

Abstract What allows MNCs to maintain their sustainability practices over the long-term? This is an important but under-examined question. To address this question, we investigate both the development and sustenance of sustainability practices. We use the dynamic capabilities perspective, rooted in resource-based view literature, as the theoretical basis. We argue that MNCs that simultaneously pursue both higher R&D intensity and higher internationalization are more capable of developing and maintaining sustainability practices. We test our hypotheses using longitudinal panel data from 1989 to 2009. Results suggest that MNCs that have a combination of both high R&D intensity and high internationalization are (i) likely to develop more sustainability practices and (ii) are likely to maintain more of those practices over a long-term. As a corollary, MNCs that have a combination of both low R&D and low internationalization usually (i) end up developing little or no sustainability practices and (ii) find it difficult to sustain whatever little sustainability practices they might have developed.

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