



A Critical Analysis of Overconfidence as an Explanation for the High Rate of Business Entry Failure

By Thorben Wölk

GRIN Verlag Mai 2013, 2013. Taschenbuch. Book Condition: Neu. 211x144x10 mm. This item is printed on demand - Print on Demand Neuware - Studienarbeit aus dem Jahr 2013 im Fachbereich BWL - Unternehmensführung, Management, Organisation, einseitig bedruckt, Note: 1,0, Christian-Albrechts-Universität Kiel (Applied economics of the firm), Veranstaltung: Risk and Entrepreneurship, Sprache: Deutsch, Abstract: Friday, the 19th of October, 2012, the German newspaper 'Handelsblatt' (Storbeck, 2012) titled: 'Rethinking Economy'. 15 young economists were introduced to be the new hope for economic science. One of them was Ulrike Malmendier whose first economic researches deal with managerial hubris. Introducing her is proving the importance of a new economic domain called 'behavioural economics'. As a behavioural economist Malmendier criticises the 'homo-economicus'-model and the idea of people acting entirely rational. In fact, people constantly display irrational behaviour that results out of cognitive biases (that distort their perception) and also results out of simple, but biased decision rules (heuristics) that the human mind implies. One of those cognitive biases is that people seem to be unreasonable overconfident. The study of overconfidence is originated in the psychological literature. Because of it's great impact on the behaviour of economic actors, it recently influences economic and finance literature (Benoit,...



[READ ONLINE](#)

Reviews

Thorough guideline for publication fanatics. Better then never, though i am quite late in start reading this one. I am just effortlessly could possibly get a delight of reading a created book.

-- Terry Bailey

This pdf can be worth a read through, and a lot better than other. I really could comprehended everything using this written e book. I am just pleased to explain how this is actually the very best book i have read through in my individual lifestyle and can be he very best publication for actually.

-- Jaclyn Price