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# Compensation management and employee performance: Culinary business organizational Roti Bakar 234 Bandung

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#### ABSTRACT

Internal organization is a crucial aspect for every firm in achieving its objectives, and the culinary business is no exception. Roti Bakar 234 Bandung is a culinary business that has been operating since 1970. Therefore, maintaining its internal condition is essential to sustaining a competitive advantage in the long term. The archetypal model is a concept used to analyze broad patterns rather than narrowly defined organizational features, in order to better understand organizational structure, management, and internal conditions. This study aims to examine the internal condition of Roti Bakar 234 using the archetypal model. The method employed was a questionnaire survey involving 20 employees, focusing on four dimensions: leadership-driven, market focus, knowledge core, and execution edge. The findings show that the average score for leadership-driven is 3.84, market focus is 3.90, execution edge is 3.66, and knowledge core is 3.64. The lowest score is in the knowledge core (3.64), specifically in the area of rewards and incentives.

Keywords: Internal organization, archetype model, questionnaire survey, reward and incentives

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# **INTRODUCTION**

Bandung, Indonesia, is renowned for its rich culinary culture, where traditional food businesses coexist with modern eateries, creating a vibrant and competitive food and beverage landscape. Among the longstanding local enterprises is Roti Bakar 234, a family-run business established in 1970 by the late Ali Nurdin. For more than five decades, Roti Bakar 234 has served as a culinary icon, offering a nostalgic toast experience that has stood the test of time. The business currently operates two outlets—one on Jalan Kote and the other on Jalan Suryani—and is managed by the founder's four children. As a symbol of tradition and local heritage, Roti Bakar 234 reflects how family-owned food ventures can preserve cultural identity while adapting to contemporary consumer demands.

The appeal of Roti Bakar 234 lies in its commitment to authentic production methods and product quality. Unlike modern fast-food chains, the business continues to use charcoal to grill its bread, giving it a distinctive, natural aroma that resonates with both loyal and new customers. The bread itself is produced in-house and is widely appreciated for its dense texture and rich, satisfying flavor. Roti Bakar 234 offers three size variants— ordinary, special, and super—which are tailored to different customer preferences. Each portion is generously seasoned with one or two flavor combinations, grilled over charcoal, and sliced into ten evenly sized pieces, with

prices ranging from Rp. 40,000 to Rp. 65,000 depending on the variant and flavor selection.

Despite its culinary strengths and long-standing reputation, Roti Bakar 234 faces critical internal challenges that may hinder its long-term sustainability and growth. One major concern is the noticeable performance disparity between the two outlets, with the Jalan Kote branch consistently outperforming the Jalan Suryani location. This discrepancy raises concerns about management practices, operational consistency, and customer engagement across locations. Additionally, the business struggles with high employee turnover, which has affected service quality and daily operations. High staff turnover is often linked to poor work environments, limited job satisfaction, and inadequate management strategies, all of which can significantly impact overall business performance (Elsafty & Sayed, 2023).

Employee turnover poses a significant risk to service-oriented businesses like Roti Bakar 234, where customer experience and service consistency are vital for maintaining brand loyalty. Research has shown that frequent changes in staff can disrupt workflow, decrease employee morale, and negatively influence customer perceptions (Andrews & Mohammed, 2020). Moreover, small and family-run businesses often lack structured human resource practices, making them more vulnerable to turnover-related challenges (Mustafa, Ramos, & Zainal Badri, 2023). Addressing these issues requires an in-depth understanding of the factors contributing to employee dissatisfaction and departure. Without targeted interventions, the business may face increasing operational difficulties and a decline in competitive advantage.

This study aims to examine the root causes of employee turnover at Roti Bakar 234 by analyzing key factors such as the work environment, job satisfaction, and internal management practices. By identifying these elements, the research intends to offer practical recommendations that can enhance employee retention and performance. Improved workforce stability is expected to lead to better customer service, stronger brand identity, and higher business performance. Additionally, the findings from this study will serve as a foundation for the business to develop long-term strategies for sustainable growth. Ultimately, this research contributes to broader discussions on employee retention and organizational resilience in traditional culinary businesses within emerging markets (Ibañez, Andrade-Valbuena, & Llanos-Contreras, 2024).

# LITERATURE REVIEWS

This study employs several theoretical frameworks to analyze internal organizational dynamics, including the organizational archetype model, Maslow's hierarchy of needs, and the analytical issue comparison method of compensation. These models serve as foundational tools for conducting an internal analysis of the organization.

#### Organizational Archetypes

The first theory utilized in this study is the organizational archetype. According to Greenwood and Hinings (1993), an organizational archetype is a combination of structures and processes that represent a single interpretative scheme. Structures and systems are imbued with meanings, purposes, preferences, and values, rather than being merely disembodied organizational frameworks. Adopting an archetypal approach necessitates a holistic perspective, considering not only the organization's structure and operations but also the beliefs, values, and conceptions they embody.

Two general statements define an archetype. First, rather than analyzing narrowly defined sets of organizational features, understanding organizational structures and management systems is best achieved by examining overarching trends. This holistic viewpoint is advocated by Miller and Friesen (1984). The concept of the archetypal model is applied to analyze the internal aspects of the culinary business Roti Bakar 234.

Furthering this perspective, Laloux (2014) introduced a progressive view of organizational archetypes, categorizing organizations into color-coded evolutionary stages: Red (impulsive), Amber (conformist), Orange (achievement-driven), Green (pluralistic), and Teal (evolutionary). This model emphasizes the dynamic, evolving nature of organizations and the potential for more adaptive and self-managing structures.

The concept of organizational archetypes has been adapted to reflect dynamic environments. For instance, Worley and Mohrman (2014) proposed the 'Agile Organization' as an emergent archetype, characterized by adaptability, rapid decision-making, and continuous learning.

#### **Employee Motivation**

The second theory employed is that of employee motivation. Humans are inherently driven to seek what they lack. Typically, these desires are not entirely mutually exclusive, though they often conflict. Most individuals are simultaneously partially satisfied and partially unsatisfied across various desires (Maslow, 1943).

Maslow's hierarchy of needs, his seminal contribution, outlines at least five sets of objectives classified as fundamental needs: physiological, safety, love, esteem, and self-actualization. Individuals, particularly employees, are motivated to acquire or maintain conditions that fulfill these fundamental satisfactions, as well as certain intellectual needs.

In "Motivating Strategies for Performance and Productivity: A Guide to Human Resource Development," Champagne and McAfee (1989) suggest strategies to meet employee needs, emphasizing the importance of addressing physiological, security, affiliation, esteem, and self-actualization needs. Maslow's motivation model is utilized to analyze and identify the internal conditions of the subject under study, providing a reference for management to enhance business operations.

Robbins and Judge (2019) define motivation as "the processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal." This definition highlights three essential elements: intensity—how hard an individual tries; direction—where the effort is channeled; and persistence—how long the effort is maintained.

In the context of workplace dynamics, Armstrong (2020) notes that motivation is not a one-size-fits-all phenomenon. It is influenced by a combination of individual characteristics, job design, organizational culture, and leadership style. Effective motivation strategies require a tailored approach that considers both employee needs and organizational strategic goals.

# Analytical Issue Comparison Method of Compensation

This study also employs the analytical issue comparison method of compensation. Compensation methods are strategies designed to address disparities, incentivize performance, and ensure equity within an organization. Various compensation approaches exist, each with unique characteristics and implications:

- **Fixed Salary Compensation**: Provides employees with a consistent, predictable income, independent of performance fluctuations. Davis and White (2019) note that while this approach offers stability, it may lack incentives for high performance.
- **Performance-Based Compensation**: Links pay to individual or team achievements. Taylor (2021) discusses how this method encourages productivity and rewards high performers; however, it may lead to unhealthy competition and a short-term focus (Claro, Plouffe, & Vieira, 2023).
- Skill-Based Compensation: Rewards employees for acquiring new skills or enhancing their expertise. Manenzhe and Ngirande (2021) highlights that this method promotes continuous learning but may overlook actual performance outcomes.
- Equity-Based Compensation: Common in startups and tech firms, this involves offering stock options or ownership shares. Green and Miller (2021) argue that this aligns employee interests with company success, fostering long-term commitment, though it carries financial uncertainty.

In this comparative analysis method, the compensation system focuses on each job requirement tied to the capabilities of the individual performing the task. This approach enables quantification of each employee's performance, serving as an effective motivational factor. Certain unit areas are considered important factors, which can be prioritized accordingly. Compared to non-analytical methods, conducting a job appraisal provides a stronger basis for determining the relative worth of each position. The items in the list are tailored to the specific needs of the organization.

#### **METHODS**

In this comparative analysis method, the compensation system focuses on each job requirement, aligning it with the capabilities of the individual performing the task. This approach allows for the quantification of each employee's performance, serving as an effective motivational factor. Several unit areas are considered important factors, which can be categorized as listed below. Compared to non-analytical methods, conducting a job appraisal provides a stronger basis for determining the relative worth of each position. The items in the list are unique and tailored to the specific needs of the organization.

This research employs a quantitative method. A questionnaire was developed using Google Forms, incorporating the organizational archetype method to formulate the questions. A small sample of 20 employees from Roti Bakar 234 Bandung served as respondents. After collecting the completed questionnaires via Google Forms, the data were analyzed using the organizational archetype framework.

The questionnaire design for this research involved a small sample, distributed to 20 employees of Roti Bakar 234 Bandung through the Google Forms platform. The questionnaire encompasses four variables: leadership-driven, execution edge, market focus, and knowledge core. It utilizes a Likert scale ranging from 1 to 5, where 1 indicates "strongly disagree," 2 indicates "disagree," 3 indicates "neutral," 4 indicates "agree," and 5 indicates "strongly agree." All questions are mandatory. The questionnaire concentrates on four key areas—leadership-driven, execution edge, market focus, and knowledge core—with detailed questions corresponding to each focus area, as illustrated in the figure below.

# **RESULTS AND DISCUSSION** Results

# 1. Organization Archetype

Leadership-driven points, execution edge, market focus, and knowledge core emerged from a closed questionnaire issued to 20 employees of Roti Bakar 234 Bandung. The lowest variable is rewards and incentives, with 2.50 points, while the highest variable is customer focus, with 4.75 points. Additionally, the knowledge core has the lowest average score.

LEADERSHIP DRIVEN	AVG	GAP	EXECUTION EDGE	AVG	GAP
Career Opportunities	4.25	-0.50	Knowledge Sharing	3.92	-0.17
Open and Trusting	3.92	-0.17	Creative and Entrepreneurial	4.25	-0.50
Performance Contracts	4.17	-0.42	Employee Involvement	3.60	0.15
Inspirational Leaders	3.67	0.08	Talent Development	3.83	-0.08
Strategic Clarity	4.17	-0.42	Internally Competitive	3.40	0.35
People Performance Review	3.30	0.45	Personal Ownership	3.83	-0.08
Operational Management	3.42	0.33	Bottom-up Innovation	4.08	-0.33
Operationally Disciplined	4.00	-0.25	Top-down Innovation	3.50	0.25
Consultative Leadership	3.83	-0.08	Meaningful Values	3.33	0.42
Consequence Management	3.70	0.05 🧧	Consequence Management	2.83	0.92
Average	3.84	-0.92	Average	3.66	0.92
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MARKET FOCUS	AVG	GAP	KNOWLEDGE CORE	AVG	GAP
Business Partnerships	3.50	0.25	Talent Acquisition	4.25	-0.50
Customer Focus	4.75	-1.00	Role Clarity	4.58	-0.83
Competitive Insights	3.33	0.42 B A	Consequence Management	2.83	0.92
Government & Community Relations	4.25	-0.50	Rewards and Incentives	2.50	1.25
Financial Management	4.50	-0.75	Personal Ownership	3.83	-0.08
Capturing External Ideas	4.25	-0.50 <b>D</b>	People Performance Review	3.00	0.75
Process-based capabilities	3.92	-0.17	Career Opportunities	3.40	0.35
Shared Vision	3.00	0.75	Performance Contracts	4.17	-0.42
Outsourced Expertise	3.33	0.42	Professional Standards	3.33	0.42
Strategic Clarity	4.17	-0.42	Financial Management	4.50	-0.75
Average	3.90	-1.50	Average	3.64	1.10

# **TABLE 1. Organization Archetype**

# 2. Leadership Driven (3.84-point average)

In the leadership-driven category, the highest variable is career opportunities, with 4.25 points, and the lowest score is people performance review, with 3.30 points. This indicates that people performance review is a weakness, which is important for the business because inadequate performance reviews can impact employee performance. On the other hand, career opportunities are rated very good, so there is a need to balance performance reviews and career development.

# 3. Execution Edge (3.66-point average)

Creative and entrepreneurial aspects are the strongest variables in execution edge, with 4.25 points, while consequence management is the lowest, with only 2.83 points. This suggests that, although the business has a

strong creative and entrepreneurial spirit, its management practices, particularly in consequence management, need improvement.

#### 4. Market Focus (3.90-point average)

In market focus, the highest variable is customer focus, with 4.75 points, and the lowest is shared vision, with 3.00 points. While customer focus is excellent, the shared vision within the business appears to be ineffective.

# 5. Knowledge Core (3.64-point average)

Role clarity is the highest variable in the knowledge core, with 4.58 points, whereas rewards and incentives are very low, not only in the knowledge core but across all categories, with only 2.50 points. This is detrimental for both parties because low rewards and incentives can negatively impact employee performance.

#### Discussion

In this study, three theoretical frameworks are used as the foundation for analyzing the internal conditions of Roti Bakar 234: the organizational archetype model, employee motivation theory, and the analytical comparison method of compensation. These models provide a comprehensive understanding of organizational structure, employee behavior, and performance-based compensation systems. The combination of these frameworks enables a multidimensional assessment of both management practices and human resource challenges. Given the long-standing yet evolving nature of Roti Bakar 234, it is crucial to utilize theoretical models that reflect the complexity of traditional businesses operating in competitive modern markets. Each model helps identify gaps and potential solutions related to employee performance, turnover, and management effectiveness.

The first theoretical model used in this study is the organizational archetype, which helps in assessing internal structure and strategic alignment. Greenwood and Hinings (1993) originally conceptualized archetypes as coherent patterns of structure and systems grounded in shared values and interpretative schemes. Recent studies have further developed this approach to fit modern organizational settings. For example, Capolupo, Messeni Petruzzelli, and Ardito (2024) explored how knowledge dynamics across generations in family firms reflect archetypal continuity and innovation. Similarly, the evolving nature of archetypes is reflected in Laloux's (2014) adaptive model, which classifies organizations into evolutionary stages such as Orange (performance-driven) and Teal (self-managed and purposeful). This evolving framework allows traditional businesses like Roti Bakar 234 to be assessed based on both their structural consistency and adaptability in dynamic markets. Thus, the archetype model in this study serves to map how the company's structure, values, and leadership practices influence internal operations and employee outcomes.

The employee motivation theory serves as the second framework, providing insights into the behavioral and psychological needs that influence staff performance and retention. Maslow's foundational theory has been refined by recent research to reflect contemporary workplace realities. According to Mustafa, Ramos, and Zainal Badri (2023), employee satisfaction in family businesses is deeply linked to intrinsic motivators such as job autonomy and passion for work. In a related study, Ibañez, Andrade-Valbuena, and Llanos-Contreras (2024) highlighted the role of emotional support and organizational belonging in navigating employee morale during crisis periods. Motivation today is seen as multidimensional, involving not just basic physiological or safety needs but also esteem, recognition, and opportunities for self-actualization. Robbins and Judge (2019) define motivation in terms of intensity, direction, and persistence, which aligns with organizational goals when properly managed. In family-run businesses like Roti Bakar 234, understanding and addressing these motivational drivers is crucial to minimizing turnover and fostering a committed workforce.

In addition to motivation, compensation strategy is a vital component of employee management. The analytical comparison method of compensation enables a detailed evaluation of each role based on job complexity, skills required, and performance outcomes. Recent research by Elsafty and Sayed (2023) found that ineffective compensation systems were a key driver of employee turnover in small businesses in emerging economies. A comparative method allows organizations to distinguish between fixed salary systems, performance-based incentives, skill-based pay, and equity-based rewards. For instance, Pimentel, Almeida, and Morais (2024) argued that fairness in compensation contributes significantly to employee resilience and reduces turnover intentions in both family and non-family firms. Each approach has different implications—while fixed salaries provide stability, performance-based systems drive results, and skill-based pay encourages continuous learning. For Roti Bakar 234, a tailored compensation strategy, aligned with key performance indicators (KPIs), would help ensure fairness, boost morale, and improve employee retention.

Ultimately, the integration of these three theoretical models allows for a robust internal analysis of Roti Bakar 234. The organizational archetype offers insights into the structural and cultural dimensions, the motivation framework uncovers psychological and emotional drivers of performance, and the compensation model evaluates how rewards can influence behavior and satisfaction. Together, they form a holistic toolset for diagnosing and improving employee-related issues within the business. As family-run enterprises operate at the intersection of tradition and innovation, such multidimensional models are essential for designing responsive and sustainable strategies. By applying these frameworks, this study aims to offer practical recommendations that can enhance human resource management, stabilize operations, and support long-term growth in traditional culinary enterprises.

# **CONCLUSIONS AND SUGGESTION**

#### Conclusions

The internal analysis of Roti Bakar 234 Bandung reveals a multifaceted organizational landscape characterized by both strengths and critical improvement areas. Among the four organizational archetypes assessed, *market focus* achieved the highest average score (3.90), driven primarily by a strong emphasis on customer focus. Conversely, *knowledge core* showed the lowest overall performance (3.64), with *rewards and incentives* emerging as the weakest variable across all categories (2.50). While leadership-driven and execution edge dimensions demonstrated moderate strengths in career opportunities and creative entrepreneurship, they also revealed notable gaps in people performance review and consequence management.

Integrating the organizational archetype model, employee motivation theory, and analytical compensation methods provided a comprehensive framework for evaluating the company's internal dynamics. The findings highlight the need to strengthen performance review systems, improve consequence management, and enhance rewards and incentives to foster employee motivation, reduce turnover, and align individual performance with organizational goals. A tailored, performance-based compensation strategy, supported by clear leadership practices and shared organizational vision, is essential to ensure sustainable growth and competitiveness for Roti Bakar 234 in a dynamic market environment.

#### Suggestion

The findings from the closed questionnaire reveal that incentives and rewards scored the lowest. This issue is likely to impact the company's bottom line, affecting both employee turnover and customer satisfaction. To improve these areas, Roti Bakar 234 should implement an appropriate incentive strategy. A compensation model based on analysis, such as the Issue Comparison Method, would be a good approach. This method is deemed suitable for the situation.

By using the Issue Comparison Method, management can assess the effectiveness of various incentive structures, ensuring that rewards align with employee performance and business objectives. This involves comparing key operational challenges — such as staff productivity, sales performance, and customer service quality — with proposed incentive models to identify the most effective approach.

For short-term improvements, the company can offer monetary rewards for meeting daily or weekly sales targets, and for employees working overtime.

In the long term, it is recommended that Roti Bakar 234 hire a financial team to develop compensation and incentive policies. This team would focus on aligning rewards with employee performance in sales. When employees feel recognized and fairly rewarded, it leads to increased job satisfaction, reduced turnover, and improved service quality — ultimately enhancing customer experiences and boosting profitability for the company.

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