

HR Audit-Based SOP Development for Sustainable Workforce Retention in Culinary MSMEs

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ABSTRACT

This community service project was conducted to address the high turnover rate among mobile bakso sales employees at Kedai Bakso Pemuda Spesial Kuah Bening in Malang City. The initiative aimed to enhance workforce stability through a structured Human Resource Audit (HRA) and the development of Standard Operating Procedures (SOPs) based on job analysis and placement principles. The project applied a participatory action approach, involving both management and employees in diagnosing human resource problems and co-developing solutions. The HRA process included five key stages: problem identification, job analysis, job evaluation, job placement, and SOP formulation, followed by monitoring and review. Data were collected through structured interviews, observations, and performance record analysis. Findings revealed that unclear job boundaries, overlapping responsibilities, and a lack of standardized performance monitoring were the primary causes of employee dissatisfaction and turnover. As a result, four major SOPs were developed covering recruitment and orientation, route management, sales operation, and reporting procedures. These SOPs provided clear task guidelines, transparent performance metrics, and fair compensation mechanisms. Within two months of implementation, employee turnover decreased by 25%, and satisfaction levels improved significantly, especially regarding communication and role clarity. This program demonstrates that human resource auditing, when combined with participatory SOP design, can transform informal MSME labor structures into efficient and sustainable systems. The model offers a replicable framework for other small enterprises that rely on mobile or field-based sales personnel, promoting workforce professionalism and long-term business resilience.

Keywords: Human Resource Audit, Standard Operating Procedure, Employee Turnover, Job Analysis, Culinary MSMEs.

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1. INTRODUCTION

Human resources play a crucial role in the sustainability and competitiveness of micro, small, and medium enterprises (MSMEs). However, many culinary-based MSMEs still face structural challenges in managing their workforce, particularly in the area of employee retention

and job clarity. Kedai Bakso Pemuda Spesial Kuah Bening, a culinary MSME located in Malang City, has experienced a notably high turnover rate among its mobile bakso sales employees (sales bakso keliling). This problem has resulted in inconsistent service coverage, fluctuating sales volume, and an increased operational burden on the business owner, who must repeatedly recruit and train new personnel.



Figure 1. Sales bakso keliling of Kedai Bakso Pemuda Spesial Kuah Bening

Field observations conducted in early 2025 revealed that most sales employees work without a clear job description, target system, or standard operating procedure (SOP). The absence of job design and measurable performance indicators has caused overlapping responsibilities, low motivation, and a lack of accountability in task execution. Furthermore, the compensation system is primarily commission-based, with minimal emphasis on performance feedback or career progression, contributing to employee dissatisfaction and frequent resignations. Research by Suprayitno (2024) shows that an unbalanced compensation system and minimal career development opportunities significantly increase resignation intentions in the MSME sector (Suprayitno, 2024). Similar findings were also presented by Kristanti et al. (2024), who asserted that incentive-based compensation without role clarity and performance recognition negatively impacts employee work motivation in the food MSME sector (Kristanti, Yunanto, & Komari, 2024).

High turnover not only affects operational stability but also reduces customer trust due to inconsistent sales services and varying communication styles among sellers. According to Bearden and Teel (1983), the quality of front-line interaction has a direct influence on customer satisfaction and repeat purchase intention. Thus, an unstructured workforce management system poses a significant threat to both profitability and brand consistency in small-scale culinary enterprises.

In response to these issues, this community service program was designed to conduct a Human Resource Audit (HRA) focused on job structure and employee placement, followed by the formulation of an SOP framework for mobile sales operations. The intervention aims to: (1) identify role duplication and gaps in job responsibilities, (2) align employee placement with skills and sales territory potential, and (3) develop standardized procedures for job analysis, job placement, and performance monitoring. The expected outcome is a documented SOP that clearly defines work scope, sales route management, and performance indicators, thereby reducing turnover and improving employee satisfaction.

This program adopts a participatory action approach, emphasizing collaboration between the academic team and the business owner in diagnosing HR-related problems, validating findings, and co-creating practical management solutions. The implementation aligns with the goals of sustainable MSME development, where human capital efficiency and job satisfaction serve as foundations for long-term growth. The significance of this initiative lies in its replicability: the results can serve as a model for other MSMEs employing field-based sales personnel, particularly in culinary sectors relying on personal interaction and local networks. By introducing structured HR management tools—especially job analysis and SOP standardization—this project bridges the gap between academic human resource concepts and practical application in informal business environments.

2. METHODS

This community service program was carried out from April to July 2025 at Kedai Bakso Pemuda Spesial Kuah Bening, located in Lowokwaru District, Malang City. The method applied was the Participatory Human Resource Audit (PHRA), which integrates diagnostic assessment and collaborative intervention to improve workforce stability and performance. The program focused on identifying the root causes of high turnover among mobile bakso sales employees (sales bakso keliling), who are the key frontline workers connecting the enterprise to its customers. The participatory approach ensured that both the business owner and employees were actively engaged throughout the process—from diagnosis to SOP formulation—making the outcomes contextually appropriate and practically implementable.

The HR audit cycle included five sequential stages: (1) job analysis, aimed at mapping the tasks, responsibilities, and required competencies of mobile sales roles; (2) job evaluation, conducted through interviews and observation to identify performance gaps and workload distribution; (3) job placement, aligning individual abilities with assigned territories and sales capacities; (4) SOP development, formulating standard procedures for recruitment, daily operations, and performance monitoring; and (5) post-implementation review, measuring early impacts on turnover and job satisfaction. Data were collected using structured interviews, observation logs, and performance records. Analysis was carried out qualitatively, triangulating data from employees, the business owner, and HR documentation to ensure validity and reliability of findings.



Figure 2. Human Resource Audit Flow for Reducing Employee Turnover

The HR audit flow illustrates a continuous improvement cycle. It begins with diagnosing turnover problems, followed by job analysis and evaluation to define clear role boundaries. Job placement aligns personnel strengths with territory demands, while the resulting SOP provides a standardized reference for operations and evaluation. The final stage—monitoring and review—ensures adaptive improvement and sustainability of human resource practices.

3. RESULTS AND DISCUSSION

3.1. Results

The implementation of the Human Resource Audit (HRA) at Kedai Bakso Pemuda Spesial Kuah Bening provided valuable insights into the structural and behavioral factors driving high turnover among mobile bakso sales employees. The audit revealed that turnover reached an average of 40% annually, primarily caused by unstructured job roles, unclear targets, and lack of standardized procedures for recruitment, performance monitoring, and compensation. Through the participatory audit approach, both management and employees were engaged in identifying these gaps, ensuring that the proposed solutions reflected their actual working conditions.

Findings from Job Analysis and Job Evaluation

The job analysis phase found that mobile bakso sales employees performed overlapping tasks—serving customers, restocking raw materials, and recording transactions—without clear prioritization or measurable standards. Most employees worked based on habit rather than defined schedules, leading to inefficiency and fatigue. The job evaluation further showed that the absence of written job descriptions and performance indicators led to dissatisfaction and perceived unfairness in workload distribution.

Table 1 summarizes the key results from the HR audit and the specific areas improved through SOP design.

Table 1. Summary of HR Audit Findings and Improvements

| Audit Aspect | Findings Before Program | Improvements After SOP Implementation |
|------------------------|--|---|
| Job Description | Unclear roles; overlap between sales and kitchen tasks | Detailed job description specifying roles, working hours, and targets |
| Job Placement | Random assignment without skill matching | Placement aligned with communication skills and area familiarity |
| Performance Evaluation | No standardized metrics | Introduction of daily sales report and feedback checklist |
| Compensation | Purely commission-based; lack of fairness perception | Added base allowance and attendance-based incentive |
| Work Monitoring | Manual observation by owner | Simplified mobile logbook for daily reporting |

These results indicate that systematic documentation and job clarity significantly improve fairness perception, accountability, and motivation. Employees expressed appreciation for the transparent performance system, which reduced ambiguity and conflict among peers.

SOP Development Outcomes

The new Standard Operating Procedures (SOPs) developed from the audit were divided into four core sections: recruitment and orientation, sales route management, service and hygiene standards, and reporting and performance evaluation. The SOPs were presented visually using flow diagrams and simplified tables to ensure easy adoption by sales employees with varying education levels.

For instance, the recruitment SOP introduced a standardized checklist covering communication skills, mobility readiness, and product knowledge. The sales route SOP defined territory boundaries to avoid overlap and competition among employees. Moreover, the reporting SOP required daily input of sales volume, customer feedback, and stock usage into a simple spreadsheet accessible to the business owner.



Figure 3. The general SOP structure for the mobile sales process.

Impact on Turnover and Workforce Stability

After two months of implementation, early indicators showed a 25% reduction in turnover, as employees began to perceive higher job security and clearer performance expectations. Job satisfaction scores (measured qualitatively through interviews) improved notably, especially regarding fairness and communication with management. Additionally, the owner reported better coordination in daily operations and reduced dependency on individual workers, as the SOP provided a replicable reference for onboarding new staff.

These findings align with the theory of organizational role clarity and job embeddedness (Mitchell et al., 2001), which emphasize that employees are more likely to remain in organizations where job boundaries are clear, performance is transparent, and expectations are mutually understood. In the context of MSMEs, where informal management is dominant, the formalization of work processes becomes a critical step toward long-term sustainability.

Overall, the HR audit and SOP development not only addressed the immediate turnover issue but also built a foundation for human capital continuity. By integrating academic principles of job analysis and participatory learning, the program successfully transformed tacit knowledge into structured systems—bridging the gap between theory and real-world practice within small-scale culinary enterprises.

3.2. Discussion

The implementation of a Human Resource Audit (HRA) at Kedai Bakso Pemuda Spesial Kuah Bening provided practical insights into how structured human resource management can address turnover issues in small culinary enterprises. The participatory audit process uncovered several root causes of the high turnover rate among mobile bakso sales employees, particularly the absence of clear job boundaries, lack of standardized performance indicators, and inconsistent supervision. Prior to the intervention, the business operated under informal human resource practices, relying heavily on personal trust and ad-hoc communication. This condition is common among micro and small enterprises in Indonesia, where owners often act as both managers and field supervisors without formalized systems to ensure continuity (Setiawan & Rahayu, 2023).

The job analysis stage was crucial in identifying the mismatch between employee capabilities and job expectations. Many sales workers were assigned without considering communication skills, route familiarity, or physical readiness for mobile sales activities. As a result, they experienced stress, fatigue, and dissatisfaction that contributed to resignation. Similar findings were reported in a study by Gălăţanu (2023), which revealed that unclear job design and excessive workload are significant predictors of employee turnover in operational roles (Gălăţanu, 2023). By systematically mapping the tasks and required competencies, the HR audit revealed that job design needed to separate field operations (sales and distribution) from product preparation (loading, restocking, and reporting). This separation reduced work overload and clarified accountability for each process.

Further, evidence from Kifayah & Arsalan (2024) supports that human resource audits can significantly enhance employee satisfaction by improving role clarity and reducing ambiguity, which are both linked to lower turnover intention in small to medium enterprises (Kifayah & Arsalan, 2024). Following the job analysis, the job evaluation process assessed workload balance and fairness in compensation. Previously, employees received commission-based pay without transparent sales records, leading to perceptions of inequality and demotivation. Introducing a performance-based evaluation—supported by a simple logbook and daily sales checklist—improved transparency and communication between employees and the business owner. This aligns with Herzberg's motivation theory, which emphasizes fairness, recognition, and clarity as critical drivers of job satisfaction. Empirical research also supports this view: a study by Ananda (2023) confirmed that fair compensation systems and transparent performance metrics significantly increase job satisfaction and reduce employee turnover in small organizations (Ananda, 2023). When employees understood the performance indicators and saw a fair link between effort and reward, their engagement increased and absenteeism declined, a pattern also confirmed by Rasheed et al. (2020), who found that both job design and perceived compensation fairness are directly linked to motivation in small enterprises (Rasheed et al., 2020).

The subsequent job placement strategy assigned sales areas based on employee familiarity and proximity to their residence, minimizing travel fatigue and improving customer coverage. Employees who previously competed over overlapping sales territories were now allocated distinct routes. This adjustment fostered collaboration rather than competition, leading to improved morale and team cohesion. A recent study by Masyhudi et al. (2023) showed that job placement strategies that align with personal familiarity and reduce logistical barriers are

positively correlated with employee performance and motivation in service-oriented SMEs (Masyhudi et al., 2023) The implementation of a Human Resource Audit (HRA) at Kedai Bakso Pemuda Spesial Kuah Bening provided practical insights into how structured human resource management can address turnover issues in small culinary enterprises. The participatory audit process uncovered several root causes of the high turnover rate among mobile bakso sales employees, particularly the absence of clear job boundaries, lack of standardized performance indicators, and inconsistent supervision. Prior to the intervention, the business operated under informal human resource practices, relying heavily on personal trust and ad-hoc communication. This condition is common among micro and small enterprises in Indonesia, where owners often act as both managers and field supervisors without formalized systems to ensure continuity (Selden & Sowa, 2015).

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4. CONCLUSION

This community service project demonstrated that conducting a Human Resource Audit (HRA) combined with Standard Operating Procedure (SOP) design can effectively reduce employee turnover and improve workforce stability in small-scale culinary enterprises. Through a participatory and diagnostic approach, Kedai Bakso Pemuda Spesial Kuah Bening successfully identified root causes of turnover—such as unclear job boundaries, inconsistent supervision, and inequitable performance evaluation—and transformed them into structured managerial practices.

The program's outcomes highlighted several key achievements. First, the job analysis and job placement process improved role clarity by aligning individual strengths with task requirements and territory assignments. Second, the job evaluation stage introduced fairness and transparency into the performance monitoring system, enhancing employee motivation and accountability. Third, the SOP development produced clear operational guidelines across four major functions: recruitment, route management, sales operation, and reporting. These SOPs became a reference point for both existing and new employees, ensuring operational consistency even during workforce changes.

After two months of implementation, the enterprise experienced a 25% reduction in turnover, increased employee satisfaction, and smoother coordination in daily operations. The findings suggest that small businesses—despite limited resources—can achieve organizational sustainability by documenting tacit knowledge, formalizing work routines, and establishing transparent HR mechanisms.

For future development, several recommendations are proposed. The enterprise should continuously monitor the effectiveness of the SOP through periodic HR audits and employee feedback. Digital tools such as simple mobile reporting apps could be introduced to streamline attendance and sales tracking. Moreover, this model can be replicated among other MSMEs employing mobile sales personnel, particularly in the food sector, to enhance workforce professionalism, job satisfaction, and long-term business continuity.

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