

# **The Expatriation Pattern in Portuguese Companies**

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## **Abstract**

This study aims to understand the expatriation pattern of a sample of Portuguese companies. Specifically, it shows the types of international assignment, the host countries, the reasons that lead Portuguese companies to use expatriates, the duration these international assignments and the profile of expatriation workers.

The data were collected through semi-structured interviews of 30 Portuguese repatriates and 14 organizational representatives from seven Headquarters' Portuguese companies. A qualitative methodology was followed with resource to semi-structured interviews to collect information and the analysis of the thematic content was used for data processing.

The obtained results allowed for the following conclusions to be reached: (1) the management of expatriation is at an incipient stage. More than a strategic activity, the sample companies develop a purely administrative management of their expatriates/repatriates; (2) expatriation is assumed as a strategy to control the operations of foreign branches; (3) the reasons that lead Portuguese companies to expatriating employees are connected to business needs and the control of international operations; (4) despite international assignments had several destination countries, Angola and Brazil were referred to as the most representative; (5) the majority of Portuguese companies use the expatriates to do a technical international assignments. For this, the selection decision is by workers who the companies trust and who have a good technical knowledge.

In sum, this study, by covering a new geographical context not yet explored, helps to bridge this *gap*. On the other hand, the management strategy of the expatriates and the dimension of the company can help to explain some of the specificities in the expatriation pattern found in the Portuguese companies compared to other countries. For example, the study helps to understand that in these companies expatriations of technical kind predominate over a developmental, a functional and strategic kind. The Portuguese companies are more connected to the need to implement corporate objectives and transfer home base culture to foreign branches. Comparing results found to those recently obtained by Tungli and Peiperl

(2009), Portuguese companies resemble companies in the UK and Japan (*i.e.*, using expatriation to create a new operation) more than North American companies (*i.e.*, to fill competency gaps). Management of expatriates in these companies seems to be in congruency with the majority of European companies with an IHRM ethnocentric approach (Mayrhofer & Brewster, 1996) *i.e.* the authority and decision making are centered in the home base. This type of strategy is typical of companies, which have recently started an internationalization process, in which the central positions in the branches are attributed to expatriates from the company's headquarters. Expatriates have a central role in transmitting culture and technical knowledge from company's headquarters to the company's branches. Companies with an ethnocentric management (Colakoglu & Caligiuri, 2007) tend to consider expatriates from company's headquarters to be more reliable than native collaborators from the countries where the company branches are located.

**Keywords:** International assignments; expatriation; organizational reasons for expatriating; kind of international assignments; expatriates profile; host countries

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