The Relationship between Metacognition, Over-confidence, and Firms’ International Performance

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Abstract

This study shows the relationship between metacognition, over-confidence, and international performance through an empirical analysis using structural equation modeling. The researcher gathered data through a questionnaire survey conducted from February 2018 to April 2018 by mail targeting decision makers at international businesses. The variables surveyed included international performance, over-confidence, and cultural intelligence (CQ), which includes cognition, metacognition, motivation, and behavior measured on a seven-point Likert scale, except international performance. The results show that metacognition has a positive effect on over-confidence, which then influences international performance through motivation.

This study provides insights into decision-makers’ over-confidence that leads to poor performance in a firm through motivation. Furthermore, this study contributes to the international business literature by showing the relationship between decision-makers’ traits and international performance from the perspective of cultural intelligence. This study also makes a social contribution because it shows that international performance is lower if decision makers are over-confident; that is, decision makers should avoid over-confidence if they hope to attain high international performance.

Keywords
International Business, International Performance, Cultural Intelligence (CQ), Cognition, Metacognition

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Biographies
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