

## **ABSTRACT**

This paper examines the willingness to take risks quantified with Hofstede's scores of individualism to firms' innovation performance quantified with R&D expenditure which will extend the findings on the effect of national culture towards the corporate culture, where ICT firms are sampled in this paper as the relevance and adoption of ICT have been increasing throughout the years. After querying firms listed in Orbis based on the R&D expenditure, Hofstede's score on individualism, firm age, foreign shareholder presence, firm size, and firm revenue, it was found that individualism does significantly influence the increase of R&D expenditure while a negative moderation effect of firm age does not have a significant influence. The result's robustness is abided by the use of the Breusch-Pagan LM test to make sure that the choice of random effect model is appropriate to estimate the models. In addition to filling in the gap on the application of Hofstede's score on firm-level impacts, this paper also aims to aid managers in expanding their business in ICT to favor an individualistic trait of a country when they emphasize on firm's innovation performance based on research-intensive activities.

**Keywords:** Culture, Individualism, Innovation, Innovation Performance, Research and Development