

## **The Role of Time in the Internationalization of Firms.**

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## **The Role of Time in the Internationalization of Firms.**

### **Introdução**

In high uncertainty contexts temporal aspects emerge as a relevant factor for the permanence of firms in foreign markets. Organizational and environmental complexities combined with fast internationalization may affect firm's international performance due to the perception of time pressure for developing absorptive capabilities. Time pressure demands quick responses in internationalization, pushing for the development of capabilities in routines and processes. At the same time, it requires firms to renew their businesses (culture, model, structure), as well as their survival strategies.

### **Problema de Pesquisa e Objetivo**

This paper investigates the role of time in the internationalization of firms, particularly for the international permanence. It does so by looking at the role of time pressure during times characterized by severe uncertainty. As an unforeseeable uncertainty, the pandemic has added uncertainties related to time and even more instability to the international context. However, time cannot be controlled, but firms suffer its influence, and the context can alter this relation by time pressure. Thus, How does time pressure in context of high uncertainty influence international permanence of firms?

### **Fundamentação Teórica**

Conception of time in the internationalization process - Time leads the changes that occur throughout the internationalization trajectory of the firm, influencing its future strategies. Time Pressure as a Liability of Timing - Time pressure is treated in IB literature by distinct terminologies. Some authors address time pressure as lack of time, while others associate the use of resources and time, approaching the concept of time compression diseconomies. International Permanence - refers to the commitment of firms to international markets throughout time, during the post-internationalization.

### **Metodologia**

A qualitative methodology was deemed as the most adequate for allowing the understanding of processes throughout time. Through an exploratory multiple case study of four Brazilian high-tech firms, we collected data in real time simultaneously with the evolution of Covid 19 Pandemic. Data collection was divided in three phases (pre and during pandemic) enabling the retrospective and real-time observation about ongoing internationalization events. We have carried in-depth 4 interviews, and 2 focus groups with 4 entrepreneurs and international decision makers of each analyzed company.

### **Análise dos Resultados**

This study acknowledges that time pressure in the internationalization process of firms generates the liability of timing (LoT) during the pre-entry phase. Once companies overcome the LoT they are able to carry out the transition from the pre to the post-entry phase, seeking to maintain their internationalization. However, when events of high uncertainty arise, time pressure reappears, impacting the internationalization process. We found that time constraints (Jain et al., 2019) of the pre-entry phase cause the perception of time pressure, which in turn generates the LoT.

### **Conclusão**

The findings of our study highlight the role of time pressure as a liability, during the pre-internationalization phase. Once the firm overcomes the liability of timing, it incorporates the international permanence as future goal. This result shows that in the internationalization process results are inputs for future actions, instead of stop marks.

### **Referências Bibliográficas**

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