

A methodology for understanding the speed of internationalization process: The role of individual-level characteristics

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Abstract

This article presents a methodology that aims to explore how the decision-makers' cognition affects the speed of internationalization. Managerial cognition is evaluated through the lens of the dual-process theory, which assumes that human information processing is made by two systems: (1) the intuitive and experiential cognitive system – System X, and (2) the rational and analytical cognitive system – System C. The speed of internationalization process is examined in terms of earliness (how soon after inception a firm enters in international markets) and post-internationalization speed (how fast a firm involves with new foreign markets after the first entry). This methodology has been put in practice in a multiple case study: the Portuguese footwear industry. The presence of some misalignments between our initial proposal and its implementation helped us to reshape and emphasize specific processes and behaviors associated to the methodology. The results suggest that, when making the decision about the first international entry, the decision-makers of the firms internationalizing earlier mostly relied on the intuitive cognitive system, while the decision-makers of the firm delaying the first entry showed a predominance of the rational cognitive system. However, regardless of being an early or later entrant, the sampled firms combine intuition with analysis to make the final decision about further involvements with foreign markets, resulting in a gradual and slower post-internationalization. Our in depth-analysis suggests that the Uppsala model could be questioned because the speed of internationalization process seems to be governed by how decision-makers perceive a given reality based on its cognition.

Keywords: speed of internationalization; entrepreneurial cognition; risk perception; uncertainty perception; ambiguity tolerance; Uppsala model.