CHALLENGES AND STRATEGIES IN CONTRASTING INDUSTRIAL RELATIONS:
The English translation of welfare aziendale in company annual reports

PIETRO MANZELLA
ASSOCIAZIONE PER GLI STUDI INTERNAZIONALI E COMPARATI SUL DIRITTO DEL LAVORO E SULLE RELAZIONI INDUSTRIALI - ADAPT

Abstract – The aim of this paper is to investigate the way translators deal with rendering industrial relations concepts in another language. For this purpose, an examination of the strategies adopted to translate the concept of welfare aziendale into English will be carried out in a number of annual reports issued by Italian companies listed on the Stock Exchange. The article aims to cast light on the challenges arising from comparing industrial relations concepts and the effectiveness of the techniques adopted by translators to ensure clarity in the target language. In addition, the article aims to encourage translation studies (TS) scholars to engage in the analysis of comparative industrial relations, a fascinating, though under-researched, field of analysis from a TS perspective.

Keywords: translation; comparative analysis; industrial relations; occupational welfare; annual reports.

1. Introductory remarks

The globalisation of labour markets and the increasing cross-border mobility of workers have led employers to review business strategies in order to retain talent, remain competitive and reduce costs. This reflects the link between employee retention, higher productivity and lower costs in companies (Warkentin 2015).

Due to the fact that “retention practices help save costs associated with recruitment, business productivity or poor customer service” (Sekhar Patro 2016, p. 136), employers tend to adopt measures to prevent excessive turnover of staff and to improve employee performance. In this respect, one way to attract and retain workers is to ensure adequate levels of job satisfaction. To do so, employers frequently make available to their employees a range of benefits to improve their living and working conditions, in an attempt to boost their “feeling of satisfaction on the job” (Charma, Shandra 2004, p. 314). However, the scope, value and quality of the benefits provided by employers can vary greatly, depending on a number of factors (such as company size, employment status, and type of working arrangements). The differences between the services provided by companies for their employees are even more evident in a cross-national perspective, and the various terms used to define them can be a challenge for the translator. By way of example, in Italian industrial relations (IR), the benefits granted by employers to staff are generally known as welfare aziendale. This term has become widespread in recent years, attracting the attention of a number of industrial relations scholars, particularly in relation to its definitional aspects, the contours of which are far from clear (Massagli, Spattini 2017). As a contentious expression, the meaning of welfare aziendale has given rise to considerable debate among specialists and so have the attempts to translate the concept into English, as the term lends itself to ambiguities and misinterpretation. The challenges
arising from the English translation of this concept are well known among Italian public companies producing official documents – in particular, annual reports – in both Italian and English. The need for clarity in relation to investors and the opportunity to facilitate comparison between different institutional realities have led translators to resort to a number of strategies to render *welfare aziendale* in English, though the effectiveness of these strategies varies considerably.

Based on the considerations above, the aim of this article is to cast light on the translation issues resulting from transposing the concept of *welfare aziendale* into English. This article intends to explore the terminology used when translating this concept into English and to assess its effectiveness to convey the original meaning. To this end, a set of documents drafted in Italian and subsequently translated into English containing the expression under examination will be considered.

The research will focus on selected annual reports issued in both languages by Italian companies listed on the *Borsa Italiana*, that is now part of the London Stock Exchange Group. After providing an outline of research carried out so far on this topic (section II), reference will be made to the methodology used to carry out the present investigation, along with further details of a definitional nature (section III). A discussion will then follow of the findings (section IV), with some concluding remarks to summarise the main points of this study (section V). The article is intended to contribute to research into Translation Studies, placing emphasis on the difficulties stemming from transposing context-bound concepts in comparative industrial relations, a domain that has not been extensively researched by TS scholars (Manzella 2017).

**2. Theoretical framework**

Translation Studies as a domain has devoted considerable attention to terminology issues in company annual reports and financial accounting more broadly (Alexander, Nobes 2007; Baskerville, Evans 2011; Evans 2004; Garzone, Heaney, Riboni 2017). One explanation for this interest is that “translation in the field of accounting takes on the difficult role of translating the words and the underlying concepts in a domain where a multitude of interests and perspectives create multiple readings of the same financial concept” (Pizziconi, Giordano, Di Ferrante 2017, p. 104). In some cases, the literature has focused on how to address terminological issues in financial reporting (McGee, Preobragenskaya 2006). This is the case because accounting terminology is charged with idiosyncratic meaning that may be shared by the community of practice with a professional interest in financial reporting but that is not necessarily transparent to the general reader (Nobes, Parker 2008).

This view is supported by Moran, Harris and Stripp (2011) who point out that accounting terminology is particularly challenging to translate, not so much because many languages lack an accounting vocabulary, but because accounting terminology is a sort of shorthand for complex concepts. In other cases, a more straightforward approach has been taken. In this sense, it has been argued that because conceptual structures in different languages do not match perfectly, some accounting concepts are simply not translatable (Dahlgren, Nilsson 2012).

Unlike translation issues in financial statements – which have been investigated at length – the domain of comparative industrial relations – to which the concept of *welfare aziendale* pertains – and the ensuing terminology problems have attracted limited attention in translation studies. At the same time, industrial relations scholars have widely acknowledged that cross-national comparative research in industrial relations is beset with
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translating problems (Blanpain, Baker 2010; Hyman 2009; Kelly 1998). In this sense, Hyman (2009) has argued that “we often assume that we can translate concepts from another national context to another, but we do so erroneously because institutional realities differ cross-nationally and cross-linguistically” (Hyman 2009, p. 18). Only a limited number of translation studies scholars have focused on terminology challenges in comparative industrial relations (Bromwich 2006; Manzella 2015; Bromwich and Manzella 2017) and on the implications that these translation ambiguities might entail (Koch, Manzella 2017). This limited interest in translation issues in comparative industrial relations on the part of TS research has been pointed out by Manzella (2017) who explains that it might be due “to the fact that IR terminology is often regarded as being part of legal discourse. While this might be true, the terminology that is peculiar to this domain is frequently the result of interactions in collective bargaining and talks between actors involved in negotiations” (Manzella 2017, p. 13) to the extent that this domain has developed its own language.

With reference to welfare aziendale, the way this concept has been rendered in English and the problems that its misleading translation might give rise to in financial reports have been neglected by both industrial relations and translation studies scholars. The problems concerning the definition of welfare aziendale referred to above – that are frequently a source of confusion among both lay readers and professionals (Massagli, Spattini 2017) – seem to have discouraged scholars from further investigating the challenges arising from its English translation. This is the case even though the translations provided in the English versions of the annual reports provide elements for further analysis, as we will see in this article. Accordingly, this study seeks to fill this gap and to supplement the few studies that have examined the translation of welfare aziendale into English (Manzella 2014).

3. Definitional aspects and methodology

Before examining the issues that arising from the English translation of the concept of welfare aziendale in the annual reports considered, it seems useful to provide a definition of the concept, in order to better contextualise the present study and facilitate comparison between the original term and the way it has been rendered in English. It should be pointed out at the onset that providing a definition of welfare aziendale is by no means easy. The meaning of this term has recently given rise to a lively debate among industrial relations specialists and whether an adequate definition can be supplied is still a moot point. In the context of this paper, we will rely on the definition of welfare aziendale provided by Massagli and Spattini (2017), who have tried to capture the significance of this expression by considering how welfare aziendale is used in companies. Clearly the term welfare aziendale consists of two words, one of which is the English loanword ‘welfare’. In Italian industrial relations, this term intended to fulfil the needs of employees as regards family, child care and housing and to safeguard individuals from the risks resulting from a lack of income in the event of sickness, maternity, occupational injury, disability, unemployment and old age (Massagli, Spattini 2017). Drawing on this usage, welfare aziendale is employed to identify the services provided by employers for their employees. On closer inspection, this definition does not seem to diverge much from one of the meanings attributed to welfare in the English language, namely “statutory procedure or social effort designed to promote the basic physical and material well-being of people in need” (Oxford Dictionary 2017). It is also interesting to note that following Italy’s 2017 Stability Act (Legge di Stabilità) a further distinction has been drawn within the notion of
welfare aziendale, that is to say welfare aziendale volontario and welfare aziendale obbligatorio. The former is used to indicate services and benefits supplied by the company to staff on a voluntary basis while the latter refers to services and benefits granted by employers to their employees on the basis of agreements with trade unions or arrangements of various kinds, as in Italian obbligatorio means ‘mandatory’ (Massagli, Spattini 2017).

After clarifying the meaning that the concept under examination has in its original context – that plays a decisive role in determining its full significance (Nida 2002) – it might be useful to provide further information about the dataset examined and the methodology used. As noted in Section I, the present analysis is concerned with the English and Italian versions of annual reports issued by companies listed on Borsa Italiana, which, as of December 2016, numbered 387 (Borsa Italiana 2017). For the purpose of the present analysis, 100 reports produced in Italian were analysed, along with their English version, for a total of 200 texts examined. A number of criteria were employed to select the documents scrutinised. Only reports containing the expression welfare aziendale in the Italian version and its translation in the English one were examined. In this sense, all the English reports contained the sentence “only the Italian version is authentic”, implying that the English translation was produced afterwards. Obviously, this is not tantamount to saying that translation ambiguities were justified, nor should this be seen as a hedge against possible translation errors. Clarity of meaning should be pursued in any case to help investors gain insight into the company’s state of health and to facilitate comparison between cross-national practices. As for the timeframe, the reports available for 2014, 2015 and 2016 were considered. This is because prior to 2014, some reports were only available in Italian, while at the time of writing reports were still being issued for 2017. The sector the companies operate in was not taken into consideration because this did not appear to be relevant to the research. In practical terms, the research was conducted by using a bottom-up approach, to borrow an expression from Ebeling and Ebeling (2013), whereby “bilingual corpus data consisting of source and target (translated) texts” (Ebeling, Ebeling 2013, p. 4) are examined. In the next section, an analysis will be made of the ways the concept was translated into English, followed by a critical discussion of these renderings.

4. Data analysis and discussion

The investigation of the English translations of the 100 annual reports scrutinised revealed some significant findings about the way translators decided to render this concept, which as noted above pertains to Italian industrial relations terminology. Table 1 summarises the ways welfare aziendale was translated into English in the documents examined:

<table>
<thead>
<tr>
<th>English Translation</th>
<th>Occurrences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate welfare</td>
<td>42</td>
</tr>
<tr>
<td>Company welfare</td>
<td>23</td>
</tr>
<tr>
<td>Employee welfare</td>
<td>17</td>
</tr>
<tr>
<td>Welfare system</td>
<td>10</td>
</tr>
<tr>
<td>Welfare policies</td>
<td>2</td>
</tr>
<tr>
<td>Welfare solutions</td>
<td>2</td>
</tr>
<tr>
<td>Welfare for employees</td>
<td>2</td>
</tr>
<tr>
<td>Employee wellbeing</td>
<td>1</td>
</tr>
<tr>
<td>Corporate welfare initiatives</td>
<td>1</td>
</tr>
</tbody>
</table>
We will now discuss the renderings above and the possible implications in terms of understanding.

4.1. Corporate welfare

Employing ‘corporate welfare’ to translate welfare aziendale into English appears to be the most widespread practice in the annual reports examined. At first sight the English word ‘corporate’ would appear to be a suitable rendering for aziendale, and this is frequently the case with other Italian expressions containing this adjective (e.g. ‘corporate policy’ translates politica aziendale, ‘corporate identity’ is an appropriate translation equivalent for identità aziendale and so forth). This claim is not a far-fetched one, because aziendale means “pertaining or relating to a company”. Also, the Oxford Dictionary provides the following definition for ‘corporate’: “Relating to a (large) company or group” (Oxford Dictionary 2017). However, if associated with the word ‘welfare’, the term ‘corporate’ takes on a completely different meaning. The origins of this expression are worth examining to appreciate its significance in full. It was used for the first time in 1956 by Ralph Nader and refers in a pejorative sense to “capital granted to companies in an industry that is perceived by government to need financial assistance in order to survive or expand. Corporate welfare is often paid in the form of tax policy” (Sullivan 2009, p. 541). Importantly, DeBellis reminds us that this is “a derogatory term used by anti-business liberals to describe certain tax breaks and incentives that business gets from government” (DeBellis 2010). As a result, while corporate welfare refers to funding paid to companies by means of subsidies, welfare aziendale is concerned with benefits granted to staff on behalf of employers either on a voluntary or a mandatory basis. Consequently, the attempts to provide a literal translation of welfare aziendale can be questioned, in that the expression used in the target text moves away from the original meaning. After all, Kuboň and Homola argue that “the greatest problem with the word-by-word translation approach is the problem of ambiguity of individual word forms” (Kuboň and Homola 2012, p. 291). Readers of the English version of the annual reports might be left wondering about the actual meaning of this expression, all the more so if they lack familiarity with the Italian system of industrial relations. As this is industrial relations terminology, specialised knowledge is needed on the part of translators to fully appreciate its meaning. This is a problem acknowledged by Qingjun, Lina and Caiyun (2012), who argue that the difficulties of translation are not usually caused by incomprehensible words, but by a lack of “background knowledge, especially when translating unfamiliar materials” (Qingjun, Lina, Caiyun 2012, p. 128).

4.2. Company welfare

In addition to ‘corporate welfare’, the expression ‘company welfare’ was used extensively in the annual reports to transpose the concept of welfare aziendale into English. This can also be seen as an effort to translate the Italian terminology literally because, like ‘corporate’, ‘company’ is frequently employed in English to render the Italian adjective aziendale. Examples of this approach include pratiche aziendali (company practices), struttura aziendale (company structure) and profilo aziendale (company profile), but there are many other instances that are illustrative of this tendency. On closer inspection, one
might note that ‘company welfare’ is also employed in English-language industrial relations literature to refer to the provision of benefits by employers. For instance, speaking of welfare systems in Japan and South Korea, White and Goodman maintain that “company welfare in both countries should not be seen simply as a strategy by employers in large companies to secure the loyalty and obedience of their employees” (White, Goodman 2001, p.16, emphasis added). In a similar vein, and more recently, Alcock, Haux, May and Wright (2016) have stated that “the inter-war years saw the growth of the employers’ individual welfare movement that […] promoted company welfare through pensions, sick pay schemes, life insurance and on-site health-care” (in Brunsdon, May 2016, p. 256 emphasis added). Consequently, ‘company welfare’ seems to denote the provision of services and benefits to staff on the part of the employer. The recourse to ‘company welfare’ to refer to welfare aziendale thus appears to be a more effective choice than the use of ‘corporate welfare’ in that ‘company welfare’ is frequently employed also in English-language documents concerning industrial relations practices and therefore is not a source of ambiguity for English-speaking readers. Another aspect that is interesting to note is that the expression ‘company welfare’ is starting to make inroads also into the Italian language and is used as a synonym for welfare aziendale. For instance, Ferrarese (2014) argues that “Le politiche di ‘company welfare’ rappresentano una rilevante opportunità, riservata non solo alle grandi aziende ma anche alla piccola e media impresa” (Ferrarese 2014, p. 215. Our translation: company welfare policies represent a great opportunity not only for large-sized companies but also for medium and small-sized ones). In a similar vein, an article published in Sassari notizie states that “85% dei manager ritiene che avere il ‘company welfare’ in azienda sia utile per migliorare il benessere e la produttivita' dei lavoratori e quindi dell'azienda” (Sassari notizie 2012. Our translation: 85% of managers think that company welfare is useful to improve the productivity of employees and thus that of the company).

4.3. Employee welfare

So far, we have seen that the concept of welfare aziendale was translated into English by means of literal renderings. However, in many cases in the dataset, the translators made use of another strategy to translate the Italian concept, namely functional equivalence.

By means of functional equivalence, which is also known as dynamic translation, translators attempt to render the original meaning with language in the target language that has the same function as the original, even if this means moving away from a literal rendering (Cosgrove, Edgerton 2007). This translation technique is frequently employed, especially when the intent is “to match the sense in the idioms of the target language” (Cosgrove 2003, p. 163). By making use of this approach, the concept of welfare aziendale is referred to as ‘employee welfare’ in the English version of the annual reports scrutinised. This expression is well known to both industrial relations specialists and lay readers whose first language is English. One definition of this concept is provided by Durai (2010), who notes that, in a broad perspective, employee welfare is concerned with “all the activities carried out by employers, central and state governments, trade unions and any other agencies with the aim of enhancing the personal and working life of the employees” (Durai 2010, p. 399). Nevertheless, in a narrow perspective, he specifies that “the activities undertaken on its own by an organisation to improve the working environment of the employees may be described as a welfare measure” (Durai 2010, p. 399).

In other cases, ‘employee welfare’ is taken to indicate “both social and economic
welfare. Social welfare aims at the social development through social legislation […] the aim of economic welfare is to promote economic development by increasing production and productivity” (Randhawa 2007, p. 342). A more detailed analysis reveals that making use of ‘employee welfare’ to translate welfare aziendale into English might perplex the reader, especially when considering the degree of inconsistency in the usage of this terminology. As noted above, welfare aziendale refers to benefits and services provided by the employer, while ‘employee welfare’ might also be taken to indicate initiatives by trade unions and government bodies to increase employee well-being. Accordingly, readers of the annual reports might be puzzled at the nature of these benefits, and wonder whether they are government-based or company-based (or both). For this reason, translators should consider avoiding the use of this terminology in order to avoid the ambiguities illustrated above.

4.4. Welfare system

Another expression that has been employed to translate the notion of welfare aziendale into English is ‘welfare system’. In this case, it can be argued that a “generalisation” approach was used, whereby the literal meaning of the expression in the target text is wider and less specific than that of the corresponding expression in the source text. In particular, “a generalising translation omits detail that is explicitly present in the literal meaning of the source text expression” (Cragie, Higgins, Hervey, Gambarotta 2000, p. 230).

Nevertheless, it is doubtful whether this translation is effective to convey the meaning of the IR practice under evaluation. Indeed, this terminology appears to be too generic. It can acquire several meanings in English and lends itself to multiple interpretations, even when examined in context. Taken on its own, this expression refers to the set of initiatives put in place by the government to safeguard its citizens’ health and well-being, especially with regard to financial or social needs. Bearing in mind the definition of welfare aziendale provided earlier, this rendering does not seem to fit. As noted in the case of ‘employee welfare’, using ‘welfare system’ to refer to the Italian industrial relations practice is problematic, in that welfare aziendale denotes special benefits provided for employees and not to the general public. This confirms Hyman’s views that at the time of contrasting industrial relations concepts cross-linguistically “words – particularly when undergoing translation – are not always what they seem” (Hyman 2001, p. 38).

4.5. Further options

Mention should also be made of the other options used to transpose the concept under examination into English, to appreciate the reasoning behind the translators’ choice. In some cases – such as ‘corporate welfare’ – they seem to refer to a completely different concept (corporate welfare measures). In other cases, it is possible to apply the argument put forward in relation to the translation of welfare aziendale as ‘welfare system’, in that the terms chosen appear to be too generic (welfare policies, welfare solutions). In still other cases, the use of a paraphrase proves effective and nicely conveys the meaning of the original term (welfare for employees). Finally, the translation of welfare aziendale as ‘employee well-being’ into English deserves closer examination. It is true that CIPD (2007d) offers a definition of well-being at work as being concerned with “creating an environment to promote a state of contentment which allows an employee to flourish and
achieve their full potential for the benefit of themselves and their organisation [...] Well-being is more than an avoidance of becoming physically sick” (CIPD 2007, p. 4). However, the author goes on to point out that employee well-being “represents a broader bio-psycho-social construct that includes physical, mental, and social health”. This point is important in that it marks a significant difference between employee well-being and welfare aziendale. In particular, while the provision of benefits to employees can result in a higher level of job satisfaction, this industrial relations practice is more focused on the type of services provided by the company than on the social and emotional implications that benefiting from these services might entail. Consequently, this translation might result in a certain amount of ambiguity for English-speaking readers.

5. Concluding remarks

By examining the Italian and the English version of a selection of annual reports issued by companies listed on the Borsa Italiana, this article attempted to highlight the challenges arising from translating and comparing industrial relations concepts cross-nationally. To pursue this goal, the article focused on welfare aziendale, a concept that is increasingly widespread in the Italian system of industrial relations, to gain an appreciation of the strategies and techniques put in place by translators of financial reports to render this concept in English. The analysis conducted revealed some interesting findings. To start with, different translation strategies were adopted for the translation of this concept. In most cases, attempts were made to transpose the concept of welfare aziendale into English by means of a literal translation (as in the case of ‘corporate welfare’ and ‘company welfare’). In other cases, translators stepped back from the original text and made an effort to find a functional equivalent in the target language (as in the case of ‘employee welfare’). Finally, more generic expressions were used to provide readers of the annual reports with a generic term for the concept (‘welfare system’).

It was argued that the effectiveness of these renderings varies considerably, and some of these translations might give rise to misleading interpretations, leading English-speaking readers to have a mistaken understanding of what welfare aziendale actually is. Arguably, the ambiguities arising from the English translation of this industrial relations concept might be due to the unclear connotations of welfare aziendale in the Italian context, further exacerbated by the shifting and blurred contours of the overall definition of ‘welfare’ in English. In this sense, the term ‘welfare’ is confusing because it refers to both a particular program and the condition of well-being of society (Blau, Abramovitz 2010), adding a further layer of complexity when it comes to cross-national and cross-linguistic comparison, especially because this term is often employed differently in English and Italian.

Another aspect that emerged from the present research is that the same translation strategy can produce remarkably different outcomes. The expressions ‘corporate welfare’ and ‘company welfare’ are both attempts to render welfare aziendale literally. However, while ‘company welfare’ is effective and nicely conveys the meaning of the original notion, ‘corporate welfare’ is ambiguous and can lead to misunderstanding. In this case, a lack of understanding of the concept at hand and of the basics of the industrial relations systems under comparison help to explain the use of this misleading terminology. Still with reference to the recourse to ‘corporate welfare’ to translate the concept of welfare aziendale, it is sometimes assumed that because a term is in frequent use it is necessarily the best possible choice. In other words, the fact that ‘corporate welfare’ is the most widely used terminology to render the notion in English would appear to make it the most
suitable. Clearly, this is not the case, as the analysis pointed out that the two expressions have completely different meanings. Consequently, while frequency is a factor to consider, “the mere occurrence of a structure does not by itself create ‘correctness’” (Mossop 2014, p. 99).

Finally, it should be noted that, at least in the annual reports in the dataset, there were no occurrences of the expression ‘occupational welfare’, that can be found in English-language industrial relations literature. While it is true that there is no agreement as to the range of provision it includes, there is general acceptance that ‘occupational welfare’ is concerned with “welfare supplied through employment and includes both mandatory and voluntary benefits wholly or partially funded, delivered and/or managed by employers” (Brunsdon, May 2016, p. 256). The definition above is similar to that of welfare aziendale in important respects. Consequently, this might be an effective way to translate the original concept, particularly considering that, especially in comparative industrial relations “one needs to compare the functions institutions perform rather than institutions themselves” (Blanpain, Baker 2010, p. 12). The reasons why the translators of the annual reports ignored, either deliberately or by neglect, this option might constitute a topic for future research. One reason for the fact that ‘occupational welfare’ was not used in the annual reports to translate welfare aziendale may be that this terminology pertains to industrial relations discourse and not to the financial domain.

To conclude, the difficulties arising from the translation of welfare aziendale into English and the considerations outlined above suggest that comparative industrial relations is a field that has been under-researched by Translation Studies scholars, although it has great potential from a Translation Studies perspective. The way language – and thus translation – shapes our understanding of industrial relations notions cross-nationally is a fascinating area and TS research can certainly contribute to understanding, to use Hyman’s words (2009, p. 123), “the reciprocal interdependence of language and concepts, concepts and theories, theories and realities in this field”.

**Bionote:** Pietro Manzella is Senior Research Fellow at the Association for International and Comparative Studies in the field of Labour Law and Industrial Relations (www.adapt.it). His research interests include translation and terminology issues in the field of comparative industrial relations. He also teaches English at the Faculty of Medicine of the University of Brescia. He has been visiting researcher at Cornell University (USA) and LSE (UK).

**Author’s address:** pietro.manzella@adapt.it
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