

Strategic Decision Making of Corporate Social Responsibilities in Sharia Hospitality Sector

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This research aims to find out processes of decision making about corporate social responsibility in the Indonesia Sharia hospitality sector. Whether they are appropriately run within the bounds Islamic Sharia. The research objects are first class Sharia hotels in Indonesia. The research period was conducted from 2016 to 2018 by using a qualitative approach. This research found that strategic decision making about corporate social responsibility in Sharia hotels had not met the standard and they still referred on conventional hotels. Thus, they had not reflected corporate social responsibilities which were appropriate with Maqashid al-Sharia.

Key words: *Strategic Decision Making, Corporate Social Responsibility.*

Background of the Problem

Decision making is the best way from several alternatives which supports managers to take effective decisions through organisational objective regulations and several matters in order to reach the objectives by ensuring management commitment is in line with organisational purposes (Smith, 1996). Decision making is the basis for a management activity which could be divided into three management levels. They are strategic, tactical and operational decision making (Harrington & Ottenbacher, 2009; Mintzberg et al., 1976).

The Sharia hotel industry is a supportive success for Sharia tourism destinations in addition to halal restaurants, tourism travel agency and spas. Accommodation is an important part of the tourism journey and Sharia hotels are considered as an Islamic tourism dimension (Henderson, 2010). Sharia hotels have become a trend since the development of Sharia tourism destinations. The existence of the September 11, 2001 accident made Muslim tourists

change their tourism destination from Western countries, such as English and America, to Muslim countries in the Middle East and Asia (Henderson, 2003; Norlida Hanim, et al., 2010). Sharia tourism is a new tourism industry product which provides vacation destinations for Muslim people that have the principles of Islamic laws and regulations (Razali et al., 2015). Sharia hotel concepts are mostly initiated by Middle Eastern and Western Asia hotels. In running a Sharia hotel business, halal concepts on all hotels have either criteria or Sharia attributes to achieve Sharia Compliance. Basically, in the current period, there have not been any formal criteria for Sharia Compliance in the hotel sector. However, practitioners and analysts agree on several Sharia attributes, such as alcohol prohibition, male and female separation, non-human figure ornaments and routine religious recitation (Henderson, 2010).

Sharia tourism competition will increase the numbers of Sharia hotel businesses so it does not only depend on the government to develop its Sharia tourism destinations. It also assists them to demand business provide both more competitive and Sharia compliant hotel products and services. Several studies discussing Sharia compliant hotel concepts are Rosenberg & Choufany (2009), Henderson (2010), Stephenson (2014), Saad, et al., (2014), Shuriye & Daud (2014), Nor Zafir (2015), and Razalli, et al., (2015). However, their findings are still limited on jobs directly related to guests (front office, restaurant and housekeeping). However, several things dealing with the back of the house activities, such as financial and administration, salary and decision making have not been frequently discussed.

Identification and Problem Limitation

Awareness of Islamic people about having vacations and relaxation, service and hotel consumption have been developed from the halal revolution by creating Islamic hotels or Sharia hotels (Shuriye & Daud, 2014). Several hotel aspects must meet Islamic concepts to meet Sharia hotel compliance. They include design and interior and operational and financial aspects (Rosenberg & Choufany, 2009).

The halal concept of a Sharia hotel is not only limited to the food and beverage but also operational, human resources, marketing and the financial system of the hotel. It means that the hotel facilities should comprehensively be operated based on Sharia principles (Razalli et al., 2015). One of them is the strategic decision making process in Sharia hotels which must be in line with Sharia principles. This strategic decision making should consider several aspects considered in Islamic laws, especially in Islamic management science.

Strategic decision making is an important aspect of an organisation because it will influence the whole operational system and source of the organisation. Schwenk (1995) mentions that strategic decision making is frequently described as unstructured, unprogrammed and messy decisions. Islam teaches that all decisions taken by individuals and organisations must

consider broad benefits which are obtained through a discussion (Almoharby, 2010; Fontaine, 2008).

Research Problem

Based on the background and problem limitation, this research summarises the problem as:

“How is the strategic decision making process of corporate social responsibility, which is based on Islamic laws, in Sharia hotels?”

Strategic Decision Making

An important issue in strategic process is strategic decision making because it involves fundamental decisions which create direction for a corporation (Eisenhardt & Zbaracki, 1992). Furthermore, it is stated by them that strategic decisions are an important thing for taking action, committing resources and having a determined priority.

Strategic decision making and consideration are based on a vision of past, present and future corporate situations (Steptoe -Warren et al., 2011). In selecting the strategic decision making processes, management shall consider several factors which foster strategic decision making. Eisenhardt & Zbaracki (1992) reviewed the main choice paradigm model in taking strategic decisions. They were rationality and limited rationality, politics and power and dustbin model.

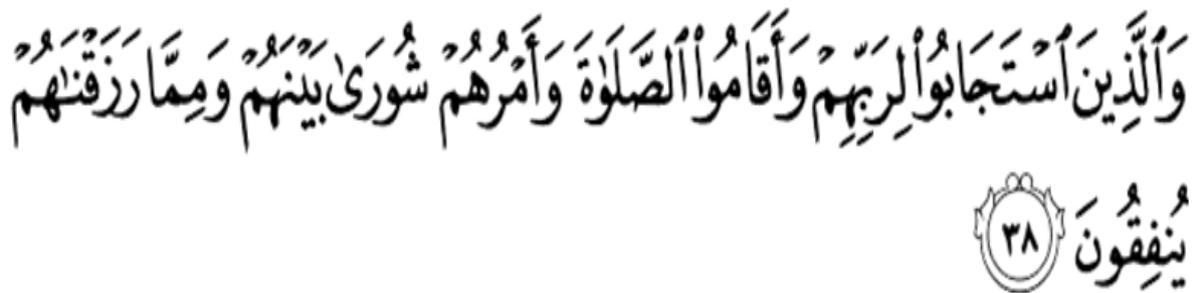
Strategic Decision Making in Hospitality

Harrington & Ottenbacher (2009) investigated how manager in the hospitality industry would make decisions and investigated the influences of contextual criteria on the process. They mention three actions in the decision making process, such as analysis, judgment and participation. Analysis is done to reduce the risk level, to meet the corporate objective and to spread solutions to all organisation levels. Judgment is frequently used by decision makers at higher management levels to evaluate qualitative criteria and potential problems to obtain internal and external supports. Participative action is done to obtain internal and external support and to produce brilliant ideas in evaluation.

Harrington & Ottenbacher (2011) showed that researchers of general strategic management focused more on theoretical concepts rather than applicative concepts. However, researchers of strategic management in the hospitality industry tended to focus on tactical method when they had questions about strategy.

Crook et al., (2003) in their research developed a competitive quality model which became managerial reference to get involved in thinking and taking systematic - strategic decisions. The competitive quality model of Crook et al., (2003) was made to make strategic decisions in the hospitality industry. It includes: analysis, formulation, implementation, and performance result stages.

Islam teaches how to make decisions through istikharah salah and syura consultation concepts. The difference between them is istikharah is done only for personal problems while discussion is done for the collective interest. Discussion concepts could be practiced in a corporation when the managers need to discuss something by involving each level of their subordinates.



“Those who hearken to their Lord, and establish regular Prayer; who (conduct) their affairs by mutual Consultation; who spend out of what We bestow on them for Sustenance” (QS Asy Syuura, 38).

The word syuraa, in the verse, could be defined as discussing actions by sharing arguments and making decisions from those arguments. Discussion provides power and linkage among Muslim people. It also encourages formation of cooperative thoughts and understandings and strengthens relationship among Muslim people. Islam encourages its people to strengthen unity and relationship (Hakim, 2012).

Corporate Social Responsibility within Islamic Perspective

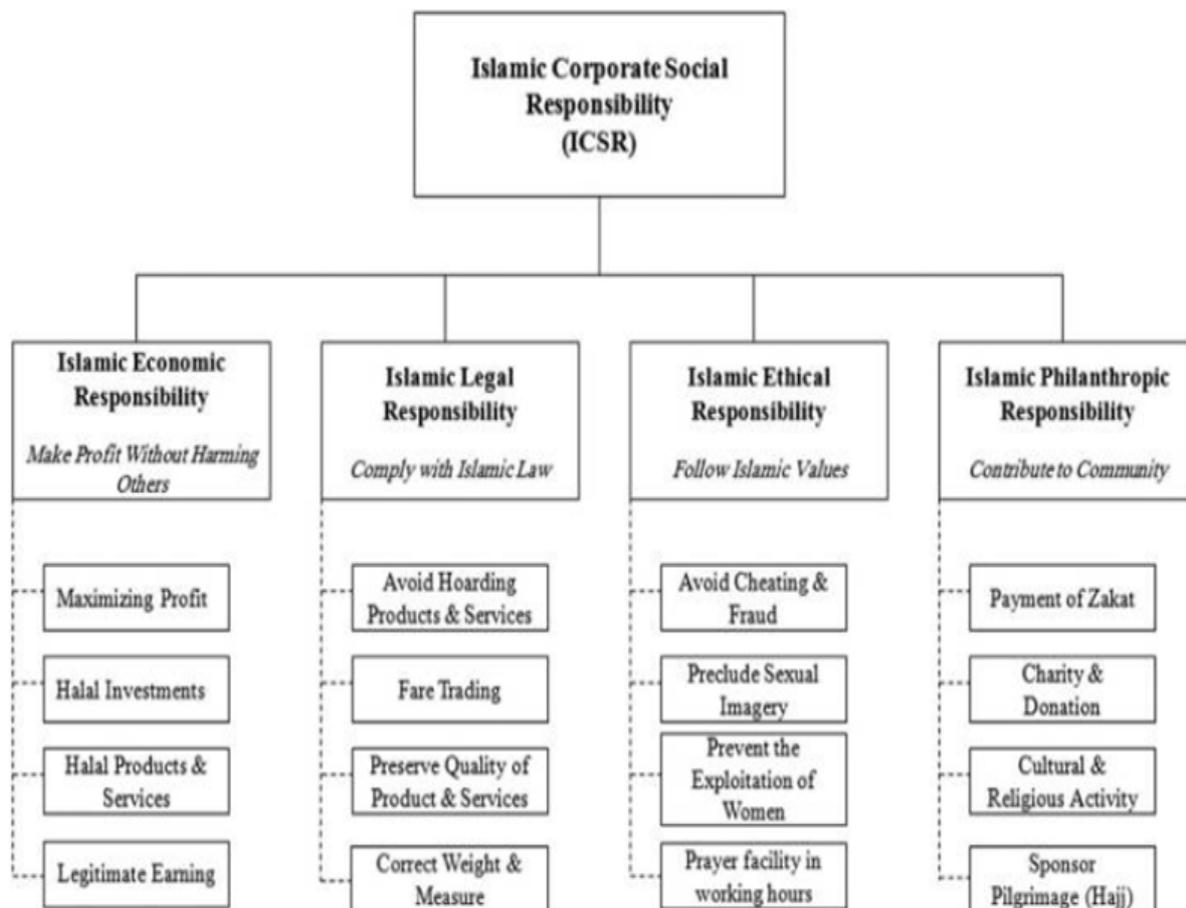
Corporate social responsibility is a concept that a corporation has responsibility toward all its stakeholders in society, broader than just its shareholders, customers and employees such as community and environment, suppliers and other third parties (Jones, 1980).

Khurshid, et al., (2014) states that the Islamic ethic does not differ for social and personal lives. Therefore, this concept influences decision making by Islamic people. Islamic teaching demands trustworthiness, especially business management belief in the manager by the owner. Furthermore, it is explained that trustworthiness does not mean that the manager acts for the owner's interest, by using any mean, to obtain greater benefits. An owner or a manager

has a social responsibility to conducted business in accordance with Islamic laws. According to Arshad et al., (2002) Islam provides a comprehensive approach toward corporate social responsibility through integrated Islamic laws based on Al-Qur'an and Sunnah to provide alternative philosophical framework for society relationships to nature and other people.

Islam teaches goodness, honesty, justice, tolerance and trustworthiness which could be implemented into personal life, business life or even stakeholders of a corporation. Elarag (2015) states that the Prophet Muhammad SAW provides examples of social responsibility and justice as stated in Al-Qur'an through each life practice (Sunnah) to create a fair and harmonious social system, including business and commercial practices. This teaching will foster individual responsibility toward Allah SWT and other individuals or resources which are used or managed. Khurshid, et al., (2014) developed a corporate social responsibility model based on Islamic laws as seen in Figure 1.

Figure 1: Corporate Social Responsibility Model within Islamic Perspectives Khurshid, et al., (2014).



Sharia Hospitality (Sharia Compliant Hotel)

Tourism and Hospitality Industries within Islamic Perspectives

Tourism or excursion is not something new within an Islamic perspective because Islam teaches about the manners for conducting trips or treating people whom are on a trip. In Arabic language, the word Sihayah, is used to explain about a trip, excursion or tourism. In Al-Qur'an, the term As-Saihun has the same meaning as At-Taibun, Al-Abidun, and Al-Hamidun which refers to individuals whom are on a trip. Besides that, the term used to represent tourism or a trip as also includes Safar, Ziarah, Rihlah and Sayr (Taha et al., 2015).

Islam teaches about silaturahmi or friendship among Muslims which not only increases social relationships but also increases travelling activities of Muslims. Taha et al., (2015) also mentions that besides visiting a friend and relative, Muslims could learn and understand other cultures and traditions which are known as Islamic tourisms. It is mentioned in Qur'an Surah Al-Mulk, Verse 15 and QS Al-Ankabut, verse 20, as follow:

هُوَ الَّذِي جَعَلَ لَكُمْ الْأَرْضَ ذُلُولًا فَامْشُوا فِي مَنَاكِبِهَا وَكُلُوا مِنْ رِزْقِهِ
وَإِلَيْهِ النُّشُورُ

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“It is He Who has made the earth manageable for you, so traverse ye through its tracts and enjoy of the Sustenance which He furnishes: but unto Him is the Resurrection” (QS. Al-Mulk: 15)

قُلْ سِيرُوا فِي الْأَرْضِ فَانظُرُوا كَيْفَ بَدَأَ الْخَلْقَ ثُمَّ اللَّهُ يُنشِئُ
النَّشْأَةَ الْآخِرَةَ إِنَّ اللَّهَ عَلَىٰ كُلِّ شَيْءٍ قَدِيرٌ

"Travel through the earth and see how Allah did originate creation; so will Allah produce a later creation: for Allah has power over all things" (QS. Al - Ankabut: 20).

By referring to those verses, Allah commands human to explore the earth and human livelihood, to be aware of how great and broad His creation and blessing are. A travelling human will obtain different experience and knowledge from different places. By travelling humans could see and learn Islamic values either from social, cultural or natural environment

even the historical heritage of previous nations such as mentioned in QS. An-Naml, verse 69 and QS. An-An'am, verse 11 as follows:

قُلْ سِيرُوا فِي الْأَرْضِ فَانظُرُوا كَيْفَ كَانَ عَاقِبَةُ الْمُجْرِمِينَ ﴿٦٩﴾

"Go ye through the earth and see what has been the end of those guilty (of sin)" (QS. An-Naml: 69).

قُلْ سِيرُوا فِي الْأَرْضِ ثُمَّ انظُرُوا كَيْفَ كَانَ عَاقِبَةُ
الْمُكَذِّبِينَ ﴿١١﴾

"Travel through the earth and see what was the end of those who rejected Truth" (QS. Al-An'am: 11).

Tourism industries are closely related to hospitality industries. The word hospitality is mostly defined as hospitality or friendliness. Hospitality is taken from the Latin language hospes, meaning host, guest, or stranger. Hospes is made up of hostis, meaning stranger. Hospitality could be defined as an activity that treats a guest or a stranger friendly and liberally (Harington & Ottenbacher, 2009). Based on the definition, the tourism industry without hospitality will be a failure because tourism is always correlated to an individual on a trip and needs accommodation as well as transportation.

Research Design

This research uses a qualitative descriptive design with the phenomenological approach. The phenomenological approach is a strategy in which a researcher identifies the essence of human experience about a certain phenomenon (Cresswell, 2012). Through this approach, a researcher will be directly involved in reviewing the research subjects over a length of time. According to Moleong (2011), the phenomenological approach emphasises focus on the human subjective experience and world interpretation. In this case, phenomenology attempts to understand how the world appears to other people. Researcher with a phenomenological approach tries to understand an event meaning and its correlation to people within a certain situation.

Research Sample and Site

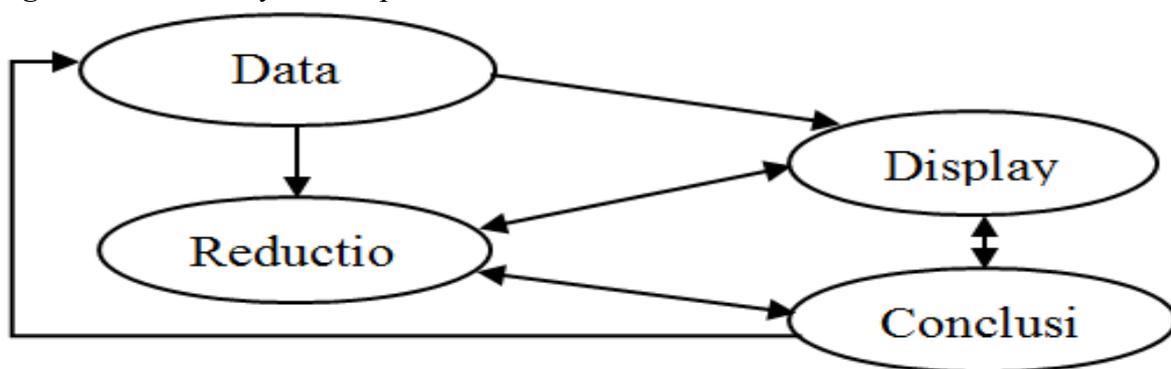
The research site is located in Sukoharjo Municipality, Central Java Province, where there is the largest number of Sharia hotels in Indonesia. The research objects consisted of Sharia hotels in Sukoharjo.

The research informants are the subjects that understand about the object information as the doers or other people whom understand the research object (Bungin, 2007). The informant selection was done at the beginning by using a purposive procedure. Then, by the time the research is carried out, it was possible to conduct a snowball procedure.

According to Sugiyono (2015), a purposive technique is the technique of making the sample from a data source with certain considerations. However, the snowball technique is a technique to make a data source sample in which it has very little numbers at the beginning, to turn larger later. Therefore, the main informants of this research consisted of general managers, managers, supervisors and hotel owners. Meanwhile, the supportive informants consisted of theologians, practitioners, Islamic economists, customers or other partners.

Data Collecting Techniques

Figure 2: Data Analysis Components



Analysis Results and Discussion

Strategic Decision Making of Corporate Social Responsibilities at Sharia Hospitality

Strategic Decision Making of Corporate Social Responsibilities at Solo Sharia Hospitality

Almoharby (2010) states that Islam has determined an approach of making decisions through syura or discussion, which could be applied into various forums and groups. This approach requires discussion and consultation so a decision could be determined. In the simple

interpretation, *syura* means participating in a consultant form on a discussion which leads to decision making. One of the things to consider in making decisions in a discussion is the process and determination of a decision should undergo tolerance and appropriate legitimate policy with Islamic regulations and laws.

Dealing with strategic decision making of Solo Sharia hotels, it was proposed by a Chief of a Department to General Manager in a morning briefing or monthly meeting to be approved and determined as a decision. It is as stated in interview results done with Suyanto (43):

“So the order is from us, PR or from us whose interest and we propose it to GM to get approval. What’s that? We make it and then the process shall be followed up.”

“Yup, we make the proposal then we propose it to GM. After that, we create small functionary. Then, we just follow it up. That’s all. Actually, it has been stated in business plan. Yeah, it has... So, we only carry out the existing planned plan in a year.”

“However, the execution should be approved again... After being approved, it would be floored to Head Department. Thus, the decision making is directly from the GM.”

“Head Department gathers in the evening tea which is regularly held on Thursdays. They discuss any idea to be created into program. Then, they are agreed and proposed to GM to get approval.”

Purwanto (49):

“It means I need to involve PR as well. Plus executive committee. It is almost *sura*. Last time, we wanted to hold a religious recitation. We discussed it in a meeting although it was only a religious recitation. It was all due to the expense. To treat the kinds. To invite Mr. Seno and many other things. Then, besides that, last time we held Mosque Cleaning Services, cleaning the *mukena* at mosques. It all ran well. It was also discussed first.”

“After having interview with Mr. Purwanto (49) as the General Manager (GM) and Mr. Suyanto (43) as Human Resource Manager (HRM) of the HRD, it could be known that the process of strategic decision making about corporate social responsibilities were mostly taking form into planned program which were included into Business Plan. The department which proposed the activities would hold non-formal internal discussion in their *evening teas* on Thursdays with other Head Departments. Mr. Suyanto and Yanuar Fahmi from IT department, indirectly, became non-formal internal sharia boards in which each activity which would be promoted would automatically require initial permission from them. After being approved by this non-formal internal sharia board, then the activity plan would be

preceded to General Manager to be approved”. This is in line with what Suyanto (43) revealed:

“Dealing with discussion, it was actually our idea. After that, we took it there to get the determination. ... After being approved, it was then flooded to the employees. Thus, the decision making is directly from the GM.”

“We also have internal sharia board. They are Yanuar Fahmi (IT). I am also one of the internal Sharia board. So, we have internal Sharia board also...”

According to the interviews, it could be concluded that strategic decision making about corporate social responsibility had not implemented a discussion concept as stated by Almoharby (2010). It could be seen from the taken decision. It was dominated by an informal/internal Sharia board and General Manager approval. The role of the employees in a non-formal activity, the evening tea, was not maximal. Evening tea activities are not a formal forum of the department head meeting and it is not followed by the General Manager.

Mr. Suyanto and Yanuar Fahmi, who were considered as the internal Sharia board and regulation makers of Solo Sharia Hotel, did not get any stipulation from the management. They determined the ideas which would be promoted in evening tea to be approved by General Manager.

The activities that were outside of the business plan were mostly not promoted. Suyanto (43) revealed that the allocated fund had been allotted through programs based on the business plan. Assistance proposal or sponsorship was rarely found. When there was such a proposal, Solo Sharia Hotel could not have directly met it.

A positive activity conducted by its employees was a partial allocation of their salaries to be donated to those who need help and assistance. This activity is called Blessed Friday. It collects money from the employees after they receive their salaries. The collected funds were given on Fridays as Suyanto revealed (43):

“For now, we have so many such activities. We have Blessing Fridays. On Fridays, we deliver meals. The fund is collected from all employees. We want to give some of our earning. Finally, we manage it from the management. However, the management collects it by itself. We give it to nursing home, Islamic dormitories. As for example, this evening, first muharram, we clean mosques, we share charity, we pray, and in the afternoon we invite the orphans to recite here.”

Besides that, the role of the Sharia board is monitoring all service and product activities of Solo Sharia Hotel. However, it was found not to be maximal. It was proven by Suyanto's statement (43) that the Sharia board only knew each activity and changes of hotel products. Sharia board usually asked questions about whether there were new additions. As for example, when there were new additions on the meal menu, the hotel would report it to LPOM and MUI. Then, after being approved by LPOM and MUI, it would be passed onto the Sharia board.

The strategic decision making about social responsibility done by Solo Sharia Hotel had not considered social aspects which should become the principle. The domination of decision making factors of social responsibility activity is due to interest and relationship with the party which provides assistance. Besides that, any approved decision management by General Manager as the leader is assumed as something important and good. Suyanto (43):

“Ya, it is like this. We also went to Mbah Lim's Islamic dormitory, located in Imanpuro. It was due to relationship with the previous situation. There was relationship between Mr. Harto and Mbah Lim. What we meant is we tried to keep in touch there. So, when we have choices in Islamic dormitory and nursing home, we chose one interest only. It also goes for the one in Simo. The most important is we helped them. So, we went there. For their interest.... Why did we choose there? We chose the elder ones (laughing)... There were many factors. To decide it, it is clear that the leader which is as the priority. However, our proposal is based on a certain interest or an event.”

Strategic Decision Making of Social Responsibility based on Islamic Laws

Maulan et al., (2016) stated that Islamic laws have purposes which are called Maqashid Al-Syariah. It is a necessity (al-daruriyyah) to make humanity living peacefully in the world. Imam Ghazali states that this necessity consisted of five matters. They are religious, humanity life, human generation and descendant, intellectual, and wealth or resource protections or preservations (Maulan et al., 2016; Sarif, et al., 2017).

Fontaine (2008) states that decision making should consider Maqashid Al-Syariah (a purpose of each Islamic law/Sharia) and Ijtihad. It is because a decision which is a routine matter will influence society in a massive scale, especially dealing with strategic position, strategic initiation or policy of a corporation in larger scale.

In accordance to Fonaine (2008), strategic decision making, especially about social responsibility which is in line with Islamic laws, should be done in a process which covers those five necessities in Maqashid Al-Sharia. Then, it should result in a decision about a social responsibility activity program which is in accordance with Maqashid Al-Shariah.

The representative PHRI, Mr. Bambang Mintosih (51), the General Vice of Central Java PHRI, explains about Sharia hospitality concepts in general as he revealed:

“When it is seen so it should have been clearly understood. It means it has been asked... Has the casing been worn? Almost everyone has worn it but it has been maximum. The whole counter should not have been combined between male and female. Although they are in one division, they should have been employed in a shift. If one shift consists of women, then all of them should be women. That is the real sharia from the origin. Why has it become family friendly? It is because of that one.”

“So, umm, if the prospect, it is not possible to make the latest trend for business for all operators. Now, larger operators have participated in that area, as for example MGM. MGM has started managing a lot of sharia hospitality concept. Azizah yah. One of them is Azizah. There have been two or three. Then, those other similar based hotels. Because it has larger markets. The point is larger market. And, it is absolutely true if a Malaysian is happy when he or she finds such hotel. It is also possible for Solo to start aiming that objective. There is such possibility. Why is it so? Ya, because, umm, there have been so many hotels. So many. Actually there are too many. But those with such principles have not existed. That is the reason. From which point we see a hotel is preferred or not. It could be asked from Azizah. When, they are not. They have asked it. The location does not suit at all. It is too far. However, they are already suitable for Solo. Although they have been handled by typical people but they have turned into competitors. Even, typical hotels are outclassed by Azizah.”

“That is what is being planned and developed. When it is started from internal aspect, it will be started by promoting regular pray together, the regular pray will be always done together. Such worship will be always done together. It has been begun in Jakarta. Possibly, it is sofyan. Sofyan is really something.”

Coincidentally, the owner of Sofyan has planned Sharia concept. Thus, it can turn into this big. Thus, it surely if the concept, what is it called, the greeting - assalamu'alaikum, the greeting has been set so. The basic greeting is surely assalamu'alaikum. It means asking apologize, saying bismillah, and when someone is going to eat, he should say bismillah. Then, when in the ballroom, at the banquet, when there is a meeting event, there will be a pray first. We should pray first, hoping for the event, and reciting Al Fatehah together. Because there must be many Muslims. However, it does not mean that shariah hotel does not welcome for those non-Muslims to stay there. That is the reason...”

“There was an occasion in Semarang. My non-Muslim staff moved in and became housekeepers. They were respected. Only during Eid Mubarak they were in charge. It was too much for them. When it is Christmas, they could enjoy their vacations. It is the strong point.

Ya, at the present time, what I said has not been one hundred percent exists. There will be always weakness point because it is difficult when they have been welcomed here. They stayed here but somehow they met at the lobby or where we did not know. It was difficult to know. However, it has become a reminder for them that Sharia hotel should ring a bell on their minds. It would have been better if the concept is truly Sharia. Nah, in my opinion, you can check it by browsing that the concept exists.”

The example is what I have explained. The pure Sharia concept. One shift consisting of males will be just males and is limited. Yup, it should be limited. Thus, it should be seriously limited. Then, the female room could be only used by female officers. Of course the male officers are not allowed. Their pool should be separated. Female pool for female, male pool for male. They should be separated. This one is the real Shariah concept. There will be something like this, surely. Surely, it will. Yup, actually it has been delivered by, umm, I forget what its name of tourism ministry. It clearly exists there.”

Furthermore, Bambang Mintosih (51) revealed understanding about decision making which should have been based on Islamic laws as follows:

“Coincidentally, yesterday, the topic was this one. It was so coincident. Hopefully, it fits on. Thus, generally the decision is promoted as it should be, by planning the decision and taking the decision. It was just all of them based on, how should I call it, Islamic custom. It means there should be halal certificate. When it is considered to be halal. It requires halal certificate. It is needed. Then, the same thing goes for morning briefing. And all those activities should be started by praying. The Islamic praying. Then, what else should be best example...”

“There are several managers depending on GM. There are several of them collecting the ideas from the staffs. From the bottom to the top. Vertically or reversely. When it is vertical, there will be no A and B. You do this thing, do this thing. That is what we usually do when the policy is considered very urgent. Staff cannot take such decision.”

Thus, if it is Shariah, those kinds of dismissal should be done internally in apology affair. In the other hotels, it still exists since those persons like it. So, it is just let. In this case, of course it will be executed. Surely it will.”

The interview with Bambang Mintosih (51) shows that at present, both concept and actual implementation are just limited on implementing Islamic laws in the product and service aspects (front office business). Meanwhile, the jobs of back office, such as management and financial systems have not been maximal in implementing Islamic laws.

The most common practices occurring in Sharia hotels, dealing with strategic decision making, are bottom to top and top to bottom possibilities. Several decisions could be taken after the ideas' from employees are collected. Then, they are brought to manager through a meeting. However, dealing with the important decision will be decided by higher management to be promoted by employees.

It is mentioned by Bambang Mintosih (51) that decision making about a social responsibility activity by a Sharia hotel, besides in the form of charity, should be better realised into working opportunities.

“That is very simple. If it deals with CSR, it will be given to Muslim orphans. Then, it is continued by providing opportunity to them instead of giving money. We give them opportunity to be employed. For the Muslims, we employ them at their right position. We give but it is not money. We give working opportunities for them to be much happier. Actually, orphans will be much more happier when they are given jobs. It is better than only inviting them to pray together. So that it really provides and gives them something useful for them. The CSR does not only cover charity but also poverty eradication. That is the right CSR and it has been started because they thought the share 2.5% would be surely given. However, the other hotels, sorry to say it, use it only for their leader slogans. But, when it deals with sharia, it is absolute. The 2.5% will be given to those whom need it. That is one of them. So the 2.5% becomes responsibility automatically.”

Suyanto (43) as an employee of Solo Sharia Hotel stated the strategic decision making which was in line with Islamic concept was the recognised and approved decisions by the leader.

“According to Islam, it must be from the GM because GM is the leader. Thus, everything could not be separated from the leader. Later, if an agenda was not recognized by GM, it meant dzalim. We cannot do that. Even, if it was a battle, when the leader did not ask to fall back, we were not allowed to fall back. It is dzalim. Thus, everything should be focused on the leader. If the ideas are from us, we need to propose them. Everything is from bottom, trying with our reasons. When it is considered good, it will be approved. When it is not, it could be denied.”

It shows that employees of Sharia hotels did not have comprehensive knowledge about Islamic law concept or Maqasid Sharia. There is a need for education and self-development in Islamic Sharia scope. It goes for a Sharia bank in which the initial development of the Sharia bank was dominated by transferring employees from conventional banks who did not know Islamic Sharia applied in banking. Then the Sharia bank began improving its employees' competences through education, training and recruitment which had such basic knowledge.

According to Othman (2010) and Sarif et al., (2017) the Imam Ghazali concepts about five necessities in Maqasid Sharia, could become the principles in taking strategic decisions, especially dealing with social responsibilities at Sharia hospitality. They are as follows:

a. Religious protection/preservation.

The decision should consider worship priority to Allah SWT because each individual has the right and freedom to have faith and to worship. In worshiping, as for example regular shalah or pray. The aims are giving, fasting and pilgrimage or hajj. Individuals could implement the essence of worship in their daily lives anywhere and within any occupation. It will influence every action done which will be based on Islamic laws. The essence of religious protection or preservation in taking strategic decision making about social responsibility could be realised by taking social responsibility activity decisions which considers support in religious distribution. Solo Sharia Hotel, indirectly, has promoted: praying both at the beginning and end of a meeting; being patient when there were arguments; having meetings outside of praying times; and result of decision making to clean mosques as Suyanto stated (43):

“As for example, this evening, first muharram, we clean mosques, we share charity, we pray, and in the afternoon we invite the orphans to recite here.”

b. Humanity protection/preservation

Islam obligates individuals to keep their souls and physics as humanity protection/preservation realisations. One of them is obligation to have halal meals (halalan thoyyiban).

“O ye who believe! stand out firmly for Allah, as witnesses to fair dealing, and let not the hatred of others to you make you swerve to wrong and depart from justice. Be just: that is next to piety: and fear Allah. For Allah is well-acquainted with all that ye do.” (QS. Al Maidah: 88).

The meals are not only halal but also function to keep our body from any disease. Besides that, it could be realised into body keeping from any murderer or criminality.

The essence of protection or preservation in human life in taking decision about social responsibility could be realised in processes which keep body and mentality of individuals, such as having briefing in working hours. When the briefing is at lunch time, there should have been lunch meals, being patient without any fights and making decisions to help those in need, such as disaster victims.

c. Future generation or descendant protection/preservation.

Islam really pays attention to the genealogy of each newborn child. Therefore, Islam prohibits adultery. Marriage is the only way to obtain descents. The essence of descendant protection or preservation in taking strategic decisions about social responsibility could be realised by limiting both male and female employees in meeting so there will be no exaggerated interaction. Besides that, the applicable realisations on the decision are assistance for poor pregnant women and mass marriages.

d. Intellectual protection/preservation

Islam obligates individuals to seek knowledge and science so they could get both religious and world sciences. Seeking knowledge could be done by using potency of thoughts which has been gifted by Allah SWT. Education is a way to keep the mind developed excellently. Besides that, to keep thought could be done by avoiding drinking alcohol and consuming drugs which could damage brain.

“... O ye who believe! stand out firmly for Allah, as witnesses to fair dealing, and let not the hatred of others to you make you swerve to wrong and depart from justice. Be just: that is next to piety: and fear Allah. For Allah is well-acquainted with all that ye do.” (QS. Al-Mujadalah: 11).

The essence of intellectual protection or preservation in taking strategic decisions about social responsibility could be developed by: productive and effective discussions in briefings; having briefings interspersed by advices; and being able to realise decision such as educational assistance program/scholarship or free cost of schooling.

e. Wealth or resource protection/preservation

Islam obligates individuals to work so they could earn money. That wealth could be used to help individuals or to help each other.

“And made the day as a means of subsistence?” (QS. Naba’: 11).

“It is We Who have placed you with authority on earth, and provided you therein with means for the fulfilment of your life: small are the thanks that ye give!” (QS. A’raf: 10).

The essence of wealth or resource protection/preservation in taking social responsibility decisions could be realised by short time briefing processes. Thus, it will not disrupt effective working hours. It could be done by providing meals during briefing in a simple way and taking decisions, such as collecting aims such as giving from salaries or even down payment assistance for a vehicle.

Those five principles of *Maqashid Al-Syariah* necessities could be implemented both in the strategic decision making process and as consideration in taking strategic decisions. In summarising all the observations and interview results at Solo Hotel Sharia, the process of taking strategic decision about social responsibility at the hotel could be formulated from bottom to top through discussion at the employee level. Then, it is continued to department head meeting with the General Manager.

1. The preparation stage was done at employee level.

This stage was done by employees in whom the ideas were appearing during evening tea. Then, they were brought to the annual business plan and monthly forecast of the hotel. At this stage, definitions of the vision and mission of the activity would be prepared by internal and external factor consideration. They would be adjusted to the five necessities of *Maqashid Al-Syariah*. Employees would propose an activity plan to the Department Head.

2. The initial situation analysis stage was done at employee level with Department Head. The prepared activity plan by the employees would be analysed first by considering characteristics of the corporation and the objectives to achieve.

3. Strategy formulation stage was done at Department Head level alongside the General Manager.

At this stage, discussion and consultation dealing with the proposed plan occurred. Department of Public Relationship (PR) or other departments which proposed it would discuss it with the General Manager, dealing with the design for option formulation of the activity plan and its implementation. Discussion would be done by analysing the situation which covered all internal and external aspects. They would be adjusted to the five necessities of *Maqashid Al-Syariah*.

a. Internal hotel aspect.

The planned activity was adjusted to the hotel financial condition. The activity executor, in this case, consisted of: hotel employees whose excellent management skills in term of experience and self-value; those who had adjusted field of expertise to the concerning department; and resources owned by the hotel.

b. External hotel aspect.

Social responsibility activity is also mostly influenced by external factors, such as social environmental needs, stakeholder perspective about the activity and hospitality competition in Surakarta and its surrounding.

4. The stages at the Department Head meeting level were done with the General Manager. After having consultation and discussion between Department Head and General Manager in the department head meeting, the next stage was reaching an agreement by being recognised by all departments.

The meeting would manage the belief and agreement of the activity plan. Then, the implementation would be given to the functionary or any concerning department.

5. Approval stage by the hotel owner

The activity plan would be brought to the owner to be approved. On this stage, the activity plan should be mentioned to the Sharia board to be considered.

6. Promotion stage

After the activity plan was approved by the owner, then the function of the activity or any department could initiate the agenda to be executed.

7. Monitoring and evaluating stages were done at Department Head level alongside the General Manager.

The monitoring was done by Department Head or General Manager. Evaluation would be done within the department head meeting. It would deal with the promoted activity and its impacts as well as its conformity to Maqashid Al-Syariah.

Conclusion

1. Strategic decision making about Solo Sharia Hotel social responsibility had no standard regulation and still referred to conventional hotels. Thus, it did not reflect social responsibility as required by Maqashid Al-Syariah.
2. The influential factors of strategic decision making about the hotel's social responsibility was based on internal interest, such as giving provision to any institution or party which had close relationship, TOP, of Solo Sharia Hotel management.

Suggestions

Based on the conclusion of the research results, it is suggested that the hotel improves its social responsibility decision making.

The suggestions are:



1. To improve task promotion and organisation structure, especially in the Sharia Board in which at the present, it only receives a report and is not actively involved in making decisions.
2. Improvement and official announcement of non-formal structure in Solo Sharia Hotel, such as internal sharia board and evening tea activity.
3. The implementation of Maqasid Syariah dealing with social responsibility should be done in its implementation, thus Sharia values could be seen completely.
4. Solo Sharia Hotel should have considered its responsibility which is a going concern or sustainable in nature.

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