Economics Jobs

Fendi Goes Back to School to Save **Centuries of Italian Tradition**



Serge Brunschwig in Palazzo della Civilta Italiana, in Rome, Dec. 7. Photographer: Alessia Pierdomenico/Bloomberg

By Alessandra Migliaccio, Flavia Rotondi, and Zoe Schneeweiss 19 dicembre 2022, 07:42 CET

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When Serge Brunschwig arrived in Rome almost five years ago to become Fendi's chief executive, he was confronted with a conundrum: the company was struggling to find skilled workers.

The problem left the 62-year-old McKinsey alum taken aback. After all, Italy has always been known for its artisans, from the violin-makers, textile designers and painters of the Renaissance to the legends of modern fashion, craftsmanship and Italy go hand-in-hand.

"You have these extraordinary people, incredibly devoted, who are ready to go the extra mile," Brunschwig says from his office in Fendi's iconic Roman headquarters. But those traditions are at risk of petering out. "Where is the next generation?" he asks.

Brunschwig's challenge is one that executives around the world would recognize. Despite the mounting recession risks as 2022 draws to a close, companies are struggling to find talented staff as the aftermath of the pandemic compounds long-term demographic trends shrinking workforces across the developed world.

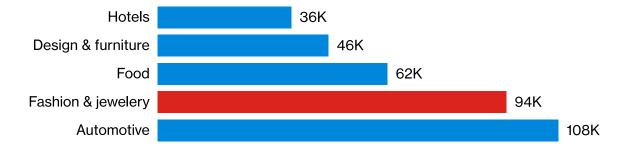


Fendi Master Class students visit production areas at the Fendi SpA factory in Fermo, Nov. 23. Photographer: Alessia Pierdomenico/Bloomberg

In Italy, the struggle to recruit younger workers is not just an issue for Fendi, a division of the French luxury powerhouse LVMH. The small family firms that produce many of its supplies are facing the same problem and some are going out of business, raising the prospect that Italy could lose that precious know-how that has helped drive its economy for centuries.

Italian luxury companies are managing to fill only about half of the posts they advertise, according to Stefania Lazzaroni, director general of trade group Altagamma. That means the industry will be missing about 94,000 over the next four years.

Italy to See Shortfall of 346K Skilled Workers Through 2026



Source: Altagamma

Like his boss at LVMH, the billionaire Bernard Arnault, Brunschwig is a graduate of France's prestigious Ecole Polytechnique, known for its military training and rigorous curriculum in science and engineering. He worked in Paris and Hong Kong during a career of more than 20 years developing LVMH's top brands – including Dior and Louis Vuitton – before arriving in Rome with a mission to steer the fashion house through the end of Karl Lagerfeld's 50-year reign as creative director.

His appointment of British designer Kim Jones has pushed up sales with a refreshed product lineup, but he's worried about the consequences of Italy's traditional skills fading away.



A Fendi Master Class student at the Fendi SpA factory. Photographer: Alessia Pierdomenico/Bloomberg

He considered whether it came down to money. But starting salaries in the industry bear comparison with other professions and can rise quickly. If you can turn a designer's sketch into a beautiful shoe that fits, that can be produced in sizes and is well-stitched, that has immense value people will pay for, he said.

So Brunschwig decided that Fendi would have to take on a more active role in preserving and cultivating those traditions. He wanted to create an environment that would bring young people together with older craftsmen to learn their skills, so he chose the central region of Marche, where workshops have been producing shoes for over 500 years.

The new Fendi factory opened this year in a designer pavilion near the medieval city of Fermo. With state-of-the-art facilities and a plush canteen, it has more of a tech start up vibe than what you might expect of a shoe factory.



The Fendi SpA factory in Fermo. Photographer: Alessia Pierdomenico/Bloomberg

But even in a country with 24% youth unemployment, he still wasn't seeing the sort of interest he'd expected.

The problem, he discovered, was that young Italians don't associate the luxury industry with the traditions of renaissance craftsmen, they think of hard factory conditions and low pay of more recent history.

Listen to the Stephanomics podcast: Italy's Fashion Companies Are Struggling to Persuade Young People to Make €1,000 Boots

"People see shoemaking as a job for losers," says Beatrice Giommarini, 18, a trainee at the Fendi factory who initially had wanted to go into hairdressing.



Beatrice Giammarini. Photographer: Alessia Pierdomenico/Bloomberg

She says watching her mother make shoes piecemeal as a child made her frightened of ending up in the same position.

"She used to work at home for many, many hours," she says. "It was very, very stressful."

To change those attitudes, Brunschwig reached out to the Italian school system. In his native France, trade schools are common and effective way of preparing your people for skilled jobs, with about 240,000 students across the country. In Italy, the number is around 17,000, according to Altagamma. The problem is that many Italian families see trade schools as a second-rate option for children who struggle academically, rather than a route into a well-paid trade.

Students Enrolled in Trade Schools

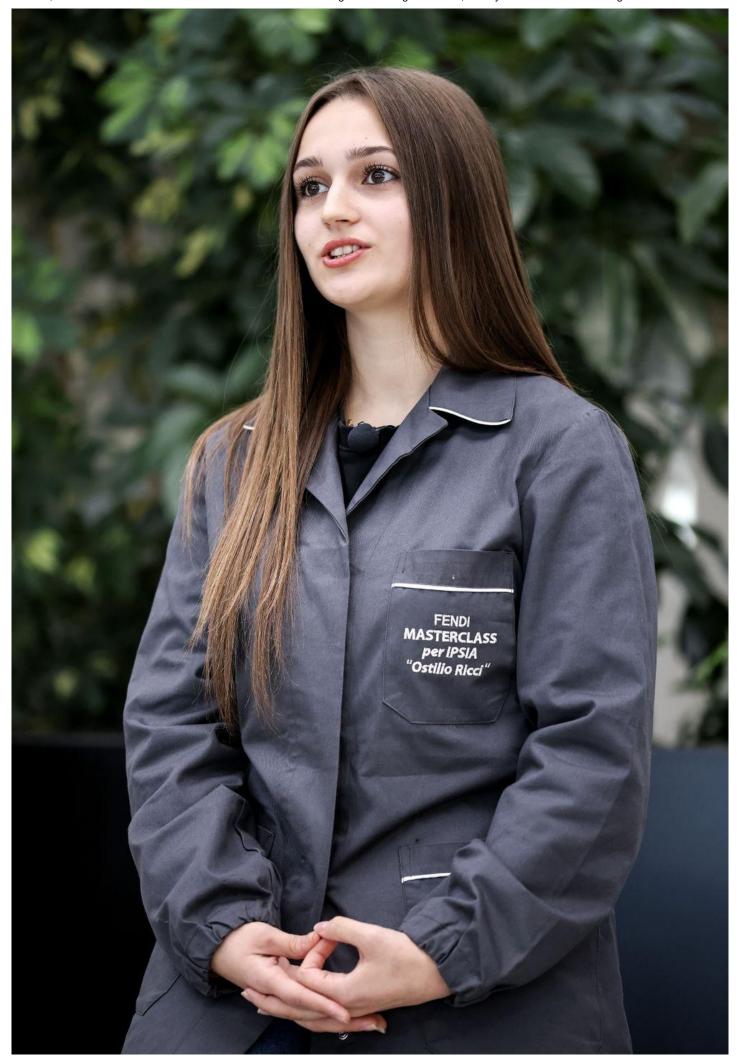
~17K Italy

Source: Altagamma

Fendi is working with the trade group Altagamma and Italy's Education Ministry to built better links between schools and the industry providing internships for students, alongside other firms like Bulgari, Salvatore Ferragamo and Gucci.

"The presence of a prestigious brand helps a lot," says Annamaria Bernardini, principal of a school in Fermo that is participating in the program.

Alessia Balla, an 18-year-old intern, couldn't believe her eyes when she first visited the factory.



Alessia Balla. Photographer: Alessia Pierdomenico/Bloomberg

She looks on as an employee puts the finishing touches on a pair of elegant boots whose gravity defying heels are so complex that engineers studied how to distribute the weight effectively before production could start.

"Everything begins on paper from an idea, but then it's wonderful to see it evolve," says Balla. "I hope to come here to work one day."

But Brunschwig isn't resting on his laurels. He's already opened a second factory in Tuscany – for handbags – and is mulling ideas for the next stage in his revolution in Italian attitudes. He quips about a TV show, inspired by the cookery programs that have encourages many young people to become chefs.

"To become a cook was no one's dream when I was young," he says. "There is something good in communicating the interest of this job, we just have to do the same thing."

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