

Risk and Uncertainty in Internationalisation and International Entrepreneurship Studies

Review and Conceptual Development

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Abstract:

- In this article we review how risk and uncertainty in the international expansion of the firm are treated in the internationalisation and international entrepreneurship literatures, including emerging research in both fields.
- We conclude that there is need for a more nuanced treatment of risk and of uncertainty in the international expansion of firms in their interactions with each other.
- We show that, despite the prevailing perspective in the literature, more uncertainties might be revealed and risk might increase with international experience, thereby inhibiting internationalisation, and in some cases inducing de-internationalisation.
- We introduce the dynamic concepts of uncertainty acclimatisation and risk accommodation as a better recognition of how uncertainty and risk might alter over time.
- Coevolution theory is drawn upon to conceptualise how the interaction and dynamics of perceptions of uncertainty and assessments of risk during the internationalisation process might be developed theoretically.

Keywords: Risk · Uncertainty · Coevolution · Internationalisation · International entrepreneurship

Received: 02.11.2009 / **Revised:** 15.05.2010 / **Accepted:** 04.08.2010 / **Published online:** 04.11.2011
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