

The Effects of Environmental Turbulence on Multinational Subsidiaries Performance and Entrepreneurial Behavior: Evidence from a Developing Nation

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Abstract: This paper examines the effect of environmental turbulence, that is, environmental hostility, environmental dynamism and environmental complexity, on the entrepreneurial behavior and performance of multinational subsidiaries in Malaysia. Empirical research is used to determine subsidiary's entrepreneurship, the extent of environmental hostility, dynamism and complexity, and the performance of the subsidiaries in Malaysia. The results indicate that environmental turbulence has an effect on the performance of multinational subsidiaries' in Malaysia, though not to a large extent. This can be attributed largely to the country in context and the nature of the industry of the respondent subsidiaries'.

Key Words: environment, turbulence, hostility, dynamism, complexity, subsidiary, performance.

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