## **ABSTRACT**

## ANALYSIS OF AFFECTING FACTORS PRODUCTION CAPACITY

(Case in the Sponge Slipper Industry in Tamansari District, Tasikmalaya City)

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The objectives of this research were find out and analyse the working capital, labor, length of business and production capacity in the Sponge Slipper Industry in Tamansari District, Tasikmalaya City. As well as the effect of working capital, labor and length of business on the production capacity of the Sponge Slipper Industry in Tamansari District, Tasikmalaya City.

The research method used in this study is a survey method, while the types of data used in this study are primary data and secondary data. The object of this research is the Sponge Slipper Industry UMKM in Tamansari District, with the sampling technique using the Simple Random Sampling method. The data analysis technique used is panel data regression analysis and hypothesis testing.

The results of this test prove that simultaneously working capital, labor and length of business have a positive and significant effect on production capacity in the Sponge Slipper Industry in Tamansari District, Tasikmalaya City. While partially working capital, and length of business have a positive and significant effect on production capacity in the Sponge Slipper Industry in Tamansari District, Tasikmalaya City. However, labor does not have a significant effect on production capacity in the Sponge Slipper Industry in Tamansari District, Tasikmalaya City. Keywords: production capacity, length of business, working capital, labo