

**Too different to be understood, the effect of cultural distance hindering the sale of innovation by multinational subsidiaries**

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#### **Introdução**

This study examines whether cultural distance moderates the effect of the strategic issue selling by international subsidiary of multinational company on the attention dedicated by the headquarters to the issue.

#### **Problema de Pesquisa e Objetivo**

Does the cultural distance between the subsidiary and the headquarters negatively moderate the effect of the packaging and of the process of strategic issue selling?

#### **Fundamentação Teórica**

As the literature review highlighted, interventions that hinder the effectiveness of the issue-selling strategy exist. For example, in the headquarters-subsidary relationship, cultural orientation is dominant and makes mutual understanding difficult (Ling et al., 2005) either by distance or by individual effect.

#### **Metodologia**

In this research we used structural equation modeling with Smart PLS 3.0 software to test the moderation relation, controlling for common method bias. Data was collected via an online survey sent to the country managers of subsidiaries of multinational companies and responded by managers from 46 subsidiaries' countries and 26 headquarters' countries.

#### **Análise dos Resultados**

As expected, cultural distance moderates the subsidiary headquarters relationship in the search for attention, more specifically negatively in the aspects of Corporate Benefits, Corporate Consistency and positive with the social involvement and of other subsidiaries together.

#### **Conclusão**

Our study demonstrates that the relationship of joining other subsidiaries to propose ideas to the headquarters can have an inverted effect between culturally closest or distant subsidiaries, due to the lack of knowledge, the headquarter manager tends to negatively see many distant subsidiaries proposing ideas.

#### **Referências Bibliográficas**

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