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Decision-Making Strategies At The Simpang Raya Japura Restaurant

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Abstract

This study aims to analyze decision-making strategies at Rumah Makan Simpang Raya Japura. With increasing competition in the culinary industry, it is important for restaurants to develop effective decision-making strategies to improve performance and customer satisfaction. The research method used is a qualitative approach with interview and observation techniques. The results of the study indicate that Simpang Raya Japura Restaurant implements several strategies, including SWOT analysis, data-driven decision-making, and employee involvement in the decision-making process. Additionally, the study identifies challenges faced in implementing these strategies, such as fluctuations in customer preferences and price competition. These findings are expected to provide insights for restaurant managers in improving service quality and competitiveness in the market.

Keyword: Strategy, Decision Making, Culinary Business, Simpang Raya Japura Restaurant

INTRODUCTION

Simpang Raya Japura Restaurant is one of the culinary businesses that has been operating for quite some time and is widely known by the community, especially in the Japura area. Currently, Simpang Raya faces the challenge of maintaining its brand image while adapting to changes in consumer tastes, technological advances, and increasing competition at the local level.

MSME players often face various challenges in the decision-making process. In the midst of intense competition and business dynamics, making the right decisions based on data is crucial for maximizing the use of available resources. Currently, many

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SME operators still lack adequate information in the decision-making process. This situation results in suboptimal decisions that may have negative impacts on their business performance. (Febriana & Hermawati, 2024)

Decision-making is an important step in running a business. In managing business activities, it is necessary to determine what to offer to customers, how the business process will take place, and how to resolve any issues that arise. To achieve objectives, the best decisions must be made (Hidayat et al., 2025). Ideally, strategic decisions should go through a lengthy process, including internal and external assessments, strategic planning, and execution and evaluation (Nugrahanto et al., 2022).

When it comes to business competition, Rumah Makan Simpang Raya Japura is required to adapt and make the right decisions to maintain its position in the market. Market dominance is the company's main goal in order to maintain sustainability, develop the business, and achieve maximum profit.

One strategy that MSMEs can implement to survive in times of crisis is to reduce some of their unproductive assets or facilities in order to save costs and anticipate a decline in profits. SMEs have a high dependence on their business owners, as their growth rate is heavily reliant on the owners, who hold nearly all decision-making authority. Thus, there is a clear interdependence in the business decision-making process. (Nathaniel, 2022)

The COVID-19 pandemic has also posed challenges that have disrupted the sustainability of SMEs, including Rumah Makan Simpang Raya Japura. The implementation of social distancing and the decline in consumer purchasing power forced SMEs to adapt to an uncertain situation. In this context, strategic decisions play a crucial role in ensuring businesses survive in an era of uncertainty. This can be achieved by maximizing online promotions, delivery systems, and financial management efficiency. (Nurhalizah et al., 2025)

Simpang Raya Japura Restaurant does indeed have loyal customers, thanks to its strategic location as a stopover or rest area for interprovincial buses before continuing their journey. However, there must still be a strategic plan in place to address business risks, whether to survive or to increase sales. Customers have dynamic preferences, so a strategy is needed to address this. Additionally, the emergence of many competitors in the era of information technology development requires Simpang Raya Japura Restaurant to adapt quickly while developing the right strategic plan. The restaurant must be able to assess its internal strengths and external opportunities effectively.

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One innovation already implemented is offering a more varied menu, a commitment to providing the best service, and actively promoting online through social media. However, the success of these strategies ultimately depends on the final decisions made by the owner of Simpang Raya Japura Restaurant. This phenomenon is worth studying as it provides insight into how local businesses survive amid intense competition from other culinary rivals. After all, taste preferences are unpredictable due to the dynamic nature of human behavior, but they can be addressed through strategic plans implemented by business owners.

LITERATUR REVIEW

Decision Making

Decision making plays an important role, both individually and collectively, especially within an organization. The right decisions reflect the effectiveness, performance, and success of an organization, making it one of the most important activities. Correct decisions can bring about positive change, while incorrect decisions can have a negative impact on the organization's operations and management. Simply put, decision-making is the process of selecting the best alternative from a number of options to achieve the desired goal. (Dangkua & Suking, 2024)

An effective and efficient decision-making process requires structured steps to achieve optimal results. Various models and theories have explained these stages, although each places different emphases. Johanna Tina Maylanie (2022), in her study of James A. F. Stoner's theory, explains that decision-making consists of the processes of analyzing the situation, selecting alternative options, evaluating alternative options, and the implementation stage. This model is more dominant in terms of seeing the essence of analyzing internal and external conditions before finally making a decision.

Meanwhile, Gibson et al. (Muktamar et al., 2023) propose seven more detailed stages, namely setting goals and objectives, identifying problems, collecting and analyzing data, developing alternatives, determining alternatives, selecting alternatives, and implementing decisions as well as control and evaluation. (Amri et al., 2025)

Strategic Decision-Making Design

Based on the eclectic model, there are four phases in strategic decision-making (Salusu, 2000); these phases consist of: (Dangkua & Suking, 2024)

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Figure 1. Strategic Decision Making Design



Phase 1. Identification

In the identification phase, SMEs examine the background of decision-making, including the problems faced, existing opportunities, and environmental conditions, including competition with competitors and various other supporting factors.

Phase 2. Development

a. The development stage involves searching for various alternative solutions, where SMEs generally rely on the experience and insights of the owner as the decision-maker. Next, a solution design is developed, either by modifying existing solutions or designing new solutions by adding alternatives that have not been implemented before.
b. Conducting an analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT).

Phase 3. Completion,

The selection phase is the process of determining the best choice from the available alternatives and establishing it as the final decision.

Phase 4. Implementation and Evaluation

a. Implementation of strategic decisions.
b. Evaluation of the implementation of strategic decisions.

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Quality of Decisions

The theory of decision making provides a structured flowchart for business people in dealing with risks and challenges. Through knowledge of the decision-making process, business people will be more observant in identifying problems, collecting valid data related to the problem, evaluating and selecting the best solution, so that applying this theory will not only result in quality decisions but also minimize potential losses. (Solin et al., 2024)

The quality of a decision is measured by how effective it is in achieving objectives and how efficient it is in using resources. High-quality decisions require accurate data, proper analysis, and consideration of long-term consequences and sustainability aspects. (Nurhalizah et al., 2025)

Barnard, I. Chester (1992) and Terry George (1977) mention that there are several things that must be considered in decision making. (Iraza & Nasution, 2023)

1. Model, The model presents the problem in a quantitative or qualitative manner.
2. Criteria, The criteria outlined emphasize the objectives of the action taken. If there are conflicting criteria, the decision must be made through compromise (usually by adding services).
3. Constraints, Problem-solving in decision-making involves considering additional information such as limited funding availability.
4. Optimization, With the decision problem clearly defined, determine what the manager needs and what is permitted to select the best option.

METHODOLOGY

This study uses a qualitative approach with a case study design to explore in depth the processes, factors, and strategies involved in strategic decision-making at Rumah Makan Simpang Raya Japura. Informants were selected using purposive sampling, which involves the deliberate selection of informants based on their involvement and knowledge of the strategic decision-making process. The main informants included: the owner of Rumah Makan Simpang Raya Japura, the operations manager, the head chef, service staff, and frequent customers.

DISCUSSION

1. Identification Phase

The identification phase of strategic decision-making at Rumah Makan Simpang Raya Japura is the first step in the decision-making process, which aims to gain a deep

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understanding of the issues, opportunities, and conditions that affect the business before determining the strategy to be implemented. In this phase, the owner of Simpang Raya Japura Restaurant collects information from both internal and external sources to ensure a comprehensive understanding of the issues. Internal sources include human resources, capital, production capacity, and high-quality menu options. External information comes from new competitors in the culinary industry, the use of technology that allows sales through social media without a physical store or stall, and current consumer purchasing power.

Additionally, the owner identifies opportunities and potential that can be maximized. For example, since Simpang Raya Japura Restaurant is fundamentally a Padang-style restaurant, it can maximize its signature West Sumatran menus with their distinctive village-style flavors, which have the potential to be popular among customers. Furthermore, Rumah Makan Simpang Raya Japura must adapt to keep up with the trend of food delivery services, which are increasingly popular among the public. After completing the identification phase, the owner of Rumah Makan Simpang Raya Japura must promptly develop and decide which ideas to implement.

2. Development Phase

The Strategic Decision Development Phase at Rumah Makan Simpang Raya is a stage that focuses on the process of searching for, designing, and compiling various alternative solutions that can be applied to overcome problems or take advantage of opportunities identified in the previous stage. This stage plays an important role because the quality of strategic decisions is largely determined by the extent to which the alternatives developed are comprehensive and creative.

The development phase consists of two stages. The first stage involves the process of identifying various alternative solutions for the sustainability of Simpang Raya Restaurant Japura, achieved by combining the experience and knowledge of the restaurant's owner as the decision-maker. Following this, solutions are designed to anticipate risks while modifying alternative solutions that have not been implemented previously. For example, based on their experience in managing the restaurant, the owner of Rumah Makan Simpang Raya Japura understands which ingredients are quickly depleted and which are rarely used, so they schedule raw material purchases to ensure stock remains fresh and minimize waste.

The second process in the development phase is conducting an analysis of the Strengths, Weaknesses, Opportunities, and Threats (SWOT) factors. Among the

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Strengths that should be identified as strengths are: the unique Minang cuisine recipes that are popular with customers, the location of Rumah Makan Simpang Raya Ja

Opportunities that can be utilized by the owner of Rumah Makan Simpang Raya Japura include: the government's commitment to collaborate with business owners in Indragiri Hulu Regency to promote local tourism, cooperation with online and personal delivery services, and the opportunity to open another branch in a more strategic location such as Belilas, which is still in Indragiri Hulu Regency. Lastly, the Threats or risks that could hinder the development of Simpang Raya Japura Restaurant include: the emergence of other competitors in the same business sector, rising prices of basic commodities due to the weakening of the rupiah exchange rate, and changes in customer preferences, which are sometimes easily swayed by fast food or franchises.

3. Completion Phase

The completion phase in the strategic decision-making process is the stage of selecting the best alternative from several options offered. An example is the plan to add new menu items at Rumah Makan Simpang Raya Japura. Once this option is selected, the new menu design to be presented to customers must be completed quickly. Similarly, regarding raw material availability, it is important not to choose new menu items that are difficult to source, as this poses a risk if the new menu items cannot be marketed for an extended period until the raw materials become available again. Chefs preparing the new menu items must also be prepared through additional training, and staff serving the dishes also play a role in this process. At this stage, the business owner's experience is crucial, as is their discernment in selecting the next innovation to implement.

4. Implementation and Evaluation Phase

This phase consists of a series of planning, human resource allocation, communication, strategy, implementation, and evaluation. At this stage, the owner of Rumah Makan Simpang Raya Japura already knows exactly what will be implemented because they have gone through the process of identifying external and internal factors. Cooperation from all parties is necessary to ensure the successful implementation of strategic policies. The evaluation stage involves assessing the success of the business strategy implemented at Simpang Raya Japura Restaurant. The evaluation results serve as input for continuous improvement at Simpang Raya Japura Restaurant.

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CONCLUSION

Based on the research findings, it can be concluded that the strategic decision-making process at Rumah Makan Simpang Raya Japura is carried out in a structured manner, taking into account various internal and external factors of the company. Internal factors include product quality, service quality, human resource management, and operational efficiency. Meanwhile, external factors include market trends, consumer preferences, competition levels, and the local economic situation.

The management of Simpang Raya Japura Restaurant regularly conducts situation analysis by utilizing sales data, customer feedback, and direct observations of consumer behavior as the basis for formulating strategies. Strategic decisions are focused on improving menu quality, developing product innovations, enhancing service, strengthening brand image, and managing costs efficiently.

The implementation of these strategies demonstrates that the management's ability to respond to business environment dynamics and capitalize on available opportunities is a key factor in the sustainability of the business. Therefore, making data-driven, adaptive decisions in response to market changes has proven effective in enhancing competitiveness while maintaining the presence of Simpang Raya Japura Restaurant amid the intense competition in the culinary industry.

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