

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

Hiroto Soga is currently lecturer in the faculty of economics, Kushiro Public University of Economics, Japan. He earned his Bachelor's Degree in Commerce from the School of Commerce, Meiji University, Japan; Master's Degree in Commerce from the Graduate School of Commerce, Meiji University, Japan; and Doctoral Degree in Commerce from the Graduate School of Commerce, Meiji University, Japan. His main research interests are Business Management, International Business, and Statistical Methodology.