THE IMPACT OF METACOGNITION ON ENTREPRENEURIAL ORIENTATION: RESEARCH-IN-PROGRESS

Young Sik Cho
University of Texas-Pan American
College of Business Administration
1201 W. University Dr., Edinburg, TX 78539
414-520-6700
ycho@utpa.edu

ABSTRACT

The purpose of this study is to investigate how individuals' metacognitions impact their entrepreneurial orientations and performances. Based on the two metacognition dimensions (metacognitive awareness, metacognitive skill), the three entrepreneurial orientation dimensions (innovativeness, risk taking, and proactiveness) and the three entrepreneurial tasks (growth in sales, return on sales, customer satisfaction), this study develops the research model and the eight hypotheses to explore the relationship among metacognition, EO and entrepreneurial task. This study will have several meaningful contributions to entrepreneurial research field as well as to strategic research field. First, regarding entrepreneurial metacognition, only a few empirical studies have been conducted thus far. Second, there are also rare empirical research works which examine the relationship between entrepreneurial metacognitions and their orientations. Even more, there is no existent empirical research work that investigates how entrepreneurial metacognition impacts the entrepreneurial performances. Therefore, this research can help entrepreneurs as well as entrepreneurial firms, more systematically to understand how their metacognitive aspects influence their entrepreneurial tasks.

Keywords: Metacognitions, Entrepreneurial Orientations, Entrepreneurial Tasks

INTRODUCTION

This study aims at exploring how individuals' metacognitions influence their entrepreneurial orientations and performances. In particular, this study intends to examine the following research questions:
(1) Are the metacognitions of individuals related to the entrepreneurial orientations?
(2) How do the metacognitive knowledge and skills influence the entrepreneurial orientations?
(3) How do the metacognitive knowledge and skills impact the entrepreneurial tasks?

THEORETICAL BACKGROUNDS

Metacognition. Michael & Dean (2010) assert that foundations of an entrepreneurial mindset are metacognitive in nature, and entrepreneurs formulate and inform "higher-order" cognitive strategies in the pursuit of entrepreneurial purposes. In general, metacognition can be described as the awareness and understanding of one's own cognitive processes. Specifically, metacognition can be defined by the following five dimensions: metacognitive knowledge, metacognitive experience, metacognitive control, goal orientation, and monitoring (Flavell, 1979, 1987; Griffin & Ross, 1991; Nelson, 1996; Michael & Dean, 2009).

Entrepreneurial Orientation. EO is significantly important not only for the survival and growth of firms but also for the economic prosperity of nations (Morris, 1998). Lumpkin & Dess (1996) define entrepreneurial orientations (EO) as the practices processes, and decision-making activities that lead to new entry. In other words, EO is different from entrepreneurship itself. Although entrepreneurship simply refers to new entry, a firm's EO refers to the entrepreneurial process, namely how entrepreneurship is undertaken—the methods, practices, and decision-making styles used to act entrepreneurially (Sang & Suzanne, 2000). Miller (1983) adopted three dimensions of EO, "innovativeness," "risk taking," and "proactiveness" in order to characterize entrepreneurship. Later, Lumpkin & Dess (1996) suggested two more dimensions of EO, "autonomy," and "competitive aggressiveness."

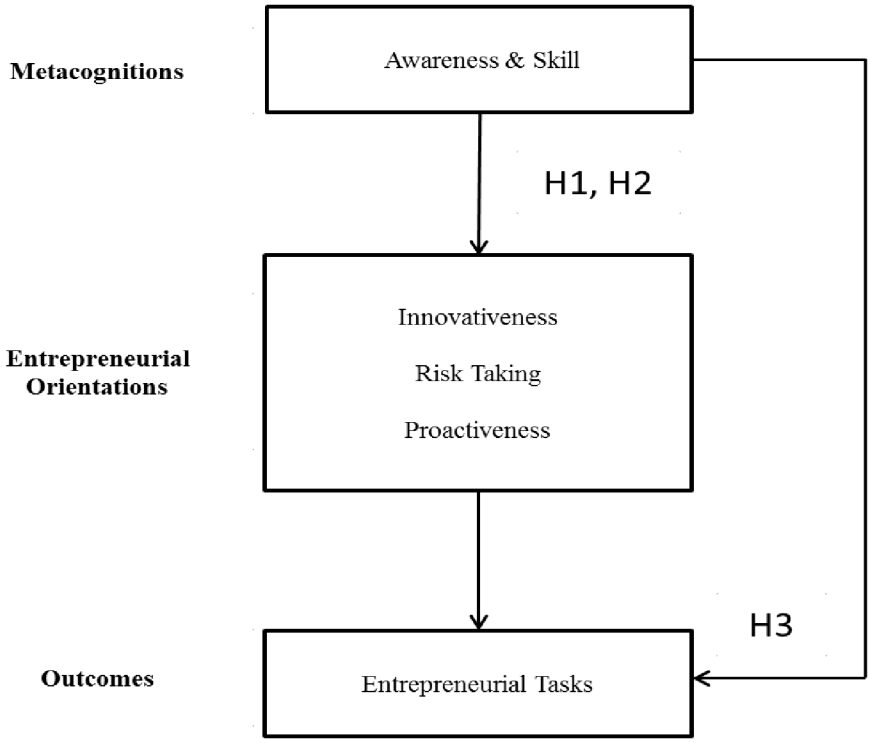
RESEARCH MODEL AND HYPOTHESES

According to the similarity, this study classifies five metacognition dimensions into two categories: metacognitive awareness (metacognitive knowledge and metacognitive experience) and metacognitive skills (metacognitive control, goal orientation, and monitoring). Also, this study embraces the Miller's three EO dimensions (innovativeness, risk taking, and proactiveness) and builds up the following hypotheses to investigate the relationship among metacognition, EO and entrepreneurial task:

Hypothesis 1a. The metacognitive awareness is positively related to the entrepreneurial innovativeness orientation.
Hypothesis 1b. The metacognitive awareness is positively related to the entrepreneurial risk taking orientation.
Hypothesis 1c. The metacognitive awareness is positively related to the entrepreneurial proactiveness orientation.
Hypothesis 2a. The metacognitive skill positively influences to the entrepreneurial innovativeness orientation.
Hypothesis 2b. The metacognitive skill positively influences to the entrepreneurial risk taking orientation.
Hypothesis 2c. The metacognitive skill positively influences to the entrepreneurial proactiveness orientation.
Hypothesis 3a. The metacognitive awareness positively impacts the entrepreneurial tasks.
Hypothesis 3b. The metacognitive skill positively impacts the entrepreneurial tasks.

Figure 1 illustrates the conceptual framework of this research.

FIGURE 1
Research Model



METHODOLOGY

A questionnaire is used as a survey in this study and comprises of the two metacognition dimensions (metacognitive awareness, metacognitive skill), the three EO dimensions (innovativeness, risk taking, and proactiveness), and the three entrepreneurial tasks (growth in sales, return on sales, customer satisfaction). The survey participants will be asked to rate their perceptions on these complex questions.

There are several criteria in choosing target respondents. The first criterion is choosing a single respondent from same company. The second criterion is the position of the target respondent in the organization; it is preferred that respondents are actual entrepreneurs of firms. The third criterion is that the target respondent is likely to have knowledge of firm's primary strategic implementation as well as knowledge of firm's performance. If there is more than one subject from the same organization, the target respondent is chosen on the basis of position in the organization (the highest rank among the target respondents) and the likelihood of his/her access to the information requested in the questionnaire.

In terms of data analysis, in order to look over the demographics of the respondent organizations, the frequency distributions of the number of employees, industries represented and

the types of firms will be generated. The assumptions of multivariate analysis will be tested. Moreover, reliability and validity tests will be conducted. The research model will be tested by a linear structural relations analysis (LISREL) (Kerlinger, 1986; Bobko, 1991; Joreskog & Sorborm, 1993).

CONCLUSION

I expect this research will have several meaningful contributions to entrepreneurial research field as well as to strategic research field. First, regarding entrepreneurial metacognition, only a few empirical studies have been conducted so far. Second, there are also rare empirical research works which examine the relationship between entrepreneurial metacognitions and their orientations. Even more, there is no existent empirical research work that investigates how entrepreneurial metacognition impacts the entrepreneurial performances. Therefore, this research can help entrepreneurs as well as entrepreneurial firms, more systematically to understand how their metacognitive aspects influence their entrepreneurial tasks.

REFERENCES

Bobko, P. (1991). Multivariate correlational analysis. In M. Dunnette & L. Hough (Eds.), Handbook of industrial and organizational psychology (2nd ed). Palo Alto, CA: consulting Psychologist Press.

Flavell, J. (1979). Metacognition and cognitive monitoring: A new area of cognitive-developmental inquiry. American Psychologist, 34, 906–911.

Flavell, J. (1987). Speculations about the nature and development of metacognition. In F.E. Weinert & R.H. Kluwe (Eds.), Metacognition, motivation, and understanding (pp. 21–29). Hillside, NJ: Erlbaum.

Griffin, D., & Ross, L. (1991). Subjective construal, social inference, and human misunderstanding. In M. Zanna (Eds.), Advances in experimental social psychology (Vol. 24, pp. 319–356). NY: Academic Press.

Haynie, M., & Shepherd, D. A. (2009). A measure of adaptive cognition for entrepreneurship research, Entrepreneurship theory and practice, 33: 695-714.

Haynie, M., Shepherd, D. A., Mosakowski, E., & Earley, P. C. (2010). A situated metacognitive model of the entrepreneurial mindset, Journal of Business Venturing, 25, 217-229.

Joreskog, K. G., & Sorbom, D. (1993). LISREL 8: Structural Equation Modeling with the SIMPLIS Command Language. Hillsdale NJ: Lawrence Erlbaum Associates Publishers.

Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. Academy of Management Review, 21: 135–172.

Lee, S. M., & Peterson, S. J. (2000). Culture, entrepreneurial orientation, and global competitiveness, Journal of World Business, 35(4), 401-416.

Morris, M. H. (1998). Entrepreneurial intensity intensity: Sustainable advantages for individuals, organizations, and societies. Westport, CT: Quorum Books.

Nelson, T. (1996). Consciousness and metacognition. American Psychologist, 51, 102–129.

Kerlinger, F. N. (1986). Foundations of behavioral research (3rd ed). Ft Worth, TX: Holt, Rinehart and Winston, Inc.