## **ABSTRACT**

One of the sectors that could enlarge the recruitment of workers on developing economics is Micro, Small, and Middle Enterprises (MSMEs). Bantul has many MSMEs, one which is MSMEs leather craft industry. In Bantul, leather craft MSMEs concentrated in Manding Leather Craft Industry Center, Sabdodadi Village. Leather craft enterprises also facing several problems. The purpose of this study is to determine whether wage, capital, and amount of product affect the recruitment of the workers of entrepreneurs in Manding Leather Craft Industry Center. The study uses 42 samples with "sensus" sampling technique.

The analysis method of this research is multiple linear regression. The dependent variable of this research is the recruitment of the workers, while there are three independent variables, wage, capital, and amount of product. The data that used in this research are primary data and secondary data. Primary data is obtained from interviews guided with questionnaire and secondary data is obtained by BPS Bantul books and literature from variety sources.

According to the results of e-views 8.0 softwareshowed that the three independent variables (Wages  $(X_1)$ , Capital  $(X_2)$ , and Amount of Product  $(X_3)$ ) either partially or fully on influence the dependent variables (the recruitment of the workers of entrepreneurs in Manding Leather Craft Industry Center (Y)). This can be determined by the result of t test to find the partially effect and the t test (simultant) to find the fully effect at the same time. The independent variables (Wage  $(X_1)$ , Capital  $(X_2)$ , and Amount of Product  $(X_3)$ ) explained the dependent variable (the recruitment of the workers of entrepreneurs in Manding Leather Craft Industry Center (Y)) as much as 96,9% and the rest 3,1% being explained by other factors.

**Keyword:** MSMEs, the recruitment of the workers, wage, capital, and amount of product