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The Cultural Mosaic of Corporate Social Responsibility: MNEs' Role in Attaining Sustainable Development Goals

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Abstract

In this study, we discuss the multinational enterprises' (MNEs) Corporate Social Responsibility (CSR) engagement from the perspective of the Sustainable Development Goals (SDGs) and the role of culture in these activities. As societal expectations of corporate responsibilities are largely embedded in a particular cultural context, we explore how MNEs may not easily implement a global CSR strategy in different cultural contexts. Furthermore, the characteristics of some cultural contexts are more conducive for MNEs' SDG-supporting activities and thus MNEs are more likely to pursue SDG-driven initiatives in these cultures. Based on our literature review, we propose a conceptual model that considers the influence of culture within the host country along with other contingencies while exploring how MNEs' CSR activities may or may not help attain SDGs in host countries.

1. Introduction

The extant literature has explored in detail the drivers, motivations, and processes of multinational enterprises' (MNEs) Corporate Social Responsibility (CSR) activities (van Tulder and Kolk, 2001). "Simply meeting government CSR regulations is no longer viewed as a differentiating factor; MNEs must exceed mandated levels of social and environmental activities to build a reputation and positively affect their financial performance (Miller, Eden, & Li, 2020)." (Eden & Wagstaff, 2021). The CSR activities adopted by the MNEs range from community relations (Attig and Brockman, 2017; Park et al. 2015), environmental issues (Ambec & Lanoie, 2008) and employee and workplace management (van Tulder & Kolk, 2001; Bolton, Kim & O'Gorman, 2011). Furthermore, these CSR activities that are directed to address multiple stakeholders' concerns help MNEs reduce uncertainty in the host-country context as well as strengthen their host-country legitimacy (Amos, 2008; Eweje, 2006; Reimann, Ehrhart, Kaufmann & Carter, 2012). Nevertheless, there have been some questions on whom these CSR really benefit, whether it is the MNEs or the host countries that they invest in. This is especially pertinent since MNEs have been noted to be doing CSR activities in one area while engaging in practices damaging to the local communities (Hennchen, 2015).

At the level of the supra-national institutions, United Nations 70th General Assembly ratified Sustainable Development Goals (SDGs) in 2015 which was supported by 193 member nations (Griggs, et al., 2013; Waage, et al., 2015). These SDGs aim to *eliminate* rather than *reduce* poverty and set a more ambitious agenda for health, education, and gender equality in all countries regardless of the country's economic status or its development (U.N. General Assembly, 2015). Some of the recent studies have explored how MNEs can contribute to SDGs (Liou and Rao-Nicholson, 2021; Montiel et al. 2021). Montiel et al.

(2021) propose that MNEs can engage effectively with SDGs in their value chain activities while improving returns to their investment. Liou and Rao-Nicholson (2021) present a conceptual model taking into consideration the economic differences between the home and host countries. Although there is some notional engagement with country-level differences between the home and host nations, their work does not explicitly consider the culture within the country and its influence on MNEs' SDG-related CSR activities. Similarly, Montiel et al. (2021) do not consider the local cultural context. Thus, in order to link their CSR activities to SDGs, MNEs might have to engage in what Maon et al. (2017:418) call "*Discretionary, community-oriented, non-embedded approach to CSR.*"

In this study, we will explore theoretically the MNEs' cross-border CSR activities, how these contribute to SDGs, especially in the cultural context of the host country. Following the literature review, we present a conceptual framework that first highlights the industry effect on selecting relevant SDGs; second, draws on the work of Albareda et al. (2007), which can help ascertain the societal expectations of CSR in the host country; and third, suggests how cultural dimensions in the host country influence MNEs' global CSR strategy. We conclude by summarizing our research contribution and identifying future avenues for research.

2. Literature review

2.1. MNEs' Corporate Social Responsibility Strategies

The one stream of CSR literature focuses primarily on the firm perspective and has detailed how in most cases, CSR activities are motivated by economic gains and are performance-driven (Husted and Allen, 2009; Maignan and Ralston, 2002; Burke and Logsdon, 1996;

Swanson, 1995). On the one hand, Campbell (2007) notes the close association between the businesses' social responsibility and the presence of rules, regulations, the level of enforcement, and pressures from civil society. When a firm feels the pressures to comply with societal expectations, the firm adopts a reactive approach to CSR. On the other hand, authors have noted the closer embedding of CSR within the firm in terms of the development of corporate policies and processes which are focused on communities' interests and are value-driven (Maon et al., 2017). In the context of cross-border investments and trade, MNEs might be motivated to engage in CSR to build a good reputation in the host country (Chapple & Moon, 2005).

In fact, some MNEs might adopt a standardized approach to CSR in their international operations and deploy a global CSR strategy (Eden & Wagstaff, 2021), while others might attempt to be more responsive and adopt a localized approach (Muller, 2006). In the case of countries with lower CSR standards, there is a danger that a responsive approach might lead to fewer CSR activities by the MNEs. Yet, studies have noted that despite this challenge, MNEs have consistently strived to achieve higher CSR standards in countries with lower CSR levels (Muller, 2006; Muller & Kolk, 2010). On the other hand, studies have noted that CSR activities might be "diluted" due to host market characteristics (Jamali, 2010). In this context, the culture of the host country might emerge as one of the key factors influencing the CSR activities of the MNEs. Polonsky and Jevons (2009) identify local social issues as one of the indicators impacting the MNEs' CSR strategies.

2.2. Societal Expectations of Corporate Social Responsibility in Different Cultures

Given the wide variance of MNEs' strategies in leading CSR activities, the national differences are pertinent to CSR activities conducted by the MNEs. For example, Maon et al.

(2017) argue the same in the context of Europe and note that even within European Union, countries continue to display different cultural identities, economic and political beliefs, and labor market approaches. These contextual differences will have implications for the degree to which an MNE pursues specific CSR activities in the host countries. Albareda et al. (2007) discuss the four typologies of governmental CSR action in the former EU-15, namely, a partnership-oriented model in Nordic countries (i.e., Denmark, Finland, Sweden) and the Netherlands; a sustainability and citizenship model in Austria, Belgium, France, Germany, and Luxembourg; an Agora model in Mediterranean countries, including Greece, Italy, Portugal, and Spain; and a business in the community, an explicit model of CSR in the United Kingdom and Ireland.

While the typology highlights the different levels of government involvement in the CSR strategies, these four typologies are greatly influenced by the contextual differences, including cultural norms and values, in these countries. For example, the good neighbor philosophy and cultural values drive the “sustainability and citizenship model” in Austria, Belgium, France, Germany, and Luxembourg (Albareda et al., 2007). In this case, the cultural values of these countries support the idea that companies can work for the benefit of society and can act as agents of social change. In these countries, the welfare state, as well as values of personal freedom and social justice, drives the CSR activities observed in the companies. On the other hand, countries like Greece, Italy, Portugal, and Spain have a limited tradition of corporate CSR activities, and much of the business landscape is dominated by small and medium firms. At the same time, these countries have been traditionally used to collective decision-making and consensus to drive action. Thus, these countries will have a different perception of CSR activities and how they can bring about social change in their context.

Ioannou and Serafeim (2012) study the impact of national business systems, including 1) the political systems, 2) the financial system, 3) the education and labor system, and 4) the

cultural system (Whitley, 1999) on corporations' performance in CSR activities. Among others, the cultural system was shown to be even more crucial than the influence of the financial systems. Also, they find that firms in countries with leftist political ideology score lower on corporate social performance. Local culture, measured by cultural dimensions of power distance and individualism, also has an influence on the firm's corporate social performance. Further, Maon et al. (2017) observe that Nordic companies build their business activities around societal issues. These firms encourage the wider participation of their various stakeholders and actively involve stakeholders in their CSR activities. On the other hand, they observe the firms in Eastern Europe which do not actively engage with their stakeholders or show only limited interest in the CSR activities (Csafor, 2008; Koleva et al., 2010) and deploy CSR activities in a rather less integrated CSR model. These firms achieve their CSR objectives via philanthropic initiatives (Maon et al., 2017).

Similarly, studies have shown that firms in countries like China have actively engaged with some aspect of CSR, especially those pertaining to the environment (Huang et al., 2017) and employment (Chan, 2009), but these firms are still reluctant to engage with CSR activities related to democracy (Zhao, 1998). By contrasting European and the U.S. firms, Aaronson and Reeves (2002) suggested that US-based firms generally have a less accepting attitude of CSR practices due to a lack of emphasis of public policies in the U.S. Ringov and Zollo (2007) adopt Hofstede's definition of national culture and observe that power distance and masculinity have a negative effect on the CSR, whereas there is an impact of individualism and uncertainty avoidance on CSR activities.

The majority of the aforementioned studies did not consider the cross-border nature of the investment, rather focused on only the domicile of the firms. Although CSR activities might engage with SDGs in the host country context, there is no requirement that all firms will adapt their CSR activities to the local SDGs. Montiel et al. (2021) attempt to link MNEs'

cross-border activities and investments with SDGs. They note that MNEs' activities can increase positive externalities with regards to wealth, knowledge, and health, and it can reduce negative externalities in terms of the overuse of nature-related resources, harm to social cohesion, and overconsumption. Furthermore, they suggest that these CSR activities need to be embedded in the MNEs' extended supply chain. Overall, they propose that these activities will effectively target the SDGs whilst generating positive externalities for the MNEs' subsidiaries. Despite some resounding suggestions for MNEs' cross-border investment, Montiel et al. (2021) do not consider the host country's culture. Thus, there is limited understanding of how and if MNEs effectively engage with the SDGs in the varying host country cultural contexts. In the next section, we will explore the links between SDGs, national culture, and MNEs' socially responsible activities.

2.3 Sustainable Development Goals and National Cultures

Some of the earliest discussions on SDGs included the notion of cultural differences and their salience for outcomes (Vlassis, 2015; Wiktor-Mach, 2018; Zheng et al., 2021). Nevertheless, the final version of SDGs failed to consider the impact of national culture on SDG implementation and success (Zheng et al., 2021; Adger et al, 2013). On the other hand, organizations like United Nations Educational, Scientific, and Cultural Organization (UNESCO) have noted the importance of culture to SDGs (Zheng et al., 2021). These studies have suggested that a lack of understanding of the local cultural context is not only detrimental to the success of these SDG-related actions but can also undermine the gains made via other mechanisms. For example, though typically, developmental activities by MNEs might involve building schools without considering the cultural barriers for local children from attending these schools. Barsoum and Refaat (2015) examine CSR activities in

Egypt and identify three themes in the CSR discourse in the local context. The primary theme is related to the difference in the perception of CSR between the West and Egypt, and in the local cultural context, CSR is discredited as something vulgar and where the underlying idea is to take more than what is given. Another key theme relates to the idea that culturally, CSR is seen as “bad” development. The lack of understanding of the local cultural values can, thus, underestimate challenges to achieving the SDG targets in these contexts.

Some of the studies have strongly recommended that certain aspects of culture can profoundly limit the impact of SDG-related targets like corruption and subjective well-being (Zheng et al., 2021; Davis and Ruhe, 2003). For example, cultures that have higher power distance can limit the effectiveness of certain SDGs that encourage gender parity and social inclusion (SDG 10) or corruption (SDG 16). Davis and Ruhe (2003) observe that power distance and uncertainty avoidance are closely linked to perceived corruption in the country. Similarly, Boateng et al. (2020) find that national culture, measured by the cultural dimensions of power distance, uncertainty avoidance, has a much higher impact on levels of corruption within a country than even the corporate governance adopted by the firms.

Zheng et al. (2021) observe that the cultural perspective of SDG implementation is crucial to achieving success in SDG targets. Their study used a panel data analysis and correlate the well-known cultural indices with country-level scores of SDGs and notes that the national culture is linked to the achievement of all 17 SDGs and explains 26% of the variations in the achievement of the SDGs. They further highlight the fact that these links are divergent across cultures. For instance, a country with a more individualistic culture tends to have better performance in subjective well-being, gender equality, high-tech development, income equality, etc., but worse performance in electricity accessibility.

Further, Adger et al. (2013) examine the response of societies to the climate change challenge and observe the striking role of culture in the societies’ responses to the climate

change risks and social strategies. As societies share the vision and values around the natural environment, they selectively and exclusively create their own narratives on how to engage with these challenges. Some cultures might be progressively engaging with these issues, while other cultures might be regressing from their climate commitments and adopting stances that discourage adaptations. In sum, effectively addressing climate change issues requires certain adaptations of human activities and the key to success lies in how the adaptations are impacting the cultural identity of the given community.

3. MNE's Role in Implementing Localized CSR and Contributing to SDGs

From our literature review, it can be seen that much of the discussion on MNEs' CSR activities supporting SDGs are in the nascent stage, and most of these studies do not explicitly consider the role of cultural differences in these activities and linkages between the MNEs' CSR activities and SDGs. Hence, in the rest of this section, we will endeavour to build a conceptual model that takes into account the cultural dimension of MNEs' SDG-related CSR activities. We take a contingency perspective of strategy formulation and implementation to identify key contingencies for MNEs to partake in the SDGs in the host country. As shown in Figure 1, we identify three categories of contingencies, including 1) industry competitive dynamic, 2) host country CSR expectations, and 3) cultural adaptations of subsidiary management.

[Figure 1 about here]

3.1 Industry Competitive Dynamic

Each country has different levels of attainment of the United Nation's list of 17 SDGs (Zheng et al., 2021). The MNEs may play a significant role in improving SDGs in the given country if the attention and resources are directed towards needed SDGs in the host country. For instance, many MNEs were found to be recruiting female managers in South Korea and contribute to SDG 5 gender equality (Nobel, 2010). These MNEs may not have the same CSR strategy in their home country to promote gender equality in the senior management, as in the case of Japanese MNEs. The industry dynamic in South Korea provides a compelling business case for MNEs to hire talented female managers who are in abundant supply since they are not traditionally hired for the high-level positions among South Korean firms. Female managers become a source of competitive advantages for the MNEs because these managers have innate knowledge about the increasingly large size of target consumers, women, who are making most of the household purchasing decisions in recent years (Nobel, 2010).

In addition to employees and consumers, capital providers are influential in making MNEs shift their strategic resources allocations and support SDGs in a given host country. Particularly, many stock exchanges require listed firms to report their CSR activities tracking SDGs, which are bases for investors to evaluate companies' impacts on the environment and society (Pineiro, Dithrich, & Dhar, 2018). Montiel et al. (2021) highlight the fact that MNEs' external investments geared towards SDGs can generate positive competitiveness externalities on host country subsidiaries. The key mechanisms to achieve this positive competitiveness externality emerges from the MNEs' investments in knowledge capabilities which can improve labor productivity, income, value-added, and competitiveness within a supply chain, and MNEs' investment in building human capital. This increased industrial competitiveness in the host country can encourage other domestic and foreign companies to increase their investment in knowledge capabilities, thereby creating a mutually beneficial

business system in the host country that caters to the local SDG gaps. Similarly, investments in human capital building can encourage local competitiveness with the generation of entrepreneurial capacity and capability, leading to further positive knowledge spillovers. Typically, these external investments activities target SDGs like local education (SDG 4) and innovativeness (SDG 9), both of which can improve the host country's industrial competitiveness. Montiel et al. (2021) note the example of BBVA, a Spanish financial services company that engages in the training and development of host country nationals. In Chile, BBVA has led the training of micro-entrepreneurs.

3.2 Host Country CSR Expectations

To analyze the degree to which MNEs are under the societal expectations to partake in local SDGs, we consider the MNEs' perspective and discuss the host country's societal expectations of CSR strategies. Built upon the Albareda et al. (2007) empirical study of Europe-15 countries, we extend the CSR models and conceptualize the societal stakeholders' expectations of CSR strategies along the continuum between a strong state model and a free-market model. In some emerging economies, the government plays a crucial role not only to direct economic development but also to explicitly mandate corporations' cooperation to support SDGs. For instance, since 2013, India has introduced a mandatory CSR contribution for all firms with a net worth above 5 billion rupees (Sharma, 2013).

In a society with a strong government-initiated mandate, MNEs do not have discretion in not complying with the host country governmental rules, which also shape the societal expectations of how MNEs would contribute to the economic prosperity, the social and environmental issues in the host country. On the other end of the spectrum, the free-market economies have diverse levels of corporations' participation in the governmental agenda in

contributing to SDGs. For instance, Albredat et al. (2007) suggest that in the Mediterranean countries, including Greece, Italy, Portugal, and Spain, the societies fall in line with the Agora model and do not traditionally have a strong set of norms for CSR, so the government will take a more active role in engaging corporations to contribute to SDGs. By contrast, in the Business in Community model, the firms which embrace CSR do not only comply with the governmental rule but to proactively engage stakeholders in their CSR strategies so they may develop competitive advantages and sustain their bottom-line performance. Given the various societal expectations in the host countries, MNEs will need to be able to assess the partnership orientation of the given society and address the prevailing CSR expectations. In the host country where the government has an active agenda in implementing SDGs, MNEs' global strategy will need to be adjusted accordingly and comply with the public policy.

Likewise, civil society also plays an important role to hold MNEs responsible for engaging with SDGs. To compete well in a given host country, it is no longer enough to provide quality products and services. Particularly, in the Sustainability and Citizenship model, the MNEs will be expected to take their place as citizens in civil society, whereas in a partnership-oriented model, MNEs will be expected to engage multiple stakeholders and form public-private partnerships across sectors. For example, H.P. Inc., headquartered in Palo Alto, California, has worldwide subsidiaries in 70 countries. The company has published environmental and social impact reports since 2001. To maximize impacts, H.P. carefully assessed the business model and selected human rights (SDG5, 8, 10), Climate Action (SDG12, 13, 15), and Digital Equity (SDG3,4,8) as major areas of reporting the company's sustainability practices (H.P. Sustainable Impact Report, 2020). Further, various local impacts are reported according to the host country's societal expectations of CSR strategies. In Japan, one H.P. employee volunteered in partnership with Disability Impact Network; in Tunisia, H.P. Life courses are offered in partnership with the Tunisian government, the U.S.

agency of international development (USAID), Italian Cooperation, and United Nations Industrial Development Organization (UNIDO).

3.3 Subsidiary Management of MNEs' CSR Strategy in a Focal Subsidiary

According to the traditional discussion of corporate international strategy, an MNE would need to adapt its practices not only to the external environment but also to the subsidiary management practices (Mudambi, 2011). Similarly, to successfully adapt the MNE's global CSR strategy in the host cultural context, we posit that the adaptations to the localized SDGs implementation require an understanding of a host cultural context of subsidiary management. In this regard, we use Hofstede's four dimensions of national culture – Power Distance, Individuality, Masculinity, and Uncertainty Avoidance (Hofstede, 1983). Although this cultural lens has faced few criticisms over the years, we observe that for our study, these national cultural dimensions are adequate to explore the limitations and challenges in the national context that can impede or facilitate the implementation of SDGs.

First, power distance measures how much less powerful members in a society accept the unequal power distribution, whereas individualism indicates how much a society values personal goals and achievements over a group's goals and achievements (Hofstede, 1980). In countries with high power distance and high collectivism, subsidiary management is likely to embrace MNE's global CSR strategy to facilitate a centralized and collective decision-making process in managing the business practices in the host country. However, the host country societal stakeholders' expectations may not be considered in implementing SDG-related CSR activities in a focal subsidiary. As discussed in Hennchen (2015), Royal Dutch Shell oil company in Nigeria serves as a good example of how a centralized governance mechanism in a country with high power distance and low individuality may put the MNE's

CSR strategy out of touch with the local reality. Once a front-running company in the CSR area, Shell was accused of supporting the Nigerian military as it attacked villages in the late 1990s. On the other hand, in countries where power distance is low, and individuality is high, the subsidiary management will be more likely to proactively engage in the implementation of the SDGs in the host market.

Second, the cultural characteristic of femininity represents a societal value of caring for others while masculine society values dominance, assertiveness, and competition (Hofstede, 1980). In cases of countries with higher masculinity, subsidiary management may be more proactive in seeking a competitive advantage by enacting its own unique strategy aside from the MNEs' global strategy of SDG implementation. Unilever's activities in India are a good example of this type of MNE approach to SDG-related actions. According to Hofstede's masculinity scores, India ranks higher on this score and can be considered as a masculine society with greater emphasis on power and success. In this context, Unilever targeted women directly with their activities and included them in their projects. Over time, this not only improved the financial access and education of these women, many in marginalized communities, but it also improved the economic output of these women who became entrepreneurs in their own right (Neath & Sharma, 2008). Thus, these targeted activities can greatly achieve SDG goals in such high masculinity societies where the global SDG approach might not always meet the local expectations.

Third, uncertainty avoidance refers to a society's tolerance for uncertainty and ambiguity (Hofstede 1980). In a culture with high uncertainty avoidance, subsidiary management may be more accepting for the MNE's global CSR strategy as it reduces uncertainty. For instance, Uzhegova et al. (2019) explore, among other factors, the role of uncertainty avoidance on internationalizing Finnish and Russian small and medium businesses. In the Russian context, where businesses are still forming, trust plays a great role

in reducing uncertainty and improving business interactions. In such a context, an established global CSR strategy can be considered a valuable resource by the MNEs to engage with the local Russian market while meeting some of the local SDG goals. The aforementioned cultural dimensions and associated challenges of implementing MNEs' global CSR strategy are summarized in Table 1.

[Table 1 about here]

4. Conclusions

Various studies have argued that this lack of reflection on cultural differences and culturally motivated local challenges will reduce the effectiveness of implementing SDGs (Zheng et al., 2021). This creates an interesting foundation for us to explore the contingencies for MNEs to implement SDG-related activities in host countries. In most cases, MNEs will need to work closely with the local stakeholders like the government, NGOs, and public to effectively develop, implement and diffuse their SDG-related activities. In our conceptual framework, we identify major conditions that constrain or facilitate the MNEs' CSR strategies to contribute to SDGs in the host countries. By examining these conditions, we contribute to the discussion of how MNEs take an active role to improve sustainable competitive advantage by contributing to SDGs in the host countries.

The commonly used host-home country framework in international business research offers great insights into the formulation and implementation of an MNE's CSR strategy. Given various societal expectations of CSR strategies, host country stakeholders may not be always receptive to an MNE's global CSR strategy. The MNE business executives will need to carefully assess the relationship among business, government, and civil society so they can formulate the optimal host country-specific CSR strategy to contribute to the attainment of

SDGs in the host country. The MNEs that are originated from a country with a drastically societal view on CSR from the host country's view will need to adapt their global CSR strategy substantially. For instance, most western MNEs operating in China will need to comply with the government-directed approach in setting their CSR agenda and carefully selecting the target SDGs in China. Additionally, while implementing a CSR strategy in the host country, MNE business executives will need to be cognizant of the cultural dimensions of the host country and adapt their managerial approach accordingly.

4.1 Limitations and Future avenues for research

Our theoretical framework outlines three important contingencies of how MNEs' global CSR strategies may facilitate or inhibit the host country's SDG agenda. Given the increasing uncertainty in the global business environment, MNEs' proactive stand in tackling SDGs is likely to result in a sustainable competitive advantage for managing environmental uncertainty (Sun, Doh, Rajwani, & Siegel, 2021). It will be a fruitful research avenue for researchers to study MNEs' strategic CSR activities that align with host country SDGs and resulting in triple-bottom-line performance. Additionally, a more nuanced approach to examine the micro-foundations, such as subsidiary identity (Liou and Rao-Nicholson, 2021), of MNEs executives' decision making will garner insights into how cultural characteristics of the host culture plays a role in influencing the SDG implementation in the host country.

Similarly, our conceptualization is not without limitations as we do not consider other potential contingencies that might drive or influence the SDG-related activities and uptake in the host countries. For example, the legitimacy of the MNEs' activities can improve the uptake of the host country's SDG activities. Similarly, the limited legitimacy of the MNEs can impede wider adoption of the CSR activities and restrict SDG targets. Also, home country actors can impede or improve MNEs' SDG-related activities in the host country.

These home country actors can also create channels for engaging with other stakeholders in the host country. The future conceptual models as well as empirical works can explore the links between the home and host country actors and stakeholders in the diffusion of the SDG-related activities.

Further, the international business field has traditionally discussed proactively engaging the host country government as one major strategy to mitigate political risk (Ramamurti, 2001; Vernon, 1971). Ramamurti (2001) further proposes a two-tier bargaining model for MNEs to first bargain with the host country government and then bargain through multilateral institutions like World Bank and WTO. The framework presented in the current study has great implications for MNEs to leverage the supernational institution, the United Nations, and bargain with the host country government for favourable investment treatment. It is also in the host country's best interest to involve MNEs in public policy discussions for attaining SDGs. Future studies on MNE's adaptation of global CSR strategy according to host country SDG agenda will further offer insights into the MNE's role as an agent for change in attaining a sustainable future across the globe.

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Figure 1. MNE's role in implementing SDGs in the host country

Source: Figure compiled by authors

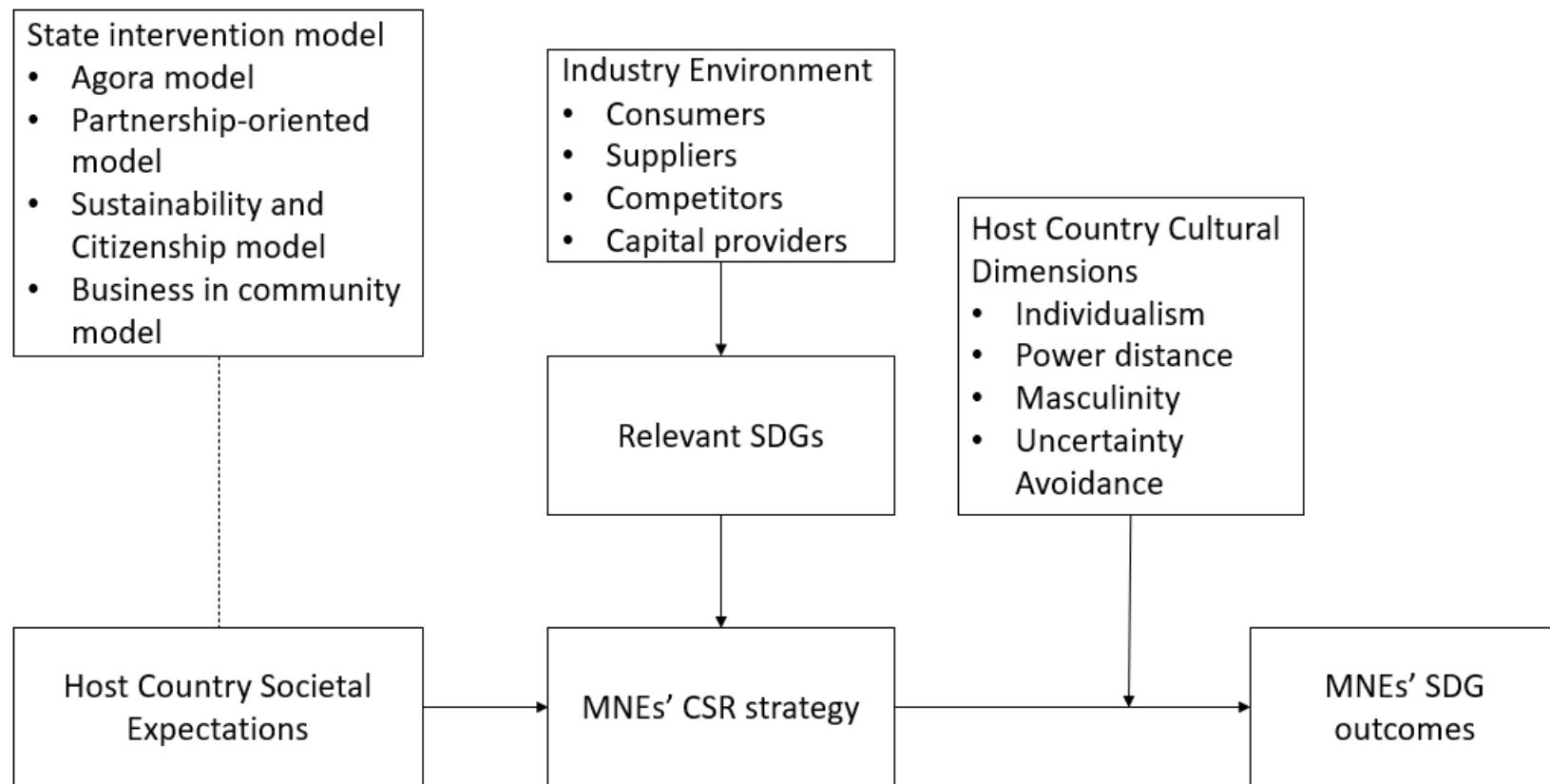


Table 1. National culture, Subsidiary Management, and SDG implementation challenges

Source: Table compiled by authors

Dimensional scores of national culture	Power distance	Individualism	Masculinity	Uncertainty Avoidance
High	The subsidiary management will open to accept the MNE's global CSR strategy. However, the host country societal stakeholders' expectations may not be considered in implementing SDGs-related CSR activities.	The countries with higher individualism values will proactively adopt host-country SDG targets, and subsidiary management will be proactive in SDG implementation. There will be wider diffusion of SDGs in the country.	The subsidiary management in countries with higher masculinity values might be reluctant to share the powers vested in their position so uptake of MNE's global CSR strategy will be lower in such countries.	In countries with higher uncertainty avoidance values, subsidiary management may be more accepting of the MNE's global CSR strategy as it reduces uncertainty.

Low	<p>The subsidiary management will be pro-actively engaged in the implementation of the SDGs. There will be wider legitimacy from the power structures for the adaptation of the MNE's CSR strategy.</p>	<p>Some countries with lower individualism will adopt the key position of MNE's CSR strategy in the country and thus, lack the attention to the host country SDGs.</p> <p>Whereas, in some other countries with high in-group collectivism, the subsidiary management might be against the MNE's global CSR strategy and focus on host country SDGs.</p>	<p>The subsidiary management in countries with higher masculinity values will be pro-actively engaged in the implementation of the SDGs. There will be wider legitimacy from the power structures for the adoption of the SDGs.</p>	<p>In the case of countries with lower uncertainty avoidance values, subsidiary management is more likely to adopt a novel approach and proactively address SDGs in the host country.</p>
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