International Entrepreneurial Self-Efficacy and Culture Intelligence in Entrepreneurs’ Decisions of Internationalization

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ABSTRACT

This article explores the roles international entrepreneurial self-efficacy (IESE) and culture intelligence (CQ) play in entrepreneurs’ decisions of doing business overseas. The article proposes a model based on Krueger and Brazeal’s (1994) model of entrepreneurial potential, by integrating IESE and CQ into a model of entrepreneur’s intention and act of internationalization. The proposed model seeks to fill in a gap in the existing international entrepreneurship research that pays less attention to internal cultural effects and cognitive influences on entrepreneur’s decision making process of internationalization. This article contributes to the international entrepreneurship literature by integrating theoretical perspectives of culture, social learning, and social psychology into international entrepreneurship to better understand antecedents of entrepreneurial internationalization.

Keywords: International Entrepreneurship, International Entrepreneurial Self-Efficacy, Culture Intelligence, Internationalization, New Ventures, Entrepreneur’s Intention, Decision Making, Environment Uncertainty

INTRODUCTION

Since Oviatt and McDougall (1994) highlighted the important role new ventures play in global marketplaces, international entrepreneurship has become a research area of considerable interest to entrepreneurship scholars. In many ways, international entrepreneurship scholars have integrated research from various disciplines such as international business, entrepreneurship, strategy, sociology and psychology etc. Over the past two decades, International entrepreneurship research has been developed from two main research streams (B. M. Oviatt & McDougall, 2005) into four major recent themes (Reuber, 2018). The two early research streams of international entrepreneurship were focused on: 1) cross-national entrepreneurial business activities, including heterogeneous internationalization activities across various sizes of new ventures (Lu & Beamish, 2001; Wright, Westhead, & Ucbasaran, 2007); entry modes (Zacharakis, 1997); exporting (Bilkey & Tesar, 1977); multinational corporate entrepreneurship (Birkinshaw, 1997); knowledge management and technological learning (Kuemmerle, 2002; Zahra, Ireland, & Hitt, 2000) etc.; and 2) comparison of speeds, processes, and activities of international and domestic entrepreneurial behaviors (Benjamin & Patricia, 2005). Previous research have made considerable contribution to the extant entrepreneurship literature by improving our understanding of entrepreneurial activities crossing country borders. We have understood that there are various influential factors impacting successful entrepreneurial internationalization, including competitive industry conditions and management team experience (Bloodgood, Sapienza, & Almeida, 1996), inter-organizational arrangements (Jolly, Alahuhta, & Jeannet, 1992), and environments (Zahra & Garvis, 2000) etc. Recently, Reuber (2018) summarized four major themes of current international entrepreneurship
research: (a) factors enabling internationalization under resource constraints; (b) network relationships and entrepreneurial internationalization; (c) entrepreneurial processes and practices underlying internationalization; and (d) how entrepreneurship varies internationally. Under the four themes, large amount of research attention paid to explain international variations in levels of entrepreneurial activities in terms of culture and entrepreneurs’ individual characteristics (J. Hayton & Cacciotti, 2014). A stream of literature was focused on different entrepreneurial activities across various cultural contexts, by comparing national, regional, or organizational cultural influences on outputs of entrepreneurship. Stemming from the work of Hofstede (1983), most of studies that are in align of this research stream examine culture and entrepreneurial behaviors from four dimensions of collective culture values: individualism-collectivism, uncertainty avoidance, power-distance, and masculinity-femininity. Researchers were mostly focused on various collective culture values of different counties and attributed collective culture values as major sources of diversified levels of entrepreneurship across nations (Hofstede & McCrae, 2004). Some other researchers associated differentiation in international entrepreneurial outcomes with culture values and entrepreneurs’ cognition, motivation, or behavior (J. C. Hayton, George, & Zahra, 2002). Along with this line of research, researchers examined influences of collective culture values, such as individualism and power distance, on entrepreneurs’ cognition and venture creation decisions (Mitchell, Smith, Seawright, & Morse, 2000). These two streams research, to some extent, sharing a same assumption that collective culture values have a “universal” and consistent impact on cognitions of individual entrepreneurs of the same country. However, it has been well acknowledged in the field of entrepreneurship research that there are huge heterogeneities in entrepreneurial activities across multiple levels. The influences of cultural factors on internationalization of entrepreneurship might vary, depending on heterogeneous individual entrepreneur’s characteristics. As what was found in a recent review conducted by Terjesen, Hessels, and Li (2016) on 259 articles in international entrepreneurship research, the international entrepreneurship literature is highly fragmented with substantial knowledge gaps related to content, theory, and methodology. They suggested to extend the current dominant theoretical perspectives such as culture, to consider new lenses from management and entrepreneurship.

The current article is responding to this call, by integrating the theoretical lens of culture with a theoretical model of entrepreneurship- A model of Entrepreneurial Potential (Krueger & Brazeal, 1994). Instead adopting the dominant perspective of collective culture values of nations, this article chooses to examine cultural influences at individual level, Culture Intelligence (CQ); and explores interactive impacts of CQ and entrepreneur’s international self-efficacy (IESE) on entrepreneur’s decision and act of conducting international entrepreneurial businesses. This approach fills in a gap in the extant international entrepreneurship literature that very few researches investigate culture as an internal influential factor that reflects a person’s self-proactive reacts to culture. CQ is defined as an individual's capability to function and manage effectively in culturally diverse settings (Earley & Ang, 2003; Ng, Van Dyne, Ang, & Ryan, 2012). Unlike collective culture values that are most likely exerting external influences of environments and social norms on individuals, CQ is gained and developed over time and shows a person’s capabilities of accepting, adjusting, and responding to cultural differences (Ng et al., 2012). Extensive empirical studies have shown that CQ demonstrated strong associations with behavior outcomes at all individual, team, and firm levels (e.g. Beyene, 2007; Flaherty, 2015; Imai & Gelfand, 2010). CQ should prove important to understanding potential entrepreneurs’ decisions of internationalization and outcomes. However, Hayton and Cacciotti (2014) reviewed extensive empirical studies addressing culture and entrepreneurship, the influences of CQ and its interactive influences with entrepreneur’s cognitive factors on international entrepreneurship remain vague.
To fill in this gap, the current article explores the interactive effects of CQ and IESE on entrepreneur’s intention and act to internationalize. The purpose of this research is to understand the roles CQ and IESE play in the mechanism of entrepreneurial decision-making. “Why some entrepreneurs internationalize but others not?” The proposed model adopts theoretical perspectives from: 1) entrepreneurial self-efficacy of social learning theory; 2) a model of entrepreneurial potential, and entrepreneurial decision making; and 3) culture intelligence. The current article has a few contributions to the extant entrepreneurship literature. First, this article extends entrepreneurial potential model into international entrepreneurship, explaining individual cultural, cognitive, and psychological antecedents that drive international entrepreneurship. Second, it takes into account CQ, by investigating internal influential cultural effects on individual entrepreneurs’ decisions and behavior responses; therefore contributes to both international entrepreneurship and culture theories. Third, this article proposes IESE as an important construct that predicts outcomes of internationalization of entrepreneurship. IESE is an entrepreneur’s self-confidence in specific tasks of internationalization; therefore, applying IESE into the proposed model has more predictive power. Fourth, the model considers moderating role of perceived international uncertainty in decisions of internationalization, to better understand the gap between entrepreneurs’ decision and propensity to act.

This article is structured as follows. First, drawing on the model of entrepreneurial potential (Krueger & Brazeal, 1994), a model of international entrepreneurship intention and act is provided. Second, Propositions are provided after discussing influences of each construct in the model. Discussion and implications are presented in the end.

A MODEL OF ENTREPRENEURS’ DECISIONS OF INTERNATIONALIZATION

Oviatt and McDougall (2005, p.540) defined international entrepreneurship as, “International entrepreneurship is the discovery, enactment, evaluation, and exploitation of opportunities—across national borders—to create future goods and services.” Internationalization means entry into new country market (Jones & Coviello, 2005). Through opening new international markets for a business, entrepreneurs fulfill their tasks of new combinations (Schumpeter, 1934). Lumpkin and Dess (1996) obviously stated that “new entry” into new markets is an essential action of entrepreneurship. However, “newness is a double-edged sword” (Choi & Shepherd, 2004, p.377). On one hand, being a newness to a foreign market, the business is not only being constrained by limited resources, knowledge, and experiences as it is in the domestic home market, but also facing inherent complexities resulted from complicated political, economic, social and cultural environments of the target foreign country. The financial and experiential constrains, and complexities of international business cause high uncertainty and huge obstacles when entrepreneurs make decisions of foreign entry. However, on the other hand, as a newness, the entrepreneurial business is able to have more flexibilities to manage risks, adjust foreign entry strategies, change commitments to the foreign market, and have more flexible choices to reduce costs to adapt to the changing circumstances (Shrader, Oviatt, & McDougall, 2000).

The international entrepreneurship is not instantaneously born. As Oviatt and McDougall (2005) described, to start an international business, entrepreneurs must go through a process that includes discovery, enactment, evaluate, and exploit of opportunities across national borders. These acts toward internationalization reflect entrepreneurs’ commitments to their intention to exploit international opportunities through foreign markets. The intention for entrepreneurial internationalization is not instantaneous either. Entrepreneurial intention results from perceived desirability, what an entrepreneur

The Journal of International Management Studies, Volume 13 Number 2, August, 2018 issue
finds personally desirable (Krueger & Brazeal, 1994). An entrepreneur’s desirability depends on the likely personal impacts of the outcomes from performing the target behavior, and it shows the entrepreneur’s preference for specific type of business (Krueger & Brazeal, 1994). Entrepreneurial desirability explains what entrepreneurs find attractive or unattractive. In the same vein, the desirability of entrepreneurial internationalization depends on entrepreneur’s perception of the attractiveness of exploiting an opportunity in a specific foreign market. The desirability of international entrepreneurship helps better understand why entrepreneurs find a foreign market attractive or not. Unlike large multinational corporations that have strong capabilities and resources to overcome obstacles of foreign counties, entrepreneurial ventures chose target foreign markets mostly due to personal preferences or personal perception of hardships and risks in the target country. The personal preferences determinate entrepreneurs’ attitude toward an act, basing on an intrinsic interest and what the entrepreneur find incentive or disincentive (Krueger & Brazeal, 1994). One entrepreneur might prefer India over China when consider Asian markets. The other one might prefer China over Indonesia.

However, not all potential entrepreneurs will exploit opportunities with the same preference and perceived value (Shane & Venkataraman, 2000). Entrepreneurial desirability won’t guarantee opportunity exploitation, even though entrepreneurs might find a foreign market is attractive. Entrepreneurs need a solid intention before taking a real act to exploit an opportunity overseas. Entrepreneurial intention serves to focus entrepreneurs’ attention on a target behavior and proves to be the best predictors of that behavior (Krueger & Brazeal, 1994). Once entrepreneurs have desirability and intention for entrepreneurial internationalization, as the way they exploit opportunity in the domestic home market, they take actions to reconfigure resources in unique ways in order to have competition advantages over others (Alvarez & Busenitz, 2001). Due to the fact that exploiting opportunities overseas has more challenges than creating new business in domestic markets. Internationalization is involved in much more complicated political, social, economic, and cultural environments than in environments of home country. Influential factors that drive international entrepreneurship should differ from the factors in Krueger and Brazeal (1994)’s model of entrepreneurial potential, a model that mostly explains antecedents of entrepreneurial intention and propensity to act in entrepreneurs’ home-country environments. It is important to find antecedents of entrepreneurial intention to internationalization as well as antecedents of actual act toward internationalization. These antecedents help a better understanding of the process of international entrepreneurship. Previous entrepreneurship research has provided empirical evidence of the influences of entrepreneurs’ perceived knowledge of new product, technologies, managerial capability, and customer demand of the target market on their intentions of opportunity exploitation (Choi & Shepherd, 2004). This paper takes the lenses of culture and social learning theory, by including two key constructs: CQ and IESE, into the decision making mechanism starting from desirability to act. Including CQ and IESE into the current model better explain international entrepreneurship in cross-national settings.

Social learning theory (Bandura, 1977) presents well-known explanation for a triadic reciprocal causation among behavior, cognitive factors, and environment events. “Each of the three factors affects and is affected by the other two” (Chen, Greene, & Crick, 1998, p.298). Applying this explanation into phenomenon of international entrepreneurship, entrepreneurs’ cognition, environment, and behavior are triadic reciprocally correlated. First, entrepreneurs’ attitude toward international environments impact their desirability of internationalization, and perceptions of their own capabilities of performing international activities in a specific international market (IESE) can influence their intention to make a real act of foreign entry. Second, entrepreneurs’ experiences of international activities can change their perceptions of the target foreign environments where the international business will operate, as well as
changing the way they perceive themselves on performing tasks of international businesses in that market. Third, the environments and social ties in a specific foreign country affect entrepreneurs’ internationalization behaviors, as well as their own confidence of conducting international business (IESE) (Ellis, 2011). Culture intelligence (CQ) strengthens the influences of desirability and IESE on entrepreneurial intention to internationalization. Figure 1 presents a conceptual model that guides discussion in this article. This model draws on the works of Krueger and Carsrud (1993), Kruegel and Brazeal (1994), Chen, Greene, and Crick (Chen et al., 1998), and Earley and Ang (2003). Predicted by this model, entrepreneurial internationalization is an outcome of entrepreneurs’ strong entrepreneurial intention of internationalization that is derived from perceived desirability. Entrepreneurs’ IESE, CQ, and perceived uncertainty of a foreign market moderate this process. According to this model, international entrepreneurship is a process in which entrepreneurs’ cognitive perceptions play determinant roles.

![Figure 1: Model of International Entrepreneurship Intention and Act](image)

**Entrepreneurial Intention of Internationalization and Perceived Desirability**

Entrepreneurship is a process of discover, identify, evaluate, and exploit new opportunities, a process also reflects entrepreneurs’ perception, intention, and act (Krueger, Reilly, & Carsrud, 2000). Intention of entrepreneurial internationalization refers to entrepreneurs’ intent to extend business into a new foreign country. Act of international entrepreneurship begins when entrepreneurs have developed enough intention for an international business. According to Ajzen (1991)’s “theory of planned behavior”, intention is robustly predicted by certain key attitudes or beliefs, and these key attitudes and intention are perception-based (Krueger & Brazeal, 1994). The intention toward a given target behavior is related to two perceptions: personal perceived desirability and feasibility (Fitzsimmons & Douglas, 2011; Shepherd & Krueger, 2002).

Shapero and Sokol (1982) conceptualized perceived desirability as personal attractiveness of starting a business. It has two main components: personal attitude toward a behavior and subjective social norm (Krueger & Brazeal, 1994). A person’s attitude toward a behavior reflects his/her behavior attractiveness. Generally, individuals’ positive perceived outcomes of a given behavior yield positive attitude toward that behavior. Social norm refers to perceived social pressure from conducting a given behavior. If this behavior gains support from significant members in a person’s association, such as family, friends, educational peer groups or mentors, it will have high perceived desirability for the person to perform the behavior (Krueger Jr, Reilly, & Carsrud, 2000; Morales-Gualdrón & Roig, 2005; Segal, Borgia, & Schoenfeld, 2005).
The perceived desirability of entrepreneurial internationalization reflects attractiveness of doing a specific international business to entrepreneur. People perceive events differently due to different past experiences (Baron, 2004). Entrepreneurs first discover or identify an opportunity and estimate the potential incentive of exploiting the opportunity, basing on their general and specific knowledge of the target market, and perceived customer demand in the market (Choi & Shepherd, 2004). Entrepreneurs’ market-specific experiential knowledge is central in explaining the venture’s internationalization process, and it also affects the perceived costs in internationalization (Eriksson, Johanson, Majkgård, & Sharma, 2015). The market specific knowledge is obtained through entrepreneurs’ past work and life experiences. Entrepreneur who is familiar with a foreign country through travelling; who has established broad social networks through international experiences; who has friends or relatives in foreign countries; who has taken foreign language classes or is able to speak a foreign language; or who has lived abroad etc., will have more positive attitudes toward internationalization than those without these experiences (Leonidou, Katsikeas, & Piercy, 1998). These entrepreneurs always have international social ties through which culture exerts its influences. In addition, because international entrepreneurship involves activities across countries and cultures, it is attractive to entrepreneurs who are not afraid of challenges and want to change “the path of life” (Shapero, 1985). International entrepreneurship is also attractive to entrepreneurs who enjoy international trip and exposing themselves to different cultures. Entrepreneurs’ desirability of international entrepreneurship is accumulated when they have preferences of being exposed to international cultural contexts; have positive attitude toward doing business in foreign countries; perceive incentive on exploiting an opportunity abroad; and are being supported by social norms etc. Such desirability of conducting international entrepreneurship drives entrepreneurs’ intention of internationalization.

**Proposition 1:** Entrepreneurs’ intention of internationalization is positively associated with perceived desirability of entrepreneurial internationalization.

**International Entrepreneurial Self-Efficacy (ISEE)**

According to Krueger and Brazaeal (1994)’s model, perceived feasibility, a person’s perceived ability to execute some target behavior, is correlated with desirability influencing the person’s intention to perform that behavior. Therefore, the link between entrepreneurs’ desirability and intention of international entrepreneurship is also moderated by entrepreneurs’ perceived their own capabilities of performing tasks of international business. A key component of the perceived feasibility in the intention model is the concept of entrepreneurial self-efficacy (Chen et al., 1998).

Self-efficacy is a person’s belief on his or her capability of performing specific tasks in particular settings (Bandura, 1997). It is a powerful predicting construct. People with high self-efficacy have more interest in the task, input more efforts, and show more persistence when face obstacles (Wood & Bandura, 1989). Self-efficacy is known to be task specific and can be used to predict and study entrepreneur’s behavioral choices, persistence and performance (Chen et al., 1998). As long as the measure of self-efficacy is tailored to specific tasks in a particular setting, self-efficacy could be applied to various domains (Bandura, 1982). However, the predictive power will be sacrificed if the measures are more general (Gist, 1987). Boyd and Vozikis (1994) integrated self-efficacy in the field of entrepreneurship. They conceptualized entrepreneurial self-efficacy (ESE) as an individual’s belief on his or her capability of performing entrepreneurial tasks, and integrated ESE into an intention model of entrepreneurship process. Chen et al (1998) developed and tested a measure of ESE and found that ESE is positively related to the intention for creating new venture.
McDougall and Oviatt (2000) suggested to increase rigorousness in developing a construct in order to have more construct validity and reliability. Taking into account specific features of international entrepreneurship, in order to have strong predicting power, we need to integrate a construct that is developed particularly for entrepreneurial tasks fit in international contexts. ESE is a well-developed construct great predicting entrepreneurial behavior, however, it is relatively too general to predict specific entrepreneur’s behavior in international settings. A person who has strong confidence in performing domestic entrepreneurial tasks might have very weak self-efficacy in dealing with international risks and uncertainty that are associated with complexity of international businesses. We need to develop a construct of self-efficacy that is specific to international entrepreneurship.

International entrepreneurial self-efficacy, IESE, is defined as “the strength of an entrepreneur’s belief that he or she is capable of performing entrepreneurial tasks across national borders”. It is enhanced by entrepreneurs’ past international mastery experiences, knowledge gained through observing others, academic education, or from international associations. The business operations, internal organizational culture, required knowledge, and management and marketing skills of international entrepreneurial ventures are much distinguished from those of domestic ventures. Strong IESE would interact with the perceived desirability impacting entrepreneurs’ intention of entrepreneurial internationalization and associated acts of foreign entry. Therefore, IESE can be used to explain how strong an entrepreneur’s intention of internationalization, and the likelihood of that intention will result in act of international entrepreneurship.

Entrepreneurs’ decision to internationalization can be influenced by IESE in several ways. First, high IESE would strengthen entrepreneurs’ desirability of a foreign entry and perceive it as rewarding opportunity; whereas, low IESE would weaken entrepreneur’s desirability of internationalization because they would perceive the opportunity as infeasible and focus more on risks and costs. Second, strong IESE helps improve entrepreneurs’ confidence in overcoming uncertainty, obstacles, and hardships of target foreign market; therefore, entrepreneurs are more likely to persist. Third, act of entrepreneurial internationalization would, in turn, enhance entrepreneurs’ IESE due to accumulated mastery experience in international markets. The triadic reciprocal causation still exist among behavior of entrepreneurial of internationalization, IESE, and environments of foreign country. As Acedo and Florin (2006 p.52) pointed out, “This exposure to things international contributes to the development of an international mindset that leads to greater confidence in the entrepreneur’s own ability to effectively handle the uncertainties associated with foreign entry.”

**Proposition 2a:** IESE is different from ESE because of different tasks performed in domestic and international entrepreneurial business settings.

**Proposition 2b:** Entrepreneurs with high IESE have stronger intention of entrepreneurial internationalization than those with low IESE.

**Proposition 2c:** IESE positively moderates the relation between perceived desirability of entrepreneurial internationalization and entrepreneur’s intention of internationalization.

**CQ, IESE, and Perceived Desirability of Entrepreneurial Internationalization**

People’s perception is influenced by a series of social, demographic, cultural and economic factors (Aldrich & Zimmer; Shapero, 1985). Cultural effect is a salient feature in the process of international entrepreneurship.

Culture refers to the set of shared values, beliefs and expected behaviors of a nation, a region or an organization (George & Zahra, 2002; J. C. Hayton et al., 2002). Culture shapes the development of
certain personality traits and motivates of individuals (Mueller & Thomas, 2001). Culture intelligence (CQ) is one of personal characteristics that are influenced by culture. CQ is the inter-individual differences in the ability of adapting effectively to new cultural settings (Ng et al., 2012). CQ represents a person’s attribute, and ability. It is gained and developed overtime. Unlike collective culture values that exert influential power shaping individual behavior mostly through external social norms, CQ’s culture effect on individuals is mostly reflected through the person’s self-proactive react toward cultural differences and changes. Collective culture values might be strong influential environmental factors that impact entrepreneurship process; whereas, CQ is an instinct internal factor that more directly drives an individual’s self-adaptive behavior.

According to Earley and Ang (2003)’s conceptualization, CQ has four dimensions: coping strategies, knowledge about different culture, desire and self-efficacy, and appropriate cultural behavior. CQ has been examined to be a predictor of effectiveness (Dinges & Baldwin, 1996), and is found to be associated with the quality of relationships firms develop with their foreign social networks (Charoensukmongkol, 2015). Individuals with high CQ are likely to adapt faster and more effectively in cross-cultural situations (Ang & Van Dyne, 2015). However, although CQ shows strong correlations with outcomes of behavior, the direct resulted behavior associated with CQ is individual’s self-adaptive behavior. Therefore, presumed high CQ should result from the analysis of individual’s capability of behavioral adaptiveness across cultural contexts, not purely by judgments from outcomes of effectiveness (Ng & Earley, 2006; Ng et al., 2012).

CQ shows an individual’s abilities in different dimensions (Trompenaars & Hampden-Turner, 2011): 1. the ability to contrast different culture values; 2. the ability to treat opposite culture values as complement; 3. the ability to integrate different value for synergistic outcome. Thomas and Inkson (D. Thomas & Inkson, 2004) proposed three key elements of CQ: knowledge of culture, awareness and attention to new culture, and ability for appropriate behaviors in new culture environment. High CQ results from a heterogeneous environment in which individuals frequently encounter counter-stereotypical behaviors that reduce influences of stereotypes and strengthen personalization (Brewer & Kramer, 1985).

During the process of creating new ventures, entrepreneurial activities are always perceived as innovative or novel. Unlike normal business, international entrepreneurship has more unexpectancy and uncertainty. Entrepreneurs are not only constrained by inherent limitation of resources, experiences and knowledge, but also encounter various unexpected situations due to culture differences. The high ability an entrepreneur has to know, compromise, and adjust to new culture settings; the more likely the entrepreneur overcomes culture shock and distances, and effectively responds with appropriate behavior. Consequently, entrepreneurs with high CQ are more likely to have counter-stereotyped attempt to entrepreneurial internationalization. Thus,

**Proposition 3a:** CQ positively moderates the relation between IESE and entrepreneur’s intention of internationalization.

**Proposition 3b:** CQ positively moderates the relation between perceived desirability of entrepreneurial internationalization and entrepreneur’s intention of internationalization.

**Propensity to Act to Entrepreneurial Internationalization, Perceived Uncertainty, and Triggering Events**

Once entrepreneurial intention of internationalization is formed, entrepreneurs have international entrepreneurial potential. Entrepreneurs’ propensity to act is significantly associated with entrepreneurial intentions (Kautonen, van Gelderen, & Fink, 2015). However, strong intention is necessary but not sufficient to act. It is possible that entrepreneurs have strong intention of internationalization but do
nothing in the end (Krueger & Carsrud, 1993). The remaining question is “why some entrepreneurs exploit international opportunities, whereas others not?” Two influential factors that can moderate link from intention to act: individual’s perceived uncertainty for a specific international market (McMullen & Shepherd, 2006), and threshold events that trigger individual off inertia (Shapero, 1985).

**Perceived Uncertainty and Entrepreneurial Internationalization**

International business is perceived as more risky than domestic business because unexpected political, legal, economic and social changes in foreign markets could lead to loss of profits and/or assets (Cosset & Roy, 1991). It is more challenging for entrepreneurs who operate business internationally to make quick decisions in changing environments, and manage risks appropriately. McMullen and Shepherd (2006, p.134) proposed that “whether entrepreneurial action occurs, however, depends on how much one must rely on one’s judgment, which, in turn, depends on the degree of uncertainty experienced in the decision of whether to act.” The more uncertain the political, social, economic, or legal environments of a target foreign country, the less likely entrepreneurs act with responses to their early intention of doing business overseas. The propensity of entrepreneurs’ act to entrepreneurial internationalization results from less perceived uncertainty of a foreign country where the entrepreneurs’ international business is going to operate.

**Proposition 4:** Entrepreneur’s perceived uncertainty of target foreign market negatively moderate the relation between the intention for entrepreneurial internationalization and the act of foreign entry.

**Triggering Event and Entrepreneurial Internationalization**

Shapero’s (1985) model proposed that inertia guides human behavior until that inertia is interrupted or displaced by certain thresholds. The decision to start up a new enterprise or conduct activities of foreign entry will result in changing the path of one’s life (Morales-Gualdrón & Roig, 2005). The ‘triggering event” as a threshold for international entry could be immigration (Gould, 1994); contingent opportunity by accessing information from social ties that beyond the limitation of local markets (Ellis, 2011); a specific travel experience in a foreign country (S. D. Reid, 1981); initiation by a buyer or seller (Cavusgil & Nevin, 1981; Tansu Barker & Kaynak, 1992); or a specific chance encountered in trade fairs (S. Reid, 1984) etc. Thus,

**Proposition 5:** The relation between the intention of entrepreneurial internationalization and entrepreneur’s propensity of act is positively moderated by triggering events.

**DISCUSSION AND RESEARCH IMPLICATIONS**

International entrepreneurship has been booming in the past two decades. Researchers of various disciplines have made incredible contribution to improve our understanding of this phenomenon. However, according to the review by Terjesen et al. (2016), the research of international entrepreneurship is highly fragmented. They suggested to extend the current dominant theoretical perspectives to consider new lenses from management and entrepreneurship into the research domain of international entrepreneurship. To respond to this call, the author of the current article integrated theoretical perspectives of international business, culture, social learning into the field of international entrepreneurship. Drawing on Krueger and Brazeal’s (1994) model of entrepreneurial potential, this article proposes a conceptual model of international entrepreneurial intention and act. According to this
model, the path from entrepreneurs’ desirability to intention and propensity of act is contingent in various individual cognitive and cultural characteristics. This model provides a fresh insights relating a relatively under-researched context of international entrepreneurship research: to examine impacts of individual entrepreneurs’ cognitive and cultural features on entrepreneurs’ decision making process of internationalization. Two new constructs, IESE and CQ, are included into the proposed model. According to the model, IESE, CQ, and perceived desirability function together impacting entrepreneurial intention of doing business overseas.

This article has implications for both research and practice. From a practical standpoint, this study will inform would-be international entrepreneurs a view that individual perceptions and characteristics affect intentions and outcomes of international entrepreneurship. In order to succeed in international markets, entrepreneurs need to have strong IESE and improve their CQ to deal with unexpectancy and uncertainties encountered in international markets. The model also advises educators and policy makers to encourage new venture’s international activities by improving individual’s IESE, CQ, and desirability for internationalization.

For researchers, this model contributes to the extant literature cross multiple disciplines, including entrepreneurship intention, entrepreneurial self-efficacy, culture and culture intelligence that were not well emphasized in prior research of international entrepreneurship. From a theoretical standpoint, first, this model demonstrates the need to consider various configurations of influential factors and their impacts on outcomes of international entrepreneurship. International entrepreneurship, by nature, is a cross-discipline research domain. There is a clear need to move beyond a simple contingent setting from a theoretical standpoint of only one research domain, but instead to consider inter-dependent influences of crossing-discipline factors that were well studied in international business, culture, social learning, entrepreneurship, and management etc. and then examine configurational impacts on the outcome of international entrepreneurship. The proposed model in this article contributes to theory building that goes beyond the current contingent view from one theoretical view point. There is a strong need for international entrepreneurship scholars to integrate theories from various other domains to build own theories of international entrepreneurship. Second, a common conduct in the international entrepreneurship research is to directly borrow a theoretical model from other disciplines, or research a few existing constructs from other domains, and then directly apply these constructs into international entrepreneurship research. This approach has made incredible contributions in the past two decades, and has significantly improved our understanding of this phenomenon. However, simply borrowing constructs from other disciplines may sacrifice rigorousness and predictive power of research. For example, ESE, by definition, refers to an individual’s confidence of his or her own capabilities of performing specific tasks. ESE proves to have strong correlations with entrepreneurial intention and outcomes of entrepreneurship (Newman, Obschonka, Schwarz, Cohen, & Nielsen, 2018), but ESE is known to be task specific. Entrepreneurial tasks performed in international settings are very different from tasks of domestic businesses. Directly applying a well know measure may not be suitable in the field of international entrepreneurship. International entrepreneurship scholars need to create own constructs, such as IESE, which are particularly tailored for international entrepreneurship.

Although this paper explores the effects of IESE and CQ on entrepreneurs’ intention and act of internationalization, the antecedents of international entrepreneurship are still far from comprehensive. It is highly possible that there are other cognitive and cultural factors other than IESE or CQ influencing the process of international entrepreneurship. Hope this article can provide insights and serve as a catalyst that calls for more detailed look at the individual cultural and cognitive influences in the process of international entrepreneurship.
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