

ABSTRACT

One of the indicators to assess the success of economic development of a country is can be viewed in job opportunity the employment is created. However, the recruitment of employment condition still can't overcome unemployment. The development of small industries will help overcoming unemployment regarding the used technology is labor intensive-technology so that the small industries increase employment and business opportunities.

Tegal occupied the first job seeker in Central Java with job seeker percentage at 14,22% of the total labor. In Tegal, the highest business units of small industries is salted fish industry. The purpose of this study is to analyze the effect of wages, productivity, and working capital to recruitment of worker on salted fish industry in Tegal.

This study uses primary data through direct interviews to the respondent with a prepared list of question. There are 60 respondents entrepreneurs of salted fish in Tegal as the object of research.. For the purpose, the research used multiple regression analysis with Ordinary Least Square (OLS) approach.

The results showed that the effect of wages on the recruitment of worker obtained t value at -0,717 which is less than t table 1,671 with significance at $0,476 > 0,05$ ($\alpha = 5\%$), its mean that the wages not significant and negative with the recruitment of worker. The result of the effect productivity on the recruitment of employment obtained t value at -8,148 which is higher than t table 1,671 with significance at $0,000 < 0,05$ ($\alpha = 5\%$), its mean that the productivity significant and negative with the recruitment of worker. While the result of the effect working capital on the recruitment of employment obtained t value at 13,698 which is higher than t table 1,671 with significance at $0,000 < 0,05$ ($\alpha = 5\%$), its mean that the working capital significant and positive with the recruitment of employment. The result of the simultaneous test is 128,454 F value higher than 2,76 F table with significance at $0,000 < 0,05$ ($\alpha = 5\%$), its means that wages, productivity, and working capital have simultaneously significant effect on the recruitment of worker.

Key words: The Recruitment of Worker, Wages, Productivity, Working capital