**Subsidiary Entrepreneurship: The case of multinational subsidiaries in an emerging Southeast Asian nation**

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**Abstract:** The aim of this paper is to study entrepreneurship behavior in multinational subsidiaries. This study is based on a questionnaire survey conducted in Malaysia. The survey instrument focuses on three key indicators of corporate entrepreneurship, firstly, entrepreneurship traits within the subsidiaries; secondly, strategic renewal or transformation of subsidiaries through renewal of key ideas; and finally, the existence of intrepreneurs - individuals engaged in internal innovation and venturing. The findings indicated that more than 70 percent of the multinational subsidiaries practiced corporate entrepreneurship within their subsidiaries, which in turn had a positive relationship with the past performance of the subsidiaries, measured as return on assets, net income and sales/revenue growth. Other findings are also reported. With few studies having examined entrepreneurial activity from the perspective of a subsidiary, and even lesser studies in the context of South Asian region, this study makes a valuable contribution to a growing body of literature in this direction.

**Key words:** subsidiary, entrepreneurship, corporate, Malaysia