FASHION WITH A FOREIGN FLAIR:
PROFESSIONAL EXPERIENCES ABROAD FACILITATE THE CREATIVE
INNOVATIONS OF ORGANIZATIONS

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ABSTRACT

The current research explores whether the foreign professional experiences of influential executives predicts firm-level creative output. We introduce a new theoretical model—the Foreign Experience Model of Creative Innovations—to explain how three dimensions of foreign experiences—breadth, depth, and cultural distance—predict an organization’s creative innovations (i.e., the extent to which final, implemented products are novel and useful from the standpoint of external audiences). We examined 11 years (21 seasons) of fashion collections of the world’s top fashion houses and found that the foreign professional experiences of creative directors predicted the creativity ratings of their collections. The results revealed individual curvilinear effects for all three dimensions of foreign professional experiences: moderate levels of breadth and cultural distance were associated with the highest levels of creative innovations, whereas depth showed a decreasing positive effect that never turned negative. A post-hoc analysis revealed a significant three-way interaction showing that depth is the most critical dimension for achieving creative innovations, with breadth and cultural distance important at low but not high levels of depth. Our results show how and why leaders’ foreign professional experiences can be a critical catalyst for creativity and innovation in their organizations.

INTRODUCTION

Karl Lagerfeld is an icon of the fashion industry. With his trademark sunglasses, tight black suits, and shock of white hair, he is nothing if not conspicuous. By virtue of his decades-long career as the creative director of the world’s top fashion houses, such as Chanel, Fendi, and Chloé, he has established himself as a major creative force. Importantly, his multicultural background appears to be just as central to his legacy: Born in Hamburg to a Swedish father
and German mother, Lagerfeld works in France and Italy, often commuting between the two countries during the same day. Indeed, he once proclaimed that he would like to be a “one-man multinational fashion phenomenon” (Shapiro, 1984), someone who uses a diversity of cultural influences in his collections to make a lasting imprint on the global fashion industry.

Although the fashion industry is a unique context, creativity and innovation are critical to success across a variety of organizational domains (Amabile, 1996). Indeed, as organizations become more globally oriented, it is increasingly important to understand how culturally diverse experiences, such as working in a foreign country, affect the creativity of professionals and their organizations, both in terms of generating new ideas and implementing them as products or services (Hammond, Neff, Farr, Schwall, & Zhao, 2011). Currently, the potential benefits of such experiences remain largely anecdotal and potentially self-serving. For example, although Karl Lagerfeld attributes his own creativity to being able to use ideas from different countries in which he worked, such assertions have yet to be empirically verified. In addition, even though the general relationship between certain kinds of experiences abroad and subsequent creative benefits is beginning to find initial empirical support in the psychological literature (e.g., Leung & Chiu, 2010; Leung, Maddux, Galinsky, & Chiu, 2008; Maddux & Galinsky, 2009; Tadmor, Galinsky, & Maddux, 2012), it is still unknown what types of professional experiences abroad will be powerful enough to impact creativity in organizational contexts.

The current analysis explores whether the foreign professional experiences of influential executives can predict firm-level creative output. To do so, we introduce a new theoretical framework—the Foreign Experience Model of Creative Innovations—to understand when and why individual executives’ foreign professional experiences can impact the creativity of their organizations’ output. We used a unique dataset to examine the life histories of fashion houses’ creative directors to determine how their individual experiences predicted the creativity ratings of their collections shown between 2000 and 2010.
Our study design and theoretical model allow us to directly address numerous gaps in the extant literature. First, the current study is the first to examine whether and how the foreign professional experiences of certain influential individuals can impact organizational-level output, in particular whether the foreign professional experiences of fashion house creative directors predict the creativity of their firms’ innovations. Second, although previous work has examined the impact of multicultural experiences on creativity in general (e.g., Leung et al., 2008), the current study design allowed us explore the particular impact of foreign work experiences on an organizations’ creative innovations. Third, we offer the first examination of how creativity is affected not only by the depth of foreign experiences (e.g., Maddux & Galinsky, 2009) but also by the breadth of foreign experience and by the cultural distance between the countries individuals were socialized in and the countries in which they later worked. Fourth, we introduce a new theoretical model, the Foreign Experience Model of Creative Innovations, to explain how and why breadth, depth, and cultural distance can affect organizational-level creative output. Finally, our model builds off three heretofore separate theoretical frameworks – a) Campbell’s (1960) Blind Variation and Selective Retention (BVSR) model of creativity, b) the theory of international adjustment (Black, Mendenhall, & Oddou, 1991) and c) the social embeddedness perspective on creativity (Burt, 2004; Godart, Shipilov, & Claes, 2013; Perry-Smith & Shalley, 2003); as a result, we bring together previously separate theoretical perspectives to develop a model for understanding specific mechanisms by which professional foreign experiences of individuals translate into the creative innovations of organizations. This multi-level perspective allow us to generate new insights for the psychological (Hammond et al., 2011) and sociological (e.g., Baum, Shipilov, & Rowley, 2003b; Cattani & Ferrieri, 2008; Godart et al., 2013; Uzzi & Spiro, 2005) theories of creativity, as well as for the literatures of work experience (Tesluk & Jacobs, 1998), diversity (Joshi & Roh, 2009), and cross-cultural management (Molinsky, 2007).
FOREIGN EXPERIENCES AND CREATIVE INNOVATIONS

Creativity is defined as something novel and useful (Amabile, 1996; Zhou & Shalley, 2003). Novelty refers to the extent to which a concept, an idea, or a product differs from conventional practices in a particular domain; usefulness is the degree to which a given output is recognized to have functional utility for a given audience. As novelty and usefulness are determined within “the bounds of social, cultural, and historical precedents of the field” (Perry-Smith & Shalley, 2003:91), a given output is viewed as creative “to the extent that appropriate observers independently agree it is creative” (Amabile, 1996:33).

It is important to note that in the organizational context, some scholars distinguish the concept of creativity from that of innovation. Whereas creativity involves the generation of novel and useful ideas by individuals or teams, innovation encompasses both generation of ideas and the selection of some subset of these ideas for implementation by internal audiences, such as senior executives, in an organization (Clegg, Unsworth, Epitropaki, & Parker, 2002; Hammond et al., 2011). However, in most creative industries, such as fashion, art, video game making, technology, publishing, and film, success depends not on the creativity of each idea generated during the entire development and production process, but rather on external audiences’ evaluation of the final product brought to market. In such industries, then, it is difficult and often impossible to separate creativity from innovation (Caves, 2000). For example, in the film industry, audience members and critics do not evaluate the novelty and usefulness of tens of thousands of scripts that were never turned into movies, nor do they evaluate ideas that were suggested by scriptwriters but later cut from the film. Rather they make their evaluations based on films’ final released versions (Cattani & Ferriani, 2008). Similarly, buyers and journalists who evaluate the novelty and usefulness of fashion collections do not look at the designer’s initial drawings, nor do creative teams compile and save all ideas proposed. Rather, buyers and journalists evaluate only the finished
clothing items. Thus the success of a fashion house depends on the creativity of implemented ideas (Godart, 2012b). Given the difficulty of disentangling creativity from innovation in such contexts, we label such organizational output in creative industries as “creative innovations,” defined as the extent to which final, implemented products are novel and useful from the standpoint of external audiences.

Although creativity remains a somewhat mysterious phenomenon, much is now known about the underlying psychology of creative personalities and of the creative process (for reviews, see Feist, 1998, 1999; MacKinnon, 1978; Simonton, 2000; Zhou & Shalley, 2003). One theme that this research has highlighted is the importance of individual and contextual diversity in facilitating creativity. For example, at the individual level, first- or second-generation immigrants are more creative compared to those raised in a single country (Lambert, Tucker, & d'Anglejan, 1973; Simonton, 1994, 1997, 1999). Similar effects have been shown for bilinguals (Nemeth & Kwan, 1987; Simonton, 1999), who exhibit enhanced creativity compared to monolingual individuals. At the group and organization level, moderate levels of team diversity are important because they not only produce the right amount of novel creative inputs, but also enough interpersonal tension to spark creativity, though not so much tension as to impede group performance (Baer, Leenders, Oldham, & Vadera, 2010; Guimera, Uzzi, Spiro, & Nunes Amaral, 2005; Shin, Kim, Lee, & Bian, 2012). Furthermore, individuals with ties to diverse informational domains inside their organizations are likely to exhibit higher creativity (Burt, 2004; Perry-Smith & Shalley, 2003). And research has found that the longer individuals have lived abroad and the more they adapted to their host counties, the better they perform on standard psychological tests of creativity (Maddux & Galinsky, 2009). Reviewing this and other research, Leung et al. (2008) suggested that certain types of multicultural exposure or diverse cultural experiences can enhance general creative ability. However, an open question is whether the foreign
professional experiences of individuals influence the creativity of implemented organizational products or services (Anderson, DeDreu, & Nijstad, 2004; Clegg et al., 2002).

Recent meta-analyses suggest that individuals can indeed implement their ideas more easily, or have a particularly strong influence on organizational output, if they find themselves in particular organizations or positions (Clegg et al., 2002; Hammond et al., 2011). For example, executives in positions of formal power, such as C-level executives, will be especially likely to influence firm-level outcomes, (Staw, 1980). High levels of formal influence over organizational outcomes can also be seen in entrepreneurial start-ups, which reveal the behaviors and biases of their owners due to their high centralization and small size (Staw, 1991; Uzzi, 1996). In addition, if individuals also have well-developed social networks, they will also have influence over the implementation of their ideas inside the organization (Baer, 2012; Dutton & Ashford, 1993). Thus, when individuals who have profound professional experiences abroad are also organizational leaders in charge of innovative activities (e.g., head of R&D in a technology-based firm, creative director in the fashion industry, or producer in the movie industry), their foreign professional experiences may be profound enough to influence the creativity of their organizations’ innovations.

The “Foreign Experience Model of Creative Innovations”

To understand the link between individual foreign experiences and organizational creativity, we propose a new comprehensive theoretical model called the Foreign Experience Model of Creative Innovations. The first component of this model involves insights from the BVSR model of creativity (Campbell, 1960). From this perspective, creativity mechanisms are similar to those of natural selection in biological evolution, with ideas development initially proceeding via a relatively random variation process of either completely new conceptualizations or novel combinations of existing ideas. Such a process is random or “blind” in the sense that there is no particular logic or a priori rationale for the ideas’ generation.
Instead, the initial search proceeds whereby many new conceptualizations or combinations are created relatively haphazardly based on whatever different inputs are available, in the hope that something of value will eventually be produced. In the second step, that of selective retention, a subset of the most promising variations are then selected for further exploration and refinement, eventually leading to an end-product that is considered both novel and useful—in other words, creative (Campbell, 1960; Simonton, 1999, 2011). When individuals work abroad, such experience exposes them to a larger number and more diverse array of new inputs, concepts, and ideas than they could have access to within their own country. In addition, exposure to different environments will make individuals more motivated to take risks, because new inputs, concepts and ideas will make them comfortable challenging any status quo. As implementing creative ideas tends to be risky (Baer, 2012), professional foreign experience will help in these ideas’ implementation.

However, we also suggest that exposure to variation by itself is not enough to stimulate creative innovations. Importantly, the second stage of our model—one of psychological adaptation—is needed to transform foreign experiences into lasting and tangible psychological benefits. Indeed, previous research has shown that not all foreign experiences lead to enhanced creativity; instead, people must adapt themselves to the new culture (Maddux & Galinsky, 2009), undergo deep learning experiences (Maddux, Adam, & Galinsky, 2010), or integrate the new culture into their own identity (Tadmor et al., 2012) for foreign experiences to produce creative benefits. These findings suggest that the process of adjustment that individuals go through when they live or work in a new country is a key factor (Bhaskar-Shrinivas, Harrison, Shaffer, & Luk, 2005; Black et al., 1991). For example, Black et al. (1991) suggested that employees need to go through a period of difficult and intense

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1 Similar predictions have been made in the study of intrapersonal diversity which show that executives’ prior work in different functional areas help them to generate and implement ideas for achieving profitability targets (Bunderson & Sutcliffe, 2002).
socialization and sensemaking with regard to both the cultural and work environment in order to make the necessary personal and professional transition that international assignments demand. To the extent that situational, interpersonal, or organizational factors facilitate such adjustment, then expatriates can better adapt to new cultures. This adaptation, in turn, helps individuals to find creative ways of approaching problems in the future (Maddux, 2011).

Third, professional foreign experiences will also affect creative innovations by facilitating individuals’ embeddedness in professional networks (Godart et al., 2013) and their general networking ability (e.g., Baer, 2010). Social embeddedness provides valuable professional information and tacit knowledge about how to generate ideas and implement ideas, as these tend to be codified and transmitted through informal relationships (Uzzi, 1996). Moving across various geographies helps build wide-reaching bridging ties (Reagans & McEvily, 2003) across the pools of geographically localized knowledge. These ties can thus provide exposure greater blind variation of ideas, which then enhance the ability to combine insights from different domains (e.g., Fleming, 2001; Galunic & Rodan, 1998; Mednick, 1962) and generate novel insights through selective retention. Foreign experiences also assist the implementation of these ideas because intercultural collaboration offers exposure to a wide range of political knowledge and issue-selling tactics from around the world (e.g., Tesluk & Jacobs, 1998). Such exposure individuals’ ability to communicate with a variety of stakeholders inside the firm (Bunderson & Sutcliffe, 2002), help build better intra-firm coalitions (Dutton & Ashford, 1993), mobilize sponsorship and advocacy (Obstfeld, 2005) and drive organizational change more effectively (Ferris et al., 2005).

In sum, in order to produce creative innovations, professional foreign experiences must provide individuals with both exposure to novelty and higher tolerance for risk, but also with sufficient opportunities to psychologically adapt to these foreign environments, to
become embedded in different professional networks, and to develop networking skills for intra-organizational coalition building.

From these dimensions of our theoretical model, we are able to derive three main predictions about when and how foreign professional experiences will affect creative innovations. First, we hypothesize that moderate levels of breadth of organizational leaders’ professional foreign experience will be associated with more creative innovations. In essence, breadth involves exposure to a variety of inputs. Such variety can help individuals better realize multiple approaches to the same problem, or conceive of new, unique ways of solving a specific issue, both by observing how things are done in different countries as well as from receiving information from intercultural collaborations within professional networks across these countries (Laursen, Masciarelli, & Prencipe, 2012; Sorenson & Stuart, 2001). In addition, breadth increases the number of country-spanning bridging ties (Oettl & Agrawal, 2008). The diversity of information exchanged through these bridging ties may help the generation of novel ideas (Burt, 2004), increase comfort with risk taking (Baer, 2010) and offer exposure to variety of political skills and influence tactics (e.g., Tesluk & Jacobs, 1998), all of which will have a positive effect on the creative innovations.

However, based on the adaptation component of our model, we argue that very high levels of breadth may begin to preclude one’s ability to adapt to each of their many new experiences, which could end up having a detrimental effect on creative innovations. For example, an executive may find that working in two different countries makes it possible to integrate and embed oneself into the new cultural contexts and networks, yet also enriching enough to stimulate the generation of novel ideas and the capacity to get them implemented. That same executive may find, however, that working in six different countries is too overwhelming to be able to adapt to each, and too difficult to become effectively embedded in the myriad different networks encountered. Thus, we expected that breadth of foreign
professional experiences would be most optimal when experienced at relatively moderate levels, after which the marginal benefits of greater breadth will decline and eventually may turn negative.

_Hypothesis 1: The effect of breadth of an organizational leader’s foreign professional experiences on the firm’s creative innovations will have an inverted U-shaped relationship, such that relatively moderate levels of breadth will be associated with the highest level of creative innovations._

Second, we hypothesize that moderate levels of _depth_ of organizational leaders’ professional foreign experience will be associated with more creative innovations. Similar to breadth, depth of professional foreign experience can also provide individuals with requisite variety because a person is exposed to more diverse inputs, ideas and concepts the longer this person works in a foreign country. Furthermore, the adaptation component of our model suggests that deep experiences will produce greater opportunities and incentives to psychologically adapt and to truly internalize the foreign culture. Less deep experiences may not provide enough opportunities or incentives for true psychological transformations, such as adaptation, learning, and identity change (Maddux & Galinsky, 2009), for the discovery of informal influence strategies (Baer, 2012; Dutton & Ashford, 1993) or for benefiting from intercultural collaborations (Black et al., 1991). Depth will also provide opportunities to integrate in a variety of different audiences, which can facilitate to the translation and communication their ideas and the building of support coalitions inside the own organization (Bunderson & Sutcliffe, 2002). Furthermore, deeper professional foreign experiences can allow opportunities to more successfully embed oneself into foreign professional networks. Most of the tacit knowledge exchanged within communities happens through strong ties (Uzzi, 1996) and dense networks (Reagans & McEvily, 2003), both of which require effort to build. Such ties will not only provide an individual with fine grained information about how
things are done in specific cultural and professional settings, but also offer access to resources, buy-in, and support, which will help the individual to increase the usefulness of his or her products or services within the focal foreign environment and offer help in implementing them (Cattani & Ferriani, 2008).

However, a foreign environment may act as a catalyst to creative innovations only as long as the environment continues to be perceived as stimulating and novel. Indeed, research has demonstrated that individuals who have completely assimilated to a new culture and have lost their original cultural identity lose the creative benefits of living abroad (Tadmor et al., 2012). Additionally, once an individual has achieved very deep professional experiences in a foreign country, this individual can become “overembedded” (Uzzi, 1996) within that country’s professional networks, focusing on information received from ties in this country to the detriment of ties to other countries. As this person increasingly focuses on the information circulating in a single geographical network, their ability to generate and implement ideas will cease to be different from people who never left that country.\(^2\) Thus, we expected that the depth of foreign professional experiences would be most optimal when experienced at relatively moderate levels, after which the benefits of greater depth may level off or decline.

**Hypothesis 2:** The effect of depth of an organizational leader’s foreign professional experiences on the firm’s creative innovations will have an inverted U-shaped relationship, such that relatively moderate levels of depth will be associated with the highest levels of creative innovations.

Finally, the cultural distance between one’s home country (i.e., the country where one was socialized) and the foreign countries in which one is working may be an important

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\(^2\) This is not to say that this individual will be cut off from information circulating through the Internet or other public media as a result of living in a foreign country for a very long time. Rather this person will be cut off from the diverse tacit information exchanged through bridging ties in professional social networks across geographies—for example, what are the contemporary sources of inspiration, how are new ideas implemented, who are the best partners to work with—information which is not available in the public domain (Cross & Parker, 2004), especially in the creative industries (Currid, 2007).
determinant of whether individuals experience optimal levels of variation but also have the psychological resources to adapt to the new environment. A host of research has noted that there are a number of cultural dimensions and values along which countries vary (Hofstede, 1980; House, Hanges, Javidan, Dorfman, & Gupta, 2004; Schwartz, 1994). This means that subjective experiences abroad will vary depending on the closeness of the cultural characteristics between home and host countries. Indeed, the blind variation and network embeddedness components of our model suggest that the cultural distance between the home country and the various host countries should be an important dimension of foreign experience for creative innovations. Because exposure to novel variation is a critical means by which foreign experiences promote creativity (Simonton, 1999; Weick, 1979), the effect of cultural distance is likely to have a positive effect on the ability to generate and implement novel and useful ideas. For example, working across countries which are close in cultural distance (say, the United States and Canada) may not provide the requisite novelty to either impact general creative processes or the motivation and ability to implement creative ideas (Baer, 2012; Hammond et al., 2011). However, professional stints across countries that show more variance across cultural values and norms, such as an American having an international assignment in Korea (Oh, Chung, & Labianca, 2004) or Ukraine (Danis & Shipilov, 2002) would provide more novel inputs. Such experiences would also expose individuals to more heterogeneous professional networks and practices which might in turn become useful in gaining access to ideas from different cultures, communicating and translating these ideas to people with different backgrounds (Kostova & Roth, 2003), and building intra-organizational coalitions in support of these ideas.

Nevertheless, similar to the effects of high levels of breadth and depth hypothesized above, the adaptation component of our model also implies that high cultural distance may at some point begin to preclude one’s ability to adapt (Black et al., 1991). In line with this
argument, a meta-analysis has shown that the quality of an individual’s adaptation to a new country decreases as the cultural novelty to which this person is exposed increases (Hechanova, Beehr, & Christiansen, 2003). If the cultural distance is so high as to preclude adaptation, then we should expect limited benefits both for the ability to generate novel ideas and for the ability to implement them. High cultural distance might prove so overwhelming that it precludes the ability to absorb the requisite variety (Weick, 1979) of creative inputs as well as hinders the learning of socialization, intercultural collaboration, and coalition building (Morris, Podolny, & Sullivan, 2008). A person working in a country with a high cultural distance to their homeland might also be so stressed by the experience that they could become less likely to generate novel ideas or to take risks in implementing them due to the inability to foresee consequences in a vastly different cultural environment. Thus, levels of cultural distance may be most optimal when experienced at relatively moderate levels, after which the marginal benefits of greater cultural distance may level off or decline.

Hypothesis 3: The effect of cultural distance of an organizational leader’s foreign professional experiences on the firm’s creative innovations will have an inverted U-shaped relationship, such that relatively moderate levels of cultural distance should be associated with the highest levels of creative innovations.
DATA AND METHODS

Study Context

The high-end fashion industry, which is the setting for this study, is a prototypical creative industry that can be used as a good illustration for how creative innovations emerge (Caves, 2000; Crane, 1999; Crane & Bovone, 2006; Godart & Mears, 2009). Sales and profit in fashion are largely derived from, and thus are highly dependent on, creative innovations. This is perhaps most vividly illustrated by the fact that the most significant public figures and most influential organizational leaders of the high-end fashion houses are their “creative directors”—the individuals in charge of defining the houses’ bi-annual collections—rather than their CEOs. These creative directors, who can sometimes have a different title such as “artistic director,” can either be the founders of their own house (e.g., Marc Jacobs is the founder and creative director of Marc Jacobs) or work for a house founded by someone else (e.g., Alber Elbaz is the creative director of Lanvin that was founded in 1889 in Paris by Jeanne Lanvin.) Industry stalwarts such as Marc Jacobs, Karl Lagerfeld, Giorgio Armani, Tom Ford, Miuccia Prada, or Alber Elbaz exert enormous control over their houses’ creative vision and collections, as well as set the tone for the entire fashion industry—they “are the primary creators of fashion within the fashion industry” (Sproles & Burns, 1994:45).

Although creative directors of somewhat less well known fashion houses (e.g., Alice Roi, Antonio Berardi) have less industry influence, they still wield almost complete control over their houses’ collections, generating and implementing ideas concerning styles, colors, fabrics, or patterns for example (Kawamura, 2005).

It should be noted that even though creative directors do not work in isolation (they oftentimes have stylists, photographers, PR professionals, assistant designers who help them in their professional endeavors), they are, without question, in charge of defining the vision of a collection. This has led Kawamura (2005: 57) to write that “although it is important to
remember that [creative directors] are not the only players [they] are and must be portrayed as ‘stars’ in the production of fashion.” Creative directors are personally evaluated by fashion buyers and journalists based on what they are able to produce for their fashion shows in a context of high interpersonal competition among creative directors of different houses (Blumer, 1969). Thus, the process of generating and implementing creative ideas in fashion is very centralized and is attached to the person of the creative director.³

Other industries also have positions which yield a strong influence on the creativity of the organizational output. In the film industry (Cattani & Ferriani, 2008), for example, the position equivalent to the fashion industry’s “creative director” is the “film director” (e.g., Steven Spielberg, Jean-Luc Godard or Alfred Hitchcock) and most of the success or failure of a movie is attributed to this person. In the Broadway musical show industry (Uzzi & Spiro, 2005), it would be the “stage director” or “impresario” who influences the major creative elements, for example Andrew Lloyd Webber, the creator of the “Phantom of the Opera,” or Catherine Johnson, the creator of “Mamma Mia.” Following the process highlighted by Staw (1991), high centralization of the creative operations of the fashion house will help creative director to drive the organizational outcomes. Because creative directors fully define their collections, their professional experiences abroad should also have a strong impact on the collections’ creativity.

**Data Collection and Variables**

We collected industry-wide data on the global high-end fashion industry over 21 fashion seasons (covering both Fall/Winter and Spring/Summer, the two main fashion seasons) between 2000 and 2010. The total number of fashion houses studied was 270. Most

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³ A good example of the role played by the creative director as the defining force of a high-fashion collection comes from the 1995 documentary, *Unzipped*, about the life of American designer Isaac Mizrahi (Godart, 2012a). In this documentary, Mizrahi is shown preparing a collection that is inspired by the 1922 silent documentary film *Nanook of the North* and the 1935 adventure film *The Call of the Wild*. The designer’s vision about this collection becomes associated with him individually. His team supports this vision, for example by scouting the press to see what other designers are doing, or by handling relations with suppliers and buyers, but he is the one translating his visionary idea into actual designs.
of the data came from publicly available sources, such as industry publications and company websites, as detailed below. The first step of the data collection was to identify the firms (i.e., fashion houses) competing in the market. We did so by collecting the names of all the houses which organized a major fashion show in one of the four “fashion capitals” Paris, New York, Milan, and London which constitute the core of the “fashion system” for the time period we considered (Breward, 2003; Kawamura, 2005, 2011). This strategy excluded houses that do not have the means to organize a fashion show, and bigger mass-market clothing companies (e.g., H&M, Forever 21, Uniqlo) that do not usually organize shows.

Based on this definition of our population of high-end fashion houses, we also collected life and career histories of creative directors who worked for these houses from industry encyclopedias (Price Alford & Stegemeyer, 2009; Vergani, 2010), as well as from leading industry publications (such as Women’s Wear Daily, Journal du Textile, or Vogue). Websites such as fmd.com, nymag.com, or style.com as well as Factiva complemented the aforementioned sources. Data on designers span a period starting in the 1930s and ending in 2010. To most accurately use our archival data to operationalize our key constructs, we conducted over 30 interviews with industry insiders. These interviews took place between 2007 and 2011. We complemented them with an extensive review of industry reports.

**Independent variables.** For all of our independent variables, we defined one’s “home country” as the country in which one was socialized, i.e., the country where one spent the most time before the age of 18. For *Breadth* of professional experiences abroad, we calculated the number of foreign countries in which individuals had worked. For *Depth* of professional experiences abroad, we calculated the number of years each director had worked abroad in their professional career (Maddux & Galinsky, 2009). Both variables included the breadth and depth accumulated while this person was not yet a creative director, as well as the breadth and depth following the person’s promotion to the creative director’s position.
Based on the information about the countries in which an individual has worked, we also constructed the index of *Cultural Distance* between the countries. We used Hofstede’s (1980; Hofstede, Hofstede, & Minkov, 2010) cultural distance scores. The distances between countries based on the Hofstede’s dimensions were aggregated using the Kandogan (2012) approach, which is a modified and improved version of the Kogut and Singh (1988) method. The idea behind this approach is that one computes an aggregated score of cultural distance between two countries based on the distances on each of the Hofstede’s dimensions (Kogut & Singh, 1988), while taking into account the possible bias resulting from positive or negative correlations between the pairs of dimensions (Kandogan, 2012).

To compute our measure of cultural distance, we compared the home country to the foreign countries in which the creative director had foreign professional experiences. In cases where there were several countries—say work experiences in Canada and Japan for a person raised in the United States—we added up the absolute values of cultural distances between the United States and Canada as well as the United States and Japan. We chose the sum because it reflects the entire requisite variety to which an individual is exposed to as a result of professional foreign experience.

**Dependent variable.** To evaluate the creative innovations produced by fashion houses, we used the only industry-validated measure available—the ratings in the renowned French trade magazine *Journal du Textile (JdT)* (Barkey & Godart, 2013; Crane, 1997). The *JdT* scores are widely used by international fashion industry professionals to follow major market

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4 This method of measuring cultural distance has been used extensively in management research, most notably to examine the modes of foreign entry (Kogut & Singh, 1988), cross-border acquisition performance (Morosini, Shane, & Singh, 1998), choices between licensing and foreign direct investment (Shane, 1994), cross-cultural variations in the R&D investment intensity (Varsakelis, 2001), longevity in international joint ventures (Barkema, Shenkar, Vermeulen, & Bell, 1997) and the formation of technological alliances (Steensma, Marino, Weaver, & Dickson, 2000). It assumes that individuals are exposed to the same amount of requisite variety when they work in a country whose culture is characterized by high difference on one Hofstede’s dimension to the home culture with little differences on the other dimensions, as compared to a country whose culture has moderate differences with the home culture on all dimensions. In other words, theoretically speaking, all dimensions a priori play the same role for creative process.
trends, identify up-and-coming designers, and assess the financial value of the fashion houses. Previous research has used this data to capture creativity in the fashion industry, albeit for different research questions (Barkey & Godart, 2013; Crane, 1997). *JdT* constructs its ranking by asking industrial buyers to evaluate creativity of fashion collections in both Fall/Winter and Spring/Summer fashion shows (the actual number of buyers varies from 65 to 70, averaging at 67.5 across 21 seasons). Buyers comprise an appropriate jury because they represent the vital constituents that decide whether or not fashion collections are actually sold in stores. These individuals are accustomed to judging collections and their career depends on the ability to evaluate creativity in fashion: All either own or buy for fashion boutiques around the world. Buyers evaluate the creativity of collections by attending the actual shows, reading magazines such as *Vogue* that report on the shows, or watching the collections online. Using buyers’ ratings as a dependent variable is also consistent with the “consensual assessment” definition of creativity where something is considered to be creative if knowledgeable third parties consider it to be creative (Amabile, 1982, 1996). In addition, the evaluation made by buyers looks at both novelty and usefulness. Novelty comes from the fact that fashion is characterized by change (Simmel, 1904) and critics typically praise collections which contain new designs as compared to those in the past seasons; usefulness comes from the fact that buyers are concerned with collections’ potential commercial success.

In this ranking, buyers are asked to give 20 points to what they perceive as the most creative collection for the given season, and 0 points are given to collections that are considered not creative. The editor of the *Journal du Textile* told us that the buyers are asked the following question: “Please evaluate the creativity of the collections from all of the fashion houses that presented in the [e.g. Fall 2006] season.” Fashion collections can be considered creative innovations because they consist of finished products based on the
implemented ideas and these finished products are evaluated for their creativity by third parties (i.e., buyers). Thus, we labeled the resulting dependent variable *Creative Innovations*.

Each buyer is able to give points to a maximum of 20 houses. The points awarded by the buyers are summed and yield the final score with a theoretical maximum of 1,400 points (i.e. if all 70 buyers gave 20 points to the same collection.). We collected both the total number of points received by each fashion house as well as the ratings individual buyers gave to each house. This allowed us to calculate inter-rater reliability scores for this measure. This score (Cronbach’s alpha) varies from year to year, but the average alpha is very high, 0.97.

To further assess the robustness of the buyers’ evaluation, we looked at another creativity ranking developed by *JdT*. Although the buyers’ evaluation yields the *JdT*’s flagship ranking, the journal also collects evaluations from the journalists who are asked the same question as the buyers. There are 15 expert raters, including the most well-known journalists such as the *New York Times*’ fashion critic Suzy Menkes. The correlation between the two rankings was 0.8, indicating the convergence of views between both buyers and journalists. We kept the buyers ranking in our main analysis because of the greater importance of buyers in the fashion industry, and because of the much bigger sample of raters (around 70 buyers versus around 15 journalists) would yield a more reliable result.

*Control variables.* We controlled for a number of organizational-level variables in our analyses. First, because the *JdT* rankings are produced twice a year for each fashion season, we included season-based fixed effects in our models. We also controlled for the number of designs displayed for a given season by a fashion house (variable *Number of Designs*), which acts as a proxy for the size of the organization (i.e., bigger houses are capable of creating more designs than smaller houses (Crane, 1997)).

We also controlled for the amount of media coverage of the focal fashion house by tallying the number of articles published about each house in media outlets for the time period
preceding a fashion season. We used all 25 languages available in Factiva to avoid geographic bias. We focused on media outlets that are centered on fashion (such as Vogue) and the fashion-dedicated sections of generalist outlets (for example, the style section of the New York Times). Media coverage can be considered a proxy of the prestige of the fashion house because each article is a signal of deference from a media outlet to a house (Godart & Mears, 2009). Because Media Coverage was a highly skewed variable, we used a log transformation.

Although our dependent variable, Creative Innovations, is measured at the level of the organization (i.e., the creativity of the collections produced by the fashion houses), the main driving force behind the collections are the houses’ creative directors. Thus, we controlled for a number of individual-level variables associated with creative directors: age (Age of Creative Director), tenure at the director’s current house (Creative Director's Tenure (logged)), and the number of different fashion houses worked at, including the current position (Creative Director's Number of Houses), and whether the director’s position was solo or as part of a team (Team of Creative Directors). When a house was run by more than one creative director (slightly more than 20% of the observations), we used the average of the relevant variable across individuals for both control variables and our main independent variables (e.g., breadth, depth, and cultural distance) because our interviews confirmed that creative director teams have to work collaboratively and the consensus of all individuals is the norm.

We coded whether creative directors lived abroad prior to starting their careers by computing a dummy variable “Lived Abroad” set to 1 if a person had such experience and zero otherwise. We also coded whether the creative director studied design, since educational experiences in the domain of design can endow individuals with domain- and creativity-specific skills (Higher Education in Design variable). As a separate variable, we coded the education level (both design-related and non-design related degrees) of the creative directors with “1” = “no higher education,” “2” = “bachelors’ degree,” “3” to “masters’ degree and
above” (Education Level). In order to account for a potential role played by junior designers, we counted the number for each fashion house (variable Number of Designers (non-CD)) and computed their average age (variable Age of Designers (non-CD)). It is important to emphasize, however, that designers other than the creative directors play a subordinate role.

Analyses Overview

We analyzed our data using two-stage least squares regressions with instrumental variables. The choice of this estimation strategy was predicated by concerns of reverse causality (endogeneity) and omitted variables bias (Hamilton & Nickerson, 2003). That is, we first needed to rule out the explanation that it is innate creative ability that leads people to get professional experiences abroad, and not the other way around. Furthermore, there were also psychological variables that our archival analysis made it impossible for us to collect, such as individuals’ “openness to experience” (e.g., Huang, Chi, & Lawler, 2005) that might impact their willingness to seek professional experiences abroad and/or their creativity. These issues can be interpreted as bias associated with the error term of the regression equation examining the drivers of creative innovations (Bascle, 2008).

A standard approach to simultaneously deal with both reverse causality and omitted variables (and, incidentally, measurement errors) is to conduct regressions with instrumental variables (Shaver, 1998). Instrumental variables have a strong fit with the endogenous variable (such as going abroad), but do not correlate with the error term in the equation examining the dependent variable of interest (creative innovations) (Murray, 2006).

To perform this regression, a predicted probability of the endogenous event (i.e., having a creative director who went abroad at a helm of a fashion house) as a function of instrumental variables plus all other theoretical and control variables in the model is computed. Then, this probability is entered as a control variable in stage two of the regression analysis with the ultimate dependent variable of interest (i.e., creative innovations of a fashion
house) without including the instrumental variables. Greene (2011:259-296) shows that the inclusion of this probability absorbs the biases associated with reverse causality and omitted variables, effectively yielding conditions that are as good as “random assignment” for examining the relationships between all independent variables and the dependent variable in the second stage regression (Wooldridge, 2002). This is why instrumental variable regressions are referred to as “quasi-experimental research designs” (Angrist & Krueger, 2001) that can make accurate causal inferences from archival data and lessen biases due to omitted variables and reverse causality (Bollen, 2012). Recent studies in management that use the instrumental variables include the investigation of how firms conform to the demands from minority resource suppliers (Durand & Jourdan, 2012), the examination of the effect that inter-organizational ties across different geographies have on new firm formation (Bae, Wezel, & Koo, 2011), or the impact of social structure on creativity (Fleming, Mingo, & Chen, 2007).  

Because regressions with instrumental variables require an endogenous variable, we created a dummy *Foreign Experience* where a value of “1” indicates that a fashion house has a creative director with foreign experience, while a value of “0” indicates no foreign experience. This variable had to include more information than that contained in the breadth, 

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5 Specifically, Fleming, Mingo, and Chen (2007) hypothesized that brokerage opportunities in the inventors’ collaborative networks are positively related to the novelty of their ideas. The authors used records of inventors’ authorships on patents as a source of archival data. An inventor is a broker to the extent she collaborates with inventors who don’t collaborate with each other. An inventor is in a cohesive social structure (reverse of brokerage), when she collaborates with inventors who also work with each other. The authors faced an endogeneity problem because they were concerned that the existence of a creative project might drive the formation of social networks. Thus social structure (brokerage vs. cohesion) is the endogenous variable. They chose the number of unique patent lawyers for each inventor’s patents as an instrument for the brokerage/cohesion instrumental variable. Brokers will have many different lawyers because they work with many collaborators from different companies, and different companies use different lawyers. Inventors in cohesive networks tend to work with collaborators from the same company, and thus use the same lawyers all the time. Because lawyers are assigned to patents without the inventor’s preference, the number of lawyers has no influence on the creativity of the patent. Thus, the number of lawyers is a good instrument that correlates with the social structure (the number of lawyers increases brokerage), but doesn’t correlate with the dependent variable—creativity of the patent. The inclusion of a predicted value for this social structure instrument (i.e., the number of unique patent lawyers) gets rid of the endogeneity concerns in the regression model examining the antecedents of ideas’ novelty.
depth and cultural distance. That is, coding this variable as “0” when someone did not have any professional foreign experience (i.e. $\text{Foreign Experience} = 0$ if $\text{Breadth} = \text{Depth} = \text{Cultural Distance} = 0$) will yield regression models with prohibitively high correlations between predicted value of $\text{Foreign Experience}$ and the three dimensions of actual professional foreign experience. Thus, we incorporated in $\text{Foreign Experience}$ information on other experience abroad that an individual could have had, whether working abroad or living abroad before starting work. Consequently, $\text{Foreign Experience}$ was set to “1” if a designer had professional or personal foreign experiences like living abroad and used “0” otherwise.

The second issue is to find instruments that correlate with one’s foreign experience and do not correlate with the creativity of innovations of one’s fashion house. This would refer to factors that lead people to get professional or non-professional foreign experience in the first place. Socio-economic conditions in their countries of birth might cause them to do so, with better conditions likely associated with a higher likelihood of going abroad. To that end, for each designer in our database, we identified their country and year of birth and then computed per capita Gross Domestic Product (GDP)—in constant thousands of 2000 U.S. dollars—at the time of birth. Furthermore, because our $\text{Foreign Experience}$ variable counts both professional and non-professional foreign experiences, it could be affected by the parents taking this person out of the country of birth for family reasons. Therefore, as another instrument, we used the variable $\text{Inter-Cultural Parents}$ which was coded as “1” if a person is born to parents who themselves were born in different countries. Those with parents from different countries may be more likely to go abroad because they might have relatives in a different country or might be interested in going abroad because they have been exposed to foreign influences growing up. We also constructed an interaction term between $\text{Inter-Cultural Parents}$ and $\text{Per Capita GDP at Birth}$ to allow for the synergistic effects of these two
variables (for example, someone who was born in a multi-cultural family in a rich country might be more willing and able to get either schooling or professional experience abroad).\footnote{Ultimately, the impact of these variables on going abroad and on creative innovations is determined by two statistical tests: the Kleibergen-Paap rk Wald F test and the Sargan test (Baum, Schaffer, & Stillman, 2003a). The first test must be significant because it tests whether instrumental variables (per capita GDP at birth, Inter-Cultural Parents, and their interaction) are jointly correlated with the endogenous variable (Foreign Experience). A non-significant Sargan test shows that a null hypothesis about the lack of correlation between the instruments and the dependent variable (Creative Performance) should not be rejected. However, the significance of the latter test does not automatically mean that the model is mis-specified (Bascle, 2008). If the Sargan test is significant in the intermediate models, but it is not significant in the fully-specified model, and the theoretical variables’ results in the fully specified model are the same as in the intermediate models, then the researcher can still be confident about the intermediate results. These tests can also be complemented by correlational analysis: a good instrument correlates more strongly with the endogenous variable (Foreign Experience) than with the final dependent variable (Creative Innovations).}

Our dataset is a panel based on firm-year observations, and our main dependent variable is a count of points. We transformed our dependent variable into a variable that can be used by an OLS regression analysis, more specifically the xtivreg2 command in STATA. Specifically, the Creative Innovations contained the average number of points given to the fashion house by the raters in a given year. Our data comprised information over 21 fashion seasons (Fall/Winter and Spring/Summer) between 2000 and 2010. STATA’s xtivreg2 uses a fixed effects specification at the level of the fashion house. This is the equivalent to including a dummy for each fashion house in the analysis. Statistically, house fixed effects is an additional check for omitted variables that might be driving the results, such as for example, changes in organizational culture which might be more conducive to creativity in some fashion houses, but not in the others. Our final sample comprised 2,427 house-season observations. Table 1 provides an overview of the descriptive statistics and Pearson correlation coefficients for our variables.\footnote{Although these correlations are generally low, one should expect high correlations among the squared terms of breadth, depth, and cultural distance. High correlations between variables— multicollinearity—is the consequence of having redundant information in the regression model which primarily inflates standard errors that may lead the researcher to over-reject a relationship that exists in the data. When the maximum Variance Inflation Factor (VIF) is high, that is to say substantially above 10, one can retain the explanatory power of the regression model by removing highly collinear variables and see whether this affects the results (Belsley, Kuh, & Welsch, 2004; Kennedy, 2008). This is what we do in our analyses, as reported below.} We mean-centered the main effects prior to the construction of interactions to avoid collinearity.
We inspected the correlations between Creative Innovations, Foreign Experience, and the instruments (Per Capita GDP at Birth, Inter-Cultural Parents, and their interaction) to see which instruments were more strongly correlated with the endogenous variable (i.e. Foreign Experience) than they were with the dependent variable (i.e. Creative Innovations). Per Capita GDP at Birth was correlated neither with Foreign Experience (r=0.02, n.s.) nor with Creative Innovations (r=0.01, n.s.). Since both correlations were not significant, it was not appropriate to use Per Capita GDP at Birth as an instrument. Although Inter-Cultural Parents was correlated with Creative Innovations (r=-0.05, p<0.05), it was much more strongly correlated with Foreign Experience (r=0.40, p<0.01), suggesting it as an appropriate instrument. The interaction of Per Capita GDP at Birth x Inter-Cultural Parents was strongly correlated with Foreign Experience (r=0.32, p<0.01), but was not correlated with Creative Innovations (r=0.01, n.s.), again suggesting its appropriateness. We used the latter two in the first stage analysis whereas Per Capita GDP at Birth was included in the second stage.

We examined whether our interactions and the individual curvilinear effects were robust against outliers. To do so, we calculated Cook’s distance statistics for observations in each of the regressions involving curvilinear effects and the regression model with all the main effects and interactions. We reran these regressions excluding observations that had higher Cook’s distance statistics than the threshold (determined as 4/N where N is the number of observations). In all four regressions, the results were the same as those reported below.

**Results**

Table 2 provides results of our second stage regression analysis with Creative Innovations as a dependent variable. Model 1 is the baseline. We entered the linear effects of three theoretical variables in Model 2. Then we entered squared terms of Breadth, Depth, and
Cultural Distance separately in Models 3, 4, and 5, respectively. Model 6 reports linear and squared effects for all three variables.

We start with our basic predictions for the three dimensions of interest: breadth, depth, and cultural distance. Overall, we predicted that relatively moderate levels of each dimension would be associated with the highest level of creative innovations. Hypothesis 1 predicted an inverted U-shaped relationship between breadth and creative innovations. Consistent with this hypothesis, there was a positive linear effect in Model 3 for breadth (5.38, p < .001) and a negative quadratic effect (-1.64, p < .001). Hypothesis 2 predicted an inverted U-shaped relationship between depth and the creative innovations. Consistent with this hypothesis there was a significant positive linear effect of depth (0.21, p < .001) and a negative quadratic effect (-0.003, p < .001) in Model 4. Hypothesis 3 predicted an inverted U-shaped relationship between cultural distance and creative innovations. Consistent with this hypothesis, there was a significant linear effect for cultural distance (0.25, p < .05), and a negative quadratic effect (-0.06, p < .001) in Model 5.

All quadratic effects remained when we entered the three linear terms and the three quadratic terms in Model 6. The only exception was a non-significant linear coefficient for cultural distance (0.07, n.s.). However, Model 6 had a maximum VIF higher than 10 (VIF~12), suggesting that the presence of multicollinearity might inflate standard errors and reduce significance of coefficients. In Model 7, we removed the quadratic term for breadth, which brought max VIF to 9 and both the linear (0.18, p < 0.1) and quadratic terms (-0.04, p <

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8 We performed a major robustness check to account for an alternative explanation based on Schneider’s (1987) theory of attraction-selection-attrition (ASA). From this perspective, it is possible that creative directors with foreign professional experiences select or attract more talented team members with foreign experiences. To rule out this possibility, we looked at the sub-sample of fashion houses run by teams, but found that directors with foreign experience do not systematically select or attract other directors who have foreign experience, casting doubt on the ASA alternative explanation.
.05) for cultural distance became significant. Even without this check in Model 7, Aiken and West (1991) suggest that the significance of the quadratic term is enough to indicate the presence of a curvilinear effect. Thus, all our hypotheses were supported.

Figure 1 plots the effects from Models 3-5 for breadth, depth, and cultural distance between 1 standard deviation below the mean and 4 standard deviations above. Breadth and cultural distance showed the predicted inverted-U-shaped curvilinear effect on creative innovations, where the positive effect of each variable eventually decreased and even turned negative at very high levels for breadth and depth. Thus, consistent with our theorizing, the highest levels of creative innovations were seen at relatively moderate levels of breadth or cultural distance (when the other two dimensions of professional foreign experience were at their means.) In addition, very high levels of breadth and cultural distance began producing detrimental effects, with the highest levels of each approaching levels of creative innovations seen by those with little or no foreign work experience. In contrast, depth had a decreasing positive effect on creative innovations but did not turn negative.9

Post-Hoc Analyses: The Three-Way Interaction between Breadth, Depth, and Cultural Distance

We also ran post-hoc analyses to test whether there was a three-way interaction among breadth, depth and cultural distance indicating their joint effects on creative innovations. We tested for the presence of a three-way interaction between linear terms of each dimension in

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9 We did not examine curvilinear moderation (i.e. the interactions among the quadratic terms) because we do not know of a method for combining a three-way interaction with the curvilinear moderation of all three variables. This would require adding at least three interactions of quadratic effects with the linear terms to Model 8 that already has the maximum VIF > 38. Any effects in such a model would not be interpretable. Second, we did not have a theoretical reason to believe that our inverted U-shaped relationships will change shape to a regular U at other combinations of points in our data. As Aiken and West (1991: 69-70) point out, this is the assumption behind testing the model with curvilinear moderation.
Model 8. We also included lower level terms (i.e. all two-way interactions among the three variables). The maximum VIF in this model was very high due to the correlations between the interactions and the quadratic effects and many coefficients were not significant, thus results in Model 8 cannot be interpreted. In Model 9, we eliminated the quadratic effects, because they were redundant with the interactions. Even though maximum VIF is 13 in Model 9, the three-way interaction was significant. Since the effects of collinearity appear in inflated standard errors (Kennedy, 1998), we can still interpret significant coefficients in Model 9. This model shows a positive three-way interaction between depth, breadth and cultural distance (0.09, p< .01). Thus, the interactions of our foreign professional experience variables appear to explain the effects attributable to their individual quadratic terms.

We also checked to see whether collinearity somehow affected our results in Model 9. To that end, in Model 10, we removed the three-way interaction to inspect the significance of the two way interactions among theoretical variables, whereas in Model 11 we removed one two-way interaction (Breadth x Depth) to inspect the three-way effect. None of these changes has any impact on the coefficients of the remaining variables, even though collinearity was reduced to 10. Thus, we can conclude that collinearity doesn’t affect our results in Model 9.

In order to better understand effects in Model 9, we plotted the relationships among three variables at plus or minus one standard deviation around the mean of breadth. We also tested for the significance of slopes (Dawson & Richter, 2006). Figure 2 contains this plot constructed using the coefficient estimates from Model 9 as well as the slope significance tests. The plot and corresponding tests indicate that depth of foreign work experience seems to be the most critical of the three factors for obtaining creative innovations. When depth was high, cultural distance and breadth had essentially no effect on creative innovations. However, when depth was low, breadth and cultural distance had a more noticeable impact, but they also seem to act as substitutes for providing such variety: having one or the other seemed to
be helpful, but the combination of both did not provide additional benefits. This substitutability occurs presumably because either breadth or depth may be enough to provide the requisite variety needed for creative innovations. High depth, on the other hand, may also provide some exposure to variety, apparently enough variety such that breadth and cultural distance are no longer critical. In addition, because depth also provides the opportunity to adapt and integrate different cultural elements that breadth and cultural distance do not, depth emerged as the most critical factor in our analyses.

In summary, the significant linear and quadratic terms of our three dimensions show that relatively moderate levels of breadth, depth, and cultural distance are associated with the highest levels of creative innovations, though the diminishing effect at high levels of depth was not pronounced. It is important to note that these effects show the individual relationship between one theoretical variable and creative innovation when the other two are at their mean. For example, when a person has average breadth and depth, this person will benefit from average cultural distance. Since the effects of depth never turn negative, a person will still benefit even from high depth when this person has average breadth and distance. The linear three-way interaction shows a joint effect of the combination of three variables and points to two conclusions: a) depth seems to be the most important dimension for creative innovations, and b) breadth and cultural distance are also important but primarily at low levels of depth, where they act as substitutes. Thus, it seems that the highest level of creative innovations was achieved when high depth was coupled with moderate breadth and cultural distance.

**DISCUSSION AND CONCLUSIONS**

The present study is the first to demonstrate that companies benefit when senior leaders in charge of creative operations obtain foreign professional experience. We presented a new theoretical model—the Foreign Experience Model of Creative Innovations—to show how the breadth, depth and cultural distance of such experiences affect organizational output.
Our results revealed that these three dimensions of foreign professional experiences had both independent and joint effects. When taken individually, depth, breadth, and cultural distance of foreign professional experiences had significant but curvilinear relationships with creative innovations. That is, the positive effect of breadth and cultural distance increased but eventually turned negative at high levels, while depth initially increased but then showed a decreasing positive effect at high levels, though never turned negative.

Our supplementary analyses established how the effects of these three variables interacted. Depth emerged as the most important dimension for creative innovations, whereas breadth and cultural distance mattered only when depth was low, acting as substitutes for each other. High depth presumably compensates for the negative effects of having too much requisite variety when breadth and distance are too high (because high depth facilitates adaptation). Yet, once high levels of depth are reached, there is little or no added benefit of breadth or cultural distance; in other words, depth may provide enough requisite variety to render breadth and cultural distance less important. The finding that depth was the most important dimension for determining creative innovations is consistent with Maddux and Galinsky (2009), who found that the longer undergraduate and MBA students had lived abroad, the more creative they were on standard psychological tests of creativity. Our model also suggests why depth of experiences may be so critical: Deep foreign experiences not only afford the opportunity for greater adaptation to one’s foreign experience, but because they are by definition occurring in a foreign country, they will also offer exposure to a variety of inputs to the creative process. Breadth and cultural distance may help provide variety but not opportunity to adapt, which is why they seem to be important at low but not high levels of depth. However, lacking depth, one can still marginally improve the probability of creative innovations by seeking either greater breadth or cultural distance.
Finally, our results made clear that by far the lowest level of creative innovations were seen at low levels of all three variables. Thus, having no foreign experience puts one at a distinct disadvantage relative to others with different types of foreign work experiences.

**Theoretical Contributions**

We believe our findings contribute to a number of literatures, including those on creativity, work experience, diversity and cross-cultural management. Past research on the psychology of creativity has produced a valuable body of knowledge about factors stimulating the generation of novel and useful ideas (Amabile, 1996; Baas, De Dreu, & Nijstad, 2008; Baer et al., 2010; George, 2007; Shalley & Gilson, 2004; Shin et al., 2012; Zhou & Shalley, 2003). One key insight from this research is that creativity requires a variety of inputs. Our research shows how several dimensions of foreign experience can help to provide this variety. However, our results also go beyond such work to show that deeper experiences provide the critical opportunity for psychological transformation to make sense of these diverse inputs, as well as the ability to embed oneself in professional networks to produce creative innovations.

Research on the sociology of creativity (Fleming et al., 2007) can also benefit from these findings. A range of work has advanced purely structural explanations for creativity and innovations (e.g., Baum et al., 2003b; Cattani & Ferriani, 2008; Godart et al., 2013; Uzzi & Spiro, 2005). Yet, creativity occurs at the intersection of psychological processes and the social and organizational context. Foreign professional experiences are very important in this regard, because they affect not only the individuals’ cognition and motivations but also shape their professional networks. These experiences can channel diverse information to minds that are ready to absorb this information, to take the risks with new ideas and to build intra-organizational coalitions for their implementation. Thus, the creativity of scientific teams (Fleming, 2001), of Broadway musical producers (Uzzi & Spiro, 2005), or of movie makers
(Cattani & Ferriani, 2008) may all be shaped by their members’ foreign professional experiences.

Another contribution is to the literature on work experience (Quiñones, Ford, & Teachout, 1995) which examines how professional lives are shaped by contextual and individual factors, as well as how such experiences are translated into work-based knowledge, skills, attitudes, motivation, and performance (Tesluk & Jacobs, 1998). One key contribution that we make is to show that foreign professional experience is an important factor providing an individual with unique skills, attitudes and motivation both for generation and for the implementation of creative ideas. We also show that the lack of this experience is detrimental to one’s ability to produce creative innovations.

The literature on diversity, which examines the conditions under which diversity is beneficial (Joshi & Roh, 2009), can also benefit from our findings that suggest that professional foreign experiences can be a critical source of diversity of inputs into the creative process. Organizations hiring individuals with such experiences to lead their creative operations may be more capable at bringing about creative innovations. Also, professional foreign experiences expose individuals to a variety of different approaches to solving problems, which may make them more proficient at other types of organizational tasks that demand creative thinking, such as working well in diverse or geographically distributed teams, negotiating or resolving inter-personal conflicts. Such experiences can provide an extra dimension of diversity not yet emphasized in the literature. For example, a team might be comprised of only white males born in the same country (Ibarra, 1993), but it can still exhibit a considerable diversity if its members have broad professional foreign experiences.

Finally, cross-cultural management scholars are interested in what makes some individuals better than others at communicating across cultures (Molinsky, 2007). Our results suggest that broad, deep and culturally distant professional foreign experiences may enable
individuals to engage in “cross-cultural code-switching” (Molinsky, 2007), which is a critical component of managing across cultures. These individuals can facilitate intercultural collaboration by acting as bridges between colleagues, business units or even alliance partners from disparate cultural or national contexts.

Limitations and Future Research

Although we ruled out alternative explanations by adding theoretically relevant controls to our regression models, such as individuals’ age, gender, previous experience as well as organization level characteristics that might impact the creative innovations, and although our use of instrumental variables allows us to make causal claims when analyzing archival data (Angrist, Imbens, & Rubin, 1996; Winship & Morgan, 1999), our study also contains a number of limitations. Regarding the generalizability of our findings, we would expect similar results in knowledge-intensive and creative industries, where success is determined by the ability of individuals to generate and implement novel and useful ideas such as music, publishing, cinema or art (Caves, 2000) or even technology sectors and pharmaceutical R&D. Indeed there are many companies and industries where the creativity of the final, implemented product is what is evaluated, rather than the creativity of each idea generated during the development process; novels, Hollywood movies, video games, mobile phones, and computer software would all fall into this category. Of course, our results are less relevant for industries that are not as dependent on creative innovations for survival.

We are also limited to contexts in which one individual—or a small team—has a significant impact on the output of firms. This will happen when a firm is small, or when the decision making of a large firm is centralized and confined to a small group of senior executives (Staw, 1980). Many admired companies have individuals with outsized influence over the final output; this is especially true for movie directors, but can also be the case for influential CEO’s of other types of companies, such as those in technology (i.e., Steve Jobs,
Bill Gates, or Mark Zuckerberg). It may also happen in firms run by larger teams characterized by four mechanisms of “collective creativity”: members’ willingness to seek help, give help, to reframe collective experiences and to provide support to each other (Hargadon & Bechky, 2006). Archival research does not allow access to creative teams’ thought processes, conversations and the emergence of collective cognitions (Weick & Roberts, 1993). We welcome future studies using in-depth field research or experiments. Such approaches could also discover exactly when all mechanisms in our model—exposure, adaptation and embeddedness—are necessary for transforming experiences of organizational leaders into creative innovations. Lacking direct measurements of exposure, adaptation and embeddedness, our study can be considered a first step towards understanding professional foreign experience as a driver of organizational creativity.

Our use of instrumental variables allowed us to control for biases due to the omitted variables, for example, directors’ creative self-efficacy, openness of experience or networking ability. Unfortunately, we were not able to examine directly which part of creative innovations can be attributed to individuals’ networking, self-efficacy, and which is due to the openness of experience, net of the professional foreign experience. We welcome future research that examines these issues, notably by adding personality data to our approach.

We assumed that foreign professional experiences affect both the generation and implementation of novel ideas. While existing research suggests that this is a reasonable assumption, and the external audience members in our study were asked to evaluate creativity of implemented ideas, we cannot cleanly test this assumption with the current dataset. A limitation of archival research is that it cannot distinguish between ideas which were generated but not implemented. In our case, this would have required collecting all designers’ drawings over 21 seasons including all of the intermediate designs that they came up with as well as the exact sources for each. Given these logistical impossibilities, the assumption about
the impact of foreign professional experiences on generation and implementation of creative ideas will benefit from testing using experimental work, surveys, participant observation or interviews (Clegg et al., 2002). However, the consistency between our findings and those in the extant psychological literature give us confidence in the general validity of our results.

**Practical Implications for Organizations and Individuals**

Our results suggest a number of practical implications. First, companies produce more creative innovations if their leaders have professional experiences abroad. Although hiring executives with such career profiles is relatively straightforward, developing talent internally may require instituting international rotational programs into human resources policies, such as mandatory international assignments for those in management and leadership positions (Kopp, 1994). Second, individuals who want to enhance their creativity might proactively look for work abroad for substantial periods of time. Doing this would not only increase their creativity, but also their appeal to organizations as hires (Brimm, 2010).

**Conclusions**

Although aspiring designers and prospective leaders inside and outside the fashion industry might never be able to exactly replicate the creativity of the world’s best creative directors, they can increase their odds of creative successes by capitalizing on the multicultural aspects of their career paths. Such encounters may provide career boosts to individuals and help enhance the creativity of the organizations they join. Thus, the first step towards being the next Karl Lagerfeld might start with something as simple as finding an opportunity to work abroad.
REFERENCES


TABLE 1:
Descriptive Statistics and Pearson Correlation Coefficients

| Variable                                           | Mean  | Std. Dev. | 1   | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   | 10  | 11  | 12  | 13  | 14  | 15  | 16  | 17  | 18  | 19  | 20  |
|----------------------------------------------------|-------|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1 Creative Innovations (DV)                        | 1.14  | 2.31      | 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 2 Foreign Experience                               | 0.68  | 0.47      | -0.08| 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 3 Inter-Cultural Parents (ICP)                     | 0.26  | 0.44      | -0.1 | 0.4 | 1   |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 4 Per Capita GDP at birth (/1000) x ICP            | 15.34 | 33.00     | 0.01 | 0.32 | 0.79 | 1   |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 5 Per Capita GDP at Birth (/1000)                  | 7.44  | 45.08     | 0.01 | 0.02 | -0.2 | 0.12 | 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 6 Number of Designs                                | 43.00 | 14.40     | -0.04| 0.03 | -0.22 | 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 7 Media Coverage (logged)                          | 4.22  | 1.45      | 0.06 | 0.1  | 0.05 | -0.13 | 0.35 | 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 8 Age of Creative Director                         | 42.65 | 10.79     | -0.09| 0.1  | -0.42 | 0.35 | 0.35 | 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 9 Creative Director's Tenure (logged)              | 2.12  | 0.84      | -0.13| 0.1  | -0.27 | 0.30 | 0.24 | 0.59 | 1.00|     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 10 Creative Director's Number of Houses           | 2.93  | 2.11      | 0.13 | 0.24 | 0.07 | 0.1 | -0.03 | 0.16 | 0.33 | 0.29 | 0.03 | 1.00|     |     |     |     |     |     |     |     |     |     |     |
| 11 Team of Creative Directors                      | 0.20  | 0.40      | -0.10| 0.01 | 0.07 | 0.1  | 0.09 | -0.07 | -0.05 | -0.12 | -0.09 | -0.16 | 1.00|     |     |     |     |     |     |     |     |     |     |
| 12 Higher Education in Design                      | 0.65  | 0.46      | 0.06 | 0.08 | -0.06 | 0.14 | -0.09 | -0.07 | -0.35 | -0.19 | 0.05 | -0.04 | 1.00|     |     |     |     |     |     |     |     |     |     |
| 13 Education Level                                 | 1.90  | 0.40      | -0.07| 0.1  | -0.17 | -0.09 | 0.02 | -0.23 | -0.12 | -0.17 | -0.07 | 0.49 | 1.00|     |     |     |     |     |     |     |     |     |     |
| 14 Age of Designers (non-CD)                       | 5.66  | 12.37     | 0.23 | 0.07 | 0.08 | 0.06 | -0.11 | 0.25 | 0.37 | 0.14 | 0.09 | 0.14 | -0.05 | -0.01 | 0.07 | 1.00|     |     |     |     |     |     |
| 15 Number of Designers (non-CD)                    | 0.29  | 0.67      | 0.23 | 0.12 | 0.08 | 0.08 | -0.09 | 0.28 | 0.37 | 0.15 | 0.09 | 0.16 | -0.05 | 0.04 | 0.11 | 0.78 | 1.00|     |     |     |     |     |
| 16 Number of Creative Directors                    | 1.23  | 0.48      | -0.11| 0.02 | 0.07 | 0.1  | 0.09 | -0.06 | -0.05 | -0.10 | -0.12 | -0.14 | 0.79 | -0.07 | -0.10 | -0.02 | -0.04 | 1.00|     |     |     |
| 17 Living Abroad                                   | 0.12  | 0.32      | -0.05| 0.25 | 0.04 | 0.01 | -0.19 | -0.07 | -0.11 | -0.04 | -0.12 | -0.04 | 0.07 | -0.04 | -0.06 | -0.04 | -0.07 | 0.06 | -0.10 | -0.04 | 1.00|     |
| 18 Breadth                                         | 0.01  | 0.87      | 0.04 | 0.64 | 0.08 | 0.09 | 0.12 | 0.00 | 0.07 | -0.04 | 0.17 | 0.44 | -0.07 | 0.10 | -0.01 | 0.07 | 0.11 | -0.06 | 0.20 | 1.00|     |     |
| 19 Depth                                           | -0.04 | 9.40      | 0.08 | 0.46 | 0.25 | 0.19 | -0.06 | 0.08 | 0.19 | 0.33 | 0.16 | 0.51 | -0.05 | -0.10 | -0.18 | 0.09 | 0.11 | -0.04 | 0.19 | 0.55 | 1.00|     |
| 20 Cultural Distance                               | -0.01 | 1.45      | 0.05 | 0.43 | 0.19 | 0.19 | 0.00 | -0.04 | 0.04 | 0.03 | -0.09 | 0.23 | 0.01 | 0.06 | -0.03 | 0.06 | 0.08 | 0.00 | 0.27 | 0.44 | 0.65 | 1.00|     |

Correlations greater than |.039| are significant at P < 0.05
TABLE 2:

Results of 2\textsuperscript{nd} Stage Panel Data Regression with Instrumental Variables

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
<th>Model 6</th>
<th>Model 7</th>
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<td>coef</td>
<td>se</td>
<td>coef</td>
<td>se</td>
<td>coef</td>
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<td>-17.96***</td>
<td>(4.25)</td>
<td>-20.24***</td>
<td>(4.60)</td>
<td>-19.06***</td>
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<tr>
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<td>-0.00***</td>
<td>(0.00)</td>
<td>-0.00***</td>
<td>(0.00)</td>
<td>-0.00***</td>
<td>(0.00)</td>
<td>-0.00***</td>
</tr>
<tr>
<td>Number of Designs</td>
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<td>(0.00)</td>
<td>-0.00</td>
<td>(0.00)</td>
<td>-0.00</td>
<td>(0.00)</td>
<td>-0.00</td>
</tr>
<tr>
<td>Media Coverage (logged)</td>
<td>0.18*</td>
<td>(0.08)</td>
<td>0.12*</td>
<td>(0.11)</td>
<td>0.20*</td>
<td>(0.10)</td>
<td>0.12*</td>
</tr>
<tr>
<td>Age of Creative Director</td>
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<td>(0.01)</td>
<td>-0.12***</td>
<td>(0.03)</td>
<td>-0.10***</td>
<td>(0.02)</td>
<td>-0.11***</td>
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<tr>
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<td>(0.19)</td>
<td>1.28***</td>
<td>(0.28)</td>
<td>0.79***</td>
<td>(0.18)</td>
<td>1.07***</td>
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<td>0.46***</td>
<td>(0.13)</td>
<td>0.56***</td>
<td>(0.15)</td>
<td>0.44***</td>
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<tr>
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<td>(0.15)</td>
<td>0.00</td>
<td>(0.19)</td>
<td>-0.33</td>
<td>(0.22)</td>
<td>-0.14</td>
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<td>(0.29)</td>
<td>0.44</td>
<td>(0.37)</td>
<td>-0.98*</td>
<td>(0.47)</td>
<td>0.41</td>
</tr>
<tr>
<td>Education Level</td>
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<td>-2.42***</td>
<td>(0.63)</td>
<td>-1.61**</td>
<td>(0.56)</td>
<td>-2.33***</td>
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<tr>
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<td>0.02***</td>
<td>(0.01)</td>
<td>0.02**</td>
<td>(0.01)</td>
<td>0.01</td>
<td>(0.01)</td>
<td>0.01+</td>
</tr>
<tr>
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<td>-0.07</td>
<td>(0.10)</td>
<td>-0.30***</td>
<td>(0.12)</td>
<td>-0.14</td>
<td>(0.12)</td>
<td>-0.28*</td>
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<td>Number of Creative Directors</td>
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<td>(0.29)</td>
<td>1.41***</td>
<td>(0.42)</td>
<td>1.37***</td>
<td>(0.39)</td>
<td>1.42***</td>
</tr>
<tr>
<td>Living abroad</td>
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<td>(0.75)</td>
<td>5.26***</td>
<td>(1.12)</td>
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<td>(1.28)</td>
<td>2.56***</td>
<td>(0.59)</td>
<td>3.29***</td>
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<tr>
<td>Depth (H2)</td>
<td>0.08**</td>
<td>(0.03)</td>
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<td>(0.02)</td>
<td>0.21***</td>
<td>(0.05)</td>
<td>0.10**</td>
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<tr>
<td>Cultural Distance (H3)</td>
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<td>(0.09)</td>
<td>0.12</td>
<td>(0.08)</td>
<td>0.15+</td>
<td>(0.09)</td>
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<td>(0.43)</td>
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<td>(0.00)</td>
<td>-0.06*</td>
<td>(0.02)</td>
<td>-0.03***</td>
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<tr>
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<td>(0.00)</td>
<td>-0.00***</td>
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<tr>
<td>Cultural Distance (squared) (H3)</td>
<td>-1.25***</td>
<td>(0.32)</td>
<td>-0.00***</td>
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</tr>
<tr>
<td>Breadth x Depth</td>
<td>-1.25***</td>
<td>(0.32)</td>
<td>-0.00***</td>
<td>(0.00)</td>
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<tr>
<td>Breadth x Cultural Distance</td>
<td>-1.25***</td>
<td>(0.32)</td>
<td>-0.00***</td>
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<tr>
<td>Depth x Cultural Distance</td>
<td>-1.25***</td>
<td>(0.32)</td>
<td>-0.00***</td>
<td>(0.00)</td>
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<tr>
<td>Breadth x Depth x Cultural Distance</td>
<td>-1.25***</td>
<td>(0.32)</td>
<td>-0.00***</td>
<td>(0.00)</td>
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</table>

Observations: 2,427
Kleibergen-Paap rk LM statistic: 32.793***
Sargan: 16.969***
Max VIF: 3
Number of houses: 270

Standard errors in parentheses
*** p<0.001, ** p<0.01, * p<0.05, + p<0.10
<table>
<thead>
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<th>Model 8</th>
<th>Model 9</th>
<th>Model 10</th>
<th>Model 11</th>
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<td>-0.00**</td>
<td>-0.00**</td>
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<td>-0.00</td>
<td>-0.00</td>
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<tr>
<td>Media Coverage (logged)</td>
<td>0.21*</td>
<td>0.20+</td>
<td>0.13</td>
<td>0.07</td>
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<tr>
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<td>-0.06**</td>
<td>-0.08**</td>
<td>-0.09**</td>
<td>-0.09**</td>
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<tr>
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<td>0.59**</td>
<td>0.53**</td>
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<tr>
<td>Team of Creative Directors</td>
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<td>-0.42+</td>
<td>-0.41</td>
<td>-0.43+</td>
</tr>
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<td>-0.03</td>
<td>0.30</td>
<td>0.36</td>
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<td>Education Level</td>
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<td>-1.74*</td>
<td>-2.18**</td>
<td>-1.36*</td>
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<td>0.01</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>Number of Designers (non-CD)</td>
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<td>-0.08</td>
<td>-0.15</td>
<td>-0.17</td>
</tr>
<tr>
<td>Number of Creative Directors</td>
<td>1.11**</td>
<td>1.80**</td>
<td>1.77**</td>
<td>1.87**</td>
</tr>
<tr>
<td>Living abroad</td>
<td>4.76***</td>
<td>5.73***</td>
<td>5.16***</td>
<td>4.47***</td>
</tr>
<tr>
<td>Breadth (H1)</td>
<td>3.77***</td>
<td>2.55**</td>
<td>3.12**</td>
<td>2.61**</td>
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<tr>
<td>Depth (H2)</td>
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<td>0.33***</td>
<td>0.25***</td>
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<tr>
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<td>-0.15</td>
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<td>-0.12***</td>
<td>-0.03*</td>
<td>-0.12***</td>
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<tr>
<td>Breadth x Depth</td>
<td>-0.01</td>
<td>-0.23*</td>
<td>-0.15+</td>
<td>-0.15</td>
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<tr>
<td>Breadth x Cultural Distance</td>
<td>-0.30</td>
<td>-0.98**</td>
<td>-0.91**</td>
<td>-1.36**</td>
</tr>
<tr>
<td>Depth x Cultural Distance</td>
<td>-0.07***</td>
<td>-0.12***</td>
<td>-0.03*</td>
<td>-0.12***</td>
</tr>
<tr>
<td>Breadth x Depth x Cultural Distance</td>
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<td>0.09**</td>
<td>0.04**</td>
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<td>15.54***</td>
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<td>Max VIF</td>
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<td>10</td>
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<tr>
<td>Number of houses</td>
<td>270</td>
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</tr>
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Standard errors in parentheses

*** p<0.001, ** p<0.01, * p<0.05, + p<0.10
FIGURE 1:
Main Effects of Breadth, Depth and Cultural Distance

Note: since STATA’s xtivreg2 does not report the constant term in the analysis with the fixed effects, we can interpret only the relative and not absolute values of innovations’ creativity on the Y-axis.
FIGURE 2:

Three-Way Interaction among Breadth, Depth and Cultural Distance

(+/- 1 standard deviation)

<table>
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<tr>
<th>Pair of slopes</th>
<th>t-value for slope difference</th>
<th>p-value for slope difference</th>
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<tbody>
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<td>(1) and (3)</td>
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<td>(3) and (4)</td>
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