfare.

The first useful data to be taken into consideration is related to the pre-existence or non-existence of corporate welfare and/or agile working initiatives in organisations. This is an important element of knowledge in order to verify whether the propensity to intervene with welfare or smart working tools in the face of an emergency (strengthening those already in place or introducing new ones) was to some extent conditioned by previous experience in these areas. To the question concerning the pre-existence of company welfare and/or agile working, survey participants responded positively in more than half of cases (53.4%).

It is interesting to note how, even in this particular sample - despite the self-selection of respondents and the expected prevalence, among them, of 'socially virtuous' behaviour - some variables known in the literature, starting with the size of the organisations, are confirmed to play a predictive role. In this analysis, in fact, the size

³⁵ F.Maino, F.Razetti, *Organizzazioni solidali ai tempi del Covid-19, Percorsi di secondo welfare 2020*, Milano, giugno 2020

variable shows how the prevalence of the behaviours being analysed is evident among medium-large and large organisations (i.e. those with at least 50 employees), unlike what is observed among smaller ones; more than that, in southern regions and islands there is a relatively higher concentration of small organisations as well as non-profit organisations and public administrations which, as can be seen in table 8, tend to lag behind in terms of company welfare and smart working; it helps to explain the lower pre-existence of company welfare in the regions of southern Italy.

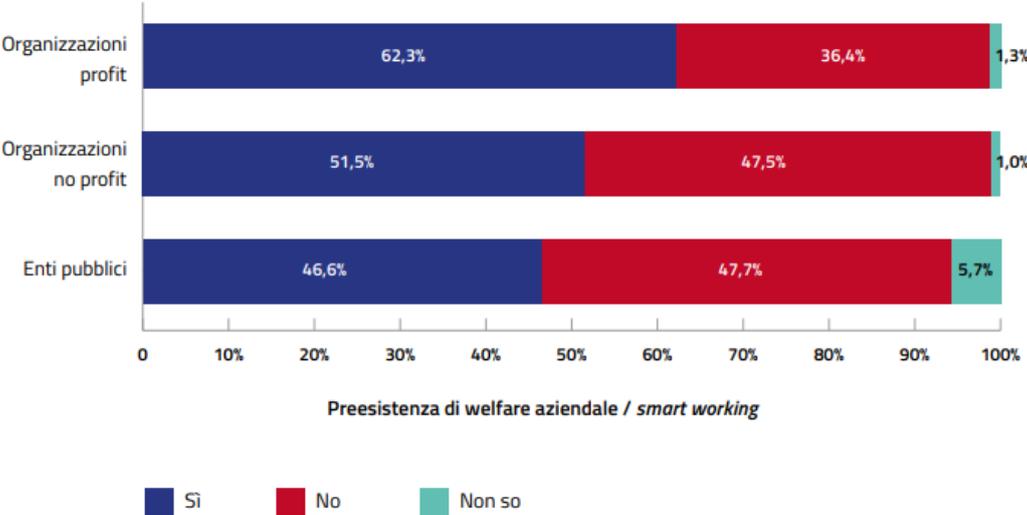


Table 8: Pre-existence of corporate welfare or smartworking

With regard to the latter aspect, with reference to the pre-Covid situation, the 2019 Report of the Smart Working Observatory of the School of Management of the Politecnico di Milano showed how, despite a doubling compared to 2018, structured smart working projects in PA were still not widespread and involved an average of only 12% of employees. A level slightly higher than the 10% defined by the "Madia Directive" as the lower limit for the adoption of agile working, demonstrating how PAs limited themselves to regulatory compliance and associated smart working with a work-life balance measure rather than with a strategic tool for rethinking the organisational logic of work more globally and increasing productivity³⁶.

³⁶ (The 2019 Report also points out in this regard that public employees involved in smart working projects were selected in 70% of PA on the basis of family needs, such as returns from maternity leave or

Having clarified the presence or absence of corporate welfare and/or smart working initiatives in organisations before the outbreak of the crisis, the questionnaire then aimed to investigate the possible strengthening of any measures already in place and the introduction of new tools, specifically designed to deal with the economic and social consequences of the pandemic.

With regard to the first point, the analysis shows that 93.5% of the organisations already active in the field of corporate welfare and/or agile working before the pandemic declared that they had strengthened or extended these measures following the crisis linked to the spread of Covid-19. Given the overwhelming preponderance of positive responses, variables such as the size of the organisation or its territorial location do not play any predictive role.

In the vast majority of cases, organisations simply extended their interventions in 1 (61.9%) or 2 areas (21.2%): on average 1.6, with no significant differences between types of organisation or geographical location. The frequency of more "generous" packages of interventions in terms of the areas covered by the welfare extension tends to increase as the size of the organisation increases, but the differences in the average size of the packages are minimal and are not statistically significant.

From a functional point of view, among the organisations that extended their measures the use of home working emerged very clearly as the central issue, indicated as an area subject to extension or reinforcement by over 91% of this group of respondents. The second most frequently adopted measure appears to be closely related to the first one and consisted in the strengthening, in favour of employees, of other forms of hourly flexibility: considering jointly the adoption of the first and/or second measure, a share of 94.1% of respondents was reached. On the other hand, the frequency of all the other areas of intervention seems to be much lower, ranging from 11% for supplementary healthcare to 2.5% for "company butler" services.

Crossing the data on the extent of the basket of extended interventions with those relating to the areas in which this extension took place, it emerges that in 90.4% of cases those who intervened in just one area did so in the area of so-called "agile work". At the

the presence of dependent family members, and in 57% taking into account the characteristics of the activities carried out by staff (Smart Working Observatory 2019)

same time, those who intervened to extend the scope of remote working limited themselves to this intervention in 61.4% of cases, while they combined two in 21.9% of cases and three in 10.2%. (See Table 9)

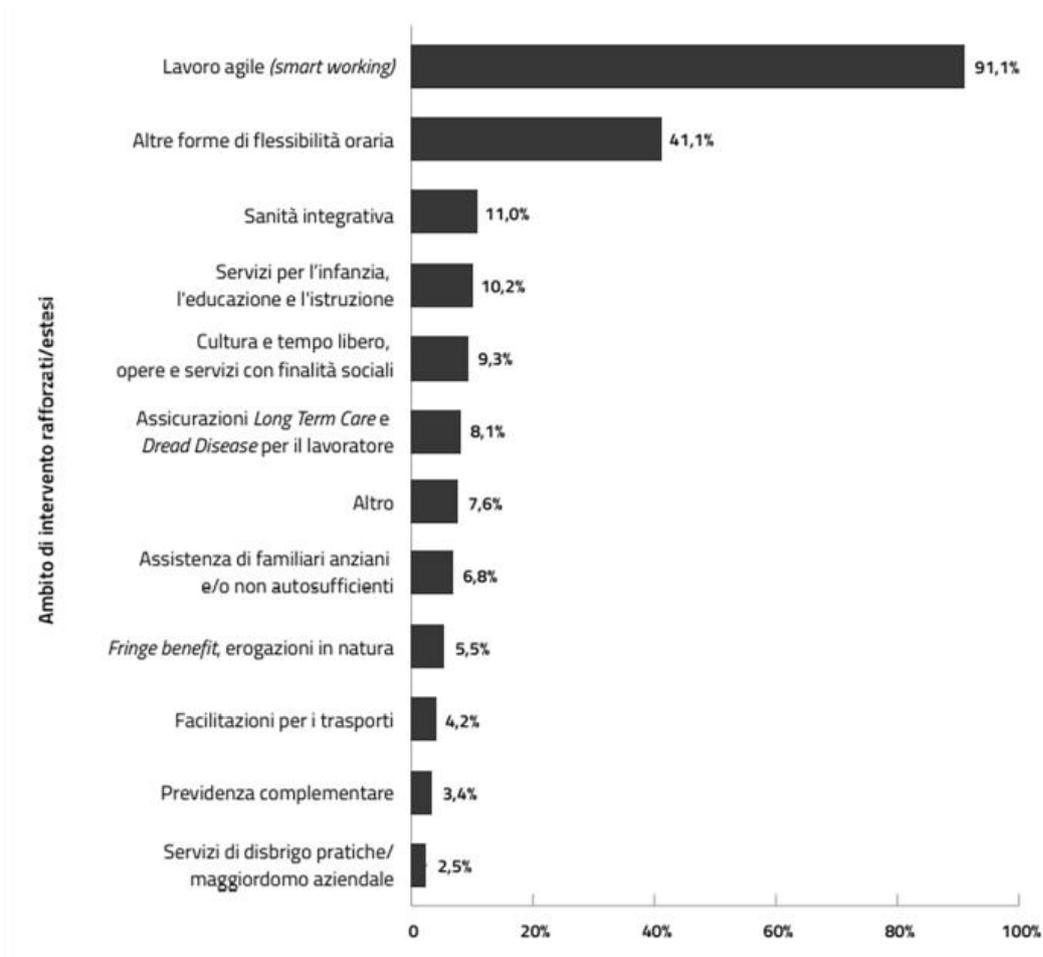


Table 9 – Answers to “In which sectors, pre-existing measures have been reinforced?” (N = 244)

These data confirm that Covid-19 certainly made agile working the solution to the problem of lockdown: working remotely made it possible to comply with the limitations due to the health emergency and, at the same time, allowed organisations and companies not to interrupt their activities.

Among those organisations that had activities that could be carried out remotely, in many cases it was preferred to interrupt them, either by pushing employees to take holidays and leave, or by recourse to the Supplementary Benefits Fund, or by asking staff to continue working from the workplace, thus exposing them to risks and inconveniences.

As mentioned, an option theoretically available both to organisations already active in the field of corporate welfare and smart working and to those which - prior to the health crisis - had not yet explored the potential of these measures, was to develop new initiatives specifically designed to meet the needs of workers, their families and the work reorganisation needs of the organisations affected by 'confinement'. Looking at the total number of participants in the survey, 3 out of 4 stated that they had implemented new measures. The adoption of new measures is transversal to the different organisations, irrespective of the pre-existence or non-existence of welfare systems in the phase preceding the onset of the crisis.

If the prevalence of the affirmative answers to the question is also observed in all the size classes of the organisations, their incidence seems to grow as the number of employees increases (from 74.1% of those with less than 10 employees to 88% of those with at least 250 workers), without, however, the differences found having a strong statistical significance. As observed for the pre-existence or non-existence of interventions, the introduction of new measures is partly affected by the geographical location of the different organisations, with a relative disadvantage for those operating in the South, whose data on the activation of new welfare, although on the whole majority, is mainly affected by a lower investment in new measures by the non-profit organisations.

Turning to the actions taken by organisations, among those that took part in the survey, those that introduced new company welfare and/or smart working measures developed an average of about 2.5. The average number of areas of intervention increases as the size of the organisations increases (see Table 10), with a gap that becomes evident and statistically significant between organisations with fewer than 50 employees (on

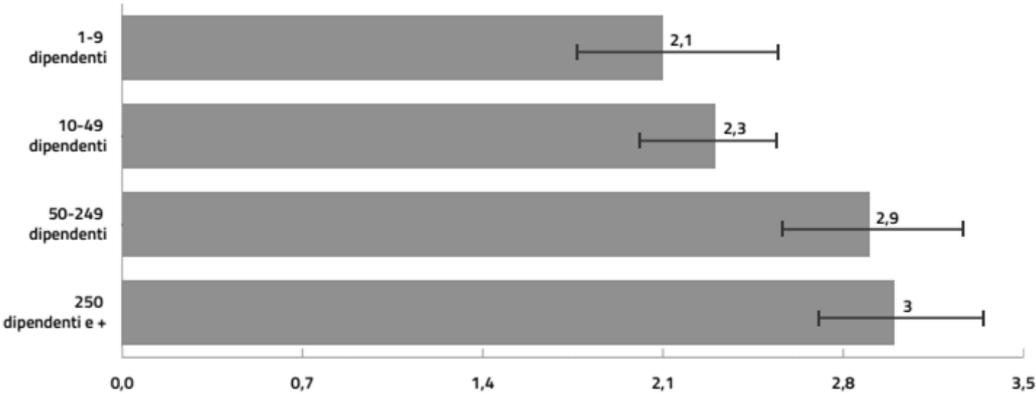


Table 10 – Average number of new welfare measures and smart working per dimensional classes (N = 262)

average 2.2 areas) and those with at least 50 workers (2.9). On the other hand, it is not relevant to the extent of the package of actions carried out whether or not the organisation had previously experimented with company welfare or smart working.

The fact that the size of the organisation made a difference with respect to the extension of the intervention, but not with respect to the introduction or not of new welfare tools, is probably explained in the light of the observation that the intervention most frequently indicated by the participants (69.5%) consisted in the provision of a 'light' measure, as such reachable by even less structured subjects: in fact, these are various forms of communication and information to employees on measures aimed at the prevention of contagion from Coronavirus, along the lines indicated by the health authorities, starting from the Ministry of Health. (See Table 11)



Table 11 – Answers to: “Which are the new measures introduced after the Covid-19 pandemic?”

In order of frequency, the second action implemented - even if at a considerable distance from the first (33.2%) - is represented by the provision and activation of variously devised solutions, tending to be of an insurance type, adopted with the aim of

guaranteeing supplementary benefits to workers in the event of ascertained positivity to Covid-19 and, therefore, forced absence from work due to hospitalisation or home isolation.

While keeping in mind the low number of the sample, the distribution of the different measures among types of organisations seems to indicate that if on the one hand insurance coverage of workers from Covid-19 contagion was the preferred area of intervention of businesses and other profit subjects, on the other hand the provision of remote psychological counters, tools to support the organisation of teaching via the web and the adoption (for the first time) of agile working were instruments adopted more frequently by public bodies and, to some extent, by non-profit organisations. This last observation draws attention to a relevant aspect, namely the nature of these two types of subjects - public bodies and non-profit organisations - which are at the same time providers of interventions in favour of their own employees, but also of 'external' users. Remarkable is the case of distance learning, which for schools and universities has meant both reorganising teachers' work from home (giving rise to a kind of smart working) and guaranteeing the provision of services to students. At least for universities it was an opportunity to try to become really smart, that is - taking up the ideas proposed by Solari (2019) - to invest in rethinking the organisational model, experimenting with models of participation and sharing of work and teaching centred on the culture of the result rather than that of the procedure and formal fulfilment.

1.6.1 TEMPORARY WAGE SUBSIDIES

Among all the measures implemented by the various countries to deal with the crisis due to the pandemic, temporary wage subsidies are assuming particular importance and their use is unprecedented. They are *Kurzarbeit* in Germany, *Activité partielle* (partial unemployment) in France and *Furloughing* of workers in UK and USA. This type of measure has been adopted in many other countries, as Argentina, Botswana, Brazil, Malaysia or Bangladesh.

There are different types of subsidy programmes, each with different aims. While some of them are addressed to specific categories of workers, as young people, or long-term unemployed, the *temporary wage subsidies* aim at helping enterprises to retain skilled workers and maintain employment relationship and are useful to both workers

and companies, expressing their desire to keep together: for example, the REPRO in Argentina saved hundreds of thousands of jobs, while in Germany almost 600 000 jobs have been preserved thanks to short-time work schemes³⁷.

There are many aspects to consider in designing the cost effectiveness of wage subsidy schemes: they are frequently used together with tax reductions or loans extended to enterprises. Tax reductions can concern with general taxes or with social security contribution, while loans can have the explicit aim of support wage payment.

Countries like Germany, Austria, Belgium, Canada, the Netherlands, France and Switzerland already have subsidies scheme in normal times, for enterprises in financial difficulties; what they do in times of crisis is just implementing those schemes, providing more general wage subsidies. Normally they are in the form of *grants* but in some countries they come as credit and loans. For example, in US there is the Employment Retention Credit, which provides 50 percent (up to \$ 10.000) of the wages paid by the employer to help him keeping employees at work. Another solution for SMEs is the Paycheck Protection Program Loans, in which 75 percent of the loan must be used to pay wages.

Who is eligible and under which conditions vary from country to country: in New Zealand and Australia all registered enterprises and organizations are eligible, even charities, contractors and own-account workers. The same happens in Brazil, where workers must have a social security card. In France, there is also a subsidy for domestic workers, up to 80 per cent of the hours not worked. Countries like Tunisia used this kind of social intervention to promote job formalization, indeed they provide subsidies just to enterprises registered by the 15th of May, while in Malaysia the government considered a *grace period* to register all the undeclared workers.

In some other countries, as Thailand, Botswana, Bangladesh or Cambodia, subsidies are available only in certain sectors or for some kind of enterprises: just for small and medium enterprises in Thailand; in Botswana sectors as electricity supply, wholesale food, insurances, bank are excluded from recovery schemes, while in

³⁷ Hijzen, A and Martin, S. 2012. *The role of Short-Time Working Schemes During the Global Financial Crisis and Early Recovery: A Cross-Country Analysis*

Bangladesh and Cambodia just textile and garment industry workers received a one-off wage subsidy.

To decide which enterprise was eligible to subsidies, some countries required a proof that its financial difficulties were linked to the Covid-19 pandemic: it's the case of Australia, where the revenues had to be declined by 30 per cent to receive a subsidy for small business, or by 50 per cent for \$1billion turnover enterprises; similarly in the Cook Island, Malaysia, or in the Netherlands, where the threshold was 20 per cent. More than that, in some cases the term for receiving the subsidy was the prohibition to pay dividends to shareholder, as in France (but not in Switzerland, where there was not any restrictions). A further distinction among countries regards the condition of full unemployment of workers to receive subsidies or a more flexible measure allowing furloughed employees to go back to work part-time, not losing their job position completely. That's what happened in Germany, where enterprises in financial crisis reduced the working hours of their employees and the wage subsidies were supposed to cover those not-worked hours. The same happened in France, Austria, Belgium or Switzerland. In USA instead subsidies were due to workers of enterprises with less than 100 employees despite the fact that they were working or not.

One crucial aspect to consider in disposing a subsidy scheme is the definition of the receiver of such subsidy: it can be the enterprise, which is more common, or the worker directly. France, Germany, Switzerland or UK belong to the first group, in fact the enterprises apply for the subsidy and they receive it. In this case the subsidy can come ex-ante or ex-post, so as a sort of reimburse to the enterprise, who has already paid all the wages. Usually the company receiving the subsidies is forced to provide a list of all the employees and their payslips to the competent Agency, for example the Federal Employment Agency in Germany. On the other hand, Thailand for example belong to the second group. There are countries that used a mixed procedure, so the enterprises apply and the government pays directly to the worker the wage subsidies, usually through an unemployment insurance.

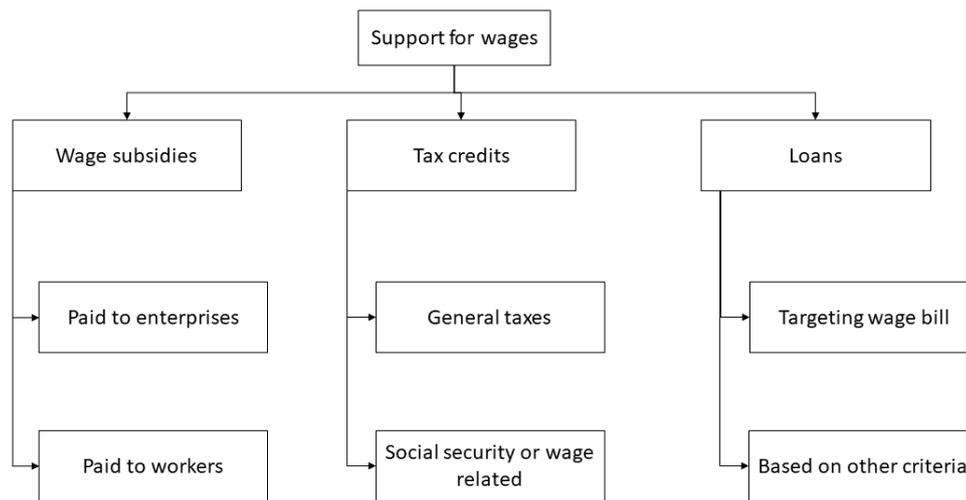


Figure 12 – Public interventions in support of wages

Even for what concerned the amount of the subsidy there are lots of differences among countries: in some cases it is a proportion of the lost wage due to the reduction of available working hours, considering a maximum ceiling, for example in UK furloughed employees received 80 percent of their monthly wages, up to £2500 a month. The percentage usually varies between 75 and 80. Another type of calculation is done over the turn-over loss of the company, or on the base of the level of workers' wages, or the size of the company; in the Netherlands the wage compensation ranges from 90 to 22.5 per cent when the turnover loss is 25 per cent.

The subsidy can be a lump sum or even a one-off payment, which is the simplest solution, adopted in Greece for example, where employees received a total of € 800 for a period of 45 days at the beginning of the pandemic. In some cases, regulations or bilateral or trilateral dialogues establish the top-up compensation of subsidies that are within the competence of the companies, as in Brasil, where enterprises with revenue above a certain threshold have to pay 30 percent of the workers' salaries.

The usual duration of wage subsidy varies between 3 months and one year, in relation to necessities. Furthermore, obtaining the subsidy is linked to some conditionalities, as keeping employees on the payroll for the entire period of the subsidy's duration (what happens in New Zealand), or even beyond that period, as in France, where the *non-dismissal period* lasts double the duration of the subsidy. This impossibility for firing in some countries has been established independently from the receipt of the subsidy (Argentina or Pakistan).

What is important to notice³⁸ is that it is never too late to implement a wage subsidy intervention, in order to support the general economy of a country. In particular in crisis that last longer than what expected, retroactive measures can have a significant positive effect.

³⁸ ILO, International Labour Organization, *Temporary wage Subsidies*, 21 May 2020

2 WORKLIFE BALANCE

In the following pages we will look at the topic of work-life balance, which in recent years has become increasingly important both socially and economically. The area of work-life balance is divided into three sub-categories corresponding to the nature of the benefit offered: cash, services and time. By money we mean all family income support tools that involve a cash payment - such as, for example, reimbursement of school fees or the cost of textbooks - while services are provided directly by the company and, often, within the work structure itself, such as company nurseries and information points and psychological, health or legal advice. Time is certainly the most widespread category in this period of economic crisis: tools such as part-time work, flexible working hours in and out, and innovations such as smartworking are in fact 'zero-cost benefits' for the company, but they require an effort to reorganise activities and staff internally³⁹.

We will see how this balance, achieved through various corporate welfare institutions including smartworking, can positively influence employee efficiency.

We will start with an analysis of the current composition of the workforce, with a particular focus on the working situation of the female population, in Italy and abroad, and then look at the tools that companies can use in the pursuit of a work-life balance.

2.1 WORKFORCE COMPOSITION

Although since mid-2018 employment has returned to the highest levels of the historical series and the relative rate is at its highest value since the second of 2019, Italy remains the country with the lowest employment rate in the EU average after Greece⁴⁰. However, the progressive increase in the employment rate is not a specific feature of our country but rather a long-term trend in advanced countries, interrupted only by periods of crisis. (See fig 13)

The main factors explaining the increase in labour market participation are the higher participation of women and of older adults, which are partly related phenomena. In detail, the continuous growth of the employment rate 50-64 years is a consequence of

³⁹ Mallone G., *Il welfare aziendale in Italia: tempo di una riflessione organica*, Secondo Rapporto sul secondo welfare, 2015

⁴⁰ F. Rapiti, F. Pintaldi (Istat), *Il mercato del lavoro 2019, Una lettura integrata*, Istat

the *increase in education levels* that postpones entry and exit from the labour market, of the decrease in this age group of women who have never worked in their lives and, in recent years, of the tightening of requirements for access to retirement.

In Italy, the incidence of the potential labour force is much higher, i.e. that part of the inactive population that wants to work even if it has not done any research in the last month or is not immediately available to start a job. In the average of 2018, the latest data available for the EU, the Italian non-participation rate⁴¹ is more than double in comparison with the European one (19.7% compared to 9.7%). (See Fig.14)

The differences with the EU are more pronounced for women and young people: in the average of the first three quarters of 2019, the gap in the employment rate ranges from a minimum of 1.3 points for men aged 50-64 to a maximum of 19 points for women aged 15-34 (Figure 15). The distance of the Italian female employment rate from the European one (50.1% and 64.0%, respectively) affects all age groups and if among 15-34 year old the gap with the EU is also characteristic of men, in the older age groups it concerns almost exclusively women. The 17-point gap in the employment rate of young people aged 15-34 (41.6% compared to 58.7% in the EU) is associated with a higher unemployment rate (18.3% and 9.5%), although the gap is narrower in terms of the incidence of unemployed people on the population of the same age group (9.3% and 6.1%). This indicates both the greater difficulties for young Italians to enter the labour market and the lower participation for the extension of study paths, which are longer in Italy than in most European countries, as well as the existence of reconciliation problems for young mothers.

The lower propensity in Italy to overlap periods of study with those of work - e.g. summer jobs - thus accounts for the gap in the employment rate of 15-24 year olds (18.5% against 35.7% in the EU) and the 14.6 gap in unemployment. In the other two age groups of young people, on the other hand, the incidence of unemployed people increases and the gap with the EU widens due to the greater difficulties in finding work (Figure 16). The high incidence in Italy of young people without work experience is also significant among

⁴¹ Compared to the unemployment rate, this indicator also takes into account the potential labour force available for work (see Istat, 2019, Bes Report)

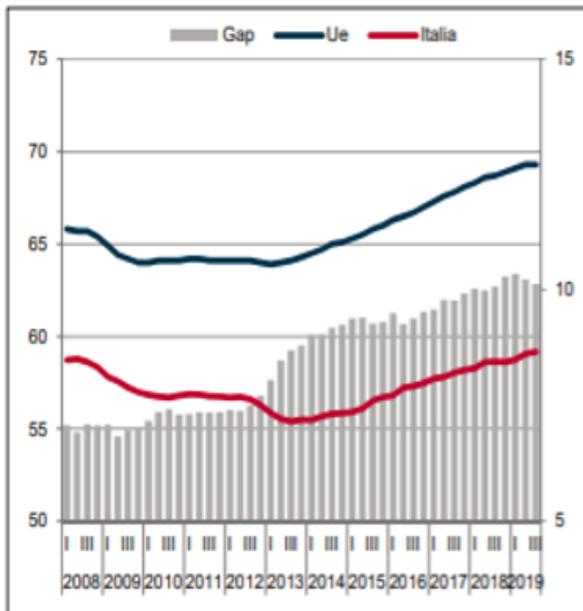
adults: in the average of the first three quarters of 2019, 26.6% of 25-29 year-old and 13.3% of 30-34 year-olds were unemployed.

In the average of the first three quarters of 2019, the increase in the employment rate compared to 2013 was 8.7 points for 50-64 year-old and 1.5 points in the other two age groups; this was matched by a decrease in the non-participation rate that was more intense for young people (-4.6 points) compared to 35-49 year-olds (-1.0 points) and 50-64 year-olds (-0.6 points). Thus, the generation gap is widening further in favour of the older age group, with a further ageing of the employed workforce.

Although the improvement is also widespread by level of education, the already wide gaps are worsening: in 2019, the employment rate 15-64 years old goes from 78.9% for graduates (+3.1 points since 2013) to 64.9% for high school graduates (+2.4 points) to 44.1% for those employed with at most a secondary school diploma (+2.0 points).

The non-participation rate of individuals with a low level of education is more than double that of university graduates (27.6 compared to 10.3%), confirming the lower possibilities of job placement for the former, in terms of skills, spendibility of the professional profile and use of job search channels⁴². On the other hand, the low demand for skilled labour that characterises our country can also lead to a sort of downward competition, with graduates occupying the places of those with lower levels of education who remain outside the labour market.

⁴² F. Pintaldi e M.E. Pontecorvo, 2018 *I giovani nel mercato del lavoro: vecchie e nuove vulnerabilità*



Fonte: Eurostat, Labour force survey

Figure 13 15-64 year-old occupational index in Italy and UE, and Italy-UE gap scale

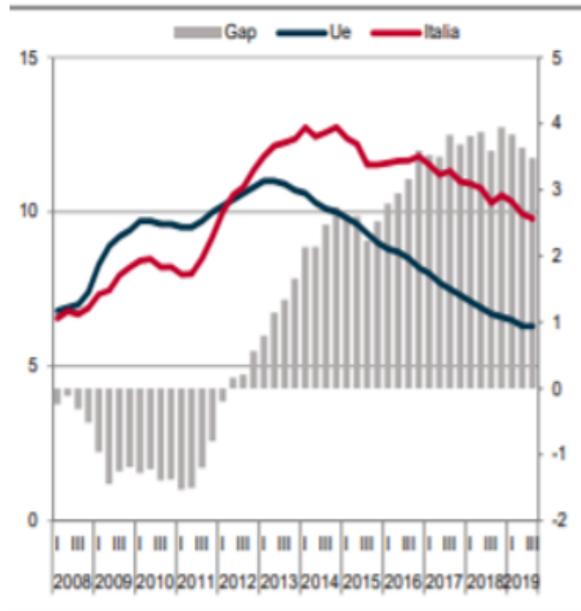
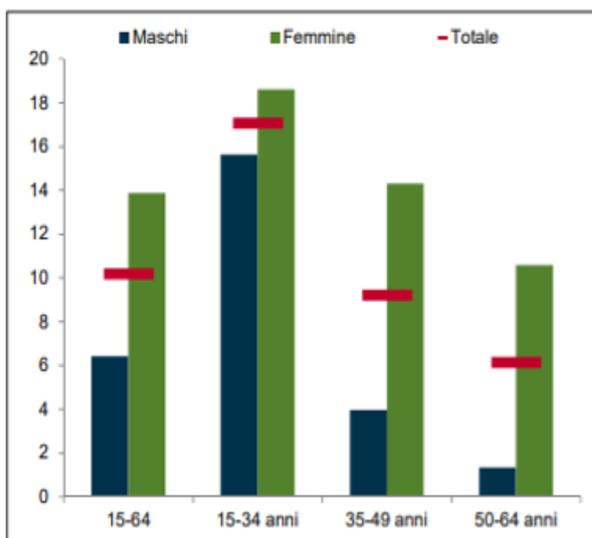


Figure 14 15-64 year-old unemployment index in Italy and UE, and Italy-UE gap scale



Fonte: Istat, Rilevazione sulle forze di lavoro
(a) Media dei primi tre trimestri dell'anno.

Figure 15 UE-Italy differences in occupational index per gender and age

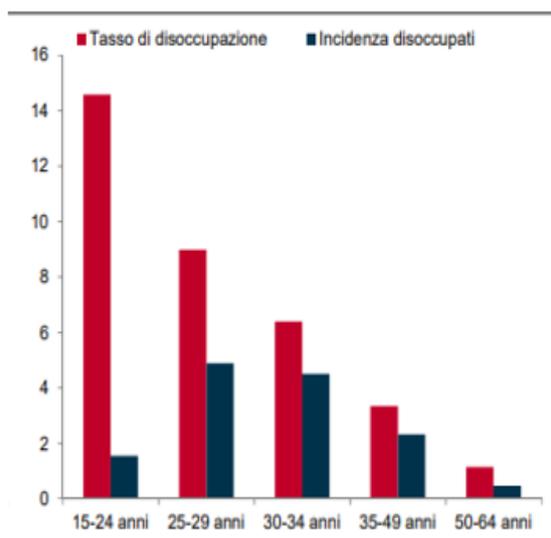


Figure 16 UE- Italy differences in unemployment index and unemployment percentage per age

2.2 WORKLIFE BALANCE CONCEPT

The *worklife balance* metaphor is a social construct born in Western countries in a particular period of time and it is the object of a large variety of studies for several decades, relating to the management of workers in relation to other parts of life, especially family. Policies with a work-life balance base existed already in the 1930s, before the World War II; for example, in the W. K. Kellogg Company, management replaced the traditional eight-hour shifts for three days with a more flexible six-hour shifts for four days, which resulted in improvement in employees' morale and efficiency. Of course, depending on the different social, economic and workplace evolution the topic has changed a lot, reflecting the environment's development. For example, the entrance of women in the labour world during the 1960s gave birth to the topic of "working mothers" or dual earner families, while few years later, between 1980s and 1990s the attention shifted towards stress and burnout, in correlation to work-family conflict. The terminology with which such topics has been referred to changes in time, arriving in the 1990s to the actual "Work-life balance" discourse: it appears more inclusive of all the categories of workers, avoiding differences between men and women, with or without children or other people to care for, or in general with or without family obligations.

In the recent years, we assisted to a robust change in social and economic development, which brought consequently to changes in the nature of work, and all the organizations have to deal with it: we are in a time of globalisation with all its consequences, such as a strong efficiency need, competition, deregulation and in some cases always new regulations leading to organizational reorganization, massive increase of sophisticated technology, 24/7 workplaces to ensure an up-to-date status in every moment, and weakened trade unions in many contexts. Some studies underline a generalized feeling of pressure among workers, due to intensified working practices and requests from the top⁴³, which can lead to lack of time or "time squeeze" feeling, caused by new forms of work and working practices. The work-life balance concept is intended

⁴³ White et al., 2003there

to prevent this type of “non-balance” and blurred boundaries between personal life and job duties.

Work-life can be placed not only in a specific moment but also in a specific cultural context. For example, in countries where the woman was considered mainly as a “housewife”, the topic of *working mother* gained more attention than in those countries where a woman employed is already part of the everyday life. More than that, it doesn't look like a coincidence if the general topic of balance is born in UK and USA, both typically neoliberal countries, where the main economic drive force is competitiveness, associated with a minimal regulation and reliance on market rules and where the feeling of pressure is high, and the defence of personal rights takes a background role.

Two different kind of work-life balance concepts can be identified. They are overlapping but distinct at the same time. The first is related more to a personal control of time: it's the one of professional and white collar workers, who struggle to find time for their personal life because of the urgent rhythms of contemporary forms of jobs. So it is an individual concept, related to the person himself and his/her personal relationships of all kind, rather than a wider socio-economic aspect. It concerns quality of life, life balance together with the ancient conflict work/family: the push and pull between work and family responsibility. The second concept focuses on flexibility in working arrangements, and it is about the existence, in the organizations' workplaces, of some of the many policies, created to ensure the employees' psychophysical well-being. So in this sense, it is possible to identify “firms with a good work-life balance” and poor or strong “work-life balance strategy”. Researches show that, among the various ways of increasing the competitiveness of one's own company, the concept of work-life balance can be a solution that benefits both the worker and the entrepreneur.

Two theories can explain the relationship between work life balance and increased worker participation and efficiency: the social exchange theory and the perceived organisational support theory. These theories date back to the second half of the 1900s and explain how the worker feels supported and therefore develops positive attitudes towards the company, in response to practices and tools provided by the company; for example, speaking about learning opportunities provided by companies, employees with positive attitude would participate more in these types of initiative. This phenomenon can translate into an increasing commitment and dedication, with a perspective of extra

benefits. This can be both positive and negative, as it can result in an obligation of the employee to the organisation.

The first theory can be applied insofar as a worker may feel supported and taken into account by the company for which he or she works, and consequently by a principle of reciprocity may feel closer or more willing to adopt a favourable attitude towards it. Another important aspect of work life balance is the possibility of recovery, which, according to a study⁴⁴, leads to greater engagement with the company. Those who have been recovered seem to be more willing to engage and resilient than those who have not been recovered, not to mention the energy that workers who have been recovered have obviously regained, along with more focus on their tasks.

There are lots of aspect that come together to form the balance, from personal choice to, for example, work harder or longer, or to give more space to different aspects of life, but there is also a structural, cultural and practical component to consider. Not less consistent are gender constraints, together with workplace cultures, norms, policy developments and routine practices. The thread is to choose the quickest solution, which usually leave the roots of work-personal life problems unaltered.

2.2.1 GENDER NEUTRAL ASSUMPTION

As already mention above, gender limitations must be considered in evaluating a work-life balance: even if men and women are supposed to be equal in terms of time control, it continues to be experienced in different way. It is still deeply rooted in many countries the assumption that women must be more linked to family care and domestic responsibility, which of course lead to shorter time available to paid work, and also to leisure. On the other hand, this principle prevents even men from the chance to dedicate more time to family, inverting the roles. That is why, work-life balance concept is more dedicated to women. In South Africa, for example, even if the HIV and AIDS epidemic involved both men and women, it was reported that “It is assumed men are not involved with caring and they often get left out when it comes to opportunities to change their working practices”⁴⁵. In Japan, where there is a very low birth rate, the attention has been

⁴⁴ Sonnentag (2003)

⁴⁵ S. Lewis, R. Gambles and R. Rapopor, *The constraints of a ‘work –life balance’ approach: an international perspective*. A study has been improved, considering seven countries (India, Japan, South Africa, the US, the

focused on work-life balance to allow men to be more active in domestic and family duties. In this country, it is clearly recognizable a sharp division of work typology: on one side, the full-time work, associated almost exclusively to men, with a high carrier orientation; on the other side, the part-time jobs, dedicated to mostly women, which lack of all the benefit of the full-time jobs. The predominant mentality pushes men to desperately look for a job that allows them to provide economically for the family.

This happens not only in Japan of course, but in many contexts, where men struggled to change their working habits and women, even if supported by some attempts of work life balance policies, remain excluded from the competitive work environment. Even in Norway, which is considered the most progressive country in terms of gender ideology and policy, it is recognised that the principles of global competition prevail over the protection of the personal balance between work and the personal sphere: in fact, the transformations and the speeding up of work brought about by globalisation have inevitably increased the already existing conviction that the good worker is the one who gives priority to work over all other activities. By progressing in this direction, the risk of nullifying efforts to make workplaces more equitable in terms of gender becomes very high. An example can be found in Sweden where despite the fact that social policies invite parents to take parental leave and also employers seem to support this inclination, there is a lack of effective policies in companies that help or encourage men to take this route.

2.2.2 INDIVIDUAL CHOICE ASSUMPTION

Another typical assumption related to work life balance is the idea that everything depends on a simple choice of the worker, and that the problem is easily solved by human resources coordinators by providing some initiatives for more flexibility, but without changing basic practices, cultures or structures.

In many cases, the kind of work that is offered in current times, especially for those so-called 'knowledge work' jobs, can be exciting and stimulating, pushing the employee to work enthusiastically and longer than necessary, aided by the inexorable advance of technology and a progressive thinning of work-life boundaries. While this can lead to

Netherlands, Norway and UK) with different types of welfare programs and cultural mindset, to evaluate gender equity in relation with paid work and other parts of life.

happiness and satisfaction in some cases, it can also be frustrating the fact of not being able to find the right balance with other aspects of life.

There are several limitations to individual choice. First of all, the concept of the ideal worker mentioned above, which somehow 'obliges' him/her to do more and better. Similarly, there is a tendency among white collar, managerial and senior workers to demonstrate their 'commitment' to the company.

A practice which can greatly limit individual choice is the so-called 'high commitment' management approach. These are double-edged approaches: on the one hand they lead to greater satisfaction for the employee, and for the company at the same time, also creating opportunities for salary improvements, but on the other hand they create a strong sense of responsibility towards the job, with the risk of putting the company's needs ahead of personal ones.

In this context, policies granting more flexibility for workers, especially for women, have been introduced in order to favour those who cannot submit to too rigid time constraints due to personal issues. However, in many cases these do not prove to be sufficient measures, as there is a lack of clear guidance on how the work should be done or on the actual amount of time that should be devoted to it. Often people end up working more than they should, thus further penalising those who request these measures for personal reasons.

2.2.3 CULTURE FREE ASSUMPTION

The concept of work life balance originated as already mentioned in the US and UK, and then spread to Europe and other countries. The work ethic in anglo-saxon countries is characterised by a strong centrality of work and career in the life of the individual. However, in recent years, and perhaps also after the terrorist attacks of September 11, many people have begun to re-evaluate the importance of their personal lives, reconsidering their priorities, and undermining the centrality of work that had always been at the forefront of their minds. Just to give some data, in 2001 a survey by Rutgers University and the University of Connecticut reported that 83% of the people interviewed among ages 20 and 39 place family at the top of their importance ranking, while at the same time 90% of the working adults complain about not being able to spend enough time

with their families. In the United States, the problem has been well detected and analysed, especially with regard to the stress level of workers: chronic absenteeism, distrust, embezzlement, organisational sabotage, tardiness, task avoidance, and violence in the workplace have been classified among the potential symptoms of an imbalance in working life. Among the various solutions that employers can offer is the EAP, Employee Assistance Program, created for the first time in the 1940s, which provides numerous services for employees, including counselling for alcohol and drug abuse or for family, financial or general stress problems. In addition, a new profession has emerged: 'work/life professional'. An example is the *Alliance for Work/Life Progress*⁴⁶, a national association active in many context of the society to help an healthier balance between work and personal life.

The fact that many countries have paid attention to this topic may lead one to think that it is independent of the culture of each individual country. However, this is not the case for example in India, where new ways of thinking about work and ideas of progress and globalisation clash with old habits and traditions. 'We have to accept the need for change in countries like India, but we also have to retain the good things. This, however, is easier said than done' (Indian man, managing director)

It is evident that although the principles of the work life balance are accepted and understood by most western countries, in the rest of the world they find a more consistent obstacle due to different cultures, ways of looking at work and the value assigned to life. The differences can also be found between people from the same country, but perhaps engaged in different sectors of the economy, more or less in close contact with what is called the 'new economy'.

As it is possible to read in the 2020 Welfare Index PMI, 59.2% of Italian enterprises have activated initiatives in the area of work-life balance. This includes a wide range of possible actions, essentially of an organisational nature (such as hourly flexibility, leave and remote working) or in the form of work facilitation. It is a key area on which SMEs have strengthened their offer in recent years: in 2016, the first edition of the SME Welfare Index, the initiative rate did not reach 40% of SMEs. Around 10% of SMEs reported action in this area in the last year alone, with the launch of new initiatives or the strengthening

⁴⁶ www.awlp.org

of existing ones. It is also an area that companies consider to be a priority in the medium to long term: 37.2% of SMEs indicate that they intend to increase their corporate welfare system in the next 3-5 years.

The report individualized four areas of intervention:

- flexibility in work organisation
- measures to support parenthood;
- work facilitation support;
- other measures to support workers and families.

Organisational flexibility initiatives are the most widespread, practised by 36% of SMEs. This is an area that has seen a strong acceleration in recent years: in 2016, only 16% of SMEs were planning this type of initiative. It is mainly a matter of overcoming the rigidity of working time by introducing more flexible rules than those provided for in the CCNL: 34.1% of SMEs. Such measures may be the subject of a company agreement or regulation, or, especially in smaller and less structured SMEs, they are implemented more informally to meet the specific family needs of individual workers.

Hence these practices include flexible work hours (e.g., flextime, which permits workers to vary their start and finish times provided a certain number of hours is worked; compressed work week, in which employees work a full week's worth of hours in four days and take the fifth off), sharing a full-time job between two employees (job sharing); This also includes forms of work relocation: teleworking (also off company premises) is envisaged by 5.5% of SMEs, smart-working (partly off company premises) by 5.3%. These new forms of flexibility are still in their first stages among SMEs and are growing timidly: it is, however, likely that they will spread more significantly over the next few years, especially in those sectors (and for those jobs) where information technology allows for a simpler and more effective relocation of work. Already today, the survey shows that in the Trade and Services macro-sector and in that of Professional Studies and Services, the adoption of teleworking and smartworking has exceeded 10%. Finally, only a minority of SMEs (1.2%) have so far implemented time-saving initiatives for their workers, ranging

from a company butler to dealing with paperwork and payments to in-house services such as laundry, ironing, etc.

Linked to the theme of flexible working are initiatives to support parenthood. They are now implemented by 21.1% of SMEs and have also seen rapid adoption in recent years: in 2016 they were applied by only 6.5% of SMEs. The two most popular measures are the granting of additional leave to new parents over and above what is provided for by the CCNLs (14.5% in 2019, it was just 4.2% in 2016) and the full integration of maternity and paternity leave (12.9% in 2019 against 2.9% in 2016). Parenting support still takes the form, in the vast majority, of these forms of organisational flexibility. Only a very small group of companies, on the other hand, provides family services: examples include company-owned (0.6%) or contracted (0.6%) crèches, nursery schools, play centres or after-school centres (0.3%), and support in finding babysitters (0.5%). The possibility of offering these types of services, which are a valuable support for parents often struggling with the lack of services in the area, has however an objective limitation in the average size of the enterprises. One of the possible answers is the network: some SMEs have already activated joint services or created real structured networks to support workers in the management of small children.

The impact that business initiatives can have both on female employment and on the enhancement of women's work emerges clearly from Figure 17, which highlights three key data: the strong imbalance between male and female employment (about 20 percentage points); the impact of parenthood on female employment, which decreases significantly with the birth of children; the distance that still separates Italy from the European average. In addition to organisational flexibility and support for parenthood, SMEs also offer a contribution through services and economic support to workers, with the aim of reducing the costs of going to work (mainly transport and meal expenses). These initiatives are implemented by 31.1% of SMEs and are slightly increasing.

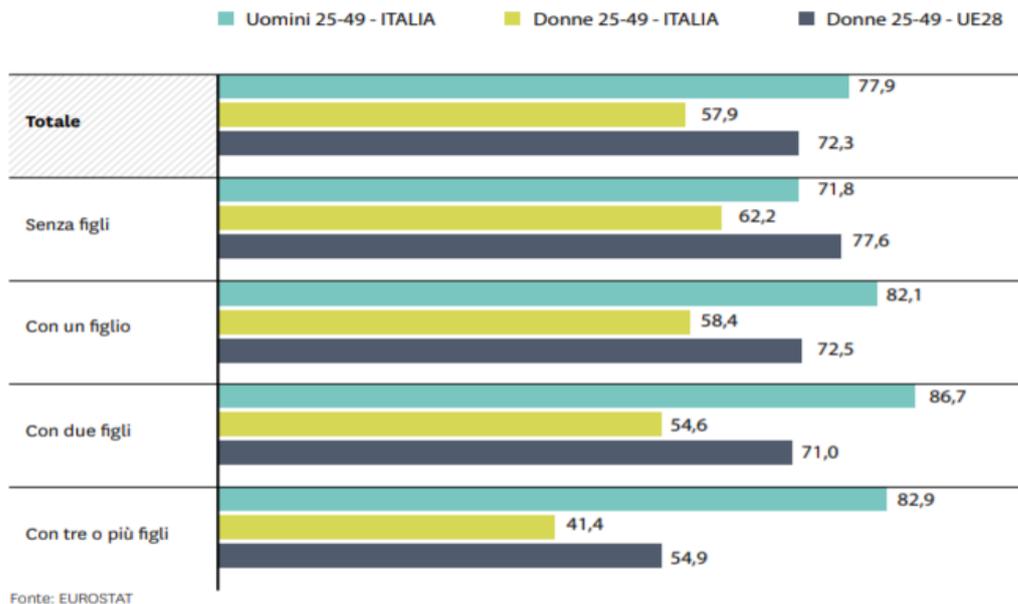


Figure 17 Male and female employment by family type and presence of children in Italy

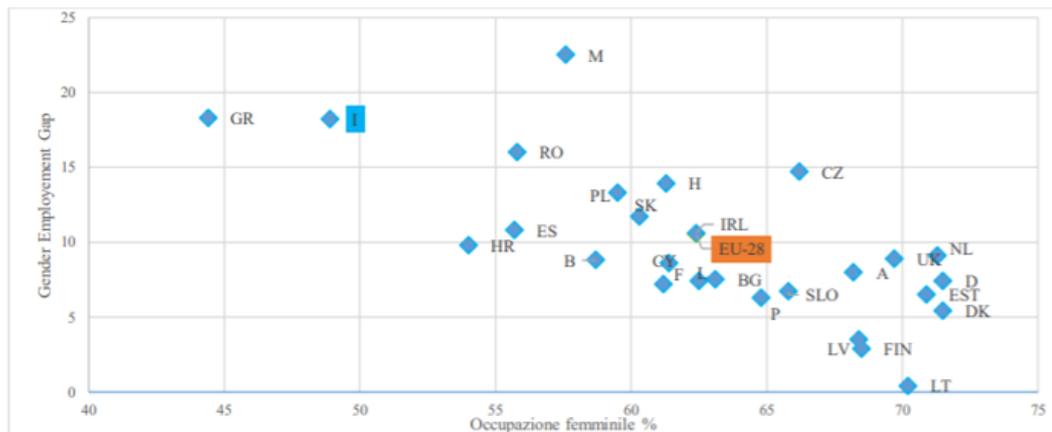
The most widespread form of support is that of restaurant tickets in addition to those provided for by the CCNL: 13.5% of SMEs offer them. Agreements with local canteens and restaurants and company canteen services are also growing, both with a diffusion index of about 10%. Economic support for transport costs, an often neglected item that can have a significant impact on family budgets, is also becoming more common among SMEs. According to ISTAT, 35.5% of the Italian population travels every day for work purposes, while more than half of the employed travel outside their municipality of residence, using one or a combination of several means of transport. The support options implemented by enterprises are diverse: 7.3% of SMEs grant workers petrol vouchers, 6.7% offer reimbursement for public transport subscriptions (it should be noted that the latter initiative became part of the list of services benefiting from tax incentives last year). Transport services provided by the same company or by several companies jointly (1.5%) and agreements with local transport services (0.6%) complete the range of possibilities.

Other support measures for workers and families, apart from catering and transport, are implemented by 15.3% of SMEs. 6.5% of enterprises offer their workers free or subsidised accommodation, a very similar percentage have signed agreements with local shops to obtain discounts or subsidies on the purchase of consumer goods. Lastly, a small group of enterprises provide their workers with subsidised micro-credit or guarantees for mortgages.

2.2.4 WOMEN AND WORKLIFE BALANCE IN ITALY

The employment status of women in Italy has improved considerably in recent years, but compared to the average of European countries, employment in Italy is still low; this concerns both sexes, and has become even more pronounced since the economic crisis of 2007. The distance between Italian and European data over the last ten years is always incremental and decidedly more marked in the case of female employment.

The peculiarity of the Italian data is even more evident if we observe Figure 18, in which two data have been placed in relation: the female employment rate and the so-called gender employment gap, that is, the gap between the male and female employment rates. In this case, we will see how Italy and Greece are distancing themselves from the group of European countries, with a gender employment gap of 18.2 percentage points for Italy and 18.3 for Greece and an employment rate of 48.9% and 44.4% respectively. Only Malta presents a gap between male and female employment rates higher than Italy (22.5 percentage points), but remains closer to the group of European countries due to a higher percentage of female employment (57.6%). The values in the other Mediterranean



Fonte: elaborazioni Centro Studi e Ricerche Itinerari Previdenziali su dati Eurostat 2018

Figure 18 Gender employment gap/ female occupational index

countries are much lower: Spain, Portugal and Cyprus, in fact, are in the middle with a female employment rate of between 55% in Spain and 64.8% in Portugal and a less marked distance from male employment. On the other hand, the emerging countries of Eastern Europe have very low levels of gender employment gaps and higher female employment rates than the average for European countries: just think that in Lithuania a female employment rate of 70.2% corresponds to a male employment rate of 70.6%.

Female employment is mainly concentrated in the service sector. In this case, the Italian situation is not very different from the European average: both in Italy and in the average of European countries, more than 80% of women work in services, 13% in industry and the minority in agriculture. The only exception in this sense is Romania, where the share of women working in industry and agriculture is very similar, respectively 21% and 22.6%, and just over 50% work in the service sector.

In order to better investigate the relationship between women and the labour market in Italy, in the following pages the three phases of professional life will be analysed: entry, correlating it with the level of education, permanence, analysing the occupational position of women, career steps and type of work, and exit, early or due to retirement.

The majority of the Italian population, like the European population, has a secondary level of education: despite the fact that the Lisbon strategy and the Europe 2020 objectives foresee an investment by the member countries in order to increase the number of graduates (the objective to be reached by 2020 is 25% for the population aged between 30 and 34), women graduates in Italy are 19.1%, compared to 29.9% of the average of the European countries, while men graduates are 13.9% in Italy and 25.9% in Europe. Looking at the employment rate by educational level it is possible to verify the weight of the number of women graduates in the world of work: the highest percentage of employed women in all European countries has, in fact, a university degree. Italy, however, presents a different trend compared to the European average where 80% of female graduates work, compared to 74.7% of female graduates working in Italy, with a distance not dissimilar to that for male graduates, who record an employment rate of 87.7% in European countries and 83.1% in Italy. The only country that records a worse figure than Italy is Greece, where 65.2% of women graduates are in work (77.3% of men), while the highest figure of employed people with a degree is recorded in Romania for women (86.4%) and in Germany for men (91.2%).

In this regard, it becomes important to investigate the choices of Italian women with respect to the degree course. Among the recommendations of both the European Commission and the OECD, a space is reserved for the promotion of the study of STEM, i.e. scientific, technical and mathematical disciplines, in order to increase female employment in the new digital economy and Industry 4.0. by now, most women graduates in European

countries have chosen a humanities and social sciences path, in Italy 45% have made this choice; followed by women graduates in economics who in Italy are 19%. Women graduates in STEM subjects in Italy in 2016 were 17% of the total, while men choosing this path are 36%. In the UK and Greece the values are similar (18%), while the most marked distance is with the values recorded in Germany, where women choosing university paths in science subjects are 20% (men 54%). The numbers are still low, and it would be appropriate to invest in changing this trend in order to increase the opportunities and employability of European and Italian women. A study conducted by the European Institute for Gender Equality, for example, claims that by 2025 the STEM sectors will generate an increase of 7 million jobs; closing the gender gap in the STEM sectors could lead to the creation of an additional 1.2 million jobs for women.⁴⁷

The management of working time and the need to balance it with private life can be a major discriminating factor for women, since it can influence their employment choices both directly and indirectly and become a barrier to entry. The need to take care of children, dependent adults and other care responsibilities within the family is a direct determinant of a woman's occupational choices. Over the last 10 years, compared to the European average, there are many Italian women who, because of family responsibilities and the care of children or dependent relatives, give up looking for work and are therefore inactive.

In 2017, family responsibilities 'forced' 11.7% of Italian women not to work⁴⁸, which is slightly higher than the previous year (11.2%) and three percentage points higher than the European average. Similarly, the specific activity of caring for children or dependent family members rendered 6.9% of Italian women inactive in 2017 and 6.7% in 2016, lower values than the 8.3% in 2007, but still higher than the 4.9% of the European average. The lack of services dedicated to children is certainly one of the main causes of these choices, so much so that the European Commission deemed it appropriate to deal with it as early as 2002, defining the so-called Barcelona Objectives⁴⁹ that envisaged the

⁴⁷ European Institute for Gender Equality, 2017, *Gender Equality Index 2017 Measuring gender equality in the European Union 2005-2015*

⁴⁸ Centro studi e Ricerche Itinerari Previdenziali, *Lavoro Femminile, Gender Gap e strumenti di Worklife Balance*, Osservatorio sul Mercato del Lavoro

⁴⁹ *Conclusioni della Presidenza, Consiglio Europeo di Barcellona 15/16 marzo 2002*

achievement of services for a minimum target of 33% of children aged 0-3 in European countries⁵⁰.

The greater weight in terms of responsibility and care on the shoulders of women is also evident when looking at the management of working time. In both Europe and Italy, the percentage of women working part-time is higher than that of men. However, when looking at the age group 25-49 years, a big difference emerges not only between women and men but also between the Italian situation, where women in part-time employment are 34.6% (men 8.3%), and the situation in Europe where women in part-time jobs are only 29.4% and men 6.6%.

The improving but still unsatisfactory picture of the employment status of women in Italy that emerges from the preceding pages highlights the need to identify instruments that affect the labour inclusion of women and intervene on the main criticalities highlighted. For this reason, the gender gap is today at the centre of several national and international "agendas" and programmes. This is the case of the 2030 Agenda for Sustainable Development signed in September 2015 by the governments of the 193 ONU member countries: "achieving gender equality and empowering all women and girls" is goal number 5 of the Agenda through which the aim is to overcome all gender discrimination, from access to education, healthcare, decent work, to representation in decision-making, political and economic processes⁵¹. In November 2017, the European Commission also approved a specific Action Plan centred on the principle of equal pay for women and men to combat the gender gap⁵². And it is always in this direction that, last 15 November 2018, the European Parliament approved the Resolution on care services in the EU for better gender equality (2018/2077(INI)), within which the main critical issues regarding gender gaps, imbalances of responsibility between genders and the resulting differences in terms of employment opportunities between men and women are mentioned and that, on the basis of these considerations, "invites Member States to ensure good coverage of care services, in both urban and rural areas, in order to improve the accessibility and availability of care services for people from disadvantaged

⁵⁰ Eurostat, *Children receiving formal childcare services by age, income group and degree of urbanisation*.

⁵¹ *Trasformare il nostro mondo: l'Agenda 2030 per lo Sviluppo Sostenibile*, New York, United Nations - Nazioni Unite (2015)

⁵² <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2017:0671:FIN:IT:PDF>

backgrounds, including people living in rural and isolated areas "⁵³. The recently adopted Resolutions follow on from previous years, from 1992 onwards, when the first Recommendation 92/241/EEC on childcare⁵⁴ and Council Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding were adopted.

But if in a European dimension there have been several steps forward from a regulatory point of view, the same cannot yet be said for all European countries. This is the case, among all, of maternity leave, which with the Budget Law 2019 in Italy presents an important novelty for mothers-to-be who will be able to stay at work until the date of delivery, and then enjoy maternity leave of 5 months from this date, overcoming the previous compulsory leave that went from 2 months before the presumed date of delivery and up to 3 months of the newborn. Paternity leave has also become compulsory, with up to five days of abstention, but the situation is very different in other European countries.

In Germany, for example, there is no regulation, but maternity leave can be extended up to 3 years, while in Spain and France there is a right to two weeks of paid leave. In the previous pages it has been already referred to two important public policy actions: the Barcelona Goals, i.e., the interventions supported by the European Commission to increase the number of children in formal education systems, and, at the national level, the Golfo-Moscow Law, which imposed a minimum limit of one fifth of the members of boards of directors to be women, as they are less represented.

A final tool to promote work-life balance is strategic plans, of which there are several examples originating in the public and also influencing the private sector. If, in fact, gender mainstreaming ("gender balance sheet") had the objective of bringing out gender differences and imbalances at institutional level, the recent gender equality plans have become real strategic work plans that regulate and programme interventions that must have a positive impact on women's lives. The instrument of gender equality plans can take different forms: legislative and public - regional or national laws - or deliberative with a private dimension - organisational plans, collective agreements. However, the main

⁵³ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-20180464+0+DOC+PDF+V0//IT>

⁵⁴ <https://eur-lex.europa.eu/legal-content/IT/TXT/PDF/?uri=CELEX:31992H0241&from=EN>

feature must be strategic, i.e. aimed at identifying possible actions to achieve results in the reduction of gender inequalities. In Italy, this tool has already been applied in the form of a PAP (Positive Action Plan) in 96 Universities and Research Centres that have planned strategic actions to strengthen women's participation in the research activities of their departments and to increase the presence of women in scientific and evaluation committees.

The future challenges related to the employment generated by the digital economy and the so-called Industry 4.0, could be an opportunity for Italian women, especially if this innovative path is accompanied by adequate investments in training. For example, facilitating an increase in the number of women graduates in STEM fields could contribute to an increase in female employment and, at the same time, to a reduction in the gap between the status of women in Italy and that of women in other European countries. Similarly, it is necessary to promote the spread of educational services dedicated to children. It is precisely this deficiency that has a negative impact on female participation in the world of work and, combined with the difficulty of achieving pay levels similar to those of men, still makes the quality of working life different between Italian women and European women, who have a greater number of services for themselves and their families and incomes closer to those of men. Finally, these two aspects of women's working life translate into unequal access to pension systems: while differences in pay generate differences in pension contributions, the factor linked to family responsibilities leads Italian women to participate less continuously in the labour market, with a consequent reduction in the time they can contribute to pensions. The diffusion of second welfare and corporate welfare plans, associated with the definition of strong policies to lighten the load of responsibilities on women, could contribute to counteract this sort of negative circle and activate, on the other hand, a virtuous circle that would put Italian women in a less unfavourable position than their European counterparts.

2.2.5 WOMEN AND WORKLIFE BALANCE IN US

Following the indications provided by Liana Christin Landivar in her book *Mothers at work: who opts out?*⁵⁵, it is possible to find three characteristic elements of the American labour market with regard to the female population.

⁵⁵ Landivar, L.C., *Mothers at Work, Who opts Out?*, Lynne Rienner Publishers 2017

Firstly, she found that it is easier for a mother to keep her job if she is in a managerial or professional position. Secondly, those in these positions obviously have a greater incentive in terms of monetary reward to stay employed, even because they benefit from more flexibility and other general benefit in the workplace. Finally, all mothers plan to reduce their workweek schedule, but they still work full time.

Most previous studies on women's work did not take ethnic and occupational differences into account. However, in her research, the author makes significant distinctions. For example, it appears that white mothers have a higher incidence of labour force exit, regardless of their occupations, whereas hispanic and black mothers, who are mostly employed in service and production occupations, are less likely to exit the labour force. This may be due to the fact that a proportion of the latter occupy non-managerial roles, and therefore have a lower status that requires them to work, even with fewer benefits and flexibility.

Among the occupations with the lowest exit rates of new mothers are managerial and professional occupations, healthcare workers and scientists, while a high exit rate is found in construction and natural resources jobs. The employment of mothers and the preservation of their jobs is, of course, facilitated by flexibility and the possibility of reducing working hours, so that they can organise their work and family life better and with more freedom. This is more the case for women in managerial roles, particularly white women, who are able to reduce their working week by up to three hours. Black, Asian and Hispanic women, on the other hand, report working even longer, on average one hour more per week for black women, half an hour for Hispanic women and 12 minutes for Asian women.

The age of the mothers also seems to influence their active presence in the labour force: in particular, older mothers seem to stay in work longer than younger ones. This is the case regardless of the age of the child, and also of the type of employment, but a tendency to reduce the hours worked is noted. Schedule flexibility allows women to remain at work and work longer hours, enabling them to shift hours according to work and family needs. Unpredictable schedules and a lack of sick leave make parenting very challenging.

A final interesting finding from Landivar's research concerns the gap between mothers and non-mothers: mothers who work full-time are paid more than non-mothers, despite being less likely to be employed. moreover, they are less likely to be promoted, and more likely to be held to higher performance standards.

It can thus be concluded that differences between occupation type, race and ethnicity are manifold. This leads to the conclusion that most previous studies have focused on elite groups and proposed solutions that didn't consider the majority of the working mothers.

3 SMARTWORKING

The so-called Jobs Act of self-employment (L. 81/2017, art. 18) introduced in our legal system the normative discipline of agile work. “Smartworking” was already practiced, but by virtue of collective bargaining provisions. Law 81/2017 now provides for its regulatory regulation as part of the measures aimed at facilitating work-life balance.

It is not a new type of contract, but a way of executing the subordinate employment relationship, for a fixed or indefinite term, whereby the parties agree to adopt forms of organisation by stages, cycles and objectives, without observing precise time or place of work constraints, also using technological tools.

In the context of agile work, work may be performed:

- either inside company premises or outside without a fixed location.
- in the absence of normal working hours, but only within the limits of maximum daily and weekly working time deriving from the law and from collective bargaining.
- through the use of technological tools.

Agile working is adopted by means of an agreement between the parties, in which the working arrangements will be defined and the exercise of the employer's power of control over the worker's performance outside the company will be regulated.

The agreement must be in written form for the purposes of administrative regularity and proof. It may be for a fixed or indefinite period and is subject to mandatory notification⁵⁶. The agreement also sets out the worker's rest periods, the performance of the work with regard to the tools used by the worker and the technical and organisational measures necessary to ensure the worker's disconnection from the technological equipment used at work.

With the resignation of one of the two parties from the agreement, the agile work is terminated and the work will be performed in the ordinary manner of employment.

⁵⁶ The procedure to communicate agile work agreements has been operational since 15/11/2017 (see INAIL Circ. 48/2017)

Law 30/12/2018, no. 145 (Budget Law 2019) has placed, on employers (private and public) who enter into agreements for the performance of work in agile mode, the obligation to give priority to requests for the performance of work according to the aforementioned mode made by female workers in the 3 years following the conclusion of maternity leave, or to workers with disabled children who require permanent, continuous and global assistance (art 18, co. 3bis, L.81 /2017, inserted by Art. 1, para. 486, L. 145/2018).

In order to protect the worker who performs the service in agile work mode, the legislator has specified his right to an economic and regulatory treatment not lower than the overall one applied, according to the provisions of collective agreements, towards workers who perform the same duties exclusively within the company.

However, since this is a subordinate job, the relevant regulations apply; at the same time, there are certain peculiarities due to the fact that the work is carried out partly within the company and partly outside it. For example, there is protection against accidents at work and occupational illnesses even if they are due to risks connected with work performed outside the company's premises. The importance of this protection was also reaffirmed in the Confindustria- CGIL, CISL, UIL agreement, signed on 12/12/2018, in which it was considered necessary to introduce ad hoc legislation that can be traced back to the same logic that governs the hypothesis of the accident on the way to work.

Moreover, the employer must guarantee the health and safety of the worker who performs the service in agile work mode and the worker is required to cooperate in the implementation of prevention measures prepared by the employer to deal with the risks associated with the service outside the company premises.

This aspect of the protection of the agile worker was also the subject of the aforementioned agreement of 12/12/2018, in which it was specified that, without prejudice to the obligations of Legislative Decree 81/2018 for the part of the work carried out within the employer's organisation and without prejudice to the principles set out in Legislative Decree. 81/2017, whereby workers engaged in work activities in places other than those subject to the legal availability of the employer (and limited to this work phase), shall apply only the provisions of Legislative Decree 81/2018 relating to the obligations of information, education and training; of providing the necessary personal

protective equipment and ensuring the safety of any equipment made available to the employer; of health surveillance.

These provisions are the subject of the information that the employer must provide, at least annually, to the workers concerned and which contains the general risks and the specific risks associated with the particular way in which the employment relationship is carried out.

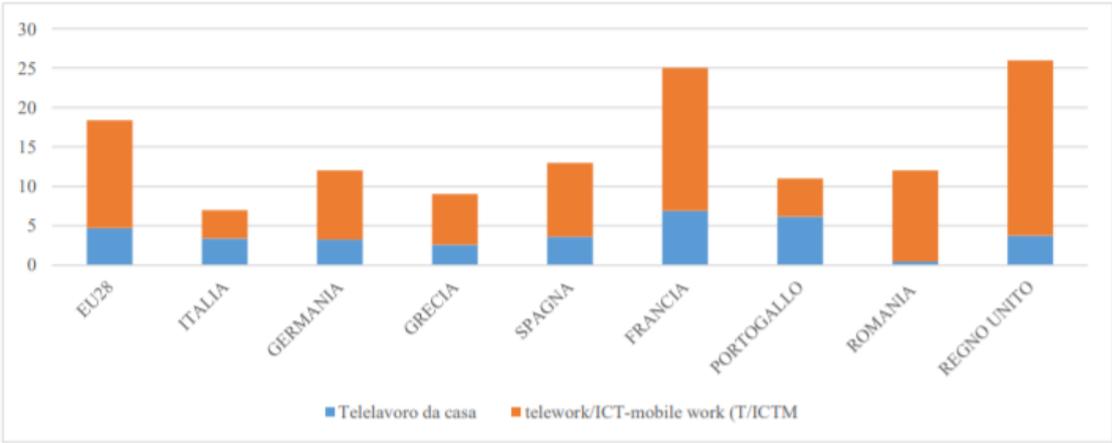
The employer is also required to ensure that the worker's personality and moral freedom are respected (Art. 115, para. 1, Legislative Decree 196/2003).

Moreover, Law no. 124/2015, supplemented by the Directive of the Minister for Public Administration of June 2017, set the goal for the public administration to give at least 10% of employees the opportunity to make use of forms, including experimental ones, of smart working. Despite the fact that this flexibility may seem advantageous for women because they can, by virtue of a broader time management, reconcile their life and work times, in Italy there still seems to be strong resistance to the tool on the part of women. The latest report on the subject by the Milan Polytechnic Observatory⁵⁷, published on 30 October, describes the main characteristics of smart workers in Italy, who in 2017 numbered 480,000, 12.6% of the total number of employed persons. They are mainly men (76%), aged between 38 and 50, who work for large companies from different locations thanks to the use of advanced technologies. In the European context, smart working in the current phase governed by Industry 4.0 is in full development. A survey conducted by the International Labour Office⁵⁸ on the role of new technologies in the world of work in Europe has brought out the differences in the types of remote workers, highlighting the difference between those who work from home, according to the classic telework mode, and those who, thanks to the use of new technologies, work in other contexts (Figure 19). In particular, next to the high performance of countries such as the United Kingdom and France, where the percentage of workers who work from home is much lower than those who work "elsewhere", there are countries where not only the distance between the two types is small, but also the percentage of smart workers is residual (7%).

⁵⁷ https://www.osservatori.net/it_it/osservatori/comunicati-stampa/smart-working-continua-la-crescita

⁵⁸ Eurofound and the International Labour Office (2017), *Working anytime, anywhere: The effects on the world of work*, Publications Office of the European Union, Luxembourg, and the International Labour Office, Geneva

The choice of working from home, in Europe, has evolved slightly in recent years, maintaining values close to 5% of workers; in 2017 it is mainly women (5.3%) who choose the work from home mode, compared to 4.7% of men. In Italy, as in the case of smart working, there is a greater propensity of men (3.6%) than women (3.3%) to choose working from home, although this same distance has narrowed compared to what was recorded a few years ago (for example, in 2013 men working from home were 3.5% while only 2.7% of women did so).



Fonte: elaborazioni Centro Studi e Ricerche Itinerari Previdenziali su EWCS 2015

Figure 19 Percentage of workers in agile work mode

3.1.1 SMARTWORKING DURING COVID19

Following the Covid-19 pandemic, in Italy as in the rest of the world, there has been an exponential increase of the smartworking, which meets society's health protection needs. In particular, Decree Law no. 18 of 17 March 2020 (the 'Cura Italia' decree) established agile work as an ordinary way of carrying out work until the end of the emergency, which can be activated without recourse to an individual agreement (art. 87). Circular no. 2/2020 of the Minister for PA provides application guidelines to administrations with reference to the provisions of the previous decree law.

A further Decree-Law of 19 May 2020 ("Relaunch" Decree) then extends the use of agile working, unless presence is required, and provides for planned interlocution, through digital solutions, with users.

Data on the implementation of smartworking in Italy during the lockdown have already been reported, deriving from the survey carried out by Razetti and Maino in Percorsi di Secondo welfare (see Welfare's responses to Emergencies).

Anyway, what was applied for about two and a half months was an extreme and forced experimentation of remote working in which workers did not have the possibility to choose the place where they worked and were in fact forced to work from home. Smart working, as it was also regulated by the 2017 law, would instead require a transformation of the managerial model and the culture of the organisation, a profound innovation in the way of conceiving work and relations with the organisation. Workers should be able to be guaranteed the possibility of choosing the way they work, experimenting with flexibility and new solutions and learning to measure themselves on the results achieved. Such a transition, which is first and foremost a cultural one, would take a long time and would need to be supported by initiatives to communicate, train and accompany people, conditions that are certainly more difficult to create in emergency situations.

From this point of view, the Coronavirus emergency showed that not all organisations are the same and how much of a difference it made to have previously experimented with agile working. Companies, organisations and public authorities that had already introduced smart working projects found themselves at an advantage, in many cases being ready to manage the new situation. In fact, many people in these organisations already had the tools, skills and culture to work effectively outside the company context and we can imagine that the spread of smart working to a wide range of workers was facilitated by this.

All those companies and public administrations that, on the other hand, had not yet promoted smart working projects suffered from the fact that they were not prepared from a technological, cultural and managerial point of view, finding themselves more fragile in the face of the emergency. Most found themselves improvising by asking their employees to work from home without having the necessary tools and skills, as well as the right cultural approach. As emerged from a survey carried out by the CGIL with the Di Vittorio Foundation (2020) in the months of the lockdown, most workers "rushed" into smart work when the measures to contain the virus began, without there being time for structured reflection on work organisation, space and work by objectives.

Among those organisations that had activities that could be carried out remotely, in many cases it was preferred to interrupt them, either by encouraging employees to take holidays and leave or by resorting to the redundancy fund or asking staff to continue working from their place of work, thus exposing them to risks and inconvenience. The survey Individual and Organizational Strategies for Responding to the Emergency, promoted by Forum PA between 17 April and 15 May 2020, also makes it possible to highlight the diffusion that smart working has had in PA and the impact it is generating⁵⁹). At the beginning of 2020, prior to the Covid-19 emergency, smart working was a widespread practice in only 8.6% of the public administrations from which the respondents came, compared with 45.8% for whom it was an experiment limited to a group of employees and 39.2% of employees who stated that smart working was not possible in their organisation. As a result of measures to contain contagion, "emergency" smart working was introduced in 98.8% of the respondents' administrations, in some cases as the only staff management measure, in 41% of cases accompanied by shift work in the office and in 40.5% by the request to use holiday time and rest in arrears. 68.3% of respondents, however, stated that they had not received any specific training on remote working. Even more interesting is the balance that emerges: 93.6% of public employees stated that, if offered the opportunity, they would like to continue working in smart working mode once they are back to normal, and 88% of public employees believe that the experience will prove valuable once the emergency has passed (Among the most positive aspects, 69.5% said they were able to organise and plan their work better, 45.7% said they had more time for themselves and their families, 34.9% said they worked in a climate of greater trust and responsibility, and 24% said it was a more stimulating way of working).

The acceleration on digital represents a unique opportunity for modernisation for Italian companies and the PA, a transformation that has offered the chance to dematerialise internal processes and simplify working procedures and practices, helping to overcome the widespread stereotype in Italy according to which the employer who does not see the employee feels he cannot control him. This, however, should not make us lose sight of the risks associated with this mode of working and the importance of

⁵⁹ A total of 5,225 people took part in the survey, which is based on a non-representative sample, of whom 81% (4,262) were public administration employees (FPA 2020)

guaranteeing protection for agile workers, as well as the importance of social relations and interactions in order to engage people who work from home (cf. Cgil and Fondazione Di Vittorio 2020). These are also aspects of which several survey participants showed themselves to be aware and to which they drew attention, emphasising in some cases the facilities made available to employees precisely to accompany them towards smart work: from the provision of IT devices for those who did not have them to the organisation of remote training on the use of digital work platforms, to the abolition of hourly on-call time and the activation of motivational support programmes.

4 RECKITT BENCKISER GROUP PLS– AN EXAMPLE OF VIRTUOUS COMPANY

In the following pages we look at a multinational company, Reckitt Benckiser, that is considered virtuous for its corporate welfare practices and for the attention it pays to its workers, from different points of view.

It is interesting to note how these practices have been deeply internalised by the company and have also led the organisation itself to adapt to them in a logic of long term and continuity, even in critical situations such as the one witnessed in 2020, due to Covid-19. To confirm this, RB has re-joined the Dow Jones Sustainability Index (DJSI) in 2019 with top scores: as already mention in the previous chapter, this social index measures the capabilities of the company to act in responsible way, from corporate governance to social metrics, and it highlighted the notable progress made across supply chain management, human rights and risk & crisis management.

Reckitt Benckiser plc is a British multinational consumer goods company based in Slough, UK, making health, hygiene and household products. It has branches in over 60 countries, including Japan, Brazil, Germany, Russia, USA and Korea, and sells its products in more than 180 countries.

4.1 THE STORY

The origins date back to 1819, when Thomas and Isaac Reckitt built the Maud Foster mill and in 1823, when Johann Benckiser founded the Benckiser industrial chemicals business in Germany. Throughout the 20th century the two companies acquired well-known brands, such as Finish, Veet, Gaviscon, Air Wick, Lysol, until in 1999 the two companies merged to become Reckitt Benckiser. Since then, the family has grown rapidly, aiming to expand into the medical market as well, with Nurofen and Strepis, Mucinex, which is part of Adams Respiratory Therapeutics, Durex and Scholl, Schiff Nutrition, K-Y, Enfamil and many others.

2018 will see the formation of two separate business units, with the intention of improving the performance of each of the divisions: Heathcare and Hygiene Home.

4.2 GROUP’S FEATURES

Within the company, there is a strong focus on sustainability and human rights: the guiding principles include 'Do the right thing, Always' and 'put consumer and people first'⁶⁰. According to their website, the Board of Directors appoints a special committee within the company (the Corporate Responsibility, Sustainability, Ethics and Compliance Committee) to monitor the group's progress in terms of performance with regard to sustainability targets. In this respect, the company's aim is to protect, care and nurture, in the hope of achieving a cleaner, healthier world.

The company mainly chose five of the 17 goals, defined by the United Nations General Assembly as 'Sustainable Development Goals', in the so-called 2030 Agenda: these are SDG3- good health and wellbeing; SDG 6- clean water and sanitation; SDG 5- gender equality; SDG 2- zero hunger, SDG 8- decent work and economic growth.



As a global business, the company is aware that it deals with a multitude of different markets, each with its own culture. Hence the desire to do the best for all stakeholders: from customers, consumers and communities, to investors, suppliers and of course employees. To do this, the company uses regular and continuous exchanges between the parties, for example through surveys, forums, focus groups or intranet forums such as "Ask Laks", which allows each employee to ask the CEO questions, or Town Hall meetings. In 2018, 75% of employees took part in surveys, 86% saying they were proud to work for this company. The aim here is to ensure the best approach to employees, so that they can take advantage of wellbeing policies, and have benefits such as multi-faith prayer and meditation rooms and subsidised canteens offering healthy meals.

⁶⁰ <https://www.rb.com/us/about-us/who-we-are/>

Liveyourbest is a wellness programme for employees and teams around the world designed to ensure good mental health and wellness. It began in 2016 as a campaign, but its success has turned it into a corporate strategy, based on four categories: physical, emotional, financial and community. For example, seminars have been conducted globally for employees on balanced nutrition, sleep and the importance of regular exercise. Despite this, the programme is highly decentralised in nature as managers have the freedom to undertake more specific initiatives tailored to the needs of each workplace. The Emotional section was implemented in 2019 as a result of the many challenges that society faces today in terms of psychological wellbeing: 60 mental health first aiders were included in the UK, with the task of creating monthly meetings on improving wellbeing at work: from the causes of stress, how to anticipate and solve problems, how to connect better with others to help deal with sadness or anger, how to disconnect to regain the correct work-life balance etc. this programme is able to support employees both at work and at home.



As far as corporate welfare programmes are concerned, their global parental leave policy is noteworthy: it is an extended policy that provides new parents with 16 to 26 weeks of maternity leave, with the possibility of extending the leave for a further 26 weeks unpaid. For new fathers the company policy provides 4 weeks, plus a further 4 unpaid weeks, on request. There are also benefits for mothers returning to work, such as a mentor for six months and rooms with all the comforts and privacy reserved for breastfeeding. These policies are aimed at all new families, LGBTQ, adopting and surrogacy families, with some differences depending on the countries.

It is part of the company's guidelines to give work to young people: in this sense, the company has been launching a challenge since six years, the RB Global Challenge, which selects the best business ideas proposed by university students based on the

company's products, enhancing performance, profitability and social purposes. This challenge becomes a recruitment tool for the company: in 2019 it made 50 job offers to young people who stood out for their ideas and talents. In addition, with a view to the company's constant improvement, each year employees have the opportunity to meet with managers and superiors to evaluate their careers and performance. This Talent Assessment process helps to identify staff who may receive promotions in the future, and at the same time ensures that skills and capabilities remain current and improved. To ensure the growth and updating of employees, the company engages in training and coaching through a learning platform, created in 2018, which provides development programmes for functional and leadership skills at each level, as well as insights on unconscious bias, diversity, project and organisational change management, managing budgets, sales, digital and e-commerce and crisis management. In total, in 2019, employees had the opportunity to participate in over 241,679 hours of training, on a wide range of topics, from health, labour, environment etc., to a wide range of topics.

In the case of employee mobility, which the company supports and considers favourable and important for career development, the company offers benefits such as international healthcare, international pension, school fees, tax return support and home leave provided to foster ongoing mobility.

The well-being of employees is always a vital aspect for the company, both financially and physically. This is why employee benefits are checked regularly to ensure that they are always competitive in the local market: in addition to salary, this includes bonuses and long-term incentives, which are always adjusted for inflation in the country and determined according to individual performance. An Annual Performance Plan has been created and is operational throughout the company, with more than 14,000 employees participating. The payment of bonuses is subject to the financial performance of the company, but for some roles market share, net working capital and innovation are also taken into account as yardsticks.

In terms of salary, RB adheres to the UK Living Wage, which guarantees a minimum hourly wage of at least £9.30, in the UK. This amount is calculated on the basis of the real cost of living, and is above the minimum threshold imposed by the state (£8.21); in this way the company ensures that employees have a real wage sufficient to live on.

Employees are also given the opportunity to buy the company's shares at a 20% discount, saving anything from £5 to £500 each month. This is a risk-free investment, as the amount can be withdrawn at any time.

As a global multinational, the company embraces many different cultures and appreciates the differences between them in an inclusive way. It also aims to overcome the gender gap by attracting, developing and retaining more talented women, particularly at senior levels. In fact, despite the fact that just under half of total employees are women, at a higher level there is still work to be done to achieve this balance; this is why initiatives such as mentoring and development schemes for women to insist on gender-balanced shortlists for all open positions have been planned.

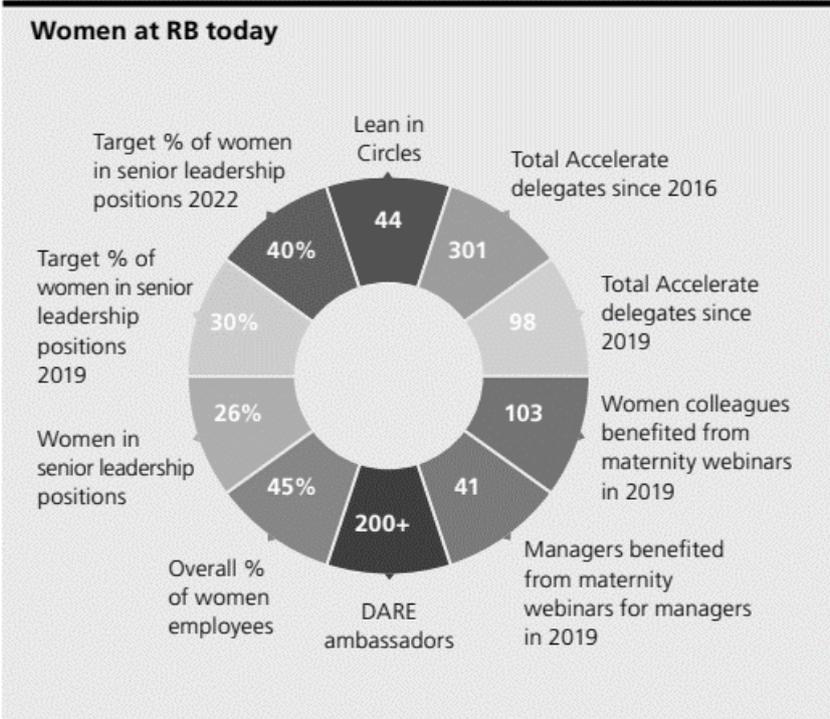
The company aims to offer equal opportunities to all, regardless of gender, race, nationality, age, disability, sexual orientation and religion. To this end, a programme, DARE, was set up in 2015, dealing with work life balance and international mobility, which aims to achieve a gender balance across RB, particularly at management level. Through surveys and researches, these two issues have emerged as being at the root of the difficulties that prevent women from progressing in their careers. The programme consists of several parts: networking circles for women within the company have been set up, support groups that give all female workers the opportunity to connect informally, share their experiences and help each other. In some cases, male colleagues can also participate: in this way they can give their support.

Maternity webinars are part of the programme: in these webinars available online all the main points concerning that particular situation are covered, maternity and fathers leave, returning from maternity etc. The DARE programme is also tailored to the different needs of each country, depending on the working environment: in some countries there are more support groups, in others more work is done to remove potential barriers to women's career development. For example, in India there is a Travel Safe policy, self-defence courses that allow women to feel safer outside the office.

Accelerate leadership development programme is an important part of the DARE programme. It actively helps female leaders to improve their confidence, self-awareness and careers. It consists of two to three day workshops during which they create and

develop different strategies to achieve career goals, developing strong support networks and supporting others.

What is interesting to note is that year after year, all these initiatives are paying off: as far as the gender gap is concerned, an improvement has been seen, from a mean gap of 7.9% in 2018 to 6.8% in 2019. And even in a comparison with national data, a difference of almost 10 percentage points (6.8% vs. 16.2%) is noted (ONS 2019).



It is not a coincidence that in 2019 RB received certification as a Top Employer company in the UK, recognising its commitment to creating people-oriented employment cultures that celebrate diversity and a positive working environment, where people can learn and grow, both personally and professionally.

As a leader in both hygiene and health, RB is uniquely positioned to provide tangible assistance to consumers, governments and healthcare authorities on COVID-19. The company kept the operations going throughout the crisis, for example in the Dettol factory going from 40 tonnes to 400 tonnes. While doing so, the RB objective is to keep everyone safe: they introduced temperature checks, provided round the clock onsite medical support, provided housing for factory staff where needed, by converting office

space, dramatically increased provision of private transport to safeguard employees, and implemented and encouraged alternative working arrangements, as the smartworking. In this sense, the company provided workers with a bonus of 150 euro to spend on IT equipment, plus an extra 100 Euro to be spent on an online platform with the same purpose. In the event of hospitalisation or absence due to the virus, a leave allowance or daily allowance is provided as an additional economic contribution.

CONCLUSIONS

In conclusion, the numerous studies and research carried out on the subject of corporate welfare highlighted that the phenomenon is expanding rapidly, in response both to the public welfare crisis and to a progressive awareness among companies of the importance of the human factor; in particular the effects the well-being of employees, in terms of health and safety and work-life balance, can have in the positive management of the company itself. It should also be emphasised that many of the measures included in corporate welfare are a response to the changes in the world of work, from the relationship between the person and the machine to demographic and environmental context evolutions together with globalisation phenomena, which requires a review of traditional organisations to protect new emerging needs. For example, considering the aging of population, health and safety conditions in working environments become extremely important, as well as adequate training to interact with the new technologies. The measures that a company can adopt are numerous, and can range from a redistributive function, through vouchers or recreational activities, to a social function, such as education and training or family assistance and care, to a more economic or productive function, including meal vouchers, canteen, insurance, supplementary health care, supplementary pensions, training and ultimately organisational flexibility.

Analysing the data for our country, there is a prevalence of welfare measures in companies in North Italy, compared to those in the south, with a particular preference for supplementary pensions, health care and insurance policies. While for companies in the south, which are also on average of smaller dimension, there are measures aimed at social inclusion and support for vulnerable people.

As the data show, more and more companies are approaching corporate welfare measures, either by free decision of the employer or as a result of collective bargaining agreements, which can be considered as a strategic lever to combine both humanistic interests, i.e. the protection of their employees, and also the increase of productivity. The national bargaining, which converges in CCNL (national labour contracts), is more suited to supplementary pension and health care, while corporate bargaining is more appropriate for other types of benefit, specifically shaped upon individual company needs. The adoption of corporate welfare measures is also incentivated by the

intervention of the state, which through regulatory and fiscal incentives encourages the use of certain welfare measures; in particular in articles 95 and 100 of the TUIR, the legislative source, which specifies the terms of measures' deductibility from tax declaration. Indeed, Welfare expenses can be deducted from income either totally or to a limited extent (5 per thousand): in the first case, if the welfare plan is the result of a collective agreement, and in the second case if it is the unilateral decision of the employer.

Another aspect to take into account is the employee's will: he is left free to choose whether to use the services offered by the employer as "welfarisation" of the performance bonus, thus without taxation, or to receive the performance bonus in cash. Due to a process of loss aversion, a general preference towards cash has emerged, instead of welfare services, which is a sign of a still low awareness of the effectiveness of welfare plans. More than that, welfare measures can be financed by the worker himself, with a "sacrifice" of his own salary, even if it is not a common solution.

What is not rewarded in economic terms, such as savings on the workforce or reimbursement for certain practices, can return in terms of appreciation by stakeholders, both internal and external, which is translated into greater ability of the company to attract new talent as workforce, to retain more consumers, to attract new investors interested in social sustainability practices and to obtain greater participation, loyalty and involvement by employees. It has been proved that Corporate Welfare is very linked to Corporate Social Responsibility in increasing a company competitiveness: it represents a CSR tool, the willingness to go beyond the legal obligations, investing "more" in human capital. Socially responsible investment has seen a significant increase in popularity among large investors, and this is witnessed by the spread of lists of social and ecological criteria to invest in companies; they represent a good indication for investors about the good internal and external management: this is why being represented in a stock market index of ethical values can bring a concrete financial advantage. The most recognised are the Domini 400 Social Index and Dow Jones Sustainable Index.

Businesses, governments and professional organizations are becoming increasingly more interested in complementary forms of health and safety promotions, which are voluntary measures in addition to legislative obligations for the protection of workers. From this trend, certifications and labelling programmes emerge, incorporating different health and safety criteria and proving the socially responsible production of the

products. Social and eco-labels effectiveness however still need to be improved: Fairtrade Labelling Organization is trying to coordinate fair trade initiative monitoring programmes and giving agreed standards.

As we have seen, the common theme of corporate welfare is the achievement of a work life balance for employees: this concept is becoming particularly important in recent years too, because of a general feeling of pressure among workers, due to intensified working practices, fierce competition, the need to keep up to date in a fast moving world. Two theories support the correlation between work life balance and employee efficiency and participation: the social exchange theory and the perceived organisational support theory.

There are many practices that companies can adopt, with the aim of fostering a work-life balance, meeting the different needs that may arise in the course of an employee's life (family commitments, care for elderly parents, maternity leave, etc.) and thus leaving workers autonomy to control time between work and private life, but they do not always prove to be effective. The most widely used tool for achieving a work life balance is smartworking. It has been regulated since 2017 and is an agreement between the parties, which provides for working arrangements that differ from the ordinary: there are no longer any time or place constraints, but work is organised by stages, cycles and objectives. Studies reveal that as these flexibility practices are often accompanied by other arrangements (such as performance related pay), workers tend to work more, having even less possibility to reconcile work with other aspects of life in a satisfactory way. This is particularly true for male workers, who in smartworking circumstances have increased their working hours, but not their housekeeping duties. The opposite is true for female workers, who despite being able to take advantage of the possibilities offered by flexible working to retain their jobs after maternity leave, find themselves increasing their "housekeeping" workload in circumstances of flexible working. This leads men and women to have different career outcomes when working flexibly. Flexible working for family purposes, may end up damaging women's careers, while men can receive a career boost: in this way, the gender pay gap is accentuated⁶¹.

⁶¹ Chung H., *Work Autonomy, flexibility and work-life balance*, University of Kent, 2017

When assessing the work life balance that a company manages to guarantee to its employees, in addition to the gender issue and the freedom left to workers to achieve their own balance, which is difficult in many cases, a cultural problem of work ethics must be considered too, which differs greatly between countries.

Also, with regard to the contribution that corporate welfare can make in emergency situations, the data demonstrate its effectiveness, provided that the practices have been internalised in a logic of continuity and long term, so that their contribution can be appreciated even in critical situations. Indeed, it should be pointed out that welfare measures, because of their impact on the social protection system, require more than others a guiding framework that facilitates an efficient and socially balanced distribution of the resources employed. There is still a lack of corporate welfare legislation protecting atypical workers: almost always the benefits provided for in the various models adopted by companies concern permanent employees, and very little security and protection is reserved for others, such as temporary employees, para-subordinate workers, collaborators or VAT holders.

The welfare measures that have been most used in time of crisis due to the pandemic have been those in favour of flexibility and working from home, among which smartworking obviously stands out, together with the spread of temporary wage subsidies, in different ways in each country. The number of measures introduced in companies has been overall proportional to their dimensions. What was adopted during the pandemic was not smartworking as it is supposed to be, but an emergency solution that many companies had to resort to in order to cope with the situation; it became clear that in order to be effective, smartworking requires a very structured managerial organisation, where the technological component plays a primary role. Many companies have had to adapt, pushing their employees to interface with this method of working without the necessary skills and tools.

Reckitt Benckiser, the multinational company analysed in this thesis, is an excellent example of socially responsible behaviour, both in terms of its focus on employees, environment and future generations. The company has implemented numerous programmes for the physical and psychological wellbeing of its employees, such as *Liveyourbest* or *Dare*, to offer equal opportunities to all, regardless of gender, race, nationality, etc. This attention to employees has led the company to be ranked as a Top

Employer in the UK, and to achieve 'industry best' in Dow Jones Sustainable Index in economic, environmental and social categories, a sign of recognition of virtuousness by the financial markets.

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