

The Role of Human Resource Management in Improving Employee Performance in The Jepara Teak Garden Umbrella Furniture Industry from an Islamic Perspective

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Abstract. *The Jepara Jati Garden Umbrella Furniture Industry is a medium-scale business unit that plays a significant role in the local economy and the cultural identity of the Jepara community. However, observations have revealed various employee performance issues, such as late order completion, an attendance rate of only 88%, an average of three to four delays per month, and a high rate of finishing errors reaching 12%. These issues are related to unstructured human resource management, including inconsistent implementation of recruitment SOPs, the absence of formal technical training, inadequate documentation of work discipline, and the absence of a performance evaluation system. Furthermore, Islamic values such as amanah (trustworthiness), discipline, itqan (compassion), and ihsan (goodness of character) have not been integrated into work practices, so an Islamic work ethic has not been able to drive improvements in quality and productivity. This study aims to analyze the implementation of human resource management, examine its role in improving employee performance, describe the extent to which Islamic principles are applied in the work system, and explain its contribution to improving performance in the furniture industry. The study uses a qualitative approach with a case study method through participant observation, in-depth interviews, and documentation studies. Data analysis uses the Miles and Huberman model, which includes data reduction, data presentation, and conclusion drawing. It is also supported by a SWOT analysis to map strengths, weaknesses, opportunities, and threats in HR management. Data validity is tested through source and technique triangulation and member checking. The research results show that the implementation of human resource management is still at a rudimentary stage and has not yet become a tool for improving performance. Recruitment based on personal proximity creates competency imbalances, informal training leads to unmeasured skill development, and the lack of performance evaluation hinders the development process. Islamic values exist only as individual awareness without formal policy support. However, the integration of Islamic values and the systematic*

development of standard operating procedures (SOPs) have significant potential to improve work discipline, reduce error rates, and increase productivity. In conclusion, improving employee performance can only be achieved through strengthening a structured and integrated HR management system with Islamic values, including the implementation of SOPs, technical training, performance evaluation, and continuous development of an Islamic work ethic.

Keywords: Employee Performance; Furniture Industry; Human Resource Management; Islamic Perspective.

1. Introduction

The furniture industry in Jepara Regency has long been a pillar of the regional economy and a source of local cultural identity. The expertise of processing teak wood, carving, and producing aesthetically pleasing furniture is a skill that stems from the traditions passed down through generations of the local community.(Prameswari et al., 2023). In the context of increasingly open business competition, demands for product quality, timely order fulfillment, and consistent customer service are increasing. This condition makes human resource (HR) management a key factor in determining whether a furniture industry can survive and thrive, or whether it is left behind in the current of competition. This is where the relevance of structured, values-based human resource management becomes crucial and deserves in-depth study.

Jepara's Taman Jati Umbrella Furniture Industry is a medium-scale business that has been operating for approximately fifteen years. This business unit employs approximately ten employees with a simple organizational structure consisting primarily of the business owner and employees. Production runs from Monday to Friday, from 8:00 a.m. to 3:00 p.m., with a break from 12:00 p.m. to 1:00 p.m. The payroll system uses a weekly pattern, supplemented by overtime bonuses and holiday allowances (THR). Sanctions for disciplinary violations are generally given in the form of verbal warnings. This relatively familial work relationship creates a friendly atmosphere, but in the long term, it can lead to managerial problems if not balanced with professional and measured human resource management.

Initial observations of production activities indicate that Jepara Teak Garden Umbrella Furniture is facing a number of issues related to employee performance. In certain periods, order completion has been delayed from the schedule agreed with customers. Furthermore, the quality of production, particularly at the finishing stage, which requires high precision, has not been entirely consistent, resulting in some products requiring rework or repair. Work speeds vary significantly among employees; some workers are able to complete tasks quickly and neatly, while others require longer time with a higher error rate. This phenomenon indicates that employee performance capacity is not yet at an optimal level.

These performance issues are inextricably linked to the current HR management model. Formally, the company has established standard operating procedures (SOPs) for recruitment, which include administrative selection, basic carpentry/furniture skills tests, and interviews with HR personnel and management. However, in practice, these SOPs are not always consistently implemented due to limited applicant pools and the tendency of business owners to prioritize candidates drawn from family, neighbors, or recommendations from close associates. As a result, hired employees do not always possess the competency readiness to immediately meet the company's expected performance standards.

Furthermore, there is no systematically designed employee training and development program. New knowledge and skills are generally acquired through daily work practices and informal mentoring by more senior employees, without training modules, regular coaching schedules, or structured evaluations. This spontaneous "learning by doing" pattern allows employees to adapt, but their competency development is immeasurable and highly dependent on the intensity of interactions with other workers. In the long term, this makes it difficult for companies to raise production quality standards and increase productivity in a planned manner.

In terms of discipline, the company lacks a documented, written enforcement system. Lateness, unexcused absences, or negligence are generally met with verbal warnings, without any record-keeping or gradual consequences. This weakens the deterrent effect of disciplinary violations, potentially leading to a repeat of the pattern of lateness and absenteeism. However, from an Islamic perspective, working on time, fulfilling responsibilities diligently, and avoiding negligence are essential elements of a work ethic that constitutes worship. The disconnect between these Islamic values and formal managerial mechanisms means that employees' ethical potential is not fully utilized to strengthen performance.

From a socio-religious perspective, the people of Jepara, including those in the furniture industry, are generally Muslim, familiar with religious activities such as religious study, congregational prayer, and other Islamic traditions. Normatively, values such as trustworthiness, honesty, justice, hard work (jihad in the professional sense), and ihsan (doing one's best) should be the foundation of daily work behavior. However, the reality on the ground shows a gap between the ideals of these Islamic values and work practices, which are still characterized by a lack of discipline, inconsistent quality, and weak managerial documentation. This raises the need to examine how HR management can be more explicitly oriented to an Islamic perspective, so that religious values are not merely slogans but are embodied in employee management policies and practices.

At the same time, from a business development perspective, Jepara Jati Garden Umbrella Furniture faces the challenge of increasing its competitiveness while still focusing on the local market. Business sustainability demands increased productivity, more consistent quality, and the ability to meet agreed deadlines with customers. This is impossible to

achieve without a well-planned HR management strategy, from recruitment and development to supervision, to rewards and sanctions. Therefore, a strategic management approach is needed that explores internal strengths and weaknesses, as well as external opportunities and threats through a SWOT analysis, and then integrates these with Islamic values as a normative perspective in decision-making.

Furthermore, based on initial observations of production activities during January 2025, several conditions were identified that reinforce the performance phenomena described previously. These observations were conducted to obtain an objective picture of actual conditions on the ground, particularly regarding attendance, production performance, work errors, and the implementation of SOPs for recruitment and fostering Islamic values. The results of these observations are presented in Table 1.1 below as initial validation that the issues encountered are not mere assumptions but rather empirical data reflecting the company's actual situation.

Initial Validation Data for Performance and HR Management

Jepara Teak Garden Umbrella Furniture Industry

That almost all observed indicators are still below the target or ideal expectations. The attendance rate of only 88% and the average tardiness rate of three times per employee per month indicate that work discipline has not been well established. From an Islamic perspective, punctuality and consistency in carrying out tasks are part of a trust that must be maintained. Unexplained absences and repeated tardiness indicate that the work trust is not fully understood as a moral responsibility before God or a professional responsibility before the business owner.

On the other hand, the production error rate of approximately 12% and the low achievement of daily production targets indicate that employees' technical skills and work concentration still need to be improved. The concepts of *ihsan* and *itqan* in Islamic teachings emphasize the importance of working diligently and producing neat, high-quality work. When products still require frequent repairs, it indicates that the value of *ihsan* in work has not yet become an internalized work culture. The absence of formal technical training and ongoing development further clarifies that the company has not yet made human resource development a strategic priority.

Data validation also shows that recruitment standard operating procedures (SOPs) have not been consistently implemented. The continued presence of employees recruited without undergoing skills testing demonstrates the continued importance of personal proximity. However, from an Islamic perspective, the principles of justice and professionalism dictate that everyone be placed in positions appropriate to their competencies. Similarly, the absence of programs fostering Islamic values in the workplace means that the potential religiosity of the surrounding environment has not been converted into a strong organizational culture that drives employee performance. These facts reinforce the

argument that research on the role of human resource management from an Islamic perspective is not only relevant but also urgent.

When linked to human resource management theory as explained by Dessler, Rivai, and Mangkunegara, this condition indicates that employee performance is influenced by how the organization manages HRM functions in a planned manner, starting from recruitment, training, performance appraisal, to compensation and work behavior development. Dessler emphasized that HRM includes the process of systematically acquiring, training, assessing, and compensating employees.(Dessler, 2017), while Rivai emphasized the importance of recruitment based on needs and competencies(Rivai, 2011)Mangkunegara also explained that performance is the result of work, the quality and quantity of which are greatly influenced by the ability, motivation, and work attitude of employees.(Mangkunegara, 2015). Therefore, the phenomenon that occurred at Mebel Payung Taman Jati Jepara reflects the weakness of some basic HR functions, especially in recruitment, training, performance appraisal, and work ethic development, thus impacting on suboptimal employee performance.

From an Islamic perspective, human resource management theory is inseparable from fundamental concepts such as caliphate, trustworthiness, justice, ihsan, and syura. Humans are viewed as caliphs on earth, entrusted with the responsibility of managing resources responsibly. In the context of employment, business owners are obligated to treat employees fairly, provide fair wages, and create a humane and dignified work environment.(Halizah, 2023)On the other hand, employees are obligated to carry out their duties with full responsibility, discipline, and sincerity, as their work is not merely an economic contract but also a form of worship. However, the ideals of these values will only have a significant impact if they are systematically integrated into HR management policies and practices.

Various previous studies have examined the role of Islamic values in human resource management and employee performance.(Mufarihin, 2021)In his thesis "The Effect of Islamic Work Ethic and Ethical Leadership on Turnover Intention Mediated by Employee Engagement" on employees of PT CJ Feed Semarang, he found that Islamic work ethic and ethical leadership had a negative effect on turnover intention, and this effect was strengthened by employee engagement as a mediating variable; the higher the Islamic work ethic and ethical leadership, the lower the employee's desire to leave the company.

Research by(Aisyah, 2021)Through the thesis "The Role of Achievement Motivation on Human Resource Performance Based on Islamic Religiosity and Islamic Work Ethic" at the Al-Azhar and Nasima Semarang educational institutions, it was shown that Islamic religiosity and Islamic work ethic have a positive and significant influence on the need for achievement, and together these three variables substantially increase HR performance. Meanwhile, according to(Hasbi, 2021)In the thesis "Islamic Work Ethics and Religious-Based Recruitment and Selection as a Strategy to Reduce Turnover Intention" in the cardboard box

industry, it was found that Islamic work ethics, spiritual leadership, and religious-based recruitment and selection had a significant effect on ta'awun behavior, which in turn reduced employee turnover intention.

In general, the three studies confirm that the integration of Islamic values, whether in the form of Islamic work ethics, religiosity, or religion-based recruitment, contributes positively to work attitudes, cooperative behavior, performance, and employee retention. However, the focus of the studies is still predominantly on medium-large-scale formal organizations (animal feed manufacturing, formal educational institutions, and the cardboard box industry) with a quantitative survey-based approach, and has not specifically touched on the context of MSMEs in the traditional furniture industry that are managed by families. On the other hand, no one has combined the study of Islamic work ethics and human resource management with SWOT analysis as a tool to formulate a comprehensive strategy for improving human resource management. Thus, research on the role of human resource management in improving employee performance in the Jepara Jati Garden Umbrella Furniture Industry from an Islamic perspective while using SWOT analysis occupies a different position and fills the gap (research gap) from previous studies.

Based on the description above, it can be stated that there is a gap between the ideal condition of HR management from an Islamic perspective and the reality of HR management in Mebel Payung Taman Jati Jepara. This gap is the basis for the need for a thesis research entitled "The Role of Human Resource Management in Improving Employee Performance in the Mebel Payung Taman Jati Jepara Industry from an Islamic Perspective". This research is expected to not only be able to describe and analyze the role of existing HR management, but also formulate strategic recommendations based on Islamic values that can be implemented realistically to improve employee performance and support business sustainability.

2. Research Methods

A case study research approach was chosen because this research aims to deeply understand the meaning, experiences, and processes that occur within the context of human resource management in the Umbrella Taman Jati Jepara furniture industry within the framework of Islamic values. This research does not focus on numerical or statistical measurements, but rather on an in-depth exploration of social and cultural phenomena related to HR management practices.

The case study research method was used because the focus of the research was directed at a specific unit of analysis, namely the Jepara Teak Garden Umbrella furniture industry. Case studies allow researchers to intensively explore various information and dynamics occurring in the field in a contextual and comprehensive manner. According to (Yin, 2014) Case studies are particularly appropriate when researchers want to answer the "how" and "why" questions of a contemporary phenomenon within a real-life context. Therefore, this method

is highly suitable for exploring how Islamic values are applied in HR management practices and how this impacts employee performance.

3. Results and Discussion

3.1. SWOT Analysis Method

Internal Factor Analysis (Strengths & Weaknesses)

Internal factor analysis aims to identify various aspects within the company that influence organizational performance, both strengths and weaknesses in human resource management at the Jepara Jati Garden Umbrella Furniture Industry. This identification was conducted based on field observations, in-depth interviews with the business owner and five employees, and performance data collected in the initial stages of the research. All collected information was then systematically categorized to provide an objective picture of the company's internal conditions directly related to production processes, work patterns, discipline, and the application of Islamic work values.

a. Strengths(Strength)

The company's core strengths stem from its business experience, the technical skills of its senior staff, and its product characteristics, which adhere to Jepara furniture traditions. The owner's experience, having been in the furniture industry for approximately fifteen years, significantly contributes to operational stability and his ability to understand local market needs. The owner, Mr. Imam Santosa, possesses a deep understanding of the characteristics of teak wood, efficient processing techniques, and customer-demanding quality standards. This extensive experience is a key asset in maintaining business sustainability amidst the highly competitive Jepara furniture industry.

Another strength lies in the technical competence of senior employees, particularly Mr. Hengki, who has been with the company for ten years. He is not only a skilled worker but also serves as an informal mentor for new employees. His expertise in assembly, wood cutting, and fine finishing is a key factor in product quality. The presence of such senior employees helps reduce technical errors and serves as a reference when other employees encounter work challenges. This technical competence also provides a competitive advantage that furniture stores that rely solely on new or seasonal workers lack.

Furthermore, a family-like work environment fosters harmonious interpersonal relationships among employees. This is evident in their supportive daily interactions, as expressed by Ms. Sri and Mr. Dwi in interviews, who stated that they "already understand each other's work rhythms" and help each other when work piles up. This close working relationship fosters a comfortable work environment and reduces conflict between employees. On several occasions, this family-like atmosphere facilitates coordination in the distribution of daily tasks and expedites the completion of certain tasks, especially when dealing with large orders.

Another strength is its relatively stable access to teak wood raw materials. The company has collaborated with local suppliers for many years, ensuring the quality of its raw materials meets standards. This ensures the wood's consistency, ensuring the resulting products retain Jepara's distinctive characteristics. This superior raw material quality is a distinguishing factor compared to some smaller furniture stores that often face challenges with consistent wood quality.

The Taman Jati Umbrella Furniture Industry also has the capability to create custom products according to customer requests. The flexibility to customize models, sizes, and finishes is a major draw for customers seeking unique furniture. This capability is supported by the workers' considerable manual skills and the owner's experience in designing simple designs based on customer preferences. This flexibility provides a strategic advantage in the local market, which tends to prioritize designs tailored to household needs.

Overall, the company's internal strength lies in a combination of business experience, senior technical skills, quality raw materials, a conducive work environment, and flexible production capabilities. These factors are essential foundations for the company to face competition and the mobility of customer needs.

b. *Weaknesses*(Weakness)

The company's internal weaknesses are closely related to unstructured human resource management, inconsistent competency, and weak quality control and work discipline. One of the most fundamental weaknesses is the inconsistent implementation of recruitment standard operating procedures (SOPs). Although the company has formal procedures including administrative selection, basic skills tests, and interviews, field practice shows that these SOPs are often ignored. In interviews, business owners admitted that some employees were hired without taking skills tests due to urgent workforce needs or close personal relationships. As a result, the initial competency of new employees cannot be predicted, leading to a high rate of early work errors.

Another weakness is the lack of a formal training program for employees. The entire learning process takes place through a learning-by-doing method, which relies entirely on the intensity of interaction between new employees and senior employees. This system doesn't provide a clear competency development map, so new employees need more time to adjust. This condition directly impacts the relatively high product defect rate. Based on observations, approximately 12% of products require rework, especially during the finishing stage. These errors are often caused by a lack of understanding of color quality standards, sanding techniques, and surface smoothness.

Work discipline is also a significant weakness. Validated data shows that attendance is only 88%, and the average number of latecomers is three to four times per month. These absences and lateness are not recorded or subject to gradual sanctions. Verbal warnings from the business owner have no deterrent effect, resulting in repeated violations month

after month. This weakness in disciplinary enforcement impacts the instability of daily production rhythms and results in some orders not being completed on time.

Another weakness is the lack of written work standards. Finishing quality standards, precision measurement requirements, workflow, and task allocation are not regulated in formal documents. The business owner only provides verbal instructions each morning, leading some employees to report confusion about work priorities. This situation increases the potential for miscommunication and reduces work efficiency. The lack of SOPs also makes it difficult for the company to improve product quality consistency.

Another weakness is the lack of a performance evaluation system. Employee assessments are based solely on final product results and informal observations by the business owner. Without measurable indicators such as work speed, accuracy, error rate, or consistent attendance, the company cannot identify employees who need further development. This lack of evaluation also results in a lack of motivation for employees to improve their skills.

Finally, the implementation of Islamic work values has not been integrated into organizational policies. Although the majority of employees are Muslim and live in a religious environment, values such as trustworthiness, time discipline, itqan, and ihsan are not reflected in daily work practices. Several employees admitted that Islamic values development has never been carried out, resulting in religious values becoming merely a personal aspect, not a work culture. This results in the potential of the Islamic work ethic being underutilized as a force for improving discipline and work quality.

These internal weaknesses demonstrate the company's need for fundamental improvements in human resource management, particularly in recruitment, training, discipline, performance evaluation, and the integration of Islamic values. These weaknesses are factors that reduce productivity, undermine quality consistency, and limit the company's ability to face competition.

External Factor Analysis (Opportunities & Threats)

External factor analysis aims to identify various conditions outside the company that have the potential to influence business development and employee performance, both those that are beneficial (opportunities) and those that pose obstacles or risks (threats). This external factor identification is based on the dynamics of the furniture industry in Jepara Regency, local market trends, consumer characteristics, the level of competition among furniture business players, the condition of raw material supply, and the socio-religious environment in which the company operates. Furthermore, this analysis also takes into account the findings of interviews with business owners and employees regarding their perceptions of external conditions that influence production activities.

a. *Opportunities*(Opportunity)

The primary opportunity for the Jati Garden Umbrella Furniture Industry stems from the stable demand for teak furniture in Jepara and the surrounding area. According to the business owner, orders for furniture are almost always available every month, although volumes fluctuate depending on the season and economic conditions. Local customers tend to prefer furniture made in more traditional locations due to the perceived superior quality of teak wood and the more detailed handwork. This indicates that the company still has a stable and relatively secure market, particularly for mid-range products that are in high demand in households.

Furthermore, the custom furniture trend presents a significant opportunity. Many local customers now prefer furniture tailored to their needs and space. This is reinforced by statements from several employees, such as Mas Dwi, who stated that "most orders follow customer drawings." The company's ability to accommodate custom requests provides an added value that large-scale factory manufacturers lack. This opportunity can be leveraged to expand product range and increase competitiveness in the local market.

The furniture production location, located on the main Jepara-Bugel route, also presents a strategic opportunity. This road is frequently used by local residents, making it easy for customers to visit the production site and conduct direct negotiations. The location's proximity to local teak suppliers also ensures the availability of raw materials, a crucial component in the furniture industry. Business owners acknowledge that long-standing relationships with suppliers facilitate the acquisition of consistent quality materials, minimizing the risk of production disruptions due to supply delays.

Another opportunity lies in the religious character of the Jepara community, which is highly disciplined in religious activities and upholds the social value of mutual cooperation. This social environment can be utilized as a foundation for strengthening Islamic work values such as trustworthiness, *itqan* (trustworthiness), and time discipline. Although the company has not yet integrated Islamic values into its work policies, this external environment provides an opportunity to build a better work ethic through a religious values-based approach. Employees like Ms. Sri and Mr. Takul, who regularly attend religious study groups, demonstrate the significant potential for internalizing Islamic values in the work culture if provided with systematic guidance.

Jepara Regency's reputation as a national center for furniture crafts also presents an opportunity for companies. Jepara's status as a furniture center maintains strong demand and builds market confidence in teak wood products. This reputational advantage can serve as a foundation for companies to develop simple branding strategies, such as highlighting the identity of "typical Jepara furniture" as a key advantage.

Overall, external opportunities include stable demand for teak furniture, the trend of custom furniture, strategic location, loyal customer relationships, a socio-religious environment, and Jepara's reputation as a furniture center. These opportunities can be maximized if the

company can improve consistency in quality, productivity, and professionalism in human resource management.

b. *Threats*(Threat)

Besides opportunities, there are also a number of external threats that have the potential to hinder business development. The primary threat stems from the intense competition among furniture stores in the Jepara region. Based on the owner's experience, many other furniture stores offer lower prices with competitive quality. Some competitors have even adopted modern finishing equipment such as high-pressure spray booths, which can produce more even and consistent finishes than manual processing. This poses a threat to companies that still rely on manual techniques, as consumers are increasingly sensitive to the visual quality of finishes.

Fluctuating teak prices also pose a serious threat. According to business owners, raw material prices can rise suddenly, particularly during lean seasons or when national demand increases. Increases in wood prices don't always translate directly into higher product prices, as local markets have a certain tolerance limit. This leads to lower profit margins, particularly on small orders where profit margins are relatively low.

Another threat is the risk of customers switching to other manufacturers if product quality is inconsistent. Employees themselves admit that when finishing errors occur or orders are delayed, some customers immediately complain and tend to look for alternatives for subsequent orders. This demonstrates that consistent quality is crucial for maintaining customer loyalty. A 12% defect rate signals the threat that the company could lose customers if it doesn't improve quality standards.

An additional threat arises from the development of teak substitutes, such as MDF, premium plywood, and high-quality multiplex. Although the local Jepara market still prefers teak, some customers are starting to consider alternative materials due to their more affordable prices. If companies are unable to adapt product variations or offer added value, competitors using these materials could attract certain market segments.

From a work environment perspective, threats can also arise if employee discipline fails to improve. Delays in completing orders due to absenteeism or lack of coordination will further damage the company's reputation. In an interview, Mr. Dhani stated that "if work is slow, it's because they're waiting for other people to finish first," reflecting a lack of workflow management. If left unchecked, this situation could further undermine competitiveness.

Thus, the external threats facing the company include intense industry competition, modern finishing technologies from competitors, rising raw material prices, the risk of losing customers, the emergence of cheaper substitute materials, and irregular production rhythms due to internal factors that impact external competitiveness. To anticipate these

threats, the company needs to strengthen human resource management, improve discipline, and establish more measurable work standards.

3.2. Conformity and Gap Analysis

Identifying the Conformity of HR Practices and Performance with Expected Conditions

The results of the study indicate that although human resource management in the Jepara Jati Garden Umbrella Furniture Industry still faces a number of fundamental problems, several aspects of its managerial practices have demonstrated conformity with the basic principles of human resource management. The first conformity is seen in the recruitment process which normatively includes three stages as recommended in Rivai's recruitment theory, namely administrative selection, basic skills tests, and interviews.(Rivai, 2011)Although its implementation is not yet consistent, the existence of this procedural structure indicates that the company is aware of the importance of competency-based selection to ensure the suitability of prospective employees to the demands of furniture carpentry work.

The next aspect of the alignment is the informal training process, which involves mentoring between senior and junior employees. In the context of small and medium-sized enterprises, this on-the-job training practice can be seen as relevant to Dessler's basic training approach because it allows new employees to acquire technical skills through direct interaction with the production process.(Dessler, 2017). Although unstructured, this pattern still demonstrates competency development efforts that are part of the HR development function.

From a performance perspective, several senior employees, such as Hengki, who has worked for ten years, have the ability to complete orders with relatively consistent quality. This aligns with Mangkunegara's performance dimensions, which emphasize that work experience plays a role in developing technical skills and accuracy in completing tasks. Furthermore, harmonious working relationships between employees are a form of conformity to a conducive work environment, as explained by Gibson, because a harmonious and communicative work atmosphere can increase intrinsic motivation and teamwork in completing work.(Gibson et al., 2012).

Consistency also emerged in the core work ethic. Several employees demonstrated honesty in reporting work results, a willingness to assist coworkers, and adherence to technical instructions. These values align with the Islamic principles of trustworthiness and honesty, which are the foundation of an Islamic work ethic. Although not yet structured as policy, these behaviors reflect the internalization of moral values from Jepara's religious social culture.

Thus, while not ideal, there are elements of HR management and work behavior that reflect alignment with management theory and the expected work ethic. This finding is important

because it demonstrates that the company has fundamental potential that can be strengthened through systemic improvements.

Identifying Gap in HR Practices and Performance

In addition to suitability, this study also identified several gaps between human resource management practices in the field and the ideal conditions described in the literature review. The first gap is apparent in the recruitment aspect. Although formally there are three stages of selection, field practice shows that some employees are accepted based on personal proximity without undergoing skills testing. This contradicts the principle of objective selection as emphasized by Rivai, who emphasizes that recruitment should be based on competence, job suitability, and organizational needs.(Rivai, 2011). Employee selection that is not based on technical ability impacts variations in work quality and imbalances in production loads.

Significant gaps also exist in the training and development aspect. Dessler stated that training must be planned, ongoing, and accompanied by evaluation.(Dessler, 2017)However, at Mebel Payung Taman Jati Jepara, training was conducted incidentally without modules, schedules, or assessments. As a result, employee competency development was slow and unmeasured, leading to a high error rate in the finishing stage, reaching 12 percent in the January 2025 observation period. This clearly contradicts the concept of human resource development as a strategic effort to improve work effectiveness.

In terms of performance appraisal, the company lacks a formal evaluation system. There are no clear performance indicators, evaluation forms, or periodic assessment mechanisms, as recommended by Mangkunegara. Assessments are conducted solely through subjective observations by the owner. The lack of an appraisal system makes it difficult for the company to identify individual weaknesses, design appropriate competency development, and provide fair rewards or sanctions.

The next gap relates to work discipline. Observation data shows that the attendance rate is only 88 percent per month, and the average tardiness per employee is three times. From the perspective of motivation theory and the principles of Islamic work ethic, discipline is a crucial element in achieving optimal performance.(Atlantika & Suwarsih, 2019)The absence of a tiered sanction mechanism and documentation of violations leads to repeated undisciplined behavior and does not provide a deterrent effect.

From a strategic management perspective, the company lacks short-term or long-term work plans, including operational standards for each stage of production. This lack of standards contradicts Ulrich's strategic role in HR, which emphasizes the importance of work planning, quality control, and fact-based strategy development. This situation leads to unstable production processes that are easily disrupted by the absence of one or two employees.

Meanwhile, from an Islamic work ethic perspective, the company has not yet adopted Islamic values as a managerial guideline. There is no fostering of the values of amanah, itqan, ihsan, or syura within the work system. This creates a gap between Islamic ideals, which demand the highest quality work, and actual work behavior, which tends to fluctuate. Thus, the gap identified is not only technical and administrative, but also concerns the moral and spiritual dimensions of work.

Analysis of the Causes of the Gap

The gaps at Jepara Teak Garden Umbrella Furniture did not emerge suddenly, but rather resulted from several interrelated factors. The first factor is structural, namely the lack of standard operating procedures (SOPs) that serve as formal work guidelines. Without binding recruitment SOPs, business owners tend to rely on personal judgment when hiring employees. The absence of production and finishing SOPs also leads to a lack of standard quality standards, resulting in a relatively high error rate in the finishing process. The absence of work discipline SOPs results in an objective lack of basis for enforcing regulations.

The second factor is cultural, namely the dominant family-oriented work culture in the company. While this culture creates a harmonious atmosphere, it also weakens efforts to enforce discipline, supervision, and performance appraisal. (Sutrisno, 2010).v. Employees feel they aren't part of a strict work system, making it easy to repeat lateness or absences without feeling guilty. This family-oriented culture also impacts the recruitment process, as employers feel reluctant to reject applicants who are relatives or neighbors, even if they don't meet competency standards.

The third factor is technical, namely the owner's limited capabilities in training design, performance assessment, and quality management. The owner relies on personal experience and on-the-job training, rather than a formal training system. This training model is insufficient to significantly improve employee technical competence, especially in finishing processes that require high precision. The lack of standardized measurement tools also makes it difficult for the company to monitor improvements or declines in employee performance.

The fourth factor is managerial, namely the owner's position as production manager, HR manager, supervisor, and strategic decision-maker. This heavy workload results in several managerial functions being unable to be carried out optimally. The owner focuses more on completing orders and daily operations, leaving less attention to aspects of human resource planning, evaluation, coaching, and SOP development.

The fifth factor is spiritual, namely the lack of formal efforts to integrate Islamic values into the work system. Although the social environment and employees are predominantly Muslim, Islamic values such as amanah (trust), itqan (trustworthiness), ihsan (goodness), and syura (community) have not been incorporated into work behavior or company policies.

Consequently, the moral dimension that should strengthen discipline and work quality is not internalized in practice.

Thus, the gap that emerges is influenced by a combination of structural, cultural, technical, managerial, and spiritual factors. Identifying these causal factors provides an important basis for formulating recommended solutions in the following section.

Analysis of the Impact of Gap on Employee Performance

The gaps in human resource management at the Jepara Jati Garden Umbrella Furniture Industry have had a significant impact on employee quality and productivity. The first and most visible impact is a decline in order completion time. Observational data shows that delays in order completion are frequent, largely due to low attendance rates and high rates of lateness. These absences and lateness directly impact production rhythms because the company employs only ten people, so the absence of even one employee can disrupt workflow, especially at production stages that require coordination between stages.

Another impact is low product quality consistency. A finishing error rate of 12 percent reflects weak technical training and a lack of quality standard operating procedures (SOPs). Errors in the finishing stage not only result in additional repair time but also degrade the aesthetic quality of the product, a key advantage of the Jepara furniture industry. This quality inconsistency has the potential to decrease customer satisfaction and undermine the business's reputation in the local market.

Gaps in performance evaluation also contribute to the weak development of individual competencies. Without a clear performance appraisal system, employees do not receive targeted feedback to improve their weaknesses or develop their potential. According to Mangkunegara's theory, the lack of evaluation results in minimal intrinsic motivation and a decreased sense of responsibility for work quality. As a result, employees tend to work based on habit without standards for competency improvement.

The absence of disciplinary SOPs and a written warning system leads to low work discipline. Incidental verbal warnings fail to provide a deterrent effect, leading to repeated instances of lateness and absence. In the long term, this situation undermines a professional work culture and creates a work environment lacking managerial control. This impact is further exacerbated by a family-oriented culture that discourages business owners from strictly enforcing regulations.

Furthermore, the managerial gap, resulting from the lack of strategic HR planning, impacts production flow instability. Without a clear work plan, companies struggle to respond to increased demand or encounter sudden production disruptions. The limited managerial capacity of business owners makes them vulnerable to operational disruptions, particularly when experienced employees are absent or when orders surge.

From an Islamic work ethic perspective, the lack of fostering the values of amanah (trust), ihsan (goodness), and itqan (goodness of character) contributes to a decline in professional ethics. Employees lack internalized moral standards that drive work quality. As a result, behaviors such as inattention, under-optimizing efforts, or procrastination become more likely. In the long term, the loss of moral-spiritual values in work activities can diminish the quality of social relationships within the workplace and diminish the blessings of the business, according to an Islamic perspective.

Thus, the impact of the identified gaps is not merely technical or administrative, but also has implications for the decline in overall organizational performance. These impacts reinforce the urgency of formulating strategic solutions that can comprehensively address the root causes.

Strategic Analysis and Solutions

Improvements in human resource management in the Jepara Teak Garden Umbrella Furniture Industry need to be directed at developing clear and consistently applicable standard work procedures. The SOPs should cover recruitment, production flow, finishing standards, disciplinary mechanisms, and performance evaluation procedures. The recruitment SOP emphasizes the mandatory administrative selection process, skills tests, and competency interviews to ensure that each employee has the technical skills required for the job. Production and finishing SOPs are needed to reduce error rates by providing measurable guidance on work techniques, output standards, and error tolerance.

The competency development structure needs to be strengthened through a scheduled technical training program. Training focuses on improving accuracy, finishing techniques, tool use, and time management. Training approaches can include live demonstrations, intensive mentoring by senior employees, or simplified training materials based on production experience. This training serves to improve technical skills, reduce defect rates, and build consistent production quality.

The performance evaluation process needs to be formalized so that competency development can be monitored objectively. Evaluations are conducted periodically using indicators such as work quantity, quality of output, timeliness, and work responsibility, as described in performance theory. Evaluation results are recorded as a basis for determining the need for coaching, task adjustments, and rewards. Documented evaluations help companies identify workforce development and ensure that each employee is performing according to company standards.

Work discipline enforcement must be established through a fair and transparent, gradual mechanism. Documentation of each violation serves as the basis for providing guidance or coaching without disrupting the family atmosphere within the work environment. This mechanism aims to foster a sense of responsibility and reduce absenteeism and tardiness, which previously significantly impacted production rates.

The integration of Islamic values needs to be directed at strengthening work culture, not as a formal religious activity, but as a moral guideline that guides work behavior. The value of trustworthiness can be implemented by emphasizing the importance of punctuality and responsibility for work quality. The values of itqan and ihsan can be instilled through the practice of neat and diligent workmanship, while the value of shura can be realized through brief deliberations for weekly evaluations or discussions of production issues. The integration of Islamic values serves to strengthen intrinsic motivation and build awareness that work has a moral-spiritual dimension.

This solution formulation is reinforced by strategies generated from the SWOT analysis. The SO strategy optimizes the experience of senior employees to improve finishing quality while capitalizing on stable local market demand. The WO strategy is aimed at addressing recruitment and training weaknesses to capture opportunities for market and product quality improvement. The ST strategy is used to minimize the influence of competitors by increasing the consistency of work results, while the WT strategy directs the company to develop comprehensive work standards to avoid the threat of production delays and quality inconsistencies.

By implementing this integrated solution, the company has a strong foundation to improve employee performance, improve production quality, and build a more professional HR management system without abandoning Islamic values as a moral foundation in the work process.

4. Conclusion

Based on the analysis and research that has been carried out, the conclusions of this research are: 1. The implementation of human resource management in the Jepara Jati Garden Umbrella Furniture Industry remains rudimentary and unstandardized, despite the company having established recruitment procedures including administrative selection, skills tests, and interviews. Research has found that these stages are not implemented consistently, resulting in inconsistent quality of new employees. Training relies solely on informal mentoring by senior employees, without measurable modules, schedules, or development objectives. The absence of production, finishing, and discipline SOPs leads to irregular workflows, high rates of finishing defects ($\pm 12\%$), and unstable order fulfillment. With average employee attendance of only 88% per month and 3–4 times late, basic HR functions are not operating effectively, directly impacting work quality and productivity. 2. The role of HR in improving employee performance has not been optimal because almost all of its strategic functions are still spontaneous and unplanned. In the recruitment aspect, recruitment based on personal proximity causes competency mismatches and increases the workload of senior employees. In the development aspect, the lack of technical training causes employees to require longer adaptation time, while finishing quality standards are not consistently achieved. In the development aspect, the lack of performance evaluations makes the company unable to identify individual weaknesses or set competency

improvement targets. The impact is evident in delays in order completion, fluctuating production quality, inefficient workflows, and low work motivation. These findings indicate that the role of HR has not yet functioned as a driver of performance improvement, but rather serves only as basic operational administration. 3. The application of Islamic principles in human resource management has not yet become part of formal policy, even though the company operates in a religious community and all employees are Muslim. Values such as trustworthiness, itqan (compassion), ihsan (good character), and time discipline have not been translated into work systems, quality standards, oversight mechanisms, or moral development. This situation results in the Islamic work ethic lacking structural power to influence work behavior. While honesty, mutual assistance, and kinship are present on a personal level, they are not sufficient to establish an Islamic work culture that encourages precision, punctuality, and sincerity in work. Thus, Islamic values exist only as individual awareness, not as an integrated management system to improve the quality and performance of the workforce. 4. Islamic values and management strategies have significant potential contributions to improving employee performance when implemented in a structured manner through SO, WO, ST, and WT strategies derived from the SWOT matrix. By implementing the values of amanah (trust) to strengthen time discipline and work responsibilities, the values of itqan and ihsan (honor) to reduce the level of finishing defects, and the values of shura (shura) to build the habit of production deliberations, the company can increase intrinsic motivation as well as the quality of work results. Management strategies such as the development of recruitment SOPs, production flow SOPs, finishing SOPs, scheduled technical training, performance evaluations, and a gradual sanction system provide the necessary structure to overcome internal weaknesses and face external threats such as intense competition and fluctuations in production quality. The combination of the integration of Islamic values and improvements to the HRM system is projected to be able to improve product quality consistency, reduce production delays, strengthen customer loyalty, and increase the company's competitiveness in the Jepara furniture market.

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