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CAPITAL MANAGEMENT: AN IMPORTANT PRODUCTION FACTOR IN INCREASING THE PRODUCTION OF BIRUN COFFEE BEANS, JAMBI

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ABSTRACT

Introduction: Capital is a very important factor in the smooth production. Coffee production produced by farmers is not always stable or increasing, coffee farmers will face problems with yields that will decrease or even fail to harvest, this will be caused by capital, weather, labor and so on.
Methods: This study uses a quantitative approach and the type of research used in this study is field research using a questionnaire instrument in data collection. The researcher analyzed the data using a simple linear regression analysis tool and used the SPSS computer program to process the research data
Results: Hasil penelitian yang telah dilakukan mengenai Pengaruh modal terhadap peningkatan produksi biji kopi menunjukkan bahwa modal mempunyai pengaruh positif terhadap peningkatan produksi biji kopi di Desa Birun Kecamatan Pangkalan Jambu Kabupaten Merangin.
Conclusion and suggestion: It can be seen from the results of this study indicating that the greater the capital used by coffee farmers, the greater the increase in coffee bean production. so capital management must be carried out by coffee farmers, of course, cannot be separated from government support to provide education to farmers about capital management so that it is effective and efficient
Keywords: *Capital, coffee Production, coffee beans, coffee farmer*

INTRODUCTION

One of the agricultural countries where the majority of the population works in agriculture is Indonesia. Coffee is one of the main sources of state income, namely plantation products which are global commodities with high economic value. (Galih .AP, 2014). Jambi Province is one of the provinces that relies on agriculture as the main

sector. Based on 2018 data from the Central Statistics Agency (BPS), the contribution of the plantation sector was 61.71%. So that the plantation sub-sector is the leading sub-sector in Jambi Province, one of the plantation sub-sectors in Jambi Province is the coffee commodity. Merangin Regency is one of the largest coffee-producing central districts in Jambi Province, the increase in coffee production in Merangin shows the high interest of farmers in cultivating coffee plants and encourages farmers to be more active in processing their crops. Birun Village is one of the villages in Merangin Regency where the people work as farmers. IDR 25,000,000 to IDR 65,000,000, judging from the coffee production, which is 400 Kg to 800 Kg / month. Coffee production produced by farmers does not always stay or increase, coffee farmers will face problems with yields that will decrease or even fail to harvest, this will be caused by capital, weather, labor and so on, so it does not guarantee production yields will increase every year. In addition, in order to increase the amount of production, one of them requires capital, because capital has an important role to start and develop a business. In managing capital, it is necessary to pay attention because it is very important in ensuring the amount of production in a business, thus it must be able to allocate sufficient resources to manage it. the capital. Capital greatly influences the level of production produced, the greater the capital owned by an entrepreneur, the greater the income earned (Hanafi, 2010).

Capital is nothing more than assets in the form of tools or all of which are the result of human work, the utilization of capital in Islam. Islam forbids hoarding and orders to spend it. Islam forbids borrowing capital by attracting interest, Islam forbids mastery and ownership of capital other than by other means permitted by shari'ah, such as work, the proceeds from sale and purchase agreements, proceeds from gifts, wills and inheritance, Islam requires zakat on savings or productive assets in the form of trade every year. 2014)

According to the Islamic view, Production is an effort to improve not only his material condition but also his morals and as a means to reach the hereafter later. (Aziz, 2013). In the perspective of Islamic economics, production is tied to humans and their existence in economic activity. In short, every human interest that is in accordance with the rules and principles of Shari'a must be the target of a production activity, where production is the process of finding, allocating, and processing resources into output in order to improve and provide problems for humans (M. Nur, 2010). Based on the Islamic economic system, not all goods can be produced. Therefore, it is prohibited to produce and trade commodities that are not good/haram. Products that have been produced must provide good benefits, not harm or harm to consumers, both from a health and moral standpoint. . An increase in production volume will not be able to guarantee maximum social welfare, without taking into account the quality and quality of the goods produced. The quality of the goods must be good and of course halal.

LITERATURE REVIEW

Capital in Islamic Perspective

In language (Arabic) capital or property is called Al-Maal (singular Mufrad), or Al-Amwal (plural). Literally, Al-Maal(wealth) is everything that you have. As for in syar'i terms, assets are defined as anything that is used in cases that are legal according to Islamic law, such as business, loans, consumption and grants (gifts).

In the concept of Islamic economics, the definition of capital is all assets that are valuable in the view of syar'i, where human activity participates in production efforts with the aim of development. In terms of capital, it does not have to be limited to ribawi assets, but it also includes all types of assets value accumulated during the process of company activities and controlling developments in other periods. In the Islamic economic system, capital is expected to continue to grow so that the circulation of money does not stop. Because if money or capital stops, then the assets will not benefit other people, but if the money is invested and used to do business, then that money must be able to benefit other people, including if there is a business running, it will be able to absorb labor. As Allah SWT says in QS. Al-Baqarah Verse 279 which reads as follows:

So if you do not leave the rest of usury, then know that Allah and His Messenger will fight you. and if you repent from taking usury, then for you the principal of your wealth you do not abuse and are not abused. (QS. Al-Baqarah [279]: 47).

From the verse above it is explained that continuing to live on usury after becoming a Muslim means declaring war on Allah SWT and the Messenger. With this harsh threat, it can be understood that all of the assets that are forfeited, it is understood that all of the assets that are lent, or the interest from that treasure, all become illegitimate assets. The continuation is that the Islamic State has the right to seize all of the assets, both the principal capital and the interest. However, if you have repented and don't want to continue that evil life, then the assets you borrowed are as much as they were originally, you may take them back.

The Importance of Capital in Islam

In running a business, one of the supporting factors needed is capital, if we compare starting a business with building a house, then capital is part of the foundation of the house to be built. The stronger the foundation that is made, the stronger the house that is built, as well as the influence of capital in a business, its existence becomes the initial foundation of the business to be built. Some of the capital needed to run a business includes determination, experience, courage, knowledge, and financial capital. However, most people are hampered from starting a business because it is difficult to get financial capital.

Capital is a business factor that must be available before carrying out activities. The size of capital will affect business development in achieving income. Capital is very important in setting up a business, the size of the capital needed depends on the size of the business being established. The importance of capital in human life is addressed in QS. Al-Qur'an Al-Imron verse 14: It is made beautiful in the eyes of humans, love for what

one wants, namely women, children, wealth of many kinds of gold and silver, choice horses, livestock, rice fields and fields. That is the pleasure of living on earth and with Allah is the good place to return (heaven). (QS. Al-Imron [14]: 51). In the view of the Qur'an, money is capital as well as one of the important factors of production, but "not the most important".

The traditional society

The population in this study were coffee farmers in Birun Village, Pangkalan Jambu District, Merangin Regency. The sample in this panel was 59 coffee farmers in Birun Village, Pangkalan Jambu District, Merangin Regency.

Previous Study and Hypothesis

The formulation of the research hypothesis is the third step in the research, after the researcher has put forward the theoretical basis and framework for thinking. However, it should be noted that not every research has to formulate a hypothesis. For exploratory and descriptive research it is often not necessary to formulate a hypothesis. research, where the research problem formulation is in the form of a statement sentence. It is said temporarily, because the answers given are only based on relevant theory, not yet based on empirical facts which are stated as theoretical answers to the research problem formulation, not yet empirical answers. Based on the background and the main issues raised, the research hypothesis is that there is a positive and significant influence between capital and increased coffee bean production in Birun Village, Pangkalan Jambu District, Merangin Regency.

RESEARCH METHODS

Researchers use quantitative methods. Quantitative research is research that is required to use numbers, from data collection, interpretation of the data and the appearance of the results. (Arikonto, Suharmi, 2006) The location and place of this research is in Birun Village, Pangkalan Jambu District, Merangin Regency. The population in this study were 59 coffee farmers in Birun Village, Pangkalan Jambu District, Merangin Regency. The sample is a part of the number and characteristics possessed by the population as many as 37 farmers. Sampling uses a simple random sampling method, namely the collection of sample members and the population is carried out randomly without regard to the strata in the population. The data needed in this study were collected through a questionnaire method (Quisioner) (Sugiyono, 2017). Data analysis techniques in research While data analysis techniques namely Data Quality Test: Validity Test, Reliability Test. And Classical Assumption Test: Normality Test, Multicollinearity Test, Heteroscedasticity Test, Autocorrelation Test. And Simple Linear Regression Analysis, and Statistical Hypothesis Test: t (Partial) Test, Test the Coefficient of Determination R2 (Siregar, 2017)

RESULT AND ANALYSIS

Based on the results of the research above, namely regarding the Effect of Capital on Increasing Coffee Bean Production in Birun Village, Pangkalan Jambu District, Merangin

Regency, the results of this study indicate that capital in 2018 was IDR 928,000,000, in 2019 it was IDR 945,500,000, in 2018 In 2020 it was IDR 778,000,000, and in 2021 it was IDR 852,400,000. This shows that the largest amount of capital used by coffee farmers was in 2019 IDR 945,500,000. While the production of coffee beans in 2018 was 241,830 Kg, in 2019 it was 298,600 Kg, in 2020 it was 183,180 Kg, and in 2021 it was 221,390 Kg. From the results of the research above, it can be concluded that coffee bean production in 2019 increased by 298,600 Kg. It can be seen that the capital used by farmers in 2019 is greater than in 2018, 2020 and 2021. Because in 2019 the community is carrying out activities as usual. where weather conditions and the surrounding environment really support farmers in a business, in 2018 parts of Indonesia experienced extensive forest fires, Merangin District One of the districts in Indonesia affected by smoke from the forest fires, in 2020 and 2021 Indonesia is affected the impact of Covid-19 which claimed thousands of lives including Merangin district, so that in those years people were not used to carrying out their usual activities, including activities in farming.

Referring to the simple linear regression test, the results of the questionnaire data used the partial test (t), in which this research the data were taken from the results of the questionnaires given to the respondents, indicating that the tcount was 2.266 > ttable 2.030 and the sig value was 0.030 <0.05. So it can be concluded that H_0 is rejected and H_a is accepted, which means that the partial test (t) indicates that the capital variable (X) has an effect on the variable increase in coffee bean production (Y) in Birun Village, Pangkalan Jambu District, Merangin Regency.

In addition, referring to the simple linear regression test for interview data using the partial test (t), in which this study the data were taken from interviews obtained from respondents showing that the tcount was 10.091 > ttable 2.030 and a sig value of 0.000 <0.05. So it can be concluded that H_0 is rejected and H_a is accepted, which means that the partial test (t) indicates that the capital variable (X) has an effect on the variable increase in coffee bean production (Y) in Birun Village, Pangkalan Jambu District, Merangin Regency.

The amount of capital issued by farmers affects coffee bean production in Birun Village, Pangkalan Jambu District, Merangin Regency, capital is very useful for business development so that farming operations can be carried out properly, this affects farmers' income, coffee bean production cannot be produced without capital contribution , and the profits earned by farmers in accordance with the capital issued.

Classic assumption test

1. Normalistic Test

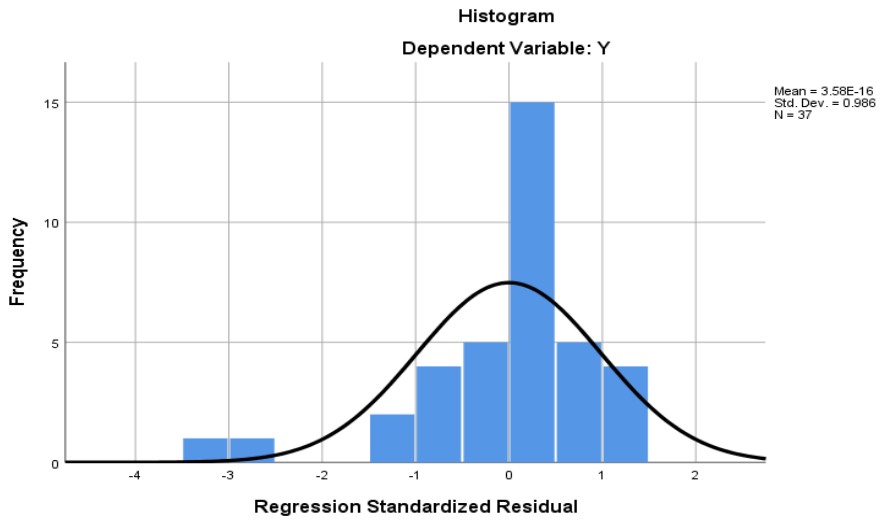
The Normality test is carried out to find out whether the data taken in a study comes from populations that are normally distributed or not normal. The normality test aims to test whether in a regression model, the independent variable (Independent Variable), the dependent variable (Dependent Variable) or both have a normal distribution or not,

a regression model what is good is having a normal or close to normal data distribution. (Sudjana, 2002) Normality research in this study used SPSS 26 and obtained the following results:

1.1 Questionnaire Data Normality Test

Figure 1

Normality Test Based on Histogram



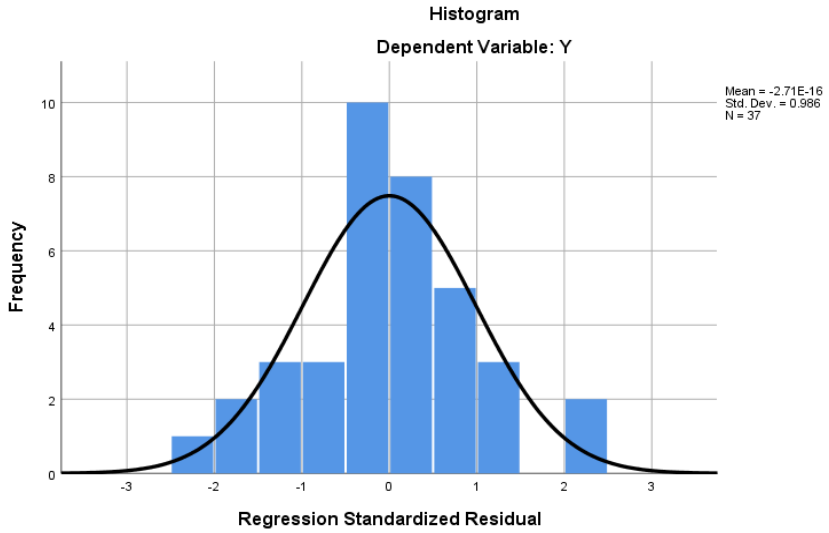
Source: Primary data processed in August 2022 (SPSS 26)

Based on the appearance of the histogram in the normality test using questionnaire data, it can be seen that the dependent curve and Regression Standardized Residual form an image like a bell/mountain, therefore based on the normality test, regression analysis is feasible to use. It can be concluded that the pattern is normally distributed

1.2 Interview Data Normality Test

Figure 2

Normality Test Based on Histogram



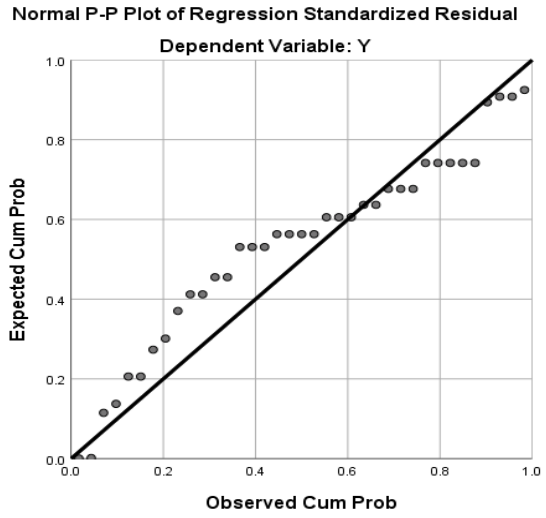
Source: Primary data processed in August 2022 (SPSS 26)

Based on the appearance of the histogram in the normality test using interview data, it can be seen that the dependent curve and the Regression Standardized Residual form an image like a bell/mountain, therefore based on the normality test, regression analysis is feasible to use. It can be concluded that the pattern is normally distributed.

1.3 Questionnaire Data Normality Test

Figure 3

Normality Test based on P-Plot



Source: Primary data processed in August 2022 (SPSS 26)

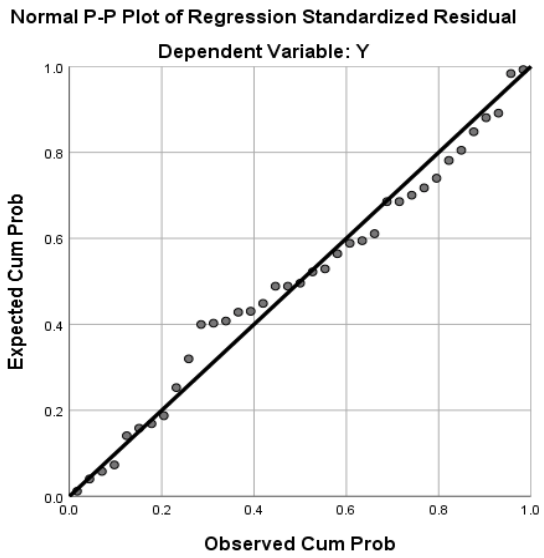
Based on the normal appearance of the P-Plot Regression Standardized questionnaire data, it can be seen that the points spread around the diagonal line. Therefore, based on

the normality test, the regression analysis is feasible to use even though there are a few plots that deviate from the diagonal line. From the results of the P-Plot normality test, it can be concluded that the pattern is normally distributed.

1.4 Interview Data Normality Test

Figure 4

Normality Test based on P-Plot



Source: Primary data processed in August 2022 (SPSS 26)

Based on the normal appearance of the P-Plot Regression Standardized interview data, it can be seen that the points spread around the diagonal line. Therefore, based on the normality test, the regression analysis is feasible to use even though there are a few plots that deviate from the diagonal line. From the results of the P-Plot normality test, it can be concluded that the pattern is normally distributed.

1.5 Questionnaire Data Normality Test

Table 1

Normality Test on a One-Sample basis

Kolmogorov-Smirnov test

One-Sample Kolmogorov-Smirnov Test	
	Unstandardized Residual

N		37
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.45013450
Most Extreme Differences	Absolute	.180
	Positive	.147
	Negative	-.180
Test Statistic		.180
Asymp. Sig. (2-tailed)		.004[c]
Exact Sig. (2-tailed)		.161
Point Probability		.000
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Primary data processed in August 2022 (SPSS 26)

If the Asymp sig/ExactSig value is > 0.05, it can be concluded that the residuals are normally distributed and vice versa, from the results of the normality test of the Kolmogorov-Smirnov test data questionnaire method, the results are 0.161, which means that they are normally distributed.

1.6 Interview Data Normality Test

Table 2

Normality Test on a One-Sample basis

Kolmogorov-Smirnov test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		37
Normal Parameters[a,b]	Mean	.0000000

	Std. Deviation	2352.15588046
Most Extreme Differences	Absolute	.128
	Positive	.068
	Negative	-.128
Test Statistic		.128
Asymp. Sig. (2-tailed)		.131[c]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Primary data processed in August 2022 (SPSS 26)

If the Asymp sig/ExactSig value is > 0.05, it can be concluded that the residuals are normally distributed and vice versa. From the results of the normality test of the Kolmogorov-Smirnov test method, the interview data obtained a result of 0.131, which means that it is normally distributed.

2 Multicollinearity Test

This test aims to test whether the regression model finds a correlation between the independent variables, if there is or occurs a correlation then there is a multicollinearity problem. A good and correct regression model is that there is no correlation between the independent variables.

To find out whether or not there is a deviation from the classical assumption of multicollinearity, the requirements that must be met in the regression model are the absence of multicollinearity with the following conditions:

(a) If the Tolerance value is > 0.10, it means that multicollinearity does not occur.

(b) If the VIF value is <10.00, it means that multicollinearity does not occur.

The results of the multicollinearity test on the independent variables from this study can be seen in the following table:

2.1 Questionnaire Data Multicollinearity Test

Table 3

Multicollinearity Test Based on Tolerance and VIF

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	23.368	3.924		5.955	.000		
	Modal	.280	.124	.358	2.266	.030	1.000	1.000
a. Dependent Variable: Peningkatan Produksi Biji Kopi								

Source: Primary data processed in August 2022 (SPSS 26)

Dependent Variable (Increased Coffee Bean Production) The results obtained in the table above the questionnaire data show that the independent variables in the regression are not correlated with each other, the multicollinearity value obtained for each independent variable is less than 10. This shows that there is no correlation between the independent variables in regression model and it can be concluded that there is no multicollinearity problem among the independent variables in the regression formed. From the results of the multicollinearity test, it can be seen from the Tolerance value of 1.000 which is above 0.10 and the VIF value of 1.000 which is below 10.00. So it can be concluded that both of them show no multicollinearity

2.2 Interview Data Multicollinearity Test

Table 4

Multicollinearity Test Based on Tolerance and VIF

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	10379.839	1552.684		6.685	.000		

	Modal	.000	.000	.863	10.091	.000	1.000	1.000
a. Dependent Variable: Peningkatan Produksi Biji Kopi								

Source: Primary data processed in August 2022 (SPSS 26)

Dependent Variable (Increased Coffee Bean Production) The results obtained in the table above the interview data show that the independent variables in the regression are not correlated with each other, the multicollinearity value obtained for each independent variable is less than 10. This shows that there is no correlation between the independent variables in regression model and it can be concluded that there is no multicollinearity problem among the independent variables in the regression formed. From the results of the multicollinearity test, it can be seen from the Tolerance value of 1.000 which is above 0.10 and the VIF value of 1.000 which is below 10.00. So it can be concluded that both of them show no multicollinearity.

3 Heteroscedasticity Test

This test was carried out with the aim of testing whether the regression model occurs or whether there is an inequality of variance from one observation to another, if the variance of the residual value from one observation to another is constant, then it is called homoscedasticity and if the variance differs from one observation to another. , then it is called heteroscedasticity.

To find out whether there is a deviation from the Classical Assumption of Heteroscedasticity, the requirement that must be met in the regression is the absence of Heteroscedasticity.

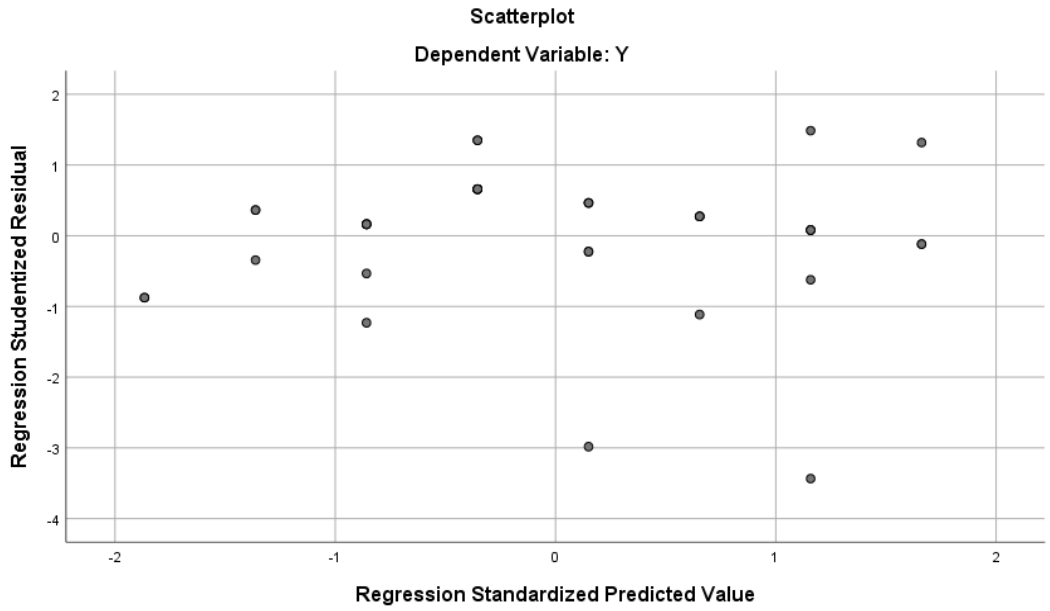
1) If there is a certain pattern, such as the dots that form a certain mixed pattern (wavy, widened then narrowed), then this indicates that heteroscedasticity has occurred.

2) If there is no clear pattern, and the dots spread above and below the number 0 on the Y axis, then heteroscedasticity does not occur

3.1 Questionnaire Data Heteroscedasticity Test

Figure 5

Heteroscedasticity Test on Dependent Scatterplot



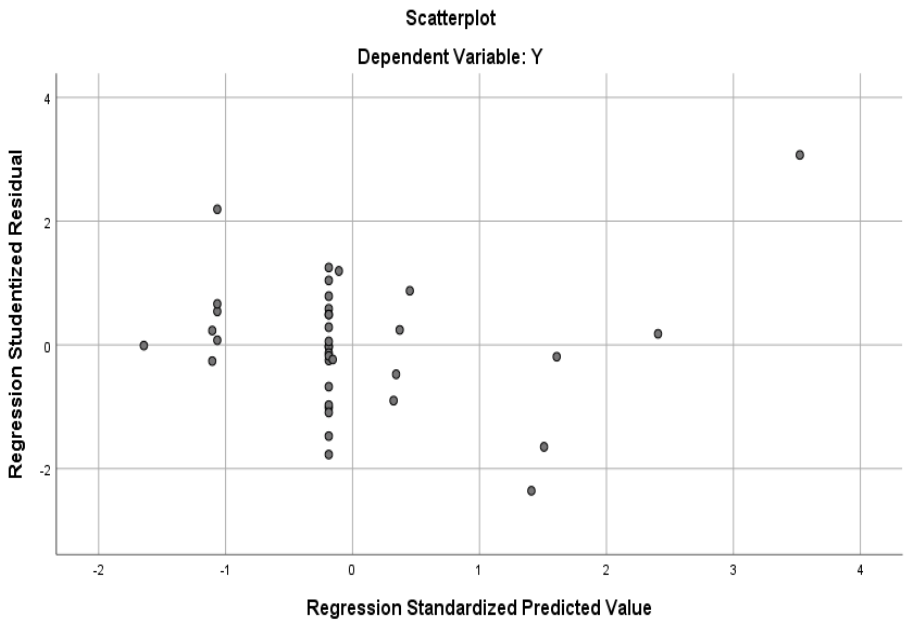
Source: Primary data processed in August 2022 (SPSS 26)

From the results in the picture above it can be seen that the distribution of residuals is irregular, this can be seen in the plots that are radiated and do not form a certain pattern. The Heteroscedasticity Test with the Scatterplot questionnaire data shows that the points spread randomly and are spread both above and below the number 0 on the axis Y, then it can be concluded that there is no heteroscedasticity in the regression model so that the regression model is feasible to use.

3.1.3.2 Heteroscedasticity Test of Interview Data

Figure 6

Heteroscedasticity Test on Dependent Scatterplot



Source: Primary data processed in August 2022 (SPSS 26)

From the results in the picture above it can be seen that the distribution of residuals is irregular, this can be seen in the plots that are radiated and do not form a certain pattern. The Heteroscedasticity Test with Scatterplot interview data shows that the points spread randomly and are scattered both above and below the number 0 on the axis Y, then it can be concluded that there is no heteroscedasticity in the regression model so that the regression model is feasible to use.

3 Questionnaire Data Heteroscedasticity Test

Table 5

Heteroscedasticity Test Based on Glejser Test

Coefficientsa

Model Unstandardized Coefficients Standardized Coefficients T Sig.

B Std. Beta Errors

1 (Constant) -.522 2.848 -.183 .855

Capital .047 .090 .089 .529 .600

a. Dependent Variable: Increase in Coffee Bean Production

Source: Primary data processed in August 2022 (SPSS 26)

The results of the Heteroscedasticity test using the Glejser test, the output shows that there is no significant relationship between all independent variables on the residual absolute value, which is indicated by sig0.600 > 0.05. From the Glejsersebeut test results, this model is free from heteroscedasticity.

4 Interview Data Heteroscedasticity Test

Table 6

Heteroscedasticity Test Based on Glejser Test

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.042	.034		1.229	.227
	Modal	2.378E-10	.000	.115	.683	.499
a. Dependent Variable: Peningkatan Produksi Biji Kopi						

Source: Primary data processed in August 2022 (SPSS 26)

The results of the Heteroscedasticity test using the Glejser test, the output shows that there is no significant relationship between all independent variables on the residual absolute value, which is indicated by sig 0.499 > 0.05. From the Glejser test results, this model is free from heteroscedasticity

2.1 Test the Coefficient of Determination (R2)

2.1.1 Test the Coefficient of Determination (R2) Questionnaire Data

Table 7

Determination Coefficient Test (R2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.358[a]	.128	.103	1.471

a. Predictors: (Constant), Modal

Source: Primary data processed in August 2022 (SPSS 26)

Based on the results of processing the questionnaire data in the table above, it is known that the Adjusted R Square value is 0.103, this means that the effect of the capital variable (X) on the variable increase in coffee bean production (Y) is 10.3% and the remaining 89.7% is influenced by the variable which were not used in this study.

2.1.2 Test the Coefficient of Determination (R2) of Interview Data

Table 8

Determination Coefficient Test (R2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.863[a]	.744	.737	2385.521
a. Predictors: (Constant), Modal				

Source: Primary data processed in August 2022 (SPSS 26)

Based on the results of processing the interview data in the table above, it is known that the AdjustedR Square value is 0.737, this means that the effect of the capital variable (X) on the variable increase in coffee bean production (Y) is 73.7% and the remaining 26.3% is influenced by the variable which were not used in this study.

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