

ABSTRACT

Small industry has a huge potential to reduce the problem of unemployment. It is creating and expanding employment. In Sukoharjo regency, there is a small industry, which is concentrated in two districts. Pondok village for Grogol district, Ngrombo village and Mancasan village for the Baki District..

The purpose of this study was to analyze the effect of working capital, production volumes, and wages on employment in small industries guitar in Sukoharjo Regency. The data used are primary data collected from 116 respondents of small industrial entrepreneurs guitar through a questionnaire. The analytical method used in this research is multiple linear regression analysis (Ordinary Least Square).

According to the result E-views 9.0 shows that the independent variable (working capital (MK), productivity (P), and wages (U)), either partially or fully on influence the dependent variables (the recruitment of the workers of entrepreneurs guitar small industri at Sukoharjo Regency (Y)). This can be determined by the results of t test to find to the partially and the F test (simultan) to find the fully effect at same times. The independent variables (working capital (MK), productivity (P), and wages (U)) on the dependent variable (the recruitment of the workers of entrepreneurs guitar small industri at Sukoharjo Regency (Y)) amounted to 94,2% while the remaining 5,8% is explained by other factors.

Keywords: Small industry, The Recruitman Of The Workers, Working Capital, Productivity and Wages.