Effectuation and causation: Two decision-making logics of INVs at the early stage of growth and internationalisation

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The purpose of this study is to explore what decision-making logic (effectual or causal) is dominant in the new venture internationalisation process and what influences its changes over time. To this end, we present a case study of a Polish international new venture (INV) operating in the audiobook industry. The study’s findings reveal that decision-making logic at the early stage of company growth and internationalisation cannot be assigned to one type of logic, but rather may shift from effectuation to causation and vice versa. Moreover, we argue that INVs may apply two logics simultaneously, depending on the characteristics of the problem space.

Key words: international new ventures, internationalisation, decision-making, effectuation, causation, international entrepreneurship (JEL: F23, M16)