#### **CHAPTER I**

#### INTRODUCTION

### A. Background of Study

Leadership is an activity process of affecting other people to do activities, so there are many variations of opinion about functional activities carried out by a leader to influence followers or employees. Leadership always involves someone's efforts (leader) to influence the behavior of someone followers in a situation.<sup>1</sup>

Leadership is a complex due to it's relation with varied field of sciences. Leadership is easy to identify but difficult to define exactly. Some leadership experts agree in principle that leadership can be defined as a process that affects what happens between leaders and subordinates. Leadership has been widely studied in various contexts and theoretical foundations. In some ways, leadership is described as a process, but most theories and research on leadership focus on a figure to get a better understanding.<sup>2</sup>

The leadership function can only be implemented in a society if it has fulfilled three main elements: a collection of people starting with three or more people, a collective goal to achieve, and someone chosen to become a leader with the approval from the majority of community members that will help him realize the common goals.<sup>3</sup>

A leader is expected to have the ability to lead and direct employees to progress in achieving and realizing the goals to be achieved together. A leader is also part of the members. What become the responsibility of the

 $<sup>^{\</sup>rm 1}$ arlhot Manullang, *Manajemen Sumber Daya Manusia*, (Yogyakarta: BPFE-Yogyakarta, 2001), p. 141

Widya Manggala, Sekolah Tinggi Ilmu Ekonomi, Aset Jurnal Ilmu Ekonomi, (Semarang: CV Yayasan Widya Manggala Indonesia, 2009), p. 50

<sup>&</sup>lt;sup>3</sup> Ahmad Ibrahim Abu Sinn, *Manajemen Syariah Sebuah Kajian Histories & Kontemporer*, (Jakarta: PT Raja Grafindo Persada, 2008), p. 128.

leader must be carried out as soon as possible so that a leader is able to make himself a role model for the members he leads in order to achieve common goals. Leadership arises from the aspirations of organizational members.

The leader is provided with the power to influence, regulate or directing organizational members to be submited to his leadership, with the power he has trying to influence behavior of other people with a method that allows them to be loyal and obedient. In addition, members are also pleased to comply with everything he ordered with all their souls. Factually, a leader perform a higher role than his subordinates, but sometimes the leaders must mingle with their subordinates especially if the leader does not know the nature and character of his subordinates. If leadership occurs within a certain organization, and that person needs to develop nature and build on environment of motivation that results in a level of productivity high, then the person needs to think about leadership what will be used when leading.<sup>4</sup>

With the power possessed by a leader, then the direct control of all the activities of members is in the palm of his hand, automatically a member will carry out all and every order whether oral or written issued by the leader. Leaders should not only judge their own behavior so that they can understand how they influence others, but also they must examine their position and how to use power.<sup>5</sup>

And as a Muslim who should have been made a leader in this earth, we should naturally adhere to what has been taught by our apostle, the Prophet Muhammad SAW, so that the leadership can run as well as intanded. Allah SWT confirms this in His word<sup>6</sup>:

<sup>&</sup>lt;sup>4</sup> Miftah Thoha, *Kepemimpinan dalam Manajemen*, (Jakarta: PT Raja Grafindo Persada, 2007), p. 49

<sup>&</sup>lt;sup>5</sup> *Ibid*, p. 91

<sup>&</sup>lt;sup>6</sup> QS: Al- Ahzab, 21

«There has certainly been for you in the Messenger of Allah an excellent pattern for anyone whose hope is in Allah and the Last Day and [who] remembers Allah often.»

For more details, there is one hadith that reads as the following:

"Whoever obeys me, shall enter Jannah, and whosoever disobeys me, refuses to (enter Jannah)."

Leaders must prioritize tasks, responsibilities, and foster harmonious relations, both with their superiors and with their subordinates. So, leaders must establish communication up and down, both formal and informal communication. From the description above, the relationship with employee work productivity is the presence of leaders who are in line with the expectations of the employee who will be able to encourage these employees to achieve better results, be creative and try new ideas and work optimally so that the organization that has sheltered them will more advanced and developing. Employees productivity will be different when their expectations are met when their expectations have not been met and have not yet been realized.

The Lancar Store is a family business led by Haji Sudarlan. Lancar Store as an Islamic based business was established on May 5, 1968. Lancar has 12 female employees who are all Muslims from various regions in Magelang. Prerequisites for Muslim dress are mandatory disciplines implemented by Sudarlan as a business leader for his employees. More than

<sup>&</sup>lt;sup>7</sup> Malayu S.P. Hasibuan, *Manajemen: Dasar, Pengertian, Dan Masalah*, (Jakarta: Bumi Aksara, 2007), p. 42.

that, this 73-year-old man obliged ashar prayers for all employees of the Lancar store, frequently Preaching order to increase employees spiritual condition. Lancar Store does not take much profit from the sale, because sincerity are the top priorities, in line with the stores motto, «mutual help, mutual affection and mutual responsibility.<sup>8</sup>

Based on the above, the authors are interested in discussing issues related to such as whether leadership influences the performance of Muslim employees in Lancar store smoothly? What is the level of influence Islamic leadership on the performance of Muslim employees in the Lancar Store?

The behavior of Islamic Leadership, particular ones will formulate a thesis title «**The Influence of Islamic Leadership on The Performance of Muslim Employees**» which the author uses the type of field research and uses quantitative methods, which will be held in Lancar Store Blabak Magelang.

#### **B.** Problem Formulation

Based the background described above, the problem formulations are:

- 1. Does Islamic Leadership Affect the Performance of Muslim Employees in Lancar Store?
- 2. What is the level of influence Islamic leadership on the performance of Muslim employees in the Lancar Store?

### C. Purpose of Study

Research conducted on a problem basically has the research objectives to be achieved. The purpose of this study are:

- 1. To know are Islamic leadership influences the performance of Muslim employees in Lancar store.
- 2. To Know What is the level of influence Islamic leadership on the performance of Muslim employees in the Lancar Store.

<sup>&</sup>lt;sup>8</sup> Interview with H. Sudarlan, 12 October 2017, 14.25 WIB

## D. Significant of Research

Research conducted by the author has the following benefits and uses:

## 1. Significant of Academic

For the relevant agencies in the hope that the results of this study can help provide input for companies in developing existing leadership of employees in the process of decision making and wisdom to achieve charitable activities.

# 2. Significant of Practical

For the writer, the expected practical benefit is that all stages of research and the results of research obtained can broaden the horizons and at the same time obtain empirical knowledge about the application of Islamic leadership obtained when conducting research. For other parties it can be used as a comparison for broader and deeper studies.