**ABSTRACT**

UMKM Kerupuk Dua Angsa is a company that produces Bangka crackers. Based on research in Kerupuk Dua Angsa, several problems were found, namely the level of absenteeism of employees was still high and the productivity of the company decreased.

The research method used is descriptive method, data collection through questionnaires, observation and interviews. Questionnaires were distributed to all employees as many as 21 people, so the respondent technique was census. The data analysis technique used is regression analysis with correlation and coefficient of determination.

Based on the results of the study it is known that leadership in UMKM Kerupuk Dua Angsa is at a good level but has not been implemented optimally. This affects the lack of morale of employees in completing their work. Statistical test results showed that there was a positive influence of leadership on employee morale in UMKM Kerupuk Dua Angsa which is indicated by the regression equation Y = 0.122 + 0.373 X, meaning that if the implementation of leadership is done well and optimally, employee morale will increase, but when implementing leadership done less optimally, the employee's morale will decrease. The value of the correlation coefficient is 0.896 and the coefficient of determination is 80.28%. Therfore leader influence spirit at work employe as big 80.28% while the rest is influenced by other things not examined such as work discipline, motivation, and compensation.

The constraints faced by UMKM Kerupuk Dua Angsa include leaders who are too easy to trust the reasons for employees when they do not enter work which results in obstruction of the completion of the company's production targets and lack of leadership's attention to employee welfare.

As for the efforts that have been carried out by UMKM Kerupuk Dua Angsa, among others, the leaders ask for clear information when employees do not enter work and the leaders pay attention to the welfare of employees by giving bonuses or rewards to employees who have worked optimally.

**Keywords: Leadership, Employee Work Spirit**