



# Internationalization: a process that grows from the inside

**Riccardo Pessina, general manager, and Maria Rita Rigamonti, CEO and legal representative, show and explain the strategies in which the company is involved in the near future: hiring of young foreigners and young Italians with international background, investments and research on African and Middle East markets, particular consideration of financial legislation.**

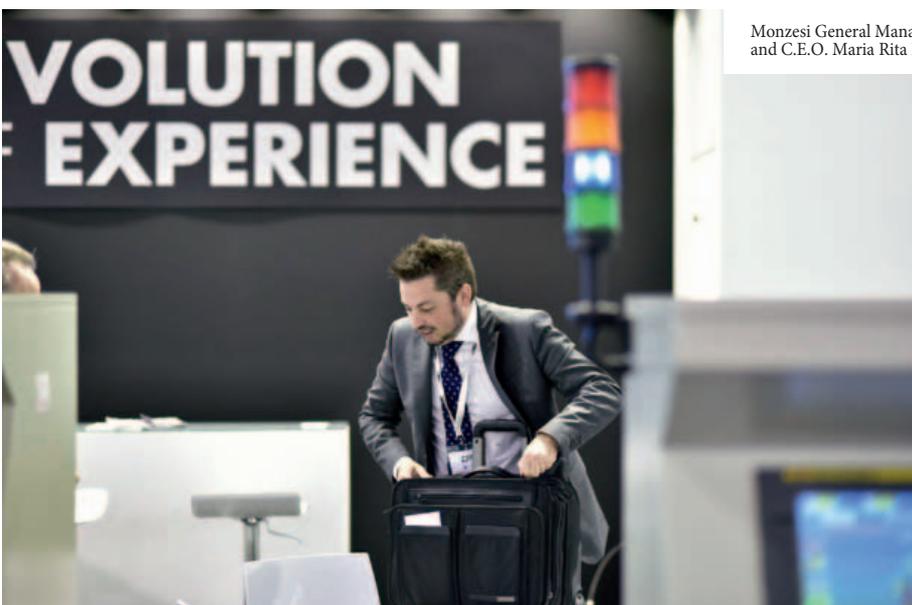
Stefano Belviolandi

Monzesi srl will be 100 years old in 2018, and in the last few years went through an evolution based on three pillars: young personnel, internationalization of company environment and accuracy on financial management. Riccardo Pessina, general manager, and Maria Rita Rigamonti, CEO and legal representative, explain the company evolution going through the past, the present and the future (hiring of young talents with international experiences, new branch opening in Cairo, Egypt, as strategic point for African market development, consideration towards Mid East market such as Iran, country with a 4% GDP, even if it own a critical geopolitical situation). [...]

“In the last twenty years the worldwide economic environment underwent radical changes resulting in drastic but also dynamic reactions. Companies sped up internationalization processes through internet and hiring young talents with international knowledge and life experiences. “Internationalization” nowadays has a new meaning: in fact, having a representative overseas is not enough. The real revolution starts from the inside of the company. That’s why we did hire young foreigners or Italians with international experience (Cina), and young people with professional experience abroad” explains Pessina. The general manager is sure that young people with a professional experience overseas have an extra kick and a responsive character.

“Young individuals whom are flexible on changes and sacrifices, plus they have no fear to throw the hat into the ring. This kind of people are the one who will reach success in their professional life and we found them through headhunters, word of mouth, and universities, like for example the university Politecnico of Milan which is helping in a wonderful way all the young talented whom wish to get a job” says Pessina.

**Internet and Industry 4.0.** Pessina is a supporter of team work, and he thinks that work as remote users is not fruitful as working in team. “the spreading of social network use creates a paradox: people are actually less social than before. On the other hand, industry 4.0 meets the needs of the employees, helping them being more efficient on the job place. But people and colleague need to share ideas and compare their work to obtain a good final product and be dynamic in the process” explains Pessina. The dynamism is the adjective that characterize the last few decades: if in the 70s and in the 80s the most important topic was all about employees legislation, from 90s on companies’ internationalization started.



Monzesi General Manager Riccardo Pessina and C.E.O. Maria Rita Rigamonti.





## COVER STORY **MONZESI**

“Till the 80s mechanic companies were focused on national market and to access international markets they operate through importers or distributors. Later on, with the gradual spreading of communication technologies and people general knowledge improvement, brought to an obvious mentality change: more technician in the plant, less bureaucracy and less remote sales marketing. Attitude changing has been gradual and slow till 2008 than, both for world economic crisis and instability towards the change, companies transform themselves from “industry” to “industry4.0”. Till the 90s the only priorities for a company were best products, good technicians and machine testers, now more than before the attention moves to improve financial management and get good ratings, characteristics that make it possible to communicate with banks and get the possibility to make investments” explains Pessina. “Managers today, have to face regulations and financial characteristics which are totally new, but most of them do not possess the right preparation and promptness” explains Rigamonti.

**Bureaucracy and financial guarantees.** “trade association, which were supposed to prepare managers to face the mentality change in the financial environment. Things are now changing : Italian companies have to consider EU regulation, together with their technicalities, as an opportunity to succeed rather than an obstacle in their growth” explains Rigamonti, “a good product is not enough to make a company reliable: today we have to pay attention to the financial management, the assigned rating and activity transparency;



Monzesi headquarters in Nova Milanese and Pine Brook, NJ, USA.



machine tools are considered as products with a mid-long production process (6 months), and for this reason requires an high financial need, an adequate company asset together with a prudent company management” says Pessina. “Moreover, the “legality rating” is a parameter which is really important to define the solidity and reliability of a company in Italy, and is an additional credential for getting credits for the investments; Monzesi Received an high rating, one star and a plus till 2018” explains Rigamonti.

**Internationalizations 2.0** Pessina explains that Monzesi have always had international character, and speaking more languages is necessary for international relations, but what was missing more was the attitude to face new countries and the fact that developing countries are coming to Italy and in our companies with a new mentality.



Two models from  
Monzese lineup:  
Monza 520 CNC6 and  
Viotto RV2 610.



Till the first years of 21st century, languages were useful to go overseas and try to sell product the best way or to find people to edit documents or contract with a different language, but today we do need this kind of resources inside the company which bring an important added value. This is the concept of “Internationalization”, a process of change that starts from the inside. Both the general manager and the CEO agree on the fact that the “yes man” era is over, and even if is important for a manager to take on responsibilities but the need of fast choices and effective solutions.

“ I think we got to the point” explains Pessina “we stabilize the USA branch and his marketing net; two years ago we did open a branch in Brazil which right now is in stalemate due to a market politically instable; moreover we are working on the opening of a new branch at Cairo city and we are studying the market in Iran”.

**Conquering Africa and Middle East markets.** At Cairo city Monzese will have marketing, sales and customer service branch, production plant is not in the plan for the moment. “At the moment- explains Pessina – Egypt is the perfect place to use as a springboard for African markets, but is still not politically stable, and still does not own the right approach on technologies and precision like the one of our products. Anyways, we are ready to start in Cairo, we already registered our company at the development Ministry, and although the political situation, we consider Egypt the most balanced country on African environment; Towards Europe is also a friendly country”. Pessina explain also that, Egypt will not be the springboard for Mid-east markets too, because for that area, the board is considering Iran as a potential next step, even though it is not easy due to a delicate geopolitical situation. Rigamonti and Pessina are analyzing Iran market for one year now, taking Islamic finance courses, through research on human resources management in Iran and analyzing commercial and production regulations;



they have the goal to invest in Iran by 2018, but as for Egypt Monzese is already achieving profits and investing them back, for Iran they don't want to spend too many words at the moment. Is still not sure when the branch will open and where, if in Lebanon or Iran “The geopolitical situation, is not helping us and unfortunately we cant encourage the change, but we have to go through it. However- explains Pessina- go through a situation like this, means make the company and his finance undergo an accurate analysis, a meditated choice, because the possibility to open a branch and to close it straight forward is not something impossible. “We do believe that Iran is country we have to invest on; it has a very high potential and even if the average age is around 26, is not an unprepared country: his GDP in 2016 was around 4% and prevision are for it to stabilize on 5%; moreover Iran is classified between the first 10 steel manufacturer, it owns oil, and is the third producer of glass and gas. Iran has been able to take advantage of his own resources despite the embargo and all the difficulties that came with it” ends Pessina.

 @Stefano\_Belviol