

ABSTRACT

The development of retail MSMEs in Indonesia not only requires improved business performance but also ethical and sustainable human resource management. Toko Alia Busana Lampung Timur is a retail MSME that promotes an Islamic identity in its business operations. However, issues related to employee discipline and work that do not fully reflect Islamic values are still observed. This study aims to examine how Islamic values are implemented within the function of Human Resource Management (HRM), as well as how Human Resource Management (HRM) practices reflect the Islamic identity of the business at Toko Alia Busana Lampung Timur.

This research employs a qualitative approach using a case study method. Data were collected semi – structured interviews with the business owner and employees, direct observation of workplace activities, and supporting documentation. The data were analyzed using a descriptive qualitative method by interpreting field findings based on the concepts of Islamic values and Human Resource Management (HRM) functions, including recruitment, training, compensation, and employment relations.

The results indicate that Islamic values such as trustworthiness, honesty, fairness, and social responsibility have been implemented in several Human Resource Management (HRM) practices, particularly in recruitment and compensation. However, the implementation of Islamic values in training and development remains informal and has not been systematically structured. This condition creates a gap between the promoted Islamic identity and the actual work behavior of some employees. This study highlights the importance of strengthening value – based Human Resource Management (HRM) systems grounded in Islamic principles to ensure that the business’s Islamic identity is consistently reflected in daily work practices.

Keyword: Islamic Values, Human Resource Management (HRM), Retail MSMEs.

