

System Design Compensation in SMEs XYZ Sector *FnB* in Bandung City with Comparison Method *Adhered* and *Overlapping*

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Abstract

MSMEs play a role active in increase economy and absorption power work, like increase in GDP for Indonesia. One of form businesses that have potency towards the country is business in the sector culinary. Amount business in the sector culinary increase every years in Bandung City and can give field new job for others. Businessman own obligation For arrange structure and scale wages for employee they with consider a number of factor like category, position position, length of service, level education, and abilities. Study This aim For analyze compensation finances received by employees at one of the SMEs in Bandung City will evaluated positions worker the as well as designing structure and scale wages for XYZ SMEs in Bandung City with use *Adhered* and *Overlapping* methods. Analysis process use Google Sheets software tool for make it easier calculation and manufacturing graph. Research result show that improvements wages with *Adhered* method can chosen by SME XYZ because need more spending less and more in accordance with expenditure operational from these SMEs.

Keywords : *Compensation ; Culinary ; Adhered Method ; Overlapping Method ; SMEs*

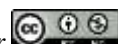
INTRODUCTION

Progress economies in countries in temperate Southeast Asia develop has own big impact in reduce level poverty and improve level life its people. As a result, many countries in this region has succeed become an income country intermediate and instrumental important in global economy. Product Domestic Gross (GDP) in ASEAN countries experienced growth consequence exists recovery after pandemic with the estimate in 2023 is 4.7% and 2024 is 5% (Asian Development Bank, 2023). There is The COVID-19 pandemic in 2020 triggered ASEAN countries to can utilise opportunity in the middle change to become more sturdy in face various challenge.

One of aspects that have role important in restore economy post pandemic are Micro, Small and Medium Enterprises (MSMEs). During a number of decade Lastly, growth significant economy in Southeast Asia has driven by the presence of MSMEs which cover an average of 97% of all over type business, 69% of the total force employment, and 41% of a country's GDP in the 2010-2019 period (Asian Development Bank, 2020).

Temporary that, the information obtained from the Ministry of Cooperatives and SMEs and the Central Statistics Agency, as reported by the Asian Development Bank (2020), shows that number of MSMEs in Indonesia itself Keep going experience increase from year to year. This matter in line with enhancement contribution of MSMEs to GDP and level absorption power Work. In 2010, there were 52,769,426 MSME units in Indonesia contributed amounting to 2.9 Quadrillion Rupiah to GDP. Meanwhile in 2019, the number of MSMEs has increased increase become 65,471,134 units with GDP contribution of 9.6 Quadrillion Rupiah. Enhancement absorption power keep working too taking place in a way stable from from 2010 to 2019 with an average absorption almost 97% of power Work or equivalent with more of 110 million individual (Asian Development Bank, 2020).

According to data released by the Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop UMKM), the number of MSMEs in Indonesia alone Keep going experience increase, in 2022 itself has reached 8.71 million units. If seen based on order Province, West Java still occupy order



first, the largest number of MSMEs with amount reached 1.49 million business units . Temporary that's a contribution to Product West Java's Gross Regional Domestic Product (GRDP) will also reach 57.14% in 2022 .

One of the areas in West Java , namely the city of Bandung, is becoming occupying city ranking second highest in growth economy in Greater Bandung among District and city other (Bandung City Central Statistics Agency, 2023) . The city of Bandung shows growth significant economy with enhancement of 5.07% if compared to 2022. This caused Because the role of MSMEs as wheel mover economy in the city of Bandung. In 2023 , from data collected by the Department Cooperatives and Small and Medium Enterprises (KUKM) and Bandung City Trade and Industry, the number of Bandung City MSMEs has reach 10,150 units business . It can be seen in table 1 that exists enhancement from amount MSME businesses since 2016 to 2023 .

Table 1. Improvement Number of MSMEs per Category 2016-2023

Category Business	Year								Total Business
	2016	2017	2018	2019	2020	2021	2022	2023	
Micro	4877	5021	5532	5861	6123	7964	8675	9670	53723
Small	374	380	396	425	431	439	449	463	3357
Intermediate	12	12	12	14	14	15	16	17	112
Total MSMEs	5263	5413	5940	6300	6568	8418	9140	10150	

Source : Bandung City KUMKM and Industry and Trade Department (2023)

Table 1 shows quite an improvement big on each category business , especially business micro with total effort 53,723 units effort , where is the amount perpetrator business increase in a way significant every the year compared to with size business other . Bandung city itself grouping MSMEs become a number of type effort , like *fashion* , *culinary* , *handicrafts* , *services* , *trade* and others . As for development from every type business the from 2016 to 2023 can seen in table 2.

Table 2. Development of each MSME Types of Business 2016-2023

Type Business	Year								Total Business
	2016	2017	2018	2019	2020	2021	2022	2023	
<i>Fashion</i>	847	28	86	64	45	262	131	163	1626
<i>Handicrafts</i>	401	15	52	33	10	71	40	64	686
<i>Service</i>	702	8	53	17	11	121	53	67	1032
<i>Culinary</i>	1707	79	281	201	136	831	355	558	4148
<i>Trading</i>	1016	11	9	38	51	482	98	90	1795
<i>Other</i>	590	9	46	7	15	83	45	68	863

Source : Bandung City KUMKM and Industry and Trade Department (2023)

From table 2, it can be seen that sector business culinary show the highest total business figures and the greatest increase significant compared to with sectors business other . Phenomenon This in line with industry moderate culinary experience growth rapidly , p This reflected from many restaurants and cafes new ones keep going popping up in every corner city . The Bandung City Central Statistics Agency (BPS) reported that amount restaurant Keep going increase from year to year . In 2019 , it was recorded as many as 899 restaurants , and numbers the increase to 1,339 restaurants in 2020 , and then experience decreasing in 2021 to 1,234 pieces . His height number This show that business culinary the more develop business in Bandung City and can give field Work new for the people of Bandung City. Until In 2023 alone , there will be 26,108 people absorbed as power work for MSMEs in Bandung City (Bandung City Central Statistics Agency, 2023) .

Referring to the Governor's Decree West Java Number : 561.7/Kep.804-Kesra/2023 concerning Regency /City Minimum Wage in West Java for 2024, stated that the Bandung UMK (City/ Regency Minimum Wage) 2024 has set amounting to IDR 4,209,309. The size of Bandung's UMK in 2024 will increase by 3.97 percent or IDR 160,846.31 from the nominal amount for the year previously , namely IDR 4,048,462.69. Meanwhile , the UMP (Provincial Minimum Wage) for West Java 2024 is IDR 2,057,495, which means happen increase of 3.57% or IDR 70,824 if compared to in 2023 amounting to IDR 1,986,670.

Temporary that , mentioned in Regulation Government Number 36 of 2021 concerning Wages and Laws Number 13 of 2003 concerning Employment Law mandate that giving compensation must follow provision applicable minimum wage . However in fact , still is Lots found a number of efforts

that have not yet been made obey provision the with set compensation below magnitude minimum wage has been set .

Problem the proven with exists demonstration that took place in 2023 from thousand threatening workers For do strike Work Because demand Bandung City Regional Government for can increase the UMK by 15% for 2024. Action This caused because of the workers reject formula calculation For determine minimum wage set in Regulation Government Number 51 of 2023 because considered harm . the PP set limitation above and limits lower as well as use symbol α (Alpha) as arranged in Article 26. According to provision this , if applicable minimum wage Already exceeds average costs live , then minimum wage for year next only will calculated based on growth economy multiplied with α . This Alpha symbol works as factor deduction (detikjabar.com, 2024) . Temporary that , costs life and needs base in Bandung City continues increase However wages laborer still No changed or even experience decline Because exists termination connection work (layoffs), cuts salary , or delay payment wages .

If you look at the Minister of Manpower Regulation Republic of Indonesia Number 1 of 2017 concerning Wage Structure and Scale , written that businessman own obligation For arrange structure and scale wages for employee they with consider a number of factor like category , position position , length of service , level education , and abilities . Article 12 of Chapter V states that Entrepreneurs can too charged penalty administrative If No compile structure and scale wages as well as No tell him to all workers / laborers .

Therefore that , research This aim For analyze system compensation in business culinary delights in Bandung City. The goal is For give guidelines to perpetrator business in the sector culinary so you can determine fair and appropriate compensation for every position . Study This use information about compensation finances received by employees at one of the SMEs in Bandung City will evaluated positions worker the as well as designing structure and scale wages for SMEs in Bandung City with use method *Adhered* and *Overlapping* .

Literature review

Compensation

Compensation hold role crucial in ensure employee can fulfil standard a decent life , all at once become indicator confession mark them by the company . This Act as pillar main For ensure well-being employee as well as as proof award company to contribution individual (Rizaldy et al., 2021) . More continued , research by Ardiansyah & Budiono (2022) show exists positive and significant correlation between compensation and involvement employee , stated that the more tall the compensation given is increasing there is also great involvement employee in work .

In more context Broad , Widodo & Yandi (2022) define compensation as all accepted employees , fine in form physique or non- physical . Compensation This shared become two category big : compensation financial , which includes payroll direct or not direct , and non- financial compensation , which is related with aspect work and environment Work (Ariskha et al., 2020) .

Wage Structure and Scale

Regulation of the Minister of Manpower Republic of Indonesia Number 1 of 2017 concerning Wage Structure and Scale made as base in implementation system Remuneration For create harmonious industrial relations . Structure and scale wages is element important in set magnitude wages in organization , organize from mark Lowest until highest based on type and level employment , according to the Ministry of Manpower Republic of Indonesia (2017). This matter involve determination level wages through criteria certain and giving nominal salary range in accordance with position employee . Drafting process structure wages need consideration to component salary , abilities financial company , as well culture and principles organization For create system effective compensation , motivation , and retention talent (Fahlevi et al., 2023) .

Adhered and Overlapping

Salary mapping , or mapping salary , is an evaluation process in system sorting compensation wages from position highest to Lowest For determine each level position . This process depends on understanding to influencing factors salary , known as *compensable factors* , which are aspect key in determine structure wages (Sopiyanti, 2022) . Two approach main in mapping wages is method *adhered* and *overlapping* .

Method *Adhered* adopt rigid approach , following structure and scale wages that have been set with tight , sure consistency and transparency in system wages . Approach this is ideal for organizations in need level stability and consistency tall in payroll , like institution government or organization big .

Beside the , Method *Overlapping* own flexibility with allow range overlapping salary overlap between position or class work , possible adjustment wages based on performance and experience . Approach This facilitate more transition fluent For promoted employees or change position , help reduce possible injustice appear from structure salary is too rigid.

SMEs

SME, abbreviation of Small and Medium Enterprises , regulated in a way special in Constitution Number 20 of 2008 concerning Micro , Small and Medium Enterprises . According to the definition stated in this law , small businesses are entity economy productive independent , run by individuals or entity businesses that don't including in child company or branch from Medium Enterprises or Big Business , and fulfill criteria certain person determines it as a Small Business.

In accordance with Constitution Number 20 of 2008, article 6 paragraphs 2 and 3 stipulates limitation for Small Businesses and Medium Businesses based on two criteria main . For Small Businesses, the criteria is :

1. Have total wealth net between Rp . 50,000,000.00 (fifty million rupiah) up to IDR 500,000,000.00 (five hundred million rupiah), without count mark land and buildings place business ; or
2. Have total income annual between Rp. 300,000,000.00 (three hundred million rupiah) up to IDR 2,500,000,000.00 (two billion five hundred million rupiah).

Temporary that is , Medium Enterprises defined with criteria :

1. Have riches clean exceeds IDR 500,000,000.00 (five hundred million rupiah) however No more from Rp. 10,000,000,000.00 (ten billion rupiah), outside mark land and buildings place business ; or
2. Have income annual more from Rp. 2,500,000,000.00 (two billion five hundred million rupiah) up to No more from IDR 50,000,000,000.00 (fifty billion rupiah).

METHOD

Framework thinking study This started with statement problem , goal research , methods , and possible outcomes seen in figure 1.

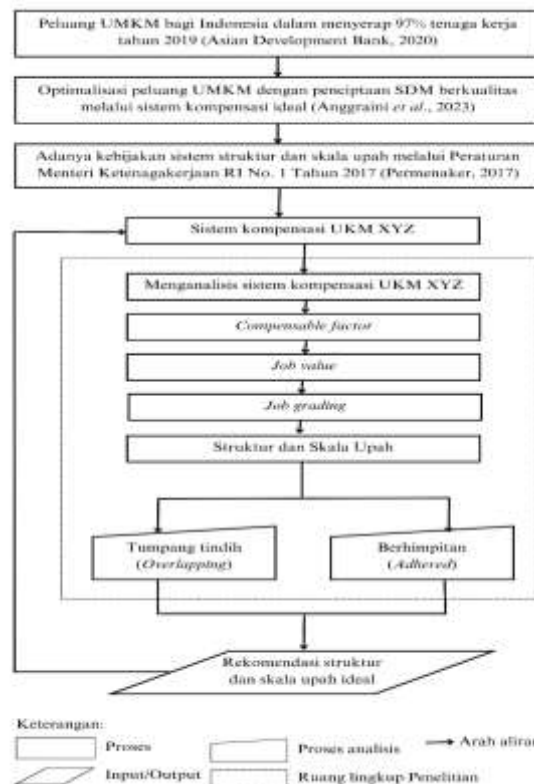


Figure 1. Framework Thinking

Figure 1 explains that framework thinking started with exists opportunity from MSMEs for Indonesia, such as Absorption of 97% power Work in 2019 (Asian Development Bank, 2020) . That matter push optimization for MSMEs with create source Power man quality through system compensation (Anggraini et al., 2023) . Structure and scale wages for labor Work arranged in Regulation of the Minister of Manpower Number 1 of 2017. One the example used as sample study is system compensation to SME XYZ with analyze through method simple , that is *adhered* and *overlapping* .

Before compile structure and scale wages , especially formerly done analysis *compensable factors* and *job value* For get *grading* each *job title* . Outer study This is recommendation structure and scale the ideal wage that can be obtained implemented by these SMEs . Study done online for XYZ SMEs operating in the sector *food and beverage* located in Bandung City, West Java . Study done during seven week , from month February until March 2024.

Study This use approach quantitative with analysis descriptive (Sugiyono, 2019) . Study use two type data sources , namely primary and secondary (Sugiyono, 2019) . Primary data is in the form of wages employee obtained direct from *owner of UKM XYZ* via technique online interview . Secondary data obtained from books , articles scientific , *website* official For support study . Data processing uses method *salary mapping* simple , that is *adhered* and *overlapping* For analyze system compensation and repairs salary at SME XYZ. Analysis process use *Google* Sheets software tool for make it easier calculation and manufacturing graph . Analysis descriptive done in study This For interpret and visualize results analysis and improvement wages employees at UKM XYZ (Ghozali, 2018) .

Results and Discussion

Overview of XYZ SMEs

SME XYZ is A The cafe , located in Bandung City, was founded in 2021 and operates in the sector food and Drink . Café This specialize self in serve various product culinary , with emphasis on variety drink such as coffee and non-coffee, as well diverse dish food such as pasta, salads and entrees west . In operate operation , cafe This own structure consisting of organizations from 34 positions different positions , which are divided in a number of level management , incl *top*, *middle*, *first*, *intermediate* , and *entry level management* .

As for allocation wages principal amounting to a total of IDR 83,850,000 is prioritized For ensure sustainability operational café as well as well-being employee . Wages the earmarked for various level management , where respectively level own not quite enough responsibility and contribution strategic Alone in operate function operational café . The employees at the level more management high , like *top* and *middle management* , to be sure accept commensurate compensation with not quite enough answer as well as contribution they in management café .

Besides compensation finance , cafe this also delivers attention to aspect development skills and opportunities career for employees . With provision relevant training and education , cafe This aim For increase productivity and quality services provided to customer . Fulfillment need employee as well as giving chance For progress clear and sustainable career is commitment main café This to source Power the human .

Analysis *Compensable Factors*

Analysis factor compensation in system compensation SME XYZ uses Hay's method is purposeful For identify influencing elements compensation employee . Hay's method is something method evaluation involving performance three criteria main : knowledge , skills and experience (*know-how*). Knowledge covers information and skills required For carry out task with OK , incl procedure practical and interpersonal skills . Solution problem involve ability For apply knowledge in identify , describe , and resolve problem . Accountability , on the other hand , emphasizes responsibility related answers with position employee For reach important results for organization , incl control source Power human , obedience towards SOP, and achievements indicator finance .

XYZ SMEs use ten factor compensation has been determined through results study . Table 3 below This contains a list of factors the .

Table 3. Compensable factors

Hey System	No	Compensable Factors	Weight
KnowHow	1	Formal Education (Formal Education)	57
	2	Experience (Experience Work)	45.2
Problem Solving	3	Flexibility (Flexibility)	14.29
	4	Team Work (Cooperation)	5.3
	5	Job Complexity (Complexity Work)	23.73
Accountability	6	Physical Effort (Physical Effort)	13.12
	7	Self-presentation (Presentation Self)	15.94
	8	Leadership (Leadership)	12.63
	9	Communication (Communication)	37.37
	10	Working Environment (environment Work)	38.65

Source : Processed data (2024)

Job Grading For classify work based on position , job assessed based on weight factor . Evaluation work can done with use technique given value . Calculation mark XYZ SME jobs based evaluation work shown in Table 4.

Table 4. Job Grading

Job Title	Job Value	Given		Given Grade
		Bottom Range	Top Range	
General Manager	1086	962	1086	V
Supervisors	1029			
Bar Captain	933	837	962	IV
Public Relations Manager	933			
Financial Analyst	920			
Chef de Partie	876			
Dining Captain	876			
Associate Barista	876	713	837	III
Senior Casual Bar Staff	820			
Cashier	757			
Senior Barista	757			
Senior Crew Member	757	589	713	II
Housekeeping	696			
Server Waiters	696			
Marketing Specialist	655			
Senior Waiter	637			
Security	631			
Junior Barista	631			
Junior Crew Member	595	465	589	I
Junior Casual Bar Staff	595			
Programmer	534			
Customer Service	534			
Junior Waiter	465			
Dishwasher	465	465	589	I
Administration Officer	465			

Source : Processed data (2024)

Researcher choose amount mark in method assigned value , as shown in Table 4. Job value highest reduced mark work lowest , then multiplied with amount total value , yield quartile .

Salary Mapping Before Improvement

In this process , data about salary given For positions certain collected , analyzed , and compared For give more understanding Good about the energy market work and practice prevailing salary . Detailed salary mapping before improvements presented in Table 5.

Table 5. Salary Mapping Before Improvement

Grades	Total Persons	Total Salary	Actual			Actual	
			Min	Average	Max	Mid to Mid	Spreads
V (Top Level Management)	2	Rp. 10,100,000	Rp. 4,400,000	IDR 5,050,000	IDR 5,700,000	53.81%	29.55%
IV (Middle Level Management)	6	Rp. 19,700,000	IDR 3,000,000	IDR 3,283,333	IDR 3,400,000	32.09%	13.33%
III (First Level Management)	7	Rp. 17,400,000	Rp. 2,400,000	Rp. 2,485,714	IDR 3,000,000	21.50%	25.00%
II (Intermediate Level)	12	Rp. 24,550,000	Rp. 1,950,000	Rp. 2,045,833	Rp. 2,400,000	16.43%	23.08%
I (Entry Level)	7	Rp. 12,300,000	Rp. 1,650,000	Rp. 1,757,143	Rp. 1,800,000		9.09%

Source : Processed data (2024)

Based on Table 5, *salary mapping* shows total salary based on the grade that has been given determined . Before improvements , salary every grade yet in accordance Because *mid to mid* value more from *spreads* . Therefore that 's salary employee need done improvements to suit provision *mid to mid* not enough from *spreads* .

Adjustment Wages Tree with Adhered Method

Planning compensation use method range *adhered min-max* starts with set mark minimum salary is appropriate with district minimum wage (UMK), which is in matter This set amounting to IDR 1,770,000.00. This related with mark maximum wages actual at Grade I, with enhancement amounting to IDR 120,000.00 from wages actual previously .

Table 6. Salary Mapping Adhered Method

Grades	Total Persons	Total Salary	Adhered			Adhered	
			Min	Mid Point	Max	Mid to Mid	Spreads
V (Top Level Management)	2	Rp. 10,100,000	IDR 4,402,062	IDR 5,502,578	Rp. 6,603,093	45.83%	50.00 %
IV (Middle Level Management)	6	Rp. 10,100,000	Rp. 3,144,330	IDR 3,773,196	IDR 4,402,062	33.81%	40.00 %
III (First Level Management)	7	Rp. 19,700,000	Rp. 2,495,500	Rp. 2,819,915	Rp. 3,144,330	25.11%	26.00 %
II (Intermediate Level)	12	Rp. 17,400,000	Rp. 2,012,500	IDR 2,254,000	Rp. 2,495,500	19.81%	24.00 %
I (Entry Level)	7	Rp. 24,550,000	Rp. 1,750,000	Rp. 1,881,250	Rp. 2,012,500		15.00 %

Source : Processed data (2024)

According to table 6, improvements wages with adhered method has been fulfil condition that the range Already more big from *mid to mid* . Minimum salary for Grade I starts from IDR 1,750,000 with assumption range by 15%, so produce point middle Grade I amounting to IDR 1,881,250. After that , Grades II, III, IV, and V adjust with point middle each . Wages maximum at Grade V becomes minimum salary for grades above . Visual representation of repair wages use method *adhered* to is displayed in Figure 2.





Figure 3. Visualization of salary mapping with method adhered
 Source : Processed data (2024)

Adjustment Wages Tree with Overlapping Method

Improvement salary is also available done with use method *Overlapping*. Method This started with adjustment Minimum and *midpoint* salaries are at Grade I and will be customized with The grade is above . Improvement SME XYZ salary with method *Overlapping* is presented in Table 7.

Table 7. Salary Mapping Overlapping Method

Grades	Total Persons	Total Salary	Overlapping			Overlapping	
			Min	Mid Point	Max	Mid to Mid	Spreads
V (Top Level Management)	2	Rp. 10,100,000	Rp. 4,440,000	IDR 5,550,000	Rp. 6,660,000	45.50%	50.00%
IV (Middle Level Management)	6	Rp. 19,700,000	Rp. 3,150,000	IDR 3,780,000	IDR 4,410,000	33.57%	40.00%
III (First Level Management)	7	Rp. 79,400,000	IDR 2,504,425	Rp. 2,830,000	Rp. 3,155,575	24.67%	26.00%
II (Intermediate Level)	12	Rp. 24,550,000	IDR 2,026,786	Rp. 2,270,000	Rp. 2,513,214	19.23%	24.00%
I (Entry Level)	7	Rp. 12,300,000	Rp. 1,770,000	Rp. 1,902,750	Rp. 2,035,500		15.00%

Source : Processed data (2024)

Based on table 7, improvements wages with method *Overlapping* has been adapt with provision that *spread* Already more big than *mid to mid*. The minimum salary which is at Grade I starts with IDR 1,770,000 with use assumption *spreads* by 15% so get Grade I *mid point* is IDR 1,902,750. After that , grades II, III, IV, and V do adjustment to *midpoint* each . Each *mid point* that has been obtained will useful For look for mark minimum and maximum salaries in each Grades . Visualization from improvement data wages method *Overlapping* above presented in Figure 4.

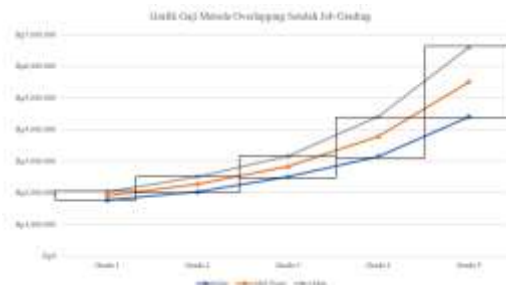


Figure 4. Visualization of salary mapping with method overlapping
 Source : Processed data (2024)

Comparison Method Adhered and Overlapping

After fixing it compensation with use *Adhered* and *Overlapping* methods , improvements wages principal beginning become wages principal new can compared to through Table 8. Comparison This can done For determine suitable method used for XYZ SMEs.

Table 8. Comparison Method Adhered and Overlapping

	<i>Job Title</i>	<i>Grade</i>	<i>Wages Actual</i>	<i>Adhered</i>	<i>Gap Adhered</i>	<i>Overlapping</i>	<i>Gap Overlapping</i>
Top Level Management	<i>General Manager</i>	5	IDR 5,700,000	IDR 5,702,671	0.05%	IDR 5,700,000	0.00%
	<i>Supervisors</i>	5	Rp. 4,400,000	IDR 4,402,062	0.05%	Rp. 4,400,000	0.00%
Middle Level Management	<i>Bar Captain</i>	4	IDR 3,400,000	IDR 3,563,574	4.81%	IDR 3,570,000	5.00%
	<i>Public Relations Manager</i>	4	IDR 3,400,000	IDR 3,563,574	4.81%	IDR 3,570,000	5.00%
	<i>Financial Analyst</i>	4	Rp. 3,500,000	IDR 3,668,385	4.81%	IDR 3,675,000	5.00%
	<i>Chef de Partie</i>	4	Rp. 3,200,000	IDR 3,353,952	4.81%	IDR 3,360,000	5.00%
	<i>Dining Captain</i>	4	Rp. 3,200,000	IDR 3,353,952	4.81%	IDR 3,360,000	5.00%
	<i>Associate Barista</i>	4	IDR 3,000,000	Rp. 3,144,330	4.81%	Rp. 3,150,000	5.00%
	<i>Senior Casual Bar Staff</i>	3	IDR 3,000,000	Rp. 3,119,375	3.98%	Rp. 3,130,531	4.35%
First Level Management	<i>Cashier</i>	3	Rp. 2,400,000	Rp. 2,495,500	3.98%	IDR 2,504,425	4.35%
	<i>Cashier</i>	3	Rp. 2,400,000	Rp. 2,495,500	3.98%	IDR 2,504,425	4.35%
	<i>Senior Barista</i>	3	Rp. 2,400,000	Rp. 2,495,500	3.98%	IDR 2,504,425	4.35%
	<i>Senior Barista</i>	3	Rp. 2,400,000	Rp. 2,495,500	3.98%	IDR 2,504,425	4.35%
	<i>Senior Crew Member</i>	3	Rp. 2,400,000	Rp. 2,495,500	3.98%	IDR 2,504,425	4.35%
	<i>Senior Crew Member</i>	3	Rp. 2,400,000	Rp. 2,495,500	3.98%	IDR 2,504,425	4.35%
	<i>Housekeeping</i>	2	Rp. 2,400,000	IDR 2,476,923	3.21%	Rp. 2,494,505	3.94%
Intermediate Level	<i>Server Waiters</i>	2	Rp. 2,400,000	IDR 2,476,923	3.21%	Rp. 2,494,505	3.94%
	<i>Marketing Specialist</i>	2	Rp. 2,000,000	Rp. 2,064,103	3.21%	IDR 2,078,755	3.94%
	<i>Senior Waiter</i>	2	Rp. 2,000,000	Rp. 2,064,103	3.21%	IDR 2,078,755	3.94%
	<i>Security</i>	2	Rp. 2,000,000	Rp. 2,064,103	3.21%	IDR 2,078,755	3.94%
	<i>Security</i>	2	Rp. 2,000,000	Rp. 2,064,103	3.21%	IDR 2,078,755	3.94%
	<i>Junior Barista</i>	2	Rp. 2,000,000	Rp. 2,064,103	3.21%	IDR 2,078,755	3.94%
	<i>Junior Crew Member</i>	2	Rp. 1,950,000	Rp. 2,012,500	3.21%	IDR 2,026,786	3.94%
	<i>Junior Casual Bar Staff</i>	2	Rp. 1,950,000	Rp. 2,012,500	3.21%	IDR 2,026,786	3.94%
	<i>Junior Casual Bar Staff</i>	2	Rp. 1,950,000	Rp. 2,012,500	3.21%	IDR 2,026,786	3.94%
	<i>Junior Casual Bar Staff</i>	2	Rp. 1,950,000	Rp. 2,012,500	3.21%	IDR 2,026,786	3.94%



Entry Level	<i>Programmer</i>	1	Rp. 1,800,000	Rp. 1,909,091	6.06%	Rp. 1,930,909	7.27%
	<i>Programmer</i>	1	Rp. 1,800,000	Rp. 1,909,091	6.06%	Rp. 1,930,909	7.27%
	<i>Customer Service</i>	1	Rp. 1,800,000	Rp. 1,909,091	6.06%	Rp. 1,930,909	7.27%
	<i>Customer Service</i>	1	Rp. 1,800,000	Rp. 1,909,091	6.06%	Rp. 1,930,909	7.27%
	<i>Junior Waiter</i>	1	Rp. 1,800,000	Rp. 1,909,091	6.06%	Rp. 1,930,909	7.27%
	<i>Dishwasher</i>	1	Rp. 1,650,000	Rp. 1,750,000	6.06%	Rp. 1,770,000	7.27%
	<i>Administration Officer</i>	1	Rp. 1,650,000	Rp. 1,750,000	6.06%	Rp. 1,770,000	7.27%
Total			Rp. 84,050,000	Rp. 87,227,189	3.78%	Rp. 87,653,338	4.29%

Source : Processed data (2024)

Based on comparison salaries presented in Table 8 , can concluded that wages principal new with improvements method *Adhered* amounting to IDR 87,227,189 and method *Overlapping* amounting to IDR 87,653,338. Reason election appropriate method for SMEs is based from a number of indicators , namely :

1. Based on the Central Statistics Agency (2023), general yoy inflation in 2023 is 2.61%, an increase wages principal amounting to IDR 85,789,835.
2. Based on Setyaningrum (2023) increase in West Java UMP 2023-2024 of 3.57%, increase wages principal amounting to IDR 87,046,392.
3. Based on Setyaningrum (2023) increase in Bandung City UMK 2023-2024 of 3.97%, increase wages principal amounting to IDR 87,389,318.

Based on the indicators above , can chosen method *Adhered* accordingly For improvements SME XYZ salary with wages principal amounting to IDR 87,227,189.

CONCLUSION

Based on results research , can withdrawn conclusion as as follows 1) PT XYZ has 34 employees divided into 5 levels in management compensation . At level 5 ie *General Manager* 1 person and *Supervisor* 1 person. Level 4 ie *Bar Captain* 1 person, *Public Relations Manager* 1 person, *Financial Analyst* 1 person, *Chef de Partie* 1 person, *Dining Captain* 1 person, and *Associate Barista* 1 person. Level 3 is *Senior Casual Bar Staff* 1 person, *Cashier* 2 people, *Senior Barista* 2 people, and *Senior Crew Member* 2 people. Level 2 is *Housekeeping* 1 person, *Server Waiter* 1 person, *Marketing Specialist* 1 person, *Senior Waiter* 1 person, *Security* 2 people, *Junior Barista* 1 person, *Junior Crew Member* 1 person, and *Junior Casual Bar Staff* 4 people. Whereas level 1 is *Programmer* 2 people, *Customer Service* 2 people, *Junior Waiter* 1 person, *Dishwasher* 1 person, and *Administration Officer* 1 person.

After analysis and improvement system payroll finished done , then can concluded that system effective compensation For implemented by SME XYZ is with use method *Adhered* . Can seen from *mid to mid* every *grades* always more small from *spreads* that have been specified , value *max* in each *grade* has become min score in the next *grade* , as well mark wages each grade mutually coincide .

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