Sharia Perspective Analysis of Fried Chicken Production with Kakilima Flour in Pekanbaru City, 2023

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Abstract

This research aims to analyze the influence of production factors (land, capital, raw materials, labor) and understanding of sharia for each explanatory (independent) variable studied on the production of fried chicken with flour in the city of Pekanbaru. The research sample consisted of 52 street food flour fried chicken businesses in Pekanbaru City. The data used for the analysis is primary data obtained directly from business actors of fried chicken with flour in the city of Pekanbaru. The data analysis technique used is multiple linear regression with the Cobb-Douglas production function model in drawing conclusions. The results of the research show that land, capital, raw materials, labor and understanding of sharia from each explanatory variable studied simultaneously have a positive and significant effect on the production of street food flour fried chicken businesses in Pekanbaru City. Partially, land, capital, raw materials, labor and understanding of sharia from the explanatory variables have a positive and significant effect on the production of fried chicken with street food flour in Pekanbaru City. Thus, it can be concluded that the explanatory variables influence the dependent variable by 96.26%, the remaining 3.74% is influenced by other variables which are not included in the research model.

Keywords: *Sharia Perspective, Production, Fried Chicken with Kakilima Flour.*

INTRODUCTION

Production is an inseparable part of other economic activities, namely consumption and distribution. This series of economic activities influence each other, but production is the first step in economic activity. Production is an activity carried out to produce a product, namely products and services that consumers can utilize or use(Sukirno, 2008). The production process is a combination of several inputs which can be called production factors, to produce output so that the use value of the product or service increases(Damayanti, 2013). Islamic economics in relation to production is the obligation to look for halal and thayyib production sources and produce and use production output in a thayyib manner and not cause losses to other parties. Therefore, determining the input and output of a production process must be carried out in accordance with Islamic law and must not cause damage(Karim, 2007). Economic activities target producers and consumers to obtain optimal mashlahah. So producers in Islamic Economics from the perspective of economic actors do not seek optimal profits, but more than that the application of maslahah in production activities is profit and blessing. Therefore, producers determine the combination of profits and blessings that can create optimal mashlahah(Rosyetti et al., 2021).

The majority of Pekanbaru city's population is Muslim, although many residents are Muslim, harmony and mutual respect still exists between followers of other religions. Based on data from the Department of Population and Civil Registration and the Ministry of Home Affairs of Pekanbaru City at the end of 2023, the majority of the population of Pekanbaru City adheres to Islam, namely 895,834 people (87.7%). With the large number of Muslim residents in Pekanbaru City, the level of awareness of Islamic values is increasing. Likewise, people's awareness of whether food is halal or haram for consumption in everyday life. As taught in Islam, Muslims are required to consume products whose halal and purity are guaranteed. According to Islamic teachings, consuming everything that is halal, and thayyib is a religious commandment and is legally obligatory. For Indonesian citizens, especially in the city of Pekanbaru, which has a majority Muslim population, provisions regarding information regarding whether a product is halal, especially the food consumed, is a very sensitive issue and must be taken into account.

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According to research conducted(Suhartini, 2019a)states that production activities must be based on Islamic values relating to the use of labor input, capital, raw materials and methods so that the output produced can bring maslahah to consumers who consume it and to producers who produce it.On the other hand, research conducted by(Habibulloh, 2022)states that a producer in the Islamic view has limits in production, but these limits do not only apply to his creativity but also to the prohibition on producing haram products. Meanwhile, research was carried out(Rosyetti et al., 2023) stated that in general there are still many broiler chicken sellers who do not understand the production process from a sharia perspective in order to produce output that is halal and thayyib.

This research examines fried chicken with street food flour in Pekanbaru City. This research was conducted because currently there are more and more fast food sellers in the form of processed fried chicken with thayyib flour from international and national sources. The chicken purchasing system for the flour fried chicken business consists of various methods, namely for international companies including KFC and Burger King, buying chicken that has been slaughtered and frozen from chicken suppliers, while for national companies on average they buy chicken that has been slaughtered from chicken agents. including D'besto, Richeese Factory, Rocket Chicken, and for the street food fried chicken business, there are two ways to buy chicken in traditional markets (1) chicken that has been slaughtered and (2) live chicken that is slaughtered at the production location.

The existence of the street food flour fried chicken business and the large number of Muslim residents certainly provide great opportunities for street food fried chicken business actors in Pekanbaru City. However, in terms of understanding sharia, starting from input, production process, to output, there is still a big question mark as to whether the concept of halal and thayyib is fulfilled in accordance with Islamic sharia. Therefore, researchers are interested in conducting research with the aim of analyzing the influence of production factors (land, capital, raw materials, labor and understanding of sharia) from each explanatory variable studied on the production of fried chicken with flour in Pekanbaru City, so that later it can be concluded that the production output of fried chicken with flour in Pekanbaru City is categorized as halal and thayyib.

Research Methods

The research was conducted in Pekanbaru City. The sample in this study was 52 respondents from street food flour fried chicken business owners in Pekanbaru City, taken at random. The data used in the analysis in the form of primary data comes from the object of research, namely the owner of a fried chicken business with flour flour. This research uses data collection techniques using questionnaires with open and closed questions using the interview method.

The data analysis model used in the research is multiple linear regression using the Cobb-Douglas production function model. According to(Soekartawi, 2002)The Cobb-Douglas production function is a function or equation that involves two or more variables, where one variable is called the dependent variable (Y) and the other is called the independent variable (X). The Cobb-Douglas production function model can be econometrically explained(Gujarati & Porter, 2015)as follows :

$$Y = \beta_1 X_i^{\beta i} e^{ui} \dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots (1)$$

Information:

Y   =output

Xi   =input (factors of production)

β1   = constant

βi   = elasticity

ui   =confounding variables

e   =logarithmic base

Equation (1) above is a non-linear model. To be able to estimate the regression coefficients of the Cobb-Douglas production function equation above, a transformation is carried out into multiple linear equations so that the parameters can be estimated. This can be done by logarithmicizing the equation using double log(Gujarati & Porter, 2015). So we get a multiple linear regression equation in logarithmic form as follows:

$$\text{Log } Y_i = \text{Log } \beta_1 + \beta_2 \text{ Log } X_{2i} + \beta_3 \text{ Log } X_{3i} + u_i$$

$$= \beta_0 + \beta_2 \log X_{2i} + \beta_3 \log X_{3i} + u_i \dots\dots\dots\dots\dots\dots\dots \quad (2)$$

Where $\beta_0 = \log \beta_1$

In this study, the variable being explained (dependent variable) is used, namely production, while the explanatory variables are land, labor, capital, raw materials, and a dummy variable (understanding of sharia) for each explanatory variable, thus the estimated equation is readjusted to:

$$\text{Log Produksi} = \beta_0 + \beta_1 \text{ Log}_{X_{LU}} + \beta_2 \text{ Log}_{D_{LU}} + \beta_3 \text{ Log}_{X_{MU}} + \beta_4 \text{ Log}_{D_{MU}} + \beta_5 \text{ Log}_{X_{BB}} + \beta_6 \text{ Log}_{D_{BB}} + \beta_7 \text{ Log}_{X_{TK}} + \beta_8 \text{ Log}_{D_{TK}} + u_i \dots\dots\dots (3)$$

Information:

Production Log	=	Production of fried chicken with fried chicken (Rp/piece)
β_0	=	Constant/Intercep
$\beta_1 \text{ Log}_{X_{LU}}$	=	Land (Rp)
$\beta_2 \text{ Log}_{D_{LU}}$	=	Understanding of sharia from land (Nominal)
$\beta_3 \text{ Log}_{X_{MU}}$	=	Capital (Rp)
$\beta_4 \text{ Log}_{D_{MU}}$	=	Sharia understanding of capital (Nominal)
$\beta_5 \text{ Log}_{X_{BB}}$	=	Raw materials (Rp)
$\beta_6 \text{ Log}_{D_{BB}}$	=	Sharia understanding of raw materials (Nominal)
$\beta_7 \text{ Log}_{X_{TK}}$	=	Labor (working hours)
$\beta_8 \text{ Log}_{D_{TK}}$	=	Understanding of Sharia from workers (Nominal)
u	=	Error (distrubance term)

In order to obtain answers to the formulation of research problems, realize research objectives, and answer whether the research hypothesis is true or false, the data analysis technique used is Ordinary Least Squares (OLS). The use of OLS data analysis techniques must meet the requirements of the classical assumption test in the form of: normality test, multicollinearity test and heteroscedasticity test.

If the classical assumption test is fulfilled, then the data analysis continues by carrying out statistical tests in the form of: 1) Model Test, using the results of the coefficient of determination 2) Partial Test, observing the probability value of the t-statistic and 3) Simultaneous Test, observing the probability value of F -statistics. Software the statistical data processing used in this study is EViews 12.

Data processing can provide optimal interpretation, so operational definitions are needed. This aims to determine what measuring instruments are used in the research. The existence of an operational definition makes it easier to collect data and avoids differences in interpretation and limits the scope of variables. The following is the operational definition and measurement of variables in this research:

The variable explained (dependent) is: production. Production is an activity carried out to produce products in the form of goods and services that can be utilized or used for consumer needs. The indicator is the amount of fried chicken with fried chicken flour produced within one month, calculated in rupiah (Rp) using a ratio scale.

Explanatory variables (independent) include: 1) Land is a place used during the production process and also a place to sell the production of fried chicken with flour. Land rental costs incurred for the production of street food flour fried chicken, 2) Capital is the costs incurred to purchase equipment for the production of street food flour fried chicken including carts, pans, spatulas, food tongs, stoves, gas, etc. The indicator used is the initial capital spent to purchase equipment to produce fried chicken with flour, 3) Raw materials are the materials used to produce fried chicken including chicken, flour, cooking oil, spices, and so on. The indicators are the

raw materials used to produce fried chicken with flour, and 4) Workers are people who produce and sell fried chicken with flour to consumers. The indicator is the number of working hours applied to the production of fried chicken with flour. For some explanatory variables the calculations are based on a period of one month.

The dummy variable is the understanding of sharia for each independent variable studied. To assess dummy variables, researchers used general guidelines for the LPPOM-MUI 2008with the following assessment categories:

Thayyib (A), if achievement has reached 90-100 percent

Sufficient (B), if the achievement has only reached 80-90 percent

Less (C), if achievement has only reached 70-80 percent

Reject (D), if achievement is below 70 percent

In this study, dummy variables include: 1) understanding of land sharia, referring to the accuracy of land rental payments and the cleanliness of business premises. The indicators used are if the rent is paid on time and the place of business is clean, then it is given a grade of A and a grade of B. Meanwhile, if the rent is not paid on time and the place of business is not clean, then it is given grades of C and D, 2) Sharia understanding of capital refers on the source of capital used to run a fried chicken business with fried chicken flour. The indicators used are if the capital comes from private property or a sharia bank, then it is given grades A and B. Meanwhile, if the capital comes from loans from conventional banks or other similar institutions, then it is given grades C and D, 3) understanding of sharia from raw materials refers to conformity of the slaughter of raw materials to the provisions of Islamic law. The indicators used are if the slaughter of raw materials is in accordance with sharia, then it is given grades A and B. Meanwhile, if the slaughter of raw materials is not in accordance with sharia, then it is given grades C and D, and 4) understanding of sharia from the workforce refers to the wage system that has been established. agreed. The indicators used are if the producer only uses family members in its production activities and if the producer has workers with a timely wage or salary system in accordance with the agreement established by both parties, then it is given grades A and B. Meanwhile, if the wage or salary system is salaries are not on time or do not comply with the agreement agreed upon by both parties, then they are given grades C and D.

The assessment of the sharia understanding variable above refers to the Decree of the Director of LPPOM MUI No. SK 24/Dir/LPPOM MUI/VII/14 concerning guidelines for assessing Audit Results for the Implementation of SJH (Halal Guarantee System) in the Processing Industry(MUI, 2014), that is, with the condition that if the assessment is ≥ B, it means that if the score for understanding sharia from land, capital, raw materials and labor is ≥ 80 percent, then it is given a score of 1, which means that the street food flour fried chicken business in Pekanbaru City has a complete understanding of sharia. Meanwhile, if the sharia understanding score for land, capital, raw materials and labor is ≤80 percent then it is given a score of 0, which means that the street food fried chicken business in Pekanbaru City does not fully understand sharia.

RESULTS AND DISCUSSION

Table 1. Normality Test Results

	Jarque Bera	Prob.	Conclusion
Residuals	0.479575	0.785755	Data is normally distributed

Source: Research data is processed using the Eviews 12 application

In this study, the normality test used the Jarque Bera (JB) test. The test criteria are if the Jarque Bera (JB) test probability value is > 0.05, then the data is normally distributed. Based on the normality test above, the probability value obtained is 0.785755 (>0.05), meaning that the research data is normally distributed.

Table 2. Multicollinearity Test Results

Variable		Centered VIF	Conclusion
Log_X_{LU}		2.089384	Multicollinearity does not occur
Log_D_{LU}		1.520998	Multicollinearity does not occur
Log_X_{MU}		1.547854	Multicollinearity does not occur
Log_D_{MU}		1.094438	Multicollinearity does not occur
Log_X_{BB}		1.482441	Multicollinearity does not occur
Log_D_{BB}		1.175303	Multicollinearity does not occur
Log_X_{TK}		2.423631	Multicollinearity does not occur
Log_D_{TK}		1.376167	Multicollinearity does not occur

Source: Research data is processed using the Eviews 12 application

In this research, the multicollinearity test can be seen through the Variance Inflation Factors (VIF) values. The test criteria are if the VIF value is <10, then there is no multicollinearity. Based on the multicollinearity test above, the centered VIF value of land is 2.089384, sharia understanding of land is 1.520998, capital is 1.547854, sharia understanding of capital is 1.094438, raw materials is 1.482441, sharia understanding of raw materials is 1.175303, labor is 2.423631 and Sharia understanding of the workforce is 1.376167 (<10), meaning that this model does not occur multicollinearity.

Table 3. Heteroscedasticity Test Results

	Obs*R-Squared	Prob. Chi-Squared	Conclusion
Residuals	46.82426	0.2127	Heteroscedasticity does not occur

Source: Research data is processed using the Eviews 12 application

In this research, the heteroscedasticity test uses the white test. The test criteria are if the calculated chi square value < table chi square or chi square probability > 0.05 significance level then there is no heteroscedasticity. Based on the heteroscedasticity test above, a probability value is obtained Obs*R-Squared 0.2127 > 0.05 means that this model does not have heteroscedasticity.

Table 4. Results of Multiple Linear Regression Analysis

Variable		Coefficient	t-Statistics	Prob.
C		3.741836	4.894665	0.0000
Log_X_{LU}		0.181831	2.736567	0.0090
Log_D_{LU}		0.096674	3.585589	0.0009
Log_X_{MU}		0.051131	2.225962	0.0313
Log_D_{MU}		0.076475	2.505397	0.0161
Log_X_{BB}		0.391949	18.49110	0.0000
Log_D_{BB}		0.063594	2.734069	0.0090
Log_X_{TK}		0.620522	10.44536	0.0000
Log_D_{TK}		0.050899	2.022277	0.0494
R-squared		0.968441		
Adjusted R-square		0.962569		
F-statistic		164.9405		
Prob (F-statistic)		0.000000		

Based on the results of the multiple linear regression analysis above, the results of the estimation of the regression equation are obtained as follows:

$$Y = 3.74 + 0.18 \, \text{Log}_{X_{LU}} + 0.09 \, \text{Log}_{D_{LU}} + 0.05 \, \text{Log}_{X_{MU}} + 0.07 \, \text{Log}_{D_{MU}} + 0.39 \, \text{Log}_{X_{BB}}$$
$$+ 0.06 \, \text{Log}_{D_{BB}} + 0.6 \, \text{Log}_{X_{TK}} + 0.05 \, \text{Log}_{D_{TK}}$$

To interpret the equation above, first carry out statistical tests in the form of:

Test model, in this research, the coefficient of determination is used to determine whether the model used can be categorized as good or not good. The model is said to be good if it meets the requirements for the coefficient of determination to be above 0.90 or above 90%. Based on Table 4 above, the adjusted value is obtained R^2 R^2 0.962569 or 96.26%, meaning greater than 90% which can be interpreted as meaning that the model used in this research is said to be good. Apart from that, it is also useful to determine what percentage of the variation in the dependent variable can be explained by the independent variable in the form of the model used. The coefficient of determination (R^2) value is 0-1. If the value (R^2) is close to 1, the greater the independent variable is able to explain the dependent variable. R^2 R^2 Mark adjusted R^2 The above shows that the variable land, capital, raw materials, labor, and understanding of sharia from each independent variable studied influence the production of the fried chicken with street food flour business in Pekanbaru City by 96.26% and the remaining 3.74% is explained by other variables outside the model.

Partial test, based on the results of the partial test (t-test) above, it can be seen that (1) Land variables (X_{LU}) has value The t-statistic probability is 0.0090, this value is smaller than the alpha value of 5% (0.0090 < 0.05). So it can be explained that the land variable has a positive and significant influence on the production of the fried chicken business with flour in Pekanbaru City. (2) Variable understanding of sharia from land (D_{LU}) has value probability (t-statistic) is 0.0009, this value is smaller than the alpha value of 5% (0.0009 < 0.05). So it can be explained that the variable understanding of sharia from land has a positive and significant effect on the production of the fried chicken flour fried chicken business in Pekanbaru City. (3) Capital variable (X_{MU}) has value The t-statistic probability is 0.0313, this value is smaller than the alpha value of 5% (0.0313 < 0.05). So it can be explained that the capital variable has a positive and significant effect on the production of the fried chicken with flour from the street food in Pekanbaru City. (4) Sharia understanding variable from capital (D_{MU}) has value probability (t-statistic) is 0.0161, this value is smaller than the alpha value (0.0161 < 0.05). So it can be explained that the variable understanding of sharia from capital has a positive and significant effect on the production of fried chicken with fried chicken flour in Pekanbaru City. (5) Raw material variables (X_{BB}) has value t-statistic probability is 0.0000, this value is smaller than the alpha value of 5% (0.0000 < 0.05). So it can be explained that the raw material variable has a positive and significant influence on the production of the fried chicken business with flour flour in Pekanbaru City. (6) Variable understanding of sharia from raw materials (D_{BB}) has value t-statistic probability is 0.0000, this value is smaller than the alpha value of 5% (0.0000 < 0.05). So it can be explained that the variable understanding of sharia from raw materials has a positive and significant effect on the production of fried chicken with street food flour in Pekanbaru City. (7) Labor variable (X_{TK}) has value t-statistic probability is 0.0000, this value is smaller than the alpha value of 5% (0.0000 < 0.05). So it can be explained that the labor variable has a positive and significant effect on the production of the fried chicken flour fried chicken business in Pekanbaru City. (8) Variable understanding of sharia from the workforce (D_{TK}) has value t-statistic probability is 0.0494, this value is smaller than the alpha value of 5% (0.0494 < 0.05). So it can be explained that the variable understanding of sharia from the workforce has a positive and significant effect on the production of the fried chicken flour fried chicken business in Pekanbaru City.

Simultaneous test, based on the results of the simultaneous test (F test) above, the probability value is obtained (F-statistic) is 0.000000 with an alpha value of 0.05 (5%). So it can be concluded that the F-statistic probability value is smaller than 5% (0.000000 < 0.05). Thus it can be explained that the land variable, capital, raw materials, labor, and understanding of sharia from each independent variable studied together (simultaneously) have a significant effect on the production of the street food flour fried chicken business in Pekanbaru City.

Based on the results of the multiple linear regression above, it can be interpreted as follows: the constant value (C) of 3.74 states that if the variables of land, capital, raw materials, labor and understanding of sharia for each variable studied are constant, then the production of fried chicken with street food flour is Pekanbaru City was 3.74%. The land coefficient value (0.18) states that every 1% increase in land input will increase the production of fried chicken with flour flour by 0.18%. The coefficient value of sharia understanding of land $(X_{LU})D_{LU})0.09$ states that every 1% increase in sharia understanding input from land will increase the production of fried chicken with street food flour 0.09%. Capital coefficient value $(X_{MU})0.05$ states that for every 1% increase in capital input, the production of the fried chicken with flour from the street food business will increase by 0.05%. The coefficient value of sharia understanding of capital $(D_{MU})0.07$ states that every 1% increase in sharia understanding input from capital will increase the production of the fried chicken with street food flour business by 0.07%. The value of the raw material coefficient $(X_{BB})0.39$ states that every 1% increase in raw material input will increase the production of the fried chicken business with flour flour by 0.39%. Sharia understanding coefficient value from raw materials $(D_{BB})0.06$ states that every 1% increase in sharia understanding input from raw materials will increase the production of the street food fried chicken business by 0.06%. The labor coefficient value (0.6) states that every 1% increase in labor input will increase the production of fried chicken with street food flour by 0.6%. The coefficient value of sharia understanding of the workforce $(X_{TK})D_{TK})0.05$ states that for every 1% increase in sharia understanding input from the workforce, the production of fried chicken with street food flour will increase by 0.05%.

Land and natural resources are objects or elements used to produce products and services needed by society. Land also includes the natural wealth or other objects it contains(Sukirno, 2013). This shows the need to convert empty land into useful land, namely for productive businesses. In accordance with the test results that the land variable has a positive and significant effect on the production of the fried chicken business with flour in Pekanbaru City. This indicates that if the high land rent shows that the land in that location is a strategic location for carrying out production activities, it will influence the increase in production in the street food flour fried chicken business in Pekanbaru City. ResultsThis research is in line with research conducted by(Prihatminingtyas, 2019)states that business location has a positive and significant effect on traders' income and also research from(Listyaningrum, 2016), where business location has a positive and significant effect on MSME income.

Sharia understanding of land refers toaccuracy of land rental payments and cleanliness of business premises. The land used in the production of street food fried chicken is determined based on the accuracy of rent payments and the land is also determined in terms of the cleanliness of the business premises during the production process and when selling whether or not it is in accordance with Islamic law. In accordance with the test results, the variable understanding of sharia from the land has a positive and significant effect on the production of fried chicken with flour in the city of Pekanbaru. This indicates that the higher the level of understanding of sharia, the land used can influence the increase in the production of fried chicken with street food flour in Pekanbaru City. From the results of the research, there are 43 business actors of fried chicken with fried chicken flour who have implemented their understanding of sharia regarding the accuracy of land rental payments every month, namely there are no delays in payments in accordance with the agreement agreed upon by both parties and there are 9 business actors of fried chicken with small flour flour who have not implemented the understanding. sharia, namely that there are still delays in payments that are not in accordance with the agreement of both parties. In terms of cleanliness of business premises, there are 43 business premises that are clean in accordance with Islamic law and there are still 9 unclean business premises that are not in accordance with Islamic law. This data reflects that the majority of street food flour fried chicken businesses in Pekanbaru City have implemented an understanding of sharia. This is proven by the accuracy of land rental payments every month, namely that there are no delays in land rental payments in accordance with the agreement agreed upon by both parties and in terms of cleanliness, the business premises are dominated by having clean business premises in accordance with Islamic law.

Producing activities require capital products. Capital is defined as fiscal equipment used by business actors to produce the products and services needed(Sukirno, 2013). A positive coefficient value indicates that the

research results are in accordance with theory. The Cobb-Douglas production theory states that production output is influenced by capital so that the more capital increases, the more production increases. In accordance with research by(Rochmawati & Arka, 2019)that the capital variable has a positive and significant effect on the production of the Tofu and Tempe industry, researcher(Suriani & Afriansyah, 2019)also stated that labor has a positive and significant effect on industrial production of chips. High capital will increase the amount of production, because in the production process costs are needed to purchase equipment such as carts, frying pans, stoves and other equipment to support the production of fried chicken with street food flour. If these capital requirements are met, the production process will run smoothly and will have an impact on production. The size and size of the business capital you have will influence the production of fried chicken with flour that is produced. By purchasing additional equipment, production activities can run more efficiently. Because the capital owned affects production activities in the fried chicken business with flour flour.

Sharia understanding of land refers to the capital used in the production of fried chicken with flour, which is determined based on whether or not the source of business capital used is in accordance with Islamic law, namely that it does not contain elements of usury in opening and running the business.In accordance with the test results, the variable understanding of sharia from capital has a positive and significant effect on the production of fried chicken with street food flour in Pekanbaru City. This indicates that the higher the level of understanding of sharia, the capital used can influence the increase in the production of fried chicken with flour in the city of Pekanbaru. From the research results there are43 business actors with capital sourced from their own capital, namely from the savings collected used as capital to open a fried chicken business with fried chicken flour and there are 9 business actors who obtained capital from conventional banks and cooperatives which were used as capital to open a fried chicken business with fried chicken flour. Where in Islam there is no element of usury, so it can be concluded that the understanding of sharia from the 9 actors in the fried chicken flour fried chicken business is low.In general, the capital used in research on the production of fried chicken with fried chicken flour in Pekanbaru City is dominated by capitalfrom their own capital, namely from the savings collected which are used as capital to open a fried chicken business with fried chicken flour and there are also business actors who use loan capital obtained from conventional banks and cooperatives to open a fried chicken business with fried chicken flour.

Raw materials are basic materials and are the main components of a product(Suhartini, 2019b). Raw materials are the raw materials used to produce flour fried chicken, which includes chicken, cooking oil flour, spices, and so on. In accordance with the test results, the raw material variable has a significant effect on the production of fried chicken with street food flour in Pekanbaru City. This indicates that if the amount of raw materials used is high, the higher the production will be. The availability of raw materials affects the production of fried chicken with flour, the more raw materials used, the more production of fried chicken with flour will increase. This is in accordance with research conducted by(Gustin, 2021)statethat raw materials have a positive and significant effect on aqiqah catering production. This is in line withother research by(Suriani & Afriansyah, 2019)that the raw material variable has a positive and significant influence on industrial production of chips. Availability of raw materials is one of the most important parts in the street food flour fried chicken business, without raw materials the production process will not run smoothly as it should. The costs incurred to purchase raw material requirements are influenced by the price of raw materials, where there are price differences from one place to another. The total cost of raw materials starts from the main raw materials and other supporting raw materials.

Sharia understanding of raw materials refers toThe raw materials used in the production of street food flour fried chicken are determined based on whether the slaughter of the chicken is in accordance with Islamic law or not and the type of flour used is blended flour or instant flour that is labeled halal. In accordance with the test results, the variable understanding of sharia from raw materials has a positive and significant effect on the production of fried chicken with street food flour in Pekanbaru City. This indicates that the higher the level of understanding of sharia, the raw materials used can influence the increase in the production of fried chicken with street food flour in Pekanbaru City.From the research results obtained, there were 32 street food flour fried chicken businesses whose raw materials were close to sharia and the remaining 20 street food fried chicken businesses were less than sharia. There are many differences between the two when purchasing broiler chickens,

there are still some business people who prefer to buy chicken at the market without paying attention to the process of slaughtering the broiler chicken.Raw materials used in research on the production of fried chicken with flour in Pekanbaru Citydominated, many have fulfilled the halal concept, the requirements for slaughtering chickens in accordance with Islamic law. However, there are still those who do not meet the halal concept, the requirements for slaughtering chickens in accordance with Islamic law.

Labor is the part of a country's population that can be used to produce products and services needed by society. Labor also includes the expertise and skills they have(Sukirno, 2013). A positive coefficient value indicates that the research results are in accordance with theory. The direction of the relationship between the labor regression coefficient and production results is positive, meaning that if labor hours increase, production results will increase. This is in line with research(Nursyamsu et al., 2020) which states that working hours have a positive and significant effect on street vendor income. This is in accordance with research(Puspa, 2022) that the labor variable has a positive and significant effect on industrial income at Nelis bakery. Workers are people who produce and sell fried chicken with street food flour to consumers, which is calculated in units of working hours. Working hours can be interpreted as the time devoted to carrying out production activities. The working hours of each business actor of fried chicken with street flour in Pekanbaru City vary, which is calculated from the start of the process of making fried chicken with chicken flour until the completion of production activities.

The workforce's understanding of sharia refers to the timeliness of salary payments in accordance with the agreement agreed by both parties based on Islamic sharia.In accordance with the test results, the variable understanding of sharia from the workforce has a positive and significant effect on the production of fried chicken with flour in the city of Pekanbaru. This indicates that the higher the level of understanding of sharia, the salary system used can influence the increase in the production of fried chicken with flour in the city of Pekanbaru.From the research results, there are 32 business actors whose workers come from families, and there are also 20 business actors who have employees, namely 6 business actors who provide salaries on time to employees and there are 14 business actors who do not provide salaries on time to employees.It can be interpreted that the 14 street food fried chicken business actors have not implemented their understanding of sharia, namely that there are still delays in paying salaries. This is not in accordance with the agreement between both parties and is not in accordance with Islamic law.

CONCLUSION

Based on the results of the research and discussion, conclusions are drawnproduction of fried chicken with flour from street food influenced by the variables land, capital, raw materials, labor and understanding of sharia from each independent variable studied using multiple linear regression with the Cobb-Douglas production function model. Partially or simultaneously, the variables land, capital, raw materials, labor and understanding of sharia from each independent variable studied have a positive and significant effect on the production of fried chicken with street food flour in Pekanbaru City in 2023.

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