



Heuristics in international business: A systematic literature review and directions for future research



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ABSTRACT

This paper aims at depicting the status of research on heuristics in the international business domain to understand the main topic areas in which heuristics are addressed and delve into the types of heuristics used by managers and entrepreneurs when dealing with international business activities. These are characterized by a high degree of uncertainty, drawing attention on the adoption of heuristics for decision-making. To this aim, the paper systematically reviews studies published in top-ranked international business journals between 1997 and 2018. The systematic literature review shows that the main research areas in which heuristics are developed concern foreign market entry, post-entry international expansion, foreign market selection, and international entrepreneurship. The paper also discusses the type of heuristics that are utilized by decision-makers when dealing with the uncertainty related to the internationalization process. The results of this study show that the international business literature develops the concept of heuristics in very various ways, tending to develop a plurality of approaches, without recurring or dominant forms. It is, however, possible to identify the types of heuristics and heuristically-based decisions, and a significant subset of the analyzed studies show a positive view on their effectiveness in the uncertainty of internationalization processes.

1. Introduction

The study of heuristics, as decision-making models that arise when information, time and process capabilities are limited, has found particular attention in experimental psychology, and it is associated with the concepts of “bounded rationality” (March, 1978) and “cognitive limits” (Hammond and Summers, 1965; Miller, 1956). Research on the subject has had an important evolution since the 1970s with the works of Kahneman and Tversky, and then from the 1990s with the work of Gigerenzer and colleagues, influencing the literature on entrepreneurship and strategic management. In the last decade, entrepreneurship and strategic management studies have stressed the topic of heuristics, with particular reference to the processes that affect entrepreneurial companies (Bingham and Eisenhardt, 2011, 2014; Guercini, 2012, 2019; Loock and Hinnen, 2015; Yuan et al., 2017). Such literature has been influenced by the debate around heuristics developed in psychology and cognitive science, in particular reproducing the comparison between an approach to heuristics as a source of error (Manimala, 1992; Busenitz and Barney, 1997), and a vision of heuristics as effective solutions to complex problems (Davis et al., 2009; Eisenhardt and Sull, 2001; Åstebro and Elhedhli, 2006; Katsikopoulos and Gigerenzer, 2013).

The relevance of heuristics in strategic management and entrepreneurship research is justified by the condition of uncertainty that characterizes decision-making in the business environment. “Uncertainty” differs from situations of “risk”, which implies that the

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probabilities of outcomes are known and the optimal option can be calculated (Knight, 1921). Uncertainty can arise from the introduction of new products, services, or the founding of a new venture (McMullen and Shepherd, 2006), or from constant changes in technology, markets, people, costs, schedules, and quality (De Meyer et al., 2002). Such changes can be unpredictable and introduce a large degree of randomness (Powell et al., 2011; Artinger et al., 2015). Uncertainty is also related to the entrepreneurial domain where timely decisions often have to be made with limited information and a lack of data from past experience (Busenitz and Barney, 1997).

Uncertainty is acknowledged as a primary characteristic of international business (IB), compared with domestic business (Cavusgil and Godiwalla, 1982; Mascarenhas, 1982). Sources of uncertainty for internationalizing firms concern, among others, foreign exchange, political risk, unfamiliarity with operating in a new environment, labor restrictions, different cultures, and infrastructural difficulties (Mascarenhas, 1982; Johanson and Vahlne, 1977, 2009). The decision to internationalize, and other decisions concerning the international expansion of a firm, such as foreign direct investments (FDIs) and market entry modes, have been described as procedures characterized by great uncertainty (Acedo and Jones, 2007; Kulkarni, 2001; Liesch et al., 2011). As for FDIs, these require decisions characterized by risk and uncertainty, limited – or lack of – information, and based on complex organizational processes (Aharoni et al., 2011). Thus, managers and entrepreneurs tend to rely on rules of thumb and develop heuristics for international decision-making, “because of environmental uncertainty and limited knowledge about complex organizational capabilities” (Aharoni et al., 2011, p. 139).

Uncertainty is also put under the spotlight by the institutional-based view of the firm, as institutions – the political, legal, economic, and social rules within countries (Scott, 2014) – shape an organization's international decision-making. Increased institutional uncertainty concerns “a heightened level of unpredictability in terms of regulative, normative and cultural-cognitive elements of institutional environment” (Laine and Galkina, 2017, p. 909). Institutional uncertainty affects firms' decisions and behavior in the internationalization process (Santangelo and Meyer, 2011). Thus, within the IB domain, uncertainty, which characterizes a favorable context for adopting heuristically-based decisions, is widely recognized as a relevant feature of firms' international expansion.

However, while the study of heuristics has received much attention in the field of entrepreneurship and strategic management, there is a lack of studies on the types of heuristics and heuristically-based decisions in the IB literature and, to the best of the authors' knowledge, no reviews have dealt with heuristics in the IB domain so far. The paper wants to help tackle these gaps by systematically reviewing studies published in IB journals dealing with heuristics, in order to depict the status of the research in this field, understand the main topic areas in IB domain in which heuristics are addressed and delve into the types of heuristics used by managers and entrepreneurs when dealing with the international expansion of their firms. To this end, our review is based on the analysis of 9 top IB journals, from which we selected 39 papers published between 1997 and 2018.

The paper is structured as follows. The next section presents the origins and development of research on heuristics, with the aim of clearly defining the concept and arguing for its rationale and challenges. In particular, the “heuristics and bias approach” is compared to the “fast and frugal heuristics approach”. The third section focuses on the methodology, outlining the journal selection criteria and the main steps adopted in the examination of article contents. The fourth and fifth sections present the results of the literature review in terms of a descriptive and thematic analysis of selected articles. The paper concludes with a discussion of the results of the literature review, suggestions for future research, limitations of the study, and concluding remarks.

2. Origins and development of research on heuristics

In the past, the growing interest of experimental psychology in the study of economic behavior has gradually influenced the analysis of consumer behavior (Fishburn, 1974; Hoyer and Brown, 1990), and the analysis of the behavior of decision-makers in the business environment (Manimala, 1992; Busenitz and Barney, 1997). Heuristics are defined as decision rules that arise when information, time, and process capabilities are limited. Thus, heuristics are procedures or rules of thumb that decision-makers rely on in order to simplify complex problems and/or information processing tasks (Newell and Simon, 1972). The study of heuristics concerns cognitive science and has found particular attention in experimental psychology, being linked to “bounded rationality”, “cognitive limits” (Kelman, 2011), and to the vision of the individual actor's rationality (Goode, 1997) on which two alternative views appear to co-exist (Augier and March, 2008; Simon, 1956).

The first view is that of the neoclassical economist, for which actors are endowed with cognition and rationality and act in contexts that can be formalized in formally rigorous terms. In this view, it is the actor's rationality that guides judgments and actions. Cognition is endogenous to the individual actor and precedes behaviors. A second view considers the behavior of human agents in situations where they have only incomplete knowledge of their environment, limited computational capabilities, and limited time; under such conditions, because of the limits of knowledge, attention, and memory, rationality becomes “bounded” (Simon, 1956, 1982). March (1994) distinguishes two ways in which individuals make choices: rational decision-making and rule-based decision-making. March argues that rational theories of choice assume decision processes that are consequential and preference-based, which implies evaluation of the consequences from the definition of preferences and expectations. In rational decision-making, decisions are “consequential in the sense that action depends on anticipations of the future effects of current actions... they are preference-based in the sense that consequences are evaluated in terms of personal preference...” (March, 1994, p. 2). When the behavior is based on rules, it is guided by those rules deemed appropriate by the individual actors to achieve a sought identity.

Simon (1967, 1990) claims that humans rely on heuristics not only for their cognitive limits (Miller, 1956) but also for the “task environment”. In his “Nobel Memorial Lecture”, Simon points out that the classical model of rationality requires a knowledge of all relevant alternatives, their probability, and their consequences, as well as a world in which the future can be expected with no

surprises. These conditions are not common in the real world, where the actors (1) have limited information, (2) have limited time and computation capability, and (3) have a “memory” that applies only to analyze the past and not to forecast the future. These are well-known conditions for entrepreneurs and managers who can have great difficulty when they have to make forecasts and assessments to make judgments and choices.

There are different approaches (opposite or complementary – Gigerenzer, 1996) to the role of heuristics and their value for the formation of judgments and choices: these are the “heuristics and bias approach” and “fast and frugal heuristics approach”, in-depth analyzed in the following sub-sections.

2.1. The “heuristics and bias approach”

The research program of Kahneman and Tversky (1973, 1996) brings to the fore the issue of “heuristics” associating it with that of “biases”. This view is not always negative (dual thinking systems), but a focus on biases is evident. Heuristic processes, previously studied as something capable of making computers “smart”, become the reason why people are not “smart”. This is a research program that aroused the interest of scientific literature in last decades, in which the study of judgments and decisions is mainly known as “preferences and decision psychology” (Piattelli-Palmarini, 2005, p. 3), “judgment and decision making”, and “heuristics and biases” in relation to the contributions of Tversky and Kahneman (1974). The result of this research is that heuristics should be avoided in many cases since they lead to systematic errors. This view has also been influential in the literature on entrepreneurial behavior (Haley and Stumpf, 1989; Manimala, 1992). Heuristics are studied as “intuitive statistics” naturally adopted but inferior to the more complex rational methods for the formation of correct judgments. The set of heuristics presented and discussed by Kahneman and Tversky (representativeness, availability, adjustment, and anchoring) are associated with errors (biases) in judgments emerging from experimental research (Tversky and Kahneman, 1971; Kahneman and Tversky, 1972). Consequently, the identification of heuristics is condemned to assume a non-rational and negative character for human cognition, although Kahneman and Tversky recognize that “heuristics are very useful” (Tversky and Kahneman, 1974, p. 1129). Subsequently, other authors describe heuristic behaviors in terms of related errors (Strack et al., 1988; Piattelli-Palmarini, 2005).

2.2. The “fast and frugal heuristics approach”

Gigerenzer et al. (Gigerenzer, 1996; Gigerenzer and Goldstein, 1996; Gigerenzer et al., 1999) offer a different perspective on heuristics defined as “fast and frugal heuristics approach” emerging from the “adaptive-behavior-and-cognition program”. Heuristics are proposed as models for fast and frugal decisions as capable of effective solutions without using a lot of information and processing. Tests conducted on these models emphasize the accuracy, thus rehabilitating heuristics as a tool of human cognition, to the point that heuristics processes are placed in a perspective of “ecological rationality” of “homo heuristics” (Luan et al., 2019), which may be more effective in behavior and cognition than the “logical rationality” of “homo economicus” (Gigerenzer and Brighton, 2009). The “ecological rationality of heuristics” reflects their “frugality,” “accuracy,” and “robustness” (Gigerenzer, 2001, p. 130). Gigerenzer (2001) uses the concept of an individual's heuristics as an “adaptive toolbox” of devices individuals can use for defining judgments and actions, reflecting both specificities of the task and specificity of the actor (Guercini, 2012; Guercini et al., 2014; Guercini et al., 2015). This approach focuses on the observation of how decisions are made in real contexts in which time and information related are limited in relation to complex problems (Guercini, 2019).

Compared to the debate on heuristics in psychology and cognitive science, the literature on entrepreneurship and strategic management has been in many ways “permeable” to the influences of such debate (Looock and Hinnen, 2015). This permeability works in several directions: strategic management, organization, and entrepreneurship scholars take on the role of heuristics (Bingham et al., 2007; Bingham and Eisenhardt, 2011; Nouri et al., 2017; Saab and Botelho, 2020), and even applied psychology researchers and cognitive sciences see applications of their research by publishing on management journals (Katsikopoulos and Gigerenzer, 2013; Brighton and Gigerenzer, 2015; Luan and Reb, 2017). We wonder if the same permeability can be found in the IB literature, which recognizes that the international expansions of firms are strongly characterized by uncertainty, but attention specifically given to heuristics and forms of judgments based on simple rules appears limited, and the understanding of how individuals make decisions and the nature of international decision-making remain key questions.

3. Methodology

The paper proposes a systematic review of academic literature in order to delve into the debate on heuristics in the international business domain. In line with other reviews that adopt a systematic approach (Schmeisser, 2013; Looock and Hinnen, 2015; López-Duarte et al., 2016; Bocconcelli et al., 2018), this research was carried out in sequential steps that are objective, transparent and comprehensive, and allow replicability (Cook et al., 1997). A series of specific stages - planning, searching, screening, and extraction/synthesis/reporting - should be carefully carried out to ensure validity and reliability (Tranfield et al., 2003). We began by defining detailed a-priori planning of the review. We have already defined the motivation and objectives of the review in the introductory section. Thus, this methodology section will focus on the techniques applied to identify and select the relevant literature.

3.1. Searching of publication outlets

We focused on publications in internationally renowned journals, we excluded from the analysis of other publication outlets such

as books, book chapters, monographs, conference proceedings, commentary essays. More specifically, journal quality was taken as an indicator of study quality (see e.g. Judge et al., 2007; Narayanan et al., 2011). Thus, we focused on high-quality peer-reviewed academic outlets, and excluded practitioner journals from further consideration (Schmeisser, 2013). In order to select top IB journals, we relied on the studies proposed by Dubois and Reeb (2000), Griffith et al. (2008) and Xu et al. (2008) that identified six leading international business journals: *Journal of International Business Studies* (JIBS), *Management International Review* (MIR), *Journal of World Business* (JWB), *International Marketing Review* (IMR), *Journal of International Marketing* (JIMktg), and *International Business Review* (IBR). These journals are also included in the list of the top academic IB journals included in the research by Tüselmann et al. (2016). Based on Luo and Zhang (2016), as a review study that focuses on the IB field, we also included *Journal of International Management* (JIM) and *Global Strategy Journal* (GSJ). While JIBS, MIR, JWB, IMR, JIMktg, IBR and JIM are all long-established IB journals in the field, widely recognized as major specialty journals in the IB domain, GSJ is relatively recent (2011), founded by the Strategic Management Society, and it has rapidly increased its relevance, with 2.73 impact factor 2018. Another journal was added for the sake of data completeness, although it is not listed in the above-mentioned journal ranking: *Strategic Management Journal* (SMJ) was selected as “a functional management journal known for publishing significant amounts of IB-research” (Schmeisser, 2013, p. 391).

3.2. Searching and screening of journal articles

After the selection of appropriate publication outlets, we started the review through an initial identification of journal articles. We used the Scopus database to access article data from the aforementioned set of nine journals. In this stage, it was critical to identify appropriate search terms. Consistent with commonly practiced search efforts (see Schibrowsky et al., 2007), a “keyword” approach was used to identify the articles. Each selected journal was queried for keywords in the title, abstract, and keyword list. Drawing on the above-mentioned definition and literature on heuristics from various disciplines, keywords employed included: “heuristic/s”, “rule/s of thumb”, “cognitive shortcut/s”. We searched for keywords in all articles' fields. A specific period was not considered, in order to have a broad view of the topic and its development in a chronological sense, but we decided to exclude articles published in the current year. Thus, the search process led to the initial identification of 149 articles published in the eight IB journals (JIBS, MIR, JWB, IMR, JIMktg, IBR, JIM and GSJ). We manually screened the titles, abstracts and, when necessary, the contents of each of the 149 articles in order to decide whether the identified articles actually addressed our intended issue. In particular, we adopted three exclusion criteria. We excluded all manuscripts that lacked a clear reference to heuristics (for example articles in which the keywords we used for the search appeared only in the list of references, with no explicit discussion on the topic). We also decided to exclude literature reviews from the analysis. Finally, we excluded papers from IMR and JIMktg on consumer behavior, a field that is not specific to the international business domain.

The screening was conducted independently from the two researchers, the results were then compared in order to identify a common list of 32 articles. We repeated the same search procedures for SMJ, knowing that searching for keywords in all fields would lead to a large number of articles, not necessarily concerning international business topics. The search for keywords initially led to 144 articles. We applied the foregoing exclusion criteria, but we also excluded manuscripts that lacked an IB orientation. Only 8 papers were included in the final list. Taken together, these steps condensed the literature sample to a final set of 39 relevant research articles which formed the evidence base of the review. We prepared an Excel workbook to record some basic data relative to these articles (authors, year of publication, journal, abstract) that were fully read and further analyzed by the authors.

3.3. Reporting

The reporting stage builds on these previously selected research articles. A two-stage report is proposed, including descriptive and thematic analysis. The descriptive analysis provides an overview of the topic under investigation, in terms of the amount of research on heuristics in the IB domain published over time, journals that have addressed this topic, citations. We then present a thematic analysis that includes a synthesis of the individual studies and the presentation of the results. The data analysis is detailed in the next sections.

4. Descriptive analysis

The analysis identified a total of 39 articles (see the Appendix) addressing the topic of heuristics, published in IB top journals from 1997 to 2018. As Fig. 1 shows, after a very slow beginning, studies on heuristics started to be published in top journals mainly from 2009, with jumps occurring in 2013, 2014, and 2016.

Although we cannot fully explain this trend, we can discuss at least two plausible reasons. First, the entrepreneurship and strategic management literature has been permeable to the influences of the debate on heuristics in psychology and cognitive science more intensely since the 2000s, as shown in the foregoing. This may have triggered research on heuristics also in the international business domain. A second explanation could be found in the increasing turbulence and uncertainty that has characterized the international scenario in the last few years, which may have led managers and entrepreneurs to increasingly rely on rules of thumb for international-decision making, thus influencing the academic debate on the topic. The growing attention on heuristics by top journals can be interpreted as an opportunity for researchers in this field.

Table 1 shows the number of selected papers in the period range and the 9 journals in which they are published.

The leading outlet for heuristics research is represented by three journals that host 61% of the papers on the topic: *Journal of*

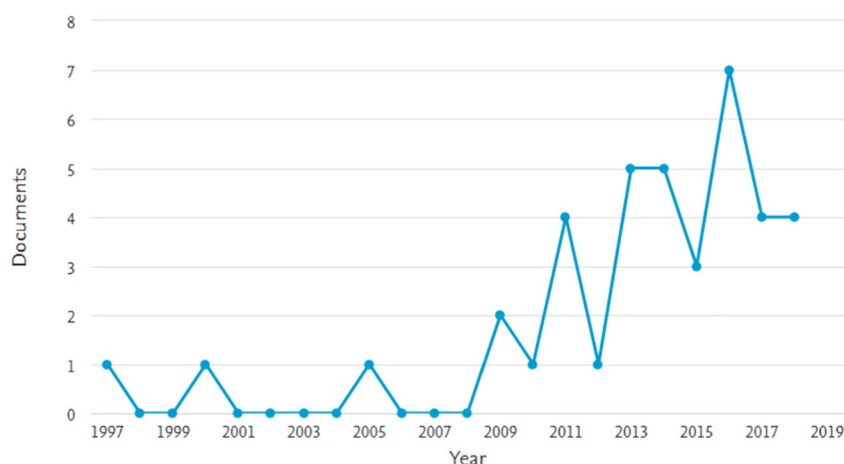


Fig. 1. Documents by year.

Table 1
Number of articles in each journal.

Journals	N. papers
<i>Journal of World Business</i>	9
<i>Journal of International Business Studies</i>	8
<i>Strategic Management Journal</i>	7
<i>Journal of International Management</i>	5
<i>International Business Review</i>	4
<i>International Marketing Review</i>	3
<i>Management International Review</i>	2
<i>Journal of International Marketing</i>	1
<i>Global Strategy Journal</i>	/
Tot.	39

World Business, *Journal of International Business Studies*, and *Strategic Management Journal*. The latter hosts 8 papers, 7 of them published after the relevant work by [Bingham and Eisenhardt \(2011\)](#) that gave rise to a debate on the topic. An analysis of the number of citations received by the selected articles allows identifying some of the most ‘influential’ articles. Premising that this analysis has some limitations due to the dimensions of the sample, too small for a scientometric analysis, and the nature of this indicator, the total number of citations is 1346. The most cited article ([Zahra et al., 2005](#)) has 262 citations up to September 2019. Two articles have respectively 231 ([Bingham and Eisenhardt, 2011](#)) and 101 ([Kumar and Subramaniam, 1997](#)) citations, while, five more articles have at least 40 citations ([Aharoni et al., 2011](#); [Maitland and Sammartino, 2015a, 2015b](#); [Leung et al., 2009](#); [Graffin et al., 2013](#)). Although the limitations of these figures, the scientific interest for the theme under discussion seems evident.

5. Thematic analysis

The thematic analysis is organized around the main topic areas addressed by the articles (see [Table 2](#)). Five categories were identified by the authors, as research areas in the IB domain ([Griffith et al., 2008](#)): (i) foreign market entry, with specific reference to

Table 2
Thematic analysis: a synthesis.

Topic areas	Authors/year	N. articles
<i>Foreign market entry</i>	Buckley et al., 2016, 2018 ; Luo, 2009 ; Alon and Banai, 2000 ; Kumar and Subramaniam, 1997 ; Elsahn and Benson-Rea, 2018 ; Malhotra and Zhu, 2013 ; Malhotra et al., 2015 ; Souchon et al., 2016 ; Maitland and Sammartino, 2015a, 2015b ; Aharoni et al., 2011 ; Nemkova et al., 2012 .	13
<i>Post-entry international expansion</i>	Carney et al., 2016 ; Li et al., 2016 ; Dimitratos et al., 2014 ; Volk et al., 2014 ; Monaghan and Tippmann, 2018 ; Kiss et al., 2013 ; Crilly et al., 2016 ; Nebus and Chai, 2014 ; Adomako et al., 2017 .	9
<i>International entrepreneurship</i>	Chandra, 2017 ; Yuan et al., 2017 ; Zahra et al., 2005 ; Bingham and Eisenhardt, 2011, 2014 ; Vuori and Vuori, 2014 .	6
<i>Foreign market selection</i>	Clark et al., 2018 ; Mataloni, 2011	2
<i>Other topics</i>	Harvey et al., 2011 ; Penz and Kirchler, 2016 ; Ke et al., 2010 ; Banalieva et al., 2017 ; Becker-Ritterspach and Raaijman, 2013 ; Leung et al., 2009 ; Mäkelä et al., 2013 ; Graffin et al., 2013 ; Filatotchev et al., 2016 .	9

entry modes; (ii) post-entry international expansion, including all issues that MNEs and SMEs have to deal with in the post-entry; (iii) international entrepreneurship; (iv) foreign market selection, and (v) a residual category containing a variety of themes in the IB domain.

5.1. Foreign market entry

The category with the highest number of articles concerns foreign market entry, with 13 articles dealing with several topics in this area: choice of entry modes (Kumar and Subramaniam, 1997); political schemas in the foreign market entry process (Elsahn and Benson-Rea, 2018); international franchising (Alon and Banai, 2000); foreign direct investments (Aharoni et al., 2011; Buckley et al., 2016, 2018); cross-border acquisitions (Malhotra and Zhu, 2013; Malhotra et al., 2015; Maitland and Sammartino, 2015a, 2015b); international joint ventures (Luo, 2009), export (Souchon et al., 2016; Nemkova et al., 2012). The extant literature on the choice of entry modes is challenged by Kumar and Subramaniam (1997). Such literature has assumed that the mode of entry is a single-stage rational analytic decision by the manager. The authors propose a contingency framework for the mode of entry decision in which an alternative strategy of decision making – cybernetic – is discussed. In the *cybernetic decision strategy*, decisions are made by considering only a few critical alternatives, according to a hierarchical process, and the decision rules follow some (non-specified) heuristic, which has been established through prior cognitive processes. However, the effectiveness of decision making is not warranted. Alon and Banai (2000) discuss franchising in Russia, an economy with one of the largest market potentials for American business, and suggest some *rules of thumb*. It is suggested that large firms with much international experience, strong brand name recognition, and a standardized formula should enter the Russian market.

Heuristics are also addressed in terms of *imitative behavior* in the context of cross-border acquisitions. It is discussed that acquiring firms in cross-border acquisitions tend to imitate other prior foreign acquirers in that host country in terms of premiums paid (Malhotra and Zhu, 2013). Such imitation is further discussed with reference to the *anchoring heuristic*, by which “decision-makers heavily rely on a piece of information (anchor) that appears prior to a decision” (Malhotra et al., 2015, p. 1866). Maitland and Sammartino (2015a, 2015b) discuss cross-border acquisitions as well and further contribute to the debate on the effectiveness of heuristics by viewing heuristics as powerful cognitive tools that enable, rather than limit, decision making in dynamic and uncertain environments. Authors examine the cognitive efforts of senior decision-makers of an inexperienced multinational, as they assess a potential acquisition in a politically hazardous African country. They applied a diversity of heuristics, some with clear *building block rules*, to build small world representations of a very uncertain strategic context.

The market entry process is also addressed with reference to the interactions between multinational enterprises and host governments (Elsahn and Benson-Rea, 2018). The authors identify political schemas, which represent MNE managers' assumptions and heuristics regarding how to approach interactions with foreign governments, systematic and episodic. *International experience* influences the process of political capability development, and managerial actions shape this evolutionary process.

Foreign direct investments (FDI) are also approached through different perspectives. A relevant contribution in this area is provided by Aharoni et al. (2011) who identify key theoretical developments in international managerial decision-making research. Buckley et al. (2016, 2018) analyze FDI risk-taking with a micro-foundational framework. At the individual level of analysis, managers display idiosyncratic tendencies to take risks. *Experiential learning* emerges as a heuristic in the decision process through which managers evaluate environments and select among alternative opportunities.

Luo (2009) investigates how distributive justice affects cooperation-related outcomes in international joint ventures (IJV) under the fairness-heuristic view. It is acknowledged that in incomplete or insufficient information conditions, such as IJV in which there is a wide range of areas wherein information is either insufficient for all parties or asymmetrical between these parties, people or parties process information heuristically; for example, they use other information such as *distributive or procedural fairness* to substitute for information that would be more directly relevant but is absent.

As for export, Souchon et al. (2016) investigate how today's international exporters can perform better on the global scene by harnessing spontaneity. To harness spontaneity, export managers should look to develop company heuristics (*increase centralization and strategic planning*). Centralization is the extent to which authority is concentrated at higher levels of the organization, and ensures that the decision-making personnel who act spontaneously is not overly dispersed across the organization. When spontaneous decision-making activity is contained within a narrower social system, the chances that such decisions will be excessively risky or strategically misaligned are reduced, while the ability to coordinate and control the implementation of these decisions is increased. The greater the level of strategic planning in the firm, the stronger the positive relationship between spontaneity and international marketing performance. Similarly, Nemkova et al. (2012) examine two predominant export decision heuristics emanating from normative and descriptive decision theory, namely *planning and improvisation* that coexist within exporting firms.

5.2. Post-entry international expansion

Another relevant category, with 9 articles, deals with several topics on the post-entry international expansion of MNEs and SMEs. Carney et al. (2016) draw upon the organizational capabilities, internationalization process, and institutional work literature, to define *institutional capabilities as heuristics, skills, and routines* that facilitate the execution of institutional strategies in host countries. The authors embrace the view of *experiential learning captured by heuristics*, which permit the effective application of simplifying problem-solving logic. Such logic is applied to the owner-managers of family firms in emerging markets, who have greater scope to exercise the heuristic logic for decision-making. Li et al. (2016) employ the lens of the institutional theory and draw on the *representativeness heuristics* (Tversky and Kahneman, 1974). It is observed that it is likely that “when people judge the legitimacy of a

particular organizational unit (e.g., the headquarters of a MNE), they will refer to the legitimacy of another organizational unit that is similar to the focal unit (e.g., a subsidiary of that MNE), as both headquarters and subsidiary belong to the same cognitive category (i.e., belong to the same MNE)" (Li et al., 2016, p. 594).

The issue of new ventures post-entry international growth is addressed by Kiss et al. (2013). The study shows that the extent to which entrepreneurs perceive internationalization choices more or less risky than an objective standard (i.e. internationalization risk bias) leads to variations in international growth rates, in particular international scope. The use of heuristics (non-specified) when making decisions can lead entrepreneurs to biases that translate into underestimation or overestimation of risks associated with various situations.

The issue concerning modes of learning in multinational subsidiaries is the focus of the study by Dimitratos et al. (2014). Learning modes of multinational subsidiaries include managerial and entrepreneurial learning. The latter shares characteristics with the interpretive learning perspective, is facilitated by the embeddedness of the subsidiary in the host country and is transferred in the MNE through relatively fewer reverse knowledge flows. *Entrepreneurial learning* is built upon the general type of knowledge, is path-dependent, and includes learning from successes and failures of the firm. Heuristics may be momentous in explaining variations in this type of learning.

Another relevant issue for MNEs is discussed by Volk et al. (2014), which is foreign language processing under a cognitive-neuroscience perspective. In response to language diversity, MNEs face the challenge of developing effective strategies to handle the complexities of multilingual communication. Foreign language processing increases the likelihood that people rely on heuristics when processing information. Such heuristics are initiated by situational cues related to relevant prior knowledge to elicit default judgments and decisions with limited analytic input. The authors underline that culturally determined heuristics can introduce biases and systematic errors into judgment and decision-making.

Monaghan and Tippmann (2018) analyze how young entrepreneurial firms internationalize fast through foreign subsidiaries to become a multinational enterprise. They rely on the concept of industry recipes, defined as a set of heuristics shared within an industry that enables firm behavior in the presence of uncertainty. Three sets of heuristics are identified: organizational structure, location choice, and market selection. Their constituent rules of thumb include: *build hub-satellite operation; invest in regional headquarters; follow-the-sun/time zone model; locate to access local talent; choose cost-efficient location; choose continental entry point; follow widespread/large market potential; prioritize countries that are early/fast adopters of technology; cautious about; pilot market.*

Two relevant topics in the post-entry international expansion area, namely psychic distance and the liability of foreignness, are taken into account by 2 articles. Crilly et al. (2016) argue that in the context of corporate social responsibility of multinational corporations, two heuristics guide stakeholders in evaluating firms' social performance: *foreignness, and the valence of firms' social responsibility*. Related to foreignness, the concept of psychic distance is also investigated. Psychic distance is centered on the firm's managers and explain how their cognitive limitations, perceptions, heuristics, and experiences interact with a foreign environment to influence their decision making (Nebus and Chai, 2014). The authors describe a possible short cut when assessing psychically distant contexts: when managers are faced with a large set of different situations or objects, a short cut consists of grouping these situations or objects together according to their similarity based on more visible or easily perceptible features. This short cut leads to associate a prototype with each group. The resulting *prototype heuristic* may cause two problems: grouping individual contexts which, might be similar only on the surface; comparing a new context to the prototype context which is representative of the group, not the group members themselves.

In the context of *SMEs internationalization*, Adomako et al. (2017) investigate how the impact influence of CEOs' regulatory foci on firms' degree of internationalization depends on the intensity of competitive market conditions. It is discussed that the effects of promotion and prevention foci on a firm's international activities are contingent on domestic competition because CEOs' psychological attributes allow them to pay particular attention to some *specific environmental heuristics* and act according to these heuristics.

5.3. International entrepreneurship

When dealing with *international entrepreneurship* (6 articles), some articles proposes studies oriented to heuristics specific to IB (Chandra, 2017; Yuan et al., 2017), others confront with the fast and frugal heuristics approach (Bingham and Eisenhardt, 2011, 2014; Vuori and Vuori, 2014), while one article cite heuristics without being the main object of research (Zahra et al., 2005). Whithin the first group, Chandra (2017) investigates two important research gaps in international business (IB): (1) how entrepreneurs evaluate international entrepreneurial opportunities and (2) the role of time in the evaluation process. The findings reveal that the interaction of time and simple *heuristics-, emotion- and action-based rules* of international entrepreneurial opportunity evaluation influence the entrepreneurs' decisions. In the evaluation of international entrepreneurial opportunities, decision-makers rely on heuristic-based rules that are: recognition, least-effort, no rules, simple calculus, fit and low-transaction cost (Chandra, 2017). Yuan et al. (2017) draw on psychology research and highlight the value of the *heuristic-systematic model* for information processing, to conceptualize how the relationships between the CEO's ambivalent interpretations and corporate entrepreneurship vary with the organizational market capabilities. The findings suggest that the heuristic model is adopted when the effort of collecting more information is vain; however, this leads to decreasing corporate entrepreneurship activities.

An outstanding contribution in this field is provided by Bingham and Eisenhardt (2011), and the following debate (Vuori and Vuori, 2014; Bingham and Eisenhardt, 2014). The authors distinguish between heuristics for exploiting business opportunities and heuristics that allow linking different business opportunities in entrepreneurial companies engaged in internationalization processes. More specifically, Bingham and Eisenhardt (2011) analyze heuristics starting from a multiple case study based on six entrepreneurial companies engaged in internationalization processes. The study claims that heuristics can drive more effective strategic actions

compared to complex and “information-intensive” analytical models for decision making, even when time, processing skills, and information are available. Thus, the use of simple heuristics can be a rational “strategy” compared to analytically complex approaches that use large amounts of information in markets characterized by uncertainty. The study has also shown that different actors use different “portfolios of heuristics” in order to address a certain task (Bingham and Eisenhardt, 2011, p. 1448). Such portfolios can consist of relatively numerous *heuristic rules*, such as *selection*, *procedural*, *temporal*, and *priority simple rules*, and are subject to subsequent selection and change over time. Four mechanisms are discussed: the first builds directly on Gigerenzer's approach on positive heuristics, and includes the use of a heuristic cue as a proxy for complex, correlated information; the second and the third mechanisms consist of capturing a window of opportunity and providing some direction while allowing freedom to improve; the fourth one relates to coordination.

A relevant contribution in the field of international entrepreneurship is that of Zahra et al. (2005) on cognition and international entrepreneurship. The authors call for attention to be placed on the entrepreneur and his/her mental models and suggest that an individual's “cognitive systems” are likely to “influence entrepreneurs' decision rules, decision horizons, and risk preferences” (Zahra et al., 2005, p. 137), and as such may influence the entrepreneurial behavior of the internationalizing firm. The heuristics developed through *past experience* enable entrepreneurs to make sense of given issues quickly. The entrepreneur's education, functional expertise, and past track records of success and failures also shape her/his perceptions of the viability of different strategic options being considered.

5.4. Foreign market selection

Within this category, two articles propose heuristics specific to international business. Mataloni (2011) discusses the structure of location choice for US manufacturing investments in Asia-Pacific. Even if heuristics are not the object of study of the paper, an effective heuristic is suggested, which considers a sequential choice process in which a country is first selected based on national attributes and then a region within that country based on regional attributes. Cross-border acquisitions as one of the possible foreign market entry strategies are also studied, in order to determine why they might rely on prior premium decisions in the host market rather than rigorous assessments of the deal. Foreign acquirers adopt an *imitative behavior* as a heuristic that increases if little time has elapsed between the prior and focal acquisitions, if the prior acquirer is from the same home country or industry, and if that prior acquirer experiences a positive stock market reaction to its acquisition announcement. Clark et al. (2018) focus on the initial stage of foreign market selection, in which firms narrow a set of potential countries from which to make a final choice. The authors theorize that manager's *country familiarity* influences both the decision-making process and outcome. Thus, the study contributes to the understanding of heuristics in international business by identifying country familiarity as a relevant mechanism of intuition-based decision making that can be effectively applied to the foreign market-selection decision. In particular, it is argued that managers' international experience influences the nature of the relationship between their country familiarity and the cognitive effort they put forth in the initial decision-making stage of foreign market selection. The authors conclude that country familiarity as a rule of thumb influences how managers narrow a consideration set of potential host countries in the foreign market selection, and international experience moderates the relationship between country familiarity and both cognitive effort and initial country assessment.

5.5. Other topics

A group of 8 articles deals with several topics in the IB domain. An area of interest concerns human resource management (HRM). In studying the compensation disparity between local and expatriate employees, Leung et al. (2009) rely on the *fairness heuristic theory* that is based on the assertion that people use their judgments of fairness as a heuristic to guide decisions about the appropriate level of

personal investment and involvement in groups, organizations, and institutions. Graffin et al. (2013) examine CEO succession and the role of heuristics in early-stage CEO evaluation. It is found that when a newly appointed CEO succeeds an organizationally significant individual, such as a star CEO or the founder of the organization, the boards use of the *contrast heuristic*, namely the boards will likely continue to see the star CEO, and not the incumbent CEO, as the primary cause of positive performance, resulting in a less favorable evaluation for whoever follows a star CEO. Thus, this study appears to be in line with the heuristics-and-biases approach. Mäkelä et al. (2013) examine how functional and line-management stakeholders evaluate operational human resource management capabilities. They adopt *structurally-driven heuristics* in which the structural position of the evaluator determines whether s/he bases his or her decision primarily on experience-based evidence of one focal actor or on cognition-based comparison of several actors.

Two studies develop the *availability heuristic*. Penz and Kirchler (2016) develop a methodology – the Vienna Diary Technique – to study household dynamics and decision-making, in which the availability heuristic intervenes (judgments are formed on the basis of the difficulty or ease with which information can be recalled or generated from memory). Ke et al. (2010) identify a “home bias” in capital markets: fund managers strongly prefer to invest in stocks of US firms that have a presence in their home country, independently from the degree of global involvement and visibility of these US firms.

Becker-Ritterspach and Raaijman (2013) focus on an emerging country, India, with the aim of contributing to a better understanding of Indian management. They rely on the *historical hybridity perspective as a heuristic* device to understand Indian management and its globalization related transition. Banalieva et al. (2017) discuss how the length of exposure to communism, the communist footprint, affect individuals' influence behaviors at work. They rely on the fairness heuristic theory to capture the varying intensities of fairness judgments about the communist authority that individuals formed depending on how short or prolonged their communist socializations were.

Table 3

A typology of heuristics emerging from the IB literature.

Groups and approaches		Heuristic types	Authors
<i>Group 1 – Research confronted with heuristics-and-biases or fast-and-frugal-heuristics approaches</i>	Heuristics-and-biases-approach	Heuristics and biases in IB decision-making	Aharoni et al. (2011)
		Contrast heuristic	Graffin et al. (2013)
		Anchoring	Malhotra et al. (2015), Malhotra and Zhu (2013)
		Representativeness heuristic	Li et al. (2016)
	Fast-and-frugal-heuristics approach	Availability heuristic	Ke et al. (2010), Penz and Kirchler (2016)
		Selection, procedural, temporal, priority simple rules	Bingham and Eisenhardt (2011, 2014)
		Positive heuristic contexts	Vuori and Vuori (2014)
		IB specific rules' building blocks analysis	Maitland and Sammartino (2015a, 2015b)
	Both approaches	Cognitive-neuroscience perspective	Volk et al. (2014)
		Fairness heuristic theory	Banalieva et al. (2017), Leung et al. (2009), Luo (2009)
<i>Group 2 – Research based on other psychological approaches</i>		Heuristic (vs. systematic) model	Yuan et al. (2017)
		Structurally-driven heuristics	Mäkelä et al. (2013)
		Reference points	Harvey et al. (2011)
		Historical hybrid heuristic	Becker-Ritterspach and Raaijman (2013)
		Experiential learning for risk-taking	Buckley et al. (2016, 2018)
		Heuristics as institutional capabilities, experiential learning	Carney et al. (2016)
		Heuristics-based, emotion-based and action-based rules	Chandra (2017)
		Country familiarity	Clark et al. (2018)
		Recipe heuristics	Monaghan and Tippmann (2018)
		Prototype heuristic	Nebus and Chai (2014)
<i>Group 3 - Research oriented to heuristics specific to international business</i>		Imitative behavior	Mataloni (2011)
		Specific environmental heuristics	Adomako et al. (2017)
		Foreignness	Crilly et al. (2016)
		Entrepreneurial learning	Dimitratos et al. (2014)
		International experience in approaching foreign governments	Elsahn and Benson-Rea (2018)
		Past experience	Zahra et al. (2005)
		Centralization	Souchon et al. (2016)
		Improvisation	Nemkova et al. (2012)
		Information about a brand and familiarity	Filatotchev et al. (2016)
		International experience, brand name and standardized formula	Alon and Banai (2000),
		Non-specified heuristics	Kiss et al. (2013), Kumar and Subramaniam (1997)

A multi-level model of global decision-making is proposed by [Harvey et al. \(2011\)](#). Starting from the reference point theory, the authors argue that global managers need to develop a set of dynamic, *reference points* in order to develop appropriate or satisfying decision heuristics, which are based upon reference points in groups, organizations, and the macro-environment.

[Filatotchev et al. \(2016\)](#) maintain that the functioning of capital markets is far more dependent on trust than product markets, making institutional perspective a particularly powerful heuristic lens for theory building. Individuals use simple rules of thumb when making decisions under uncertainty and *information about the brand and familiarity* with the product are equated as information about the securities.

6. Discussion and final remarks

As shown in the thematic analysis, the IB literature that includes the concept of heuristics is very diverse and tends to develop a wide range of research areas and approaches that makes it difficult to find single recurring or dominant forms. From the authors' reading and interpretation, there emerge at least three groups of works in the international business literature dealing with heuristics, as shown in [Table 3](#).

The first group of studies includes *research explicitly confronted with heuristics-and-biases or fast-and-frugal-heuristics approaches*. More specifically, it is possible to classify a number of articles on the basis of the literature from which the concept of heuristics originates and the two approaches presented in the foregoing – “heuristics and bias approach” and “fast and frugal heuristics approach”. Seven articles rely on the set of heuristics presented by [Kahneman and Tversky \(1972\)](#) and discuss, among others, availability, representativeness, and anchoring as heuristics employed in IB activities. Other articles follow a “fast and frugal heuristics

approach” in which simple rules are identified as positive heuristics in the internationalization processes of new entrepreneurial technological ventures (Bingham and Eisenhardt, 2011 and the following debate). However, articles in this category are a minority, testifying a relatively limited relevance in the IB domain of the debate on the role of heuristics gained in the psychology literature. Although there are some works that examine the role of heuristics in-depth, these are few and substantially limited even for areas, such as those related to the distinction between situations of uncertainty in relation to those of risk, in which the psychology literature would be particularly relief. This set the basis for future research in the IB domain, which could draw from the debate around heuristics in the experimental psychology literature to understand whether some types of heuristics that firms can apply in their international expansion are sources of biases or are models for fast and frugal decisions, capable of effective solutions without using a lot of information and processing.

The second group of studies includes *research based on other psychological approaches*. The emerging heuristics can be linked to approaches grounded in the field of psychology, such as the fairness heuristic theory, that relies on a different theoretical basis, compared to the first group of articles. Future research in this area might be useful to assess the effectiveness of such heuristics for international decision-making.

The third group of studies includes *research oriented to heuristics specific to international business*. Within this category, there are several types of heuristics directly derived from the IB domain. To cite a few, in the foreign market entry research area, heuristically-based decisions concerning entry modes rely on the previous international experience of the firm as a whole, the entrepreneur, or managers. Experiential learning derives from previous international experience, which implies the accumulation and storing of that learning as the knowledge that guides the foreign market entry decisions. Other heuristics concern the country familiarity that serves for foreign market selection, and the imitative behavior that activates when companies learn by observing others' behaviors and its consequences, assimilate this information and use it as the basis for action. However, most of these articles use the term without assigning a particular relevance to the underlying concept or developing specific comparison with the results emerged in a trans-disciplinary context, and without maturing capacity of interpretation of these results for the specific discipline. These represent all areas in which further research is required. Especially in the field of entry modes, directions for future research concern a deeper understanding of the types of heuristics often mentioned, e.g. past experience, imitative behaviors, and organizational capabilities, how they are applied, and their outcomes. Studying the decision-making heuristics could improve the understanding of how managers and entrepreneurs weigh different entry modes and adjust their choices over time. Additionally, the presence, in this group, of several articles dealing with the foreign market entry and post-entry of MNEs, suggests another research direction, namely how heuristics vary across MNEs' decision-makers from different cultural traditions and, more in general, the cultural foundations of heuristics. Research in the IB domain may also benefit from a comparison of the types of heuristics developed in MNEs and SMEs for international decision-making. Finally, research on heuristics may take advantage of recent theoretical advances in the IB domain concerning the microfoundations, which are the explanatory mechanisms at the individual level, individual actions, and processes, and how they interact with other mechanisms regarding phenomena at a higher level (see, for example, Park and Harris, 2014; Coviello et al., 2017; Vahlne and Johanson, 2020).

Therefore, the results of this literature review confirm that the IB literature develops the concept of heuristics in very various ways, tending to develop a plurality of approaches, without just one or few recurring or dominant forms. It is, however, possible to identify some types of heuristics and heuristically-based decisions, on which the analyzed studies show a generally positive view on their effectiveness in the uncertainty of the international expansion of firms. Our literature review has some limitations. Concerning the methodology, the literature review is based on a sample of journals selected according to specific criteria and therefore does not cover the full range of academic journals in the international business field. Additional research is required in order to extend or redefine the journals considered for the review. Book chapter, conference paper, editorial, book, short survey, note, conference review, letters have been excluded, which might generate an interpretation bias due to the reduced number of reviewed literature pieces. Another limit concerns the selected keywords and strings that may have led to the non-identification of relevant studies. Finally, the methodological approach was a manual literature review technique, and also the screening and analysis were manual, this may have led to unintended bias.

Appendix A. Authors, title, year, source title

N.	Authors	Title	Year	Source title
1	Monaghan S., Tippmann E.	Becoming a multinational enterprise: using industry recipes to achieve rapid multinationalization	2018	<i>Journal of International Business Studies</i>
2	Clark D.R., Li D., Shepherd D.A.	Country familiarity in the initial stage of foreign market selection	2018	<i>Journal of International Business Studies</i>
3	Buckley P.J., Chen L., Clegg L.J., Voss H.	Risk propensity in the foreign direct investment location decision of emerging multinationals	2018	<i>Journal of International Business Studies</i>
4	Elsahn Z.F., Benson-Rea M.	Political schemas and corporate political activities during foreign market entry: a micro-process perspective	2018	<i>Management International Review</i>
5	Chandra Y.	A time-based process model of international entrepreneurial opportunity evaluation	2017	<i>Journal of International Business Studies</i>

- 6 Adomako S., Opoku R.A., Frimpong K. The moderating influence of competitive intensity on the relationship between CEOs' regulatory foci and SME internationalization 2017 *Journal of International Management*
- 7 Yuan W., Bao Y., Olson B.J. CEOs' ambivalent interpretations organizational market capabilities and corporate entrepreneurship as responses to strategic issues 2017 *Journal of World Business*
- 8 Banalieva E.R., Karam C.M. et al. Communist footprint and subordinate influence behavior in post-communist transition economies 2017 *Journal of World Business*
- 9 Li J., Jiang F., Shen J. Institutional distance and the quality of the headquarters-subsidiary relationship: the moderating role of the institutionalization of headquarters' practices in subsidiaries 2016 *International Business Review*
- 10 Penz E., Kirchler E. Households in international marketing research: Vienna Diary Technique (VDT) as a method to investigate decision dynamics 2016 *International Marketing Review*
- 11 Souchon A.L., Hughes P., Farrell A.M., Nemkova E., Oliveira J.S. Spontaneity and international marketing performance 2016 *International Marketing Review*
- 12 Filatotchev I., Bell R.G., Rasheed A.A. Globalization of capital markets: implications for firm strategies 2016 *Journal of International Management*
- 13 Buckley P.J., Chen L., Clegg L.J., Voss H. Experience and FDI risk-taking: a microfoundational reconceptualization 2016 *Journal of International Management*
- 14 Carney M., Dieleman M., Taussig M. How are institutional capabilities transferred across borders? 2016 *Journal of World Business*
- 15 Crilly D., Ni N., Jiang Y. Do-no-harm versus do-good social responsibility: attributional thinking and the liability of foreignness 2016 *Strategic Management Journal*
- 16 Maitland E., Sammartino A. Managerial cognition and internationalization 2015 *Journal of International Business Studies*
- 17 Malhotra S., Zhu P., Reus T.H. Anchoring on the acquisition premium decisions of others 2015 *Strategic Management Journal*
- 18 Maitland E., Sammartino A. Decision making and uncertainty: the role of heuristics and experience in assessing a politically hazardous environment 2015 *Strategic Management Journal*
- 19 Dimitratos P., Plakoyiannaki E., Thanos I.C., Förbom Y.K. The overlooked distinction of multinational enterprise subsidiary learning: its managerial and entrepreneurial learning modes 2014 *International Business Review*
- 20 Volk S., Köhler T., Pudenko M. Brain drain: the cognitive neuroscience of foreign language processing in multinational corporations 2014 *Journal of International Business Studies*
- 21 Nebus J., Chai K.H. Putting the psychic back in psychic distance: awareness perceptions and understanding as dimensions of psychic distance 2014 *Journal of International Management*
- 22 Bingham C.B., Eisenhardt K.M. Response to Vuori and Vuori's commentary on heuristics in the strategy context 2014 *Strategic Management Journal*
- 23 Vuori N., Vuori T. Comment on heuristics in the strategy context by [Bingham and Eisenhardt \(2011\)](#) 2014 *Strategic Management Journal*
- 24 Kiss A.N., Williams D.W., Houghton S.M. Risk bias and the link between motivation and new venture post-entry international growth 2013 *International Business Review*
- 25 Mäkelä K., Björkman I., Ehrnrooth M., Smale A., Sumelius J. Explaining stakeholder evaluations of HRM capabilities in MNC subsidiaries 2013 *Journal of International Business Studies*
- 26 Malhotra S., Zhu P. Paying for cross-border acquisitions: the impact of prior acquirers' decisions 2013 *Journal of World Business*
- 27 Becker-Ritterspach F., Raaijman T. Global transfer and Indian management: a historical hybridity perspective 2013 *Management International Review*
- 28 Graffin S.D., Boivie S., Carpenter M.A. Examining CEO succession and the role of heuristics in early-stage CEO evaluation 2013 *Strategic Management Journal*
- 29 Nemkova E., Souchon A.L., Hughes P. Export decision-making orientation: an exploratory study 2012 *International Marketing Review*
- 30 Aharoni Y., Tihanyi L., Connelly B.L. Managerial decision-making in international business: a forty-five-year retrospective 2011 *Journal of World Business*
- 31 Harvey M., Griffith D., Kiessling T., Moeller M. A multi-level model of global decision-making: developing a composite global frame-of-reference 2011 *Journal of World Business*
- 32 Mataloni R.J. The structure of location choice for new U.S. manufacturing investments in Asia-Pacific 2011 *Journal of World Business*
- 33 Bingham C.B., Eisenhardt K.M. Rational heuristics: the 'simple rules' that strategists learn from process experience 2011 *Strategic Management Journal*
- 34 Ke D., Ng L., Wang Q. Home bias in foreign investment decisions 2010 *Journal of International Business Studies*
- 35 Luo Y. From gain-sharing to gain-generation: the quest for distributive justice in international joint ventures 2009 *Journal of International Management*
- 36 Leung K., Zhu Y., Ge C. Compensation disparity between locals and expatriates: moderating the effects of perceived injustice in foreign multinationals in China 2009 *Journal of World Business*
- 37 Zahra S.A., Korri J.S., Yu J. Cognition and international entrepreneurship: implications for research on international opportunity recognition and exploitation 2005 *International Business Review*

38	Alon I., Banai M.	Executive insights: franchising opportunities and threats in Russia	2000	<i>Journal of International Marketing</i>
39	Kumar V., Subramaniam V.	A contingency framework for the mode of entry decision	1997	<i>Journal of World Business</i>

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