



Analysis of Leadership Influence Factors on Company Management Success

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ABSTRACT

Companies are legal entities that play an important role in the national economy. Like a human body, a company also needs good organization to achieve the targets and goals of the company. Company failures resulting from poor company management occur in international companies, namely the company Apple Inc, which is the most valuable company in the world which ends in 2022, reminding the importance of leadership in company. The research method used in this research uses the Systematic Literature Review method. There are several types of leadership in companies, including four, namely democratic, autocratic, affiliative and visionary leadership. This study concludes that leadership factors in operational management, finance and public relations have a significant impact on companies. Companies that implement democratic leadership tend to be more able to carry out management in all sectors of the company, while companies that implement leadership based on Islamic studies make the relationship between leaders and subordinates more peaceful compared to other types of leadership.

Keywords: Leadership, Company, Management.

1. INTRODUCTION

Companies are legal entities that play an important role in the national economy(Waedoloh, Purwanta, & Ediyono, 2022). Like a human body, a company also needs a good organization to achieve the targets and goals of the company. One of the success factors of a company organization is the role of a company's leadership. We can find many companies that have experienced postponement of debt obligations and can return to excellence in the economic sector because the influence of leadership that influences company management. But currently many people do not realize the importance of good leadership in the company in the progress and success of the company(Aditya, Andriyadi, & Sidjaya, 2023).

Company management is certainly not an easy thing, a company is a place where goods and services are produced for resale in domestic and foreign markets. Companies that fail to manage and innovate cause the company to fail in the market(Suhardjo, Karim, & Taruna, 2022). Company failure is a result of poor management of international companies, namely the Apple Inc company, which is the most valuable company in the world which will end in 2022, while the failure of the oldest company is the result of management failure, namely the bankruptcy of the Medici Bank in the 13th century.(Chen, Liu, & Gong, 2021). The company in Indonesia that failed due to bad management was PT. Sariwangi, PT Modern

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Internasional Tbk, these companies are companies that went bankrupt as a result of bad leadership (Dharma & Harahap, 2023). Neoclassical management theory by Douglas McGregor (1906-1964), an American psychologist who is known as the originator of theory X and theory Y. He put forward two different assumptions about human nature in organizations. Theory X assumes that humans are lazy creatures, do not like to work, are irresponsible, and must be forced, controlled and supervised to work. Theory Y assumes that humans are active creatures, like to work, are responsible, and can take the initiative, be creative, and be independent in their work (Head, 2011).

Leadership Theory Fred Fiedler (1922-2017), an American psychologist known as the originator of the contingency theory of leadership. He stated that an effective leadership style is a style that suits the level of situationality in the leadership situation. He also distinguished between a task-oriented leadership style which emphasizes goal achievement and a relationship-oriented leadership style which emphasizes interpersonal relationships (Fiedler, 1981).

However, there are companies that are quite successful in providing the best leadership, including PT. Ace Hardware Indonesia Tbk, PT Indeso Primatama, PT Sindo Munnucul Herbal Medicine and Pharmacy Industry, and PT Mowilex Indonesia (Metriani, 2023). These companies have succeeded in implementing good leadership and creating organized management in global economic uncertainty. Leadership has a positive effect on the success of a company even in conditions of economic uncertainty and international political stability. Making decisions with a "risk" mentality impacts leadership effectiveness and information sharing within the organization. In achieving leader effectiveness, trust and vision are at the forefront, and at the same time, employees must feel that there is an effective leader who collaboratively promotes sustainability and other important steps to achieve set goals. The phenomenon of global uncertainty is a very urgent matter for research regarding the importance of leadership in companies to create good management in companies. (Sonmez Cakir & Adiguzel, 2020).

Research on leadership and management in companies was conducted by Emhemad, Solie, Loang, & Kok, (2023) The findings of this research state that democratic, transformational, and transactional leadership styles were found to have a positive effect on organizational performance and employee satisfaction, with transformational leadership being the most influential. Whereas Surji, (2015) Leadership is defined simply but effectively through behavioral factors that influence others and produce the greatest results. It is a very interesting thing to do research on the factors that influence leadership on the success of company management. This research has differences from previous research, where the previous research used empirical quantitative research methods, whereas this research used the Systematic Literature Review method. Furthermore, the previous research did not explain it in detail. detailed what factors make good leadership in a company influence company management.

There are many opinions that explain leadership, including the opinion of Wescher and Massarik (1961) which states that the definition of leadership is interpersonal influence carried out in certain situations and directs the communication process to achieve certain goals. Meanwhile, the opinion of Rauch and Behling (1984) states that leadership is the process of influencing the activities of an organized group to achieve a group's goals. Another opinion regarding management is from the opinion of Hemphill and Coon (1995) who explain that leadership is the attitude of individuals who lead various group activities to achieve goals together. (Waedoloh et al., 2022).

2. RESEARCH METHOD

The research method used in this research uses the Systematic Literature Review method. This method is used to answer research questions based on sufficient information by analyzing and evaluating research results. This method is a research method that emphasizes systematic data collection in previous research through offline or online library studies. (Habibi & Manurun, 2023). The stages of this research are carried out through the first stage, namely by identifying the source of the research data, after identifying the research, conducting a data study and evaluating the results of the data that have been obtained in the research results, after carrying out the evaluation, interpreting the research results with the research topic being discussed is carried out. , the final stage of the research is drawing conclusions.

3. RESULTS AND DISCUSSIONS

There are several types of leadership in companies, including four, namely democratic leadership, where the company leader in making decisions will consider the majority of opinions from the votes of the company's members and employees.(Waedoloh et al., 2022). The second type of leadership is autocratic where the company leader, in making decisions relating to the company, will consider the personal opinion of the company leader or the company's interests by minimizing the opinions of the company's employees. Furthermore, affiliative leadership is a type of leadership that prioritizes positive things in the balance and harmony of the company which aims to team building.

The last type of leadership is visionary leadership. This type of leadership has interesting characteristics where the leader will try to move employees towards the company's common goals with the impact of a positive emotional climate and is used when the company creates a new vision.(Teruna & Ardiansyah, 2021). Like tools and electricity, leadership and management in a company cannot be separated, the right leadership will drive good management in the company(Siswanto & Kusumapradja, 2024). Leadership is the spearhead of the company in directing its subordinates towards the company's goals with the ability of a leader in terms of management(Rifa & Edyawati, 2024). A company cannot move individually or individually, cooperation from all aspects of the company is needed to achieve the company's goals. Like Systematic Literature Review research, this research analyzes several previous studies including:

Table 1. Literature Review

No	Writer	Title	Accreditation	Year
1	Laela Nurlatifa Iyan Sopiyan	Leadership Management in "Company X" Islamic Education Management Perspective (Sokan Jeruk District, Bandung Regency)	Garuda	2021
2	Mohammad Duddy Dinantra	The Influence of Discipline and Motivation on Employee Performance in Pt. Five Sustainable Businesses in Jakarta	Sinta 3	2020
3	Fatma Sonmez Cakir Zafer Adiguzel	Analysis of Leader Effectiveness in Organizations and Knowledge Sharing Behavior on Employees and Organizations	Scopus Q1	2020
4	Muhizan Tamimi1 , Sopiiah	The Influence of Leadership Style on Employee Performance: A Systematic Literature Review	Garuda	2022

In the first article, it is stated that there are several leadership factors influencing management at company sidiq, amanah, fathonah and tabliq, an honest leadership style results in increased trust between company leaders and subordinates, this increased trust causes human resource management in the company to run with the company's goals. In carrying out leadership at Company X, he always has a firm nature in making decisions but also involves the company(Leadership, Company, Nurlatifah, & Sopiyan, 2021).

Meanwhile, the second article explains that a system that regulates the operational mechanisms of a company and the people who work for that company requires autocratic leadership. Autocratic leadership in a company can make the company achieve the company's targets and goals with management from the influence of autocratic leadership. The factors of autocratic leadership in a company influence the success of management because some of them are with autocratic leadership, the leader can have maximum control over the company's management, the company leader can make strategic decisions in the company without any influence from other parties, financial and operational management becomes very impactful. in positive terms towards autocratic leadership(Dinantara, 2020).

Meanwhile, the third article states that the role of leadership creates good organization in companies, as per Fred Fiedler's leadership theory. This is inversely proportional to the second article regarding good leadership in managing companies. Good leadership in a company is leadership that always involves subordinates in making decisions. This is due to several factors, including: One (1) involving subordinates in decision making makes all parties in the company feel that their rights are fulfilled, second (2) involving subordinates in decision making will minimize the occurrence of demonstrations by employees which results in the company's operational management not being disturbed. , third (3) in terms of the involvement of subordinates in decision making will make subordinates become generous which will prevent leaks of

company trade secrets(Sonmez Cakir & Adiguzel, 2020). The differences in leadership factors in companies can be seen in the following table:

Table 1.2 Influencing Factors

No	Article	Influencing Factors
1	First	<ol style="list-style-type: none"> 1. Leadership based on Islamic Kanjian has a positive impact on company harmony. 2. Harmony in the company makes it easier for company leaders to manage human resources and company finances 3. Leadership based on Islamic studies is the most appropriate to apply
2	Second	<ol style="list-style-type: none"> 1. Autocratic leadership in a company is the most appropriate type of leadership 2. With autocratic leadership, company leaders can manage production time, operations and finances in the company 3. The company's decision is final so it can influence the company's demonstration indications
3	Third	<ol style="list-style-type: none"> 1. Leadership in a good company is a type of democratic leadership 2. Democratic leadership of company leaders will not feel any indication of leaks of confidential data in marketing and public relations management. 3. The influence of leadership on democratic management makes employees more active in company marketing.
4	Fourth	<ol style="list-style-type: none"> 1. Leadership can make a company healthy in financial management 2. With sound financial management, companies can survive in crisis conditions 3. Leadership makes management intertwined with community relations.

The fourth article states that leadership in a company is equal to the strength of the company by eighty eight percent (88%) this is because leadership influences management. Active leadership can deal well with a financial crisis in a company, even if a PKPU or bankruptcy occurs in a company, with good leadership it can rise actively from adversity. Management requires a strong mindset, in this case company leadership is the main factor in the company's success in achieving company goals. Other factors of leadership influence very sensitive things, including the spirituality of subordinates, which create relationships in society(Tamimi & Sopiiah, 2022).

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