
The Impact of Cultural Values on Corporate Sustainable Development Practices

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Abstract –The study investigates the impact of cultural values on business executives’ actions regarding corporate sustainable development (CSD) in Greece. Corporate sustainable development is examined as an integrated construct of three dimensions (environmental, economic and social development), and organizational culture is used as a control variable, among others, to assess the relationship between sustainability and cultural values. The survey on the CEOs of medium- and large-sized firms reveals that two of the six Hofstede’s cultural dimensions, long-term orientation and collectivism, have a significant effect on executives’ actions concerning corporate sustainable development. Specifically, collectivism is negatively related to corporate sustainable development, while long-term orientation is positively related. Moreover, the results indicate that organizational culture and a firm’s size are significantly associated with corporate sustainable development practices.

Keywords – National Culture, Organizational Culture, Corporate Sustainable Development, Competing Values Framework, Greece.

I. INTRODUCTION

Sustainable development is a key concept of the 21st century. The global challenges that were noted above, specifically in this time period of deep crisis, and the increasing expectations of stakeholders (Fousteris, Didaskalou, Tsogas & Georgakellos, 2018; Ho, Wang & Vitell, 2012; Husted, 2000) have intensified the pressures for integrating social issues into the business strategy and practices (Gomez-Bezares, Przychodzen & Przychodzen, 2017; Lamberti & Noci, 2012; Lo & Sheu, 2007). The organizations, as a significant factor for environmental pollution, must proceed to drastic changes and actions (Senge, 2007), while it is necessary to define their role towards society, establishing social and ethical standards (Lindgreen & Swaen, 2010). Only the organizations that can overcome these challenges would achieve sustainability and development (Golja & Pausic, 2012; Vashchenko, 2017).

The purpose of this paper is to explore the impact of cultural values on business executives’ actions regarding corporate sustainable development. The existing literature on the relation between cultural values and corporate sustainability is limited, and most of the scholars have studied largely the social level and not the corporate level. Although the studies have examined aspects of CSD, they did not measure it as an integrated construct composed of an economic, social and environmental dimension. For example, Ringov & Zollo (2007) studied firms’ social and environmental performance; Scholtens & Dam (2007) examined ethical policies, and Ho et al. (2012) studied corporate social performance. Moreover, most of the past studies have analyzed only a portion of the cultural values that Hofstede, Hofstede and Minkov (2010) have identified. Finally, studies on cultural values and corporate sustainability tend to ignore the significant role of organizational culture. Thus, these scholars do not measure organizational culture, and they do not include it in their models as a control variable, although the theoretical literature proposes that organizational culture is a critical factor that affects corporate s-

-ustainability (Linnenluecke & Griffiths, 2010).

In accordance with suggestions by Tata & Prasad (2015), we provide a closer examination of managers' cultural values and corporate sustainable development. In this study, we measure cultural values based on all six dimensions of Hofstede's model (Hofstede et al., 2010) and CSD as an integrated framework composed of an economic, environmental, and social dimension. Moreover, we use organizational culture as a control variable, among others.

II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

A. Corporate Sustainable Development

The concept of sustainable development remains abstract and difficult to implement (Steurer, Langer, Konrad & Martinuzzi, 2005), as it is a complex and multidimensional issue combining many variables: the economy, the environment, and the society (Lopez, Garcia & Rodriguez, 2007). Sustainable development was defined as: "the development that meets the needs of the present without compromising the ability of future generations to meet their own needs" ("Our Common Future", 1987). This definition has broad acceptance by political leaders, and the business world and is dominant in the academic literature with the most references (Ciegis, Ramanauskienė & Martinkus, 2009; Dyllick & Hockerts, 2002).

The concept of CSD refers to the application of sustainable development to business entities (Chasse & Courrent, 2018). Montiel & Delgado-Ceballos (2014), conducting a literature review of the last twenty years, concluded that there is no standard definition of CSD and that the origin of this concept is connected to the Brundtland report. This statement leads to defining corporate sustainable development as "meeting the needs of a firm's direct and indirect stakeholders without compromising its ability to meet the needs of future stakeholders as well" (Ketola, 2010).

In 1994, Elkington (cited in Majid & Koe, 2012) coined the term "triple bottom line" to seek a new means of expressing the expansion of sustainability values in business practices. The same concept is often called "3Ps" due to the three-fold "People, Planet, Profit", as it refers to the social, environmental and economic dimension of corporate sustainability (Kolk & van Tulder, 2010; Majid & Koe, 2012).

The economic dimension of corporate sustainable development is a prerequisite for the existence and survival of every company. This dimension refers to the manner in which organizations are managed, according them a leading role in the marketplace and creating a favorable economic impact for both stakeholders and shareholders (Chow & Chen, 2012). The environmental dimension of corporate sustainable development suggests that maintaining biodiversity is of great importance, as it alone can ensure the ability of the world's ecosystems to adapt to change and provide resources for future needs. Finally, the social dimension of corporate sustainable development focuses on social capital. This dimension sets goals for the human capital development and for the foundation of social justice and equality (Cuthill, 2010; Steurer et al., 2005).

Many empirical studies have used instruments and scales to quantify the levels of CSD and to compare firm's performance (e.g., Ho et al., 2012). Chow & Chen (2012) have collected primary data to create their own framework. The researchers created a 15-item instrument with observable and assessable indicators for measuring CSD. These indicators match perfectly with these proposed in previous studies (e.g., Bansal, 2005;

Chan, 2005). We use Chow & Chen's framework to discuss and measure corporate sustainable development as it: i) has been validated in previous research, ii) was empirically derived, and iii) and integrates the three dimensions of corporate sustainable development.

B. National Culture & Sustainable Development

Sustainability strategies cannot be developed without considering the cultural characteristics of each country (Robertson & Geiger, 2011). Although the academic literature on the adoption of environmental and social practices among different cultures is limited, it is confirmed that there is a significant relationship between sustainable development and national culture (Ubius & Alas, 2009). UNESCO (2013) recognized that culture is a mainspring for sustainability, while according to Freeman & Hasnaousi (2011), the actions related to environmental and social obligations may not be adopted in the same manner worldwide, as their adoption depends on the national level and the geographical region.

C. Cultural Values

Culture is defined as “the collective programming of the mind which distinguishes the members of one group or category of people from another” (Hofstede et al., 2010). Cross-cultural studies are used to examine each country as a homogeneous cultural entity and do not consider cultural variation within the country (Bae & Kim, 2013). However, cultural characteristics vary within a single cultural context at an individual level (Triandis, 2001), as within any single country, society or group, the existence of differences in cultural values among individuals is inevitable (Vitell, Paolillo & Thomas, 2003). Trompenaars & Hampden-Turner (2012) stated that, when a particular culture is studied, people do not display identical values and assumptions. Each individual has different levels of cultural values, as each person views the world differently.

Vitell et al. (2003) proposed that, since Hofstede's framework used aggregated measures of individuals within a culture to develop country indices, cultural characteristics should be measured at the individual level using Hofstede's dimensions. The same opinion was shared by Martin & Nakayama (cited in Kim & Kim, 2010), who suggested that Hofstede's framework should be used in explaining individual variations. Furthermore, Hofstede & McCrae (2004) identified a linkage between cultural dimensions and personality factors. This finding revealed that there is an inter-relational aspect of culture and personality (Migliore, 2011). Finally, many cross-cultural studies examined cultural values and differences within a single country using Hofstede's model (e.g., Bae & Kim, 2013; Kim & Kim, 2010; Vitell et al., 2003).

This study examines the cultural values of business executives of medium- and large-sized firms in Greece. Considering all the above, we assume that values vary among managers, although they belong to the same country. By examining individuals, we target revealing individual differences regarding cultural values. We use Hofstede's six-dimensional model as it is the dominant framework of national culture in the management literature (Kirkman, Lowe & Gibson, 2006; Minkov & Hofstede, 2011; Tata & Prasad, 2015). Moreover, Hofstede's framework is based on empirical study analyzing data from over seventy countries (Minkov & Hofstede, 2011), and the framework has been validated by at least four large-scale surveys including data from more than fourteen countries. Finally, the framework has been used by many scholars who have examined sustainable development (e.g., Husted, 2005; Vachon, 2010) and corporate social responsibility (e.g., Bae & Kim, 2013 ; Kim & Kim, 2010; Waldman, Luque, Washburn & House, 2006), resulting in the possibility of co-

-mparing our results with earlier studies.

D. Empirical Studies

Many scholars studied the principles of sustainable development through the prism of cultural values to determine why the application of sustainability varies to a significant degree between organizations and cultures (Caprar & Neville, 2012). However, the results indicated inconsistent findings. For example, Christie, Kwon, Stoeberl & Baumhart (2003) studied the effect of national culture on the ethical attitudes of executives. The study used data from 345 managers (United States, India & Korea) and the results showed that a strong negative relationship existed between power distance and ethical attitudes, whereas a positive relationship existed between individualism and respondents' ethical attitudes.

Vitell et al. (2003) studied the effect of cultural values on marketers' perceptions regarding the role of ethics in the overall success of the organizations. The results indicated that three cultural dimensions had a significant impact on marketers' perceptions. Uncertainty avoidance and long-term orientation had a positive impact, whereas power distance had a negative impact. Two years later, Husted (2005) studied the impact of culture on 122 countries' institutional and social capacity for sustainability. The results showed that power distance and masculinity had a negative impact on the dependent variable. In contrast, individualism had a significant positive effect.

Waldman et al. (2006) explored the relationship between cultural values and managers' corporate responsibility values by collecting data from organizations in 15 countries. The results indicated that power distance and individualism had a strong negative impact on managers' social responsibility values. Furthermore, Arnold, Bernardi, Neidermeyer & Schmee (2007) studied the effect of cultural values on the perceptions of a business activity's ethicality by using 13 scenarios. Data were collected from accountants of 8 economically developed Western European countries; the results showed that people from more individualistic and masculine countries tend to find the described business activities less unethical.

Park et al. (2007) studied cultural values and environmental sustainability. Data were collected from the Environmental Sustainability Index (ESI) of 43 countries on four continents. The study concluded that masculinity and power distance had negative impact on environmental sustainability. In contrast, individualism and uncertainty avoidance had no significant relation. Similarly, Ringov & Zollo (2007) studied the effect of cultural values on the environmental and social performance. Data analysis revealed that power distance and masculinity had a negative impact on the firms' performance. Nevertheless, uncertainty avoidance and individualism had no impact on organizations' sustainability.

Scholtens & Dam (2007) analyzed data from 2700 organizations in 24 countries to examine the impact of national values on business ethical policies. The results indicated that uncertainty avoidance and individualism had a positive association with a firm's ethical policies, while masculinity and power distance had a negative association. One year later, Williams & Zinkin (2008) studied the relationship between cultural characteristics and attitudes to corporate social responsibility. Data were collected from 88.074 consumers of 28 countries. The results indicated that consumers from countries that have high levels of masculinity, and individualism and low levels of the other dimensions tend to punish firms for bad behavior in a higher degree than consumers from other countries.

Kim & Kim (2010) explored cultural characteristics and perceptions of corporate social responsibility, by collecting data from public relations practitioners in South Korea. The results suggested that three of the cultural dimensions had significantly explained perceptions of CSR. Moreover, Vachon (2010) analyzed data from 55 countries to study the linkage between cultural values and CSD practices. The results suggested that individualism had a positive impact on these practices, while uncertainty avoidance had a significant negative one.

Cox et al. (2011) examined the significance of cultural values on environmental sustainability by collecting data from 217 countries. The study showed that individualism associated positively with environmental sustainability, whereas power distance had a negative relation with the dependent variable. Uncertainty avoidance and masculinity had no significant impact on sustainability. Furthermore, Ho et al. (2012) studied cultural dimensions and corporate social performance. Data were collected from companies from 49 countries. The results showed that power distance, masculinity, and uncertainty avoidance had a significant positive impact on CSP, whereas individualism had a negative impact.

Parboteeah, Addae & Cullen (2012) studied the impact of national culture on sustainability initiatives. Data were collected from individuals in 33 countries using the World Values Survey and GLOBE's cultural dimensions. The results indicated that future orientation, humane orientation, and institutional collectivism had a significant positive impact on individuals' sustainability initiatives, whereas assertiveness and performance orientation had a significant negative effect. Uncertainty avoidance had no strong association with the dependent variable. Finally, Bae & Kim (2013) studied the cultural values of Korean consumers to elucidate the manner in which these values can affect their perception of CSR activities. The results revealed that long-term orientation had a significant positive effect on consumers' CSR perceptions, whereas masculinity and individualism had a negative impact.

E. Organizational Culture

Scholars suggest that an appropriate organizational culture can lead to a pathway for corporate sustainable development (e.g., Heslin & Ochoa, 2008; Linnenluecke & Griffiths, 2010; Porter & Kramer, 2011). The successful implementation of a sustainability-oriented culture will result in the best possible outcomes for the economy, the environment, and society (Linnenluecke & Griffiths, 2010).

The concept of organizational culture began to spark research interest in the 1980s. Sackman (1991) reported that there are as many definitions of organizational culture as are those who study it. Nevertheless, it is recognized that organizational culture refers to common values that shape the rules of conduct within a company (Baird, Harrison & Reeve, 2007) and control the actions of the members, both with each other and with the remaining stakeholders. Organizational culture can be defined as “the collective programming of the mind that distinguishes the members of one organization from others” (Hofstede et al., 2010).

In this study, we examine organizational culture by using the competing values framework (CVF) of Cameron & Quinn (2011), which explores the competing values within an organization in two dimensions, the “flexibility vs control” and the “internal vs external orientation”. The first dimension differentiates organizational values that emphasize dynamism, discretion, and flexibility from values related to control, order, and stability. The second dimension differentiates organizational values that emphasize internal orientation

from values related to external orientation, rivalry, and differentiation. These two dimensions form four distinct types of culture: i) clan, ii) adhocracy, iii) hierarchy and iv) market.

The clan type is associated with human resource development, teamwork, and open communication. The adhocracy type is related to innovation, adaptability, creativity and visionary communication, while the hierarchy type is characterized by monitoring, control, stability, and bureaucracy. Finally, the market type puts emphasis on productivity, goal achievement, profitability, and market share. All four types coexist in a single organization but at a different degree (Cameron & Quinn, 2011; Linnenluecke, Russell & Griffiths, 2009).

Linnenluecke & Griffiths (2010) proposed how employees from different organizational culture types to understand the different dimensions of corporate sustainability. The two researchers suggested that the hierarchy type is related to economic performance and long-term profitability (economic sustainability); the clan type is associated with humane work environment, employee development and social interaction (social sustainability). The market type is related to environmental demands and resource efficiencies (environmental sustainability), while the adhocracy type is associated with innovation for achieving social and environmental sustainability. However, the above relationships are limited to theoretical propositions and are not empirical. In an empirical research study, Linnenluecke et al. (2009) revealed that employees from the hierarchy type emphasized the economic dimension of corporate sustainability. Nevertheless, there was insufficient evidence to justify the relation of employees from other organizational types to corporate sustainability; thus, these variables need further study.

In this paper, we use CVF to measure organizational culture, as it is a validated and empirically derived framework that includes most of the proposed organizational culture's dimensions (Cameron & Quinn, 2011; Linnenluecke & Griffiths, 2010).

F. Hypotheses

This research examines the impact of cultural characteristics on business executives' actions regarding corporate sustainable development.

Power Distance

Most of the studies that examined power distance and sustainability showed a significant negative association between those two variables (e.g., Christie et al., 2003; Cox et al., 2011). Williams & Zinkin (2008) suggested that people from high power distance cultures accept inequality and thus they may have less willingness to punish companies that behave irresponsibly than cultures with low power distance. Managers with a high level of power distance tend to have a shareholder-oriented approach and to interpret questionable practices as ethical (Cohen, Pant & Sharp, 1996; Ringov & Zollo, 2007). Thus, power of distance may influence business executives to accord greater priority to economic profits than to sustainable development. H₁: Power of distance is negatively related to executives' actions regarding corporate sustainable development.

Individualism vs. Collectivism

Husted (2005) underlined that individualistic countries are more environmentally sustainable. Moreover, Williams & Zinkin (2008) stated that individualistic people tend to punish irresponsible behaviors immediately, without waiting for peer group approval. Conversely, collectivistic people do not act on their own and let events

occur without attempting to prevent them. In the workplace, Individualism tends to put a manager's own responsibility in the foreground and consequently to focus more on environmental and social policies. Scholtens & Dam (2007) found that companies in individualistic societies are more in accordance with their ethical policies. Based on the above, sustainability initiatives are more related to values reflected in individualistic managers. H₂: Collectivism is negatively related to executives' actions regarding corporate sustainable development.

Masculinity vs. Femininity

Managers with a high level of masculinity tend to assign greater priority to material goods and economic success and not to the quality of life. Managers tend to seek economic profit, to be competitive and to act in an unethical manner to succeed (Parboteeah, 2012). The previous research showed that masculinity inhibits helping behaviors (Tice & Baumeister, 2004). Moreover, most of the empirical studies in cultural values and sustainability indicated a negative relationship between masculinity and sustainability (e.g., Bae & Kim, 2013; Husted, 2005; Parboteeah et al., 2012). Thus, managers with a high level of masculinity are not expected to support social and environmental practices. H₃: Masculinity is negatively related to executives' actions regarding corporate sustainable development.

Uncertainty Avoidance

The previous research showed that low uncertainty avoidance is correlated with higher risks and unethical actions (Rallapalli, Vitell, Wiebe & Barnes, 1994). Individuals with high uncertainty avoidance tend to be more reliant on rules and regulations about society and the environment. Uncertainty avoidance may influence business executives to lower the uncertainty of business practices' negative impacts on stakeholders and, consequently, to enact formal measures to ensure the principles of sustainable development. H₄: Uncertainty avoidance is positively related to executives' actions regarding corporate sustainable development.

Long-term vs. Short-term Orientation

People in long-term oriented societies tend to make sacrifices in the present that favor future benefits. These individuals are willing to invest in long-term initiatives, and they are concerned about sustaining the environment and society for the future (Parboteeah et al., 2012). Most of the empirical studies in this field showed that long-term orientation has a positive impact on sustainable development (e.g., Bae & Kim, 2013; Kim & Kim, 2010). Given the above, we propose that long-term orientation may influence business executives to assign greater priority to long-term benefits and profits and, consequently, to adopt practices concerning the principles of sustainable development. H₅: Long-term orientation is positively related to executives' actions regarding corporate sustainable development.

Indulgence vs. Restraint

People with high levels of indulgence are more likely to be free to gratify their needs and satisfy their desires. The individuals have fun, enjoy the moment and live for the present. Conversely, individuals with high levels of restraint are more likely to follow strict social norms and suppress gratification of their needs. Although there is no empirical study that has examined the impact of indulgence vs. restraint on sustainable development yet, we propose that business executives with a high level of indulgence tend to be interested in short-term profits and

to operate under no strict rules and discipline. H₆: Indulgence is negatively related to executives' actions regarding corporate sustainable development.

III. METHODOLOGY

A. Sample Selection

Individual-level data were derived from CEOs of medium- and large-sized companies that operate in Greece. CEOs were chosen as the population of this survey, as they are the individuals who have a vital role in the organizations and the strongest impact on the design of policies. These CEOs participate in decision-making processes, and they are also responsible for executing them (Wheelen, Hunger, Hoffman & Bamford, 2014). Moreover, CEOs are crucial to the success of organizational ethics (Chen, Tuliao, Cullen & Chang, 2016). The sampling frame was extracted from the ICAP GROUP database. The determination of companies' size was based on the EU's (2003) definition "medium- and large-sized companies employ more than 50 persons, and their annual turnover exceeds 10 million euros."

The method of collecting data was a census due to the population's small size. The total number of CEOs of medium- and large-sized enterprises in Greece is 1,217. The survey questionnaire was distributed and collected by email during November 2015 and February 2016, and the number of executives who participated the research was 183, for an initial response rate of 15,04%. However, of the 1,217 questionnaires mailed, 67 were determined to be undeliverable due to either a change in the address or an incorrect entry in the ICAP database. Thus, since only 1,150 questionnaires reached their destinations, the adjusted response rate was 15.9%.

B. Dependent Variable - Corporate Sustainable Development

We used subjective measures for CSD (social, economic and environmental dimensions) that were rated by the CEOs. The 15 measuring items for CSD were based on Chow & Chen's (2012) model and were measured by a 7-point Likert scale.

C. Independent Variables - Cultural Values

The scales for measuring cultural values were adopted from Vitell et al. (2003), who developed the measuring scales from significant empirical studies on cultural characteristics. Moreover, the scales for measuring indulgence were adopted from Hofstede & Minkov's (2013) Values Survey Module.

D. Control Variables

The individual-level variables to control CEOs' actions regarding corporate sustainable development should be age, gender, education and the number of years working in the company. In addition, we used control variables concerning the organization like size, organizational culture, industry, financial performance and the number of years that an organization has operated.

Organizational culture was measured by the OCAI questionnaire based on the CVF. The questionnaire consists of six questions that ask participants to distribute 100 points among four scenarios based on the similarity of their firm to the firm outlined in the description. Each of the four scenarios represents one of the four organizational culture types. Finally, financial performance was measured by four items adopted from Chow & Chen (2012).

IV. RESULTS

A. Descriptive Analysis

The total number of questionnaires that were finally analyzed was 156 of 183. The 27 questionnaires were not considered due to incomplete questions or because they were not completed by the company's CEO. Among the 156 total respondents, 130 (83.3%) were male, and 26 (16.7%) were female CEOs. Concerning age, 15 (9.6%) respondents were 25-34 years old; 36 (23.1%) were 35-44 years old. A total of 44 (28.2%) were 45-54 years old; 42 (26.9%) were 55-64 years old, and 19 (12.2%) CEOs were over 65 years old. Regarding education, 13 (8.3%) respondents had a high school diploma; 59 (37.8%) had a bachelor's degree, 74 (47.5%) had a master degree, and 10 (6.4%) CEOs had a Ph.D. Regarding the number of years that CEOs held this position in their organization, 29 (18.6%) respondents were CEOs for 3 to 5 years; 35 (22.4%) respondents were CEOs for 6 to 9 years. A total of 28 (18%) respondents were CEOs for 10 to 14 years, and 64 (41%) respondents were CEOs for more than 15 years.

Among the 156 organization total, 93 (59.6%) were medium-sized, and 63 (40.4%) were large-sized. Regarding the industry, 40 (25.6%) firms operated in commerce; 50 (32.1%) firms operated in the construction industry. In addition, 25 (16%) operated in the food and beverage industry; 6 (3.8%) firms were banks and investment companies, whereas 35 (22.5%) were organizations that provided other services. Regarding the years of operation, 13 (8.7%) operated for 1 to 10 years; 72 (48%) operated for 11 to 50 years, and 65 (43.3%) operated for more than 50 years.

The financial performance of the firms showed a high score ($M = 5.19$, $SD = 0.91$). Clan type ($M = 33.59$, $SD = 13.74$) showed the highest score among the other types of organizational culture. Adhocracy type ($M = 20.44$, $SD = 8.79$) and market type ($M = 24.21$, $SD = 10.35$) showed medium scores, whereas hierarchy type ($M = 18.77$, $SD = 8.66$) had the lowest score among the other types.

The cultural values of the CEOs of Greek firms were measured. Power distance ($M = 5.45$, $SD = 0.56$), collectivism ($M = 5.18$, $SD = 0.71$), and masculinity ($M = 5.14$, $SD = 0.60$) demonstrated high scores. Long-term orientation ($M = 4.58$, $SD = 0.86$), and indulgence ($M = 4.95$, $SD = 0.72$) followed, while uncertainty avoidance ($M = 3.34$, $SD = 0.81$) had a low score. Moreover, the corporate sustainable development ($M = 4.99$, $SD = 0.78$) of Greek firms was measured and indicated an intermediate score with a tendency to the higher side of CSD.

B. Construction of Measures

The inter-item consistency of cultural values was acceptable (power distance: $\alpha = 0.64$, collectivism: $\alpha = 0.71$, masculinity: $\alpha = 0.69$, uncertainty avoidance: $\alpha = 0.75$, long-term orientation: $\alpha = 0.79$, and indulgence: $\alpha = 0.70$). The inter-item consistency of corporate sustainable development ($\alpha = 0.85$), financial performance ($\alpha = 0.81$) and organizational culture types (clan: $\alpha = 0.89$, adhocracy: $\alpha = 0.86$, market: $\alpha = 0.85$, hierarchy: $\alpha = 0.87$) were also acceptable.

C. Relationships between Cultural Values, CSD and Control Variables

First, we checked the correlation coefficients of the six cultural dimensions, corporate sustainable development, and control variables. Only two of the six cultural dimensions were significantly correlated with

CSD. Collectivism ($r = -0,202, p < 0,01$) was negatively correlated with CSD, while long-term orientation ($r = 0,225, p < 0,01$) was positively correlated (Table 1).

Table 1. Pearson correlation coefficients for cultural values and CSD.

	1	2	3	4	5	6	7
Power distance	-	.083	.098	.213**	-.008	-.061	-.052
Collectivism		-	.110	-.042	-.070	.129	-.202**
Masculinity			-	.078	.009	-.055	-.038
Uncertainty avoidance				-	.057	.033	.041
Long-term orientation					-	-.057	.225**
Indulgence						-	-.058
Corporate sustainable development							-

* $p < 0.05$, ** $p < 0.01$.

Regarding control variables, CSD had a significant negative correlation with hierarchy type ($r = -0,234, p < 0,01$) and a significant positive correlation with adhocracy type ($r = 0,166, p < 0,05$), size ($r = 0,310, p < 0,01$) and length of firm's operation ($r = 0,229, p < 0,01$) (Table 2).

Table 2. Pearson correlation coefficients for control variables and CSD.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Clan	-	-.111	-.439**	-.579**	.050	.016	-.083	.024	-.011	.115	-.033	-.134	.054	.066
Adhocracy		-	-.358**	.032	-.058	.112	.010	.030	-.048	.026	-.102	-.010	.246**	.166*
Hierarchy			-	.145*	.025	-.017	-.015	-.033	.037	-.128	-.101	.063	-.229**	-.234**
Market				-	-.138*	-.022	.233**	-.050	.168*	-.087	-.022	.008	.065	-.074
Size					-	-.032	.024	.141*	-.017	.083	.053	.193**	-.004	.310**
Industry						-	.033	.077	-.147*	.026	.003	.066	.036	.068
Financial performance							-	.176*	.016	-.005	-.044	.032	.027	.121
Length of operation								-	-.063	-.042	.009	-.017	.090	.229**
Home country									-	-.080	.122	.021	-.053	.000
Age										-	-.287**	-.303**	.586**	.112
Gender											-	.105	-.173*	-.045
Education												-	-.373	.004
Length of stay													-	.125
Corporate sustainable development														-

* $p < 0.05$, ** $p < 0.01$.

A linear regression analysis was employed to study the causal relationships between cultural values and CSD. Only independent and control variables that had a significant correlation with the dependent variable were

included in the model. First, cultural values were tested separately in different models and then were added together to the same model. The variance inflation factor (VIF) and tolerance statistics confirmed that collinearity was not a problem for the models below.

When collectivism was examined separately, the regression model significantly predicted CSD ($F = 8.280$, $p < 0.01$), while R^2 was 0.260. In this model, collectivism ($t = -2,312$, $p < 0.05$) significantly affected CSD. Size ($t = 3,937$, $p < 0,01$) and hierarchy type ($t = -2,864$, $p < 0,01$) also had a significant impact on CSD (Table 3).

Table 3. Collectivism and control variables predicting CSD.

Variable	B	B (SE)	β	t	p
Constant	5.681	0.555		10.233	0.000
Control Variables					
Size	0.491	0.125	0.317	3.937	0.000
Length of operation	0.154	0.094	0.132	1.636	0.105
Hierarchy	-0.022	0.008	-0.242	-2.864	0.005
Adhocracy	0.009	0.008	0.098	1.152	0.252
Independent Variable					
Collectivism	-0.197	0.085	-0.184	-2.312	0.023
$F=8.280$, $p=0.000$, $R^2=0.260$					

When long-term orientation was examined separately, the regression model significantly predicted CSD ($F = 7.339$, $p < 0.01$), while R^2 was 0.236. In this model, long-term orientation ($t = 2,114$, $p < 0,05$) significantly affected CSD. Size ($t = 3,291$, $p < 0,01$) and hierarchy type ($t = -2,455$, $p < 0,05$) also had a significant impact on CSD (Table 4).

Table 4. Long-term orientation and control variables predicting CSD.

Variable	B	B (SE)	β	t	p
Constant	3.893	0.466		8.346	0.000
Control Variables					
Size	0.425	0.129	0.274	3.291	0.001
Length of operation	0.181	0.096	0.154	1.890	0.061
Hierarchy	-0.019	0.008	-0.210	-2.455	0.016
Adhocracy	0.010	0.008	0.109	1.272	0.206
Independent Variable					
Long-term orientation	0.144	0.068	0.173	2.114	0.037
$F = 7.339$, $p = 0.000$, $R^2 = 0.236$					

The last model, in which the two cultural dimensions were examined together, significantly predicted CSD ($F = 7.681$, $p < 0.01$), while R^2 was 0.283. In this model, collectivism ($t = -2.139$, $p < 0.05$) significantly affected CSD; however, long-term orientation ($t = 1.931$, $p > 0.05$) had no significant impact at the 0.05 level. Size ($t = 3.511$, $p < 0.01$) and hierarchy type ($t = -2.813$, $p < 0.01$) also significantly affected CSD (Table 5).

Table 5. Collectivism, long-term orientation and control variables predicting CSD.

Variable	B	B (SE)	β	t	p
Constant	4.989	0.656		7.607	0.000
Control Variables					
Size	0.442	0.126	0.286	3.511	0.001
Length of operation	0.162	0.093	0.139	1.738	0.085
Hierarchy	-0.021	0.007	-0.235	-2.813	0.006
Adhocracy	0.009	0.007	0.103	1.233	0.220
Independent Variables					
Collectivism	-0.181	0.085	-0.169	-2.139	0.035
Long-term orientation	0.128	0.066	0.156	1.931	0.056
$F = 7.681$, $p = 0.000$, $R^2 = 0.283$					

D. Hypothesis Testing

The results indicated that H_1 , H_3 , H_4 , H_6 were not supported. H_2 was supported, as collectivism had a significant negative impact on CEOs' actions regarding CSD. H_5 was also supported, as long-term orientation had a significant positive impact on CEOs' actions regarding CSD; however, when examined in the same model with collectivism, it had no significant impact.

V. CONCLUSION AND DISCUSSION

This study provided a closer examination of managers' cultural values and corporate sustainable development. The findings indicated that long-term orientation is positively related to executives' actions regarding corporate sustainable development. This result is consistent with the existing literature as most of the previous empirical studies indicated the same result. The rationale of these results is based on the observation that business executives with long-term orientation values tend to make sacrifices in the present that favor future benefits. CEOs with high levels of long-term orientation tend to be open-minded and to accord priority to long-term profits such as the profits from adopting practices concerning the principles of CSD.

Moreover, collectivism is negatively related to executives' actions regarding corporate sustainable development. This finding is in accordance with the previous research. Scholars found that collectivism had a strong negative relationship with sustainability issues (Cox et al., 2011). The rationale is that individualism puts a manager's own responsibility in the foreground. Thus, individualistic managers may focus more on environmental and social policies. Moreover, people with high levels of individualism value freedom of expression and individual initiatives; therefore, they may support stakeholders who pursue sustainability-

oriented initiatives by making the appropriate decision and taking the appropriate actions. In addition, individualistic people tend to punish irresponsible behaviors immediately, without waiting for peer group approval, while collectivistic people do not act on their own and let events occur without attempting to prevent them. Thus, managers with individualistic values are more likely to denounce practices that are not ethical, fair, and sustainability-oriented.

Significant results regarding control variables were also indicated. Organizational culture had a strong impact on CSD. Specifically, the hierarchy type of organizational culture had a significantly negative impact on CEOs' actions concerning CSD. Organizations that are characterized by stability and bureaucracy and that put emphasis on control and monitoring tend to find it difficult to engage in practices regarding the environment and society. This type of culture has a focus on economic performance and profitability; thus, it is rational to ignore corporate sustainability initiatives. In addition to organizational culture, a firm's size had a significant positive impact. The larger the company is, the higher the level of CSD. Financial performance showed no strong relationship with CSD.

There are significant managerial implications of this study, particularly for implementing sustainability-oriented practices in business strategy. Managers with long-term oriented and individualistic values are more likely to establish or maintain sustainability practices in their organizations. The knowledge of this research can assist managers in redefining their view about sustainability. Companies would include values-based selection criteria in their recruitment and hiring processes to build teams that can implement sustainability initiatives. Moreover, cultural values can be set as a standard for choosing business partners, suppliers, and distributors. In addition, the hierarchy type of organizational culture had a negative relationship with CSD practices. Thus, organizations with this type of culture will need to make significant cultural change and develop a more flexible type that is more likely to engage in sustainable practices.

One significant limitation of this study is that the sample frame was based on one country, Greece. We propose that future studies should examine business executives' cultural values from other countries to confirm our results regarding CSD. Finally, this study used subjective measures to evaluate CSD. Future studies could use objective measures of companies annual or sustainability reports to assess CSD.

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