Trust Mediates the Effect of Zakat Knowledge, Income Level on the Motivation of Oil Palm Farmers in Paying Zakat on Agricultural Products: A Case Study on Farmers in Bengkalis-Riau

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ABSTRACT

The study aims to find out trust mediates the effect of zakat knowledge on the motivation of oil palm farmers in paying zakat on agricultural products (A Case Study of Farmers in Bengkalis-Riau). This study utilized the Structure Equation Model (SEM) Smart PIs by analyzing facts. This study used primary data compiled by using questionnaires with Slovin sampling method as many as 99. The Respondents in this study were the oil palm farmers in Bengkalis. Some interesting findings were revealed from this study. For instance, zakat knowledge has significant effect on the motivation to pay zakat, trust has significant effect on the motivation to pay zakat, trust mediates zakat knowledge and income level has significant effect on the motivation to pay zakat.

Keywords: Zakat Knowledge; Income Level; Trust; Motivation

RESEARCH HIGHLIGHTS

1. Indonesia has zakat potential that keeps on growing. on ten significant city areas in Indonesia show that there is an increase in the normal ability of muzaki every year which was initially only Rp.416,000 in 2004 to Rp. 684,550 in 2007.BAZNAS RI
2. in 2009 (using the quantity approach of muzakki) stated that 95% of muzakki in Indonesia pay zakat that consequently in 2009 the potential of zakat reserves is estimated at 12.7 trillion rupiah.
3. 2011 the potential of zakat of society reached 3.4% of the total gross domestic income product and it approximately reached 217 trillion rupiah. However, the potential actually reached 286 trillion rupiah which meant that there was an increase on the potential of zakat of society around 69 trillion rupiah compared to the potential in 2011 (Baznas, 2016).

Research Objectives

To find out the effect of Income level on Motivation to pay zakat, to know Trust level on motivation to pay zakat, to find out Zakat Knowledge could mediate trust on motivation, to find out the income level could mediate trust on motivation.

Methodology

This study is an example of an explanatory study (Ghozali 2012), which explains the theories and issues (phenomena) under investigation in order to identify the traits and connections between those phenomena and variables (causal relationships), and then explains the variables that are responsible for the problems under investigation. Explanatory research uses field data-based hypothesis testing to explain the link between research variables All of the 6.603 oil palm farmers in the plasma class who work in cooperation with the Cooperative in Bengkalis made up the population used in this study. The technique of sample collection used taro yamame or slovin formula (Riduwan, 2015). The sample here involved 99 of oil palm farmers in Bengkalis that were derived from several districts such as Pinggir, Mandau, Bukit Batu and Siak Kecil. Data Analysis Method the Smart PLS method of data analysis was employed.
Results

Since the Bengkalis people already comprehend that paying agricultural zakat is a necessary component of purifying wealth, zakat knowledge has a major impact on the incentive to pay zakat. In the framework of zakat empowerment, the aspect of zakat knowledge also has significant relevance. The degree of income, meantime, has a big impact on people’s inclination to pay zakat since the Bengkalis have an income that has reached the nisab, which means they either take the initiative on their own or are urged by others to pay agriculture zakat. The degree of trust also influences farmers’ willingness to pay agricultural zakat in a favorable and significant way. This demonstrates how trust in farmers’ incentive to pay agricultural zakat is mediated by knowledge. Trust can be a positive mediation in increasing the relationship between income and motivation. These results prove that income mediates trust in the motivation of farmers to pay agricultural zakat.

Findings

The investigation of the direct relationship between zakat knowledge and zakat payment motivation yielded a coefficient value of 0.386 and a t value of 4.599. This figure exceeds the t table from 1986. These findings show that zakat knowledge significantly influences zakat payment motivation. The examination of the direct relationship between income level and desire to pay zakat yielded a coefficient value of 0.211 and a t-count value of 2.608 as the results. This value exceeded the t-table from 1986. The investigation of the direct relationship between trustworthiness and zakat-paying motivation yielded a coefficient value of 0.205 and a t-count value of 2.116. This figure exceeds the t table from 1986. These findings demonstrate that farmers’ motivation to pay agricultural zakat is positively and significantly influenced by their level of trust. The analysis’s findings, which are displayed in the table above, indicated that faith in motivation was positively moderated by zakat knowledge by a coefficient value of 0.120. This indicated that Trust had the potential to improve the link between Motivation and Knowledge. Additionally, the t-value was 2.806 and was higher above the t=1.975 table’s threshold.

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References


Author’s Biography

Arie Yusnelly SE, MM, was born in Padang Panjang, West Sumatra on June 17, 1988. The author obtained a bachelor’s degree in economics in 2010 at UPI Padang, the author had the opportunity to continue his Masters in Management in 2012 at UPI Padang. Currently active as a lecturer at the Faculty of Economics and Business at Riau Islamic University. The author is also a researcher and many of the author’s works have been published nationally and internationally.