

*The purpose of this research is to analyse the influence of innovation and empowerment toward managerial performance, and to analyse interaction between budgetary tight with innovation and empowerment toward managerial performance on large scale manufacturing industries in Semarang regency which listed in BPS.*

*Questioners data is collected using survey method. 176 questioners which distributed to middle managers (production, marketing, accountancy and HRD) on large scale manufacturing industries in Semarang regency which listed in BPS. 63 questioners were sent back, for than analyzed with multiple linear regression technique with interaction test (moderated regression analysis).*

*The result of these study show the evidence that the value of influence between innovation and empowerment toward managerial performance is positive significant. These study also proving that the value of influence interaction between budgetary tight with innovation and empowerment toward managerial performance is negative and significant.*

*Key words: Innovation, empowerment, managerial performance and budgetary tight*

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