

The Impact of Innovation and Personal Control on MicroEntrepreneurs' Performance in Sabah

ABSTRACT

Purpose: This paper aims to examine the innovation and personal control impact on microbusiness performance in Sabah, Malaysia. **Research Methodology:** The paper adopts non-probability known as a purposive sampling method in the selection of micro-businesses. The sample consists of micro business owners/entrepreneurs under the TEKUN financing scheme throughout Sabah. A survey using self-conducted questionnaires structured on a 7-point Likert scale is conducted through the distribution of 600 questionnaires, and subsequently, a total of 525 questionnaires are returned. The EAO dimensions assessed in the paper are innovation and personal control. Data collected are analysed using the SEM-PLS technique through the SmartPLS 3.3.2 software. **Results:** The results show that innovation and personal control are positively correlated with micro-business performance. Nevertheless, this study found that the level of performance among entrepreneurs is moderately low. **Limitations:** The theoretical implication of this paper is that it provides supports to some of the previous findings and arguments that EAO play an essential role in ensuring microentrepreneurs achieving better business performance. **Contribution:** From a practical perspective, the findings of this paper help entrepreneurs, owners, government agencies, and other stakeholders to understand the critical role of EAO in improving the business performance of micro-business in Malaysia.