

## **ABSTRACT**

*The problem of this research is that the performance of the leather shoe business at Black Master Cibaduyut Bandung is not yet optimal. The focus of the study is directed at the factors that influence business performance. Creativity and innovation are factors that are thought to have an influence on business performance. Based on this, this study examines three variables, namely creativity variables, innovation variables, and business performance variables. The purpose of this study was to analyze the effect of creativity and innovation on business performance.*

*This study uses descriptive and verification methods, the sampling technique used is saturated sampling with a total sample of 30 respondents. Data collection techniques used were observation, interviews and distributing questionnaires. The data analysis method used is the validity and reliability test, multiple linear regression analysis, multiple correlation analysis, and the coefficient of determination.*

*Based on the results of the analysis of the effect of creativity and innovation on business performance simultaneously is 41.7%. Meanwhile, partially, innovation has a greater effect than creativity because based on calculations, innovation affects business performance by 37%, while creativity affects business performance by 4.7%.*

**Keywords: Creativity, Innovation and Business Performance**