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## IMPROVING LEGAL UNDERSTANDING VIA EDUCATION OF LEGAL ENTITIES ON THE ESSENTIAL WORKING AGREEMENT IN BATAM CITY BUSINESS MANAGEMENT

Abdurrakhman Alhakim<sup>1</sup>, Kendry Tan<sup>2</sup>

<sup>1,2</sup>Universitas Internasional Batam

Email of correspondence: alhakim@uib.ac.id, 1851009.kendry@uib.edu

### Abstract

The enactment of Law No. 11 of 2020 resulted in revisions to Indonesia's labor rules. The employment agreement is one of the elements that has altered. An employment agreement is a contract between a worker and his or her employer that specifies the working conditions, rights, and duties of the parties. The employment agreement signed between the employee and the employer attempts to ensure both parties' rights and duties in order to achieve a healthy working relationship. According to the findings of interviews and observations conducted with PT. Rimba Rezeki Makmur, awareness of the value of work agreements in a firm is inadequate. As a result, legal counseling is required, as well as the design and writing of an employment agreements for a certain period of time and an indefinite employment agreement for PT. Rimba Rezeki Makmur in order to protect the rights and duties of employees and employers. This Student Creativity Program activity is carried out in phases and in a coherent way, namely preparation/pre-implementation, implementation, and assessment. The success of this community service activity is measured by increasing PT. Rimba Rezeki Makmur's understanding of the importance of employment agreements and the establishment of employment agreements that can be used by PT. Rimba Rezeki Makmur in the future to guarantee and protect the rights and obligations of workers and employers.

**Keywords:** *Legal Counseling, Employment Agreement, Guarantee, Protect*

### Introduction

With the numerous problems that they will confront in carrying out their work, workers play a vital role in achieving national development. Legal protection is required for employees in order to preserve and increase their wellbeing in the face of the different obstacles and hazards they will confront. Several government initiatives in the context of worker protection include the labor social security program, which is founded on the spirit of Pancasila and Undang-Undang Dasar 1945 (1945 Constitution), as the State of Indonesia's ideology and constitution. Article 27 paragraph (2) of the 1945 Constitution, which reads, “*Tiap-tiap warga negara berhak atas pekerjaan dan penghidupan yang layak bagi kemanusiaan*”. Every citizen has the right to work and a decent life for mankind, according to

Article 27 paragraph (2) of the 1945 Constitution. It provides legal protection to Indonesian nationals while they carry out their tasks. By upholding the ideal of justice in the creation of laws and regulations, the legal protection provided strives to establish equality in a non-discriminatory work environment and to contribute to the welfare of employees and employers (Manurung, 2017). The legal protection afforded to workers by the Indonesian government is understood to be directly implemented by the enterprise that employs the employee. The application of legal protection reflected in the firm implies that the corporation has social responsibility in its commercial operations. This indicates that national development is not just the duty of the government; every party, whether in the form of individuals, groups, legal entities, commercial entities, and so on, plays a vital role in helping to enhance the Indonesian people's quality of life. The corporation plays a part in the growth of the Indonesian economy while also paying attention to environmental considerations in order to contribute to the preservation of the environment and the lives of Indonesians (Lestari, 2017). The corporation's duty may be carried out with the first step, which is to provide complete legal protection for its employees, because employees are a valuable resource for both the state and the company.

Human resources are a crucial asset for every business. Human resources are required in a business since without them, the company cannot complete its tasks and hence cannot generate a profit. Every company is created with the primary goal of producing a profit, with the profit being used to ensure the firm's survival and to invest in future development (Jawa et al., 2020). Human resource management in the workplace must be carried out properly in order for employees to offer optimal outcomes for the organization. Good human resource management requires a high level of contact between employees and employers, as well as among employees. Employees at the firm desire to be happy in their workplace. This pleasure may be acquired from a variety of sources, including the worker's job and the balance between the worker's and the employer's rights and duties (Aninditiya et al., 2015).

Employment is critical to Indonesia's progress toward becoming a better country. Workers and employers have a vital role in national growth. To maintain the equality and humanity of employees and employers, the rights and duties of workers and employers have been controlled in Indonesian laws and regulations. The protection of employees and employers in Indonesian laws and regulations attempts to ensure the rights of each party while taking national development into account. The goal of worker protection is to establish a healthy working relationship between employees and superiors, as well as amongst workers, so that they may produce a decent, clean, and pressure-free work environment (W et al., 2018).

This harmonious working connection may be achieved by lowering the amount of rights conflicts and conflicts of interest in the workplace. Disputes over rights occur when one of the parties that signed the labor agreement fails to follow through on the arrangement. Disputes of interest occur when there is a mismatch between the circumstances of employees' conditions. Several laws and regulations govern employment in Indonesia, including: “*Undang-Undang Nomor 13 Tahun 2003 tentang Ketenagakerjaan* (Law Number 13 of 2003 concerning Manpower” (hereinafter abbreviated as Labor Law), “*Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja*” (Law Number 11 of 2020 concerning Job Creation)”

(hereinafter abbreviated as UU Ciptaker), “*Peraturan Pemerintah Republik Indonesia Nomor 35 Tahun 2021 tentang Perjanjian Kerja Waktu Tertentu, Alih Daya, Waktu Kerja Dan Waktu Istirahat, Dan Pemutusan Hubungan Kerja*” (Government Regulation of the Republic of Indonesia Number 35 of 2021 concerning Work Agreements for Certain Time , Outsourcing, Working Time and Rest Time, and Termination of Employment” (hereinafter abbreviated as PP No 35 of 2021). Some of the rules listed above demonstrate how labor laws and regulations in Indonesia are implemented in accordance with the notion of integration via functional coordination between central and regional sectors (Umbas Refly R, 2014). This integration idea (*Asas Keterpaduan*) is addressed in further detail in the explanation of labor law, which reads: “*Asas pembangunan ketenagakerjaan pada dasarnya sesuai dengan asas pembangunan nasional, khususnya asas demokrasi Pancasila serta asas adil dan merata pembangunan ketenagakerjaan mempunyai banyak dimensi dan keterkaitan dengan berbagai pihak yaitu antara pemerintah, pengusaha dan pekerja/buruh. Oleh sebab itu, pembangunan tenaga-kerjaan dilaksanakan secara terpadu dalam bentuk kerja sama yang saling mendukung.*”. Indonesia regulation defines integration idea (*Asas Keterpaduan*) as principle of manpower development, and it has many dimensions and interrelationships with various parties, including the government, employers, and workers/laborers. It is fundamentally consistent with the principles of national development, particularly the democratic principle of Pancasila and the fair and equitable principle of manpower development, and it has many dimensions and interrelationships with various parties, including the government, employers, and workers/laborers. As a consequence, manpower development is carried out in a coordinated and mutually advantageous manner. An employment agreement between employers and workers is one of several ties between the government, employers, and workers. An employment agreement is a contract between a worker and an entrepreneur or employer that specifies the conditions, rights, and duties of both the worker and the employer or employer (Tampongangoy, 2013).

The freedom of both parties who bind themselves to the agreement as an embodiment of the concept of contract freedom is the substance of the labor agreement. The notion of contract freedom states that a person has the right to agree while taking into consideration Indonesia's positive norms and regulations. In general, agreements can be formed orally or in writing. However, the difficulty is the frequent occurrence of mistakes in work agreements for a set period of time (hereinafter abbreviated as PKWT) and work agreements for an infinite period of time (hereinafter abbreviated as PKWTT), as defined by labor laws and regulations (Satria, 2020). Article 81 paragraph (13) of the UU Ciptaker mandates PKWT to be created in writing, in Indonesian, and in Latin letters, which is one of the faults that frequently occur in firms founded in Indonesia in the form of PKWT and PKWTT. This differs from the PKWTT, which may be made either in writing or verbally while still adhering to existing rules and regulations. PT. Rimba Rezeki Makmur is a wood processing firm headquartered in Batam City, Riau Islands Province. PT. Rimba Rezeki Makmur, as a commercial enterprise in the form of a legal entity, must carry out its duties in terms of engaging in national development. This involvement can be done by offering legal protection to its employees in order to

boost PT. Rimba Rezeki Makmur workers' wellbeing. However, based on the findings of interviews and observations, there are mistakes in the execution of labor agreements due to a lack of legal expertise. Employment agreements are critical in the development of a company's operation since they give legal protection to both employers and employees. As a result, as part of the implementation of this *Program Kreativitas Mahasiswa* (Student Creativity Program) activity, a problem analysis will be performed, followed by legal counseling on the topic of a work agreement to PT. Rimba Rezeki Makmur, and then the design and preparation of work agreements to provide legal protection and certainty to workers and employers. Employment agreements are legal safeguards imposed by the government on employers in order to protect the interests of workers. Protection in employment contracts is an example of the government's involvement in fostering national development. As a result, in order to support Indonesia's national development, a *Program Kreativitas Mahasiswa* (Student Creativity Program) will be conducted by conducting legal counseling on the theme of the importance of work agreements in running a business against PT. Rimba Rezeki Makmur in order to participate in supporting national development.

### Methods

Primary and secondary data will be used in the *Program Kreativitas Mahasiswa* (Student Creativity Program) activity. Primary data is received directly from sources, whereas secondary data is gained through data obtained in the form of journals, study, and so on to support primary data (Firdausi & S, 2019). Primary data on *Program Kreativitas Mahasiswa* (Student Creativity Program) were gathered directly from PT. Rimba Rezeki Makmur management and personnel through interviews and observations. The purpose of interviews and observations is to discover the challenges that the firm is experiencing. Secondary data for *Program Kreativitas Mahasiswa* (Student Creativity Program) activity is gathered using the data collecting method of library research. Secondary data sources for this *Program Kreativitas Mahasiswa* (Student Creativity Program) activity include laws and regulations, past research, journals, expert views, and other publications on the problems discussed. From July 2021 to October 2021, all *Program Kreativitas Mahasiswa* (Student Creativity Program) actions are carried out. This *Program Kreativitas Mahasiswa* (Student Creativity Program) action is separated into various phases, which are as follows:

**First**, Stages of Preparation and Pre-Implementation. The preparation stage begins with finding and determining partners with whom *Program Kreativitas Mahasiswa* (Student Creativity Program) activities will be carried out. After finding and determining partners, it will be continued with an application for permission to carry out the program to partners and universities. Approval from the partner is done by signing the MoU and MoA or a certificate, while approval from the university is done by submitting a proposal to the supervisor. At this stage, company data collection will also be carried out, such as the deed of establishment, the decree of the Minister of Law and Human Rights of the Republic of Indonesia, and so on.

The findings of these observations and interviews will result in an issue that can be solved. Problems discovered via interviews and observations will be

provided a way to tackle them in the long run. In order to give the optimum answer for PT. Rimba Rezeki Makmur, an investigation of the Indonesian laws and regulations that control employment will be carried out in depth and methodically. The following information will be the subject of legal advice materials and draft labor agreements: “1) *Pancasila sebagai ideologi negara Indonesia* (Pancasila as the ideology of the Indonesian state); 2) *Undang-Undang Dasar Negara Republik Indonesia 1945* (the 1945 Constitution of the Republic of Indonesia); 3) *Undang-Undang No. 21 Tahun 2000 tentang Serikat Pekerja/Serikat Buruh* (Law no. 21 of 2000 concerning Trade Unions/Labor Unions); 4) *Undang-Undang Nomor 13 Tahun 2003 tentang Ketenagakerjaan* (Law Number 13 of 2003 concerning Manpower); 5) *Undang-Undang Nomor 02 Tahun 2004 tentang Penyelesaian Perselisihan Hubungan Industrial* (Law Number 02 of 2004 concerning Settlement of Industrial Relations Disputes); 6) *Undang-Undang No. 40 Tahun 2004 tentang Sistem Jaminan Sosial* (Law no. 40 of 2004 concerning the Social Security System); 7) *Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja* (Law Number 11 of 2020 concerning Job Creation); 8) *Peraturan Pemerintah No. 46 Tahun 2015 tentang Penyelenggaraan Program Jaminan Hari Tua* (Government Regulation No. 46 of 2015 concerning the Implementation of the Old Age Security Program); 9) *Peraturan Pemerintah No. 45 Tahun 2015 tentang Penyelenggaraan Program Jaminan Pensiun* (Government Regulation No. 45 of 2015 concerning the Implementation of the Pension Guarantee Program); 10) *Peraturan Pemerintah No. 44 Tahun 2015 tentang Penyelenggaraan Program Jaminan Kerja Dan Jaminan Kematian* (Government Regulation No. 44 of 2015 concerning the Implementation of the Employment Guarantee Program and Death Security); 11) *Peraturan Pemerintah Republik Indonesia Nomor 35 Tahun 2021 tentang Perjanjian Kerja Waktu Tertentu, Alih Daya, Waktu Kerja Dan Waktu Istirahat, Dan Pemutusan Hubungan Kerja* (Government Regulation of the Republic of Indonesia Number 35 of 2021 concerning Work Agreements for Certain Time, Outsourcing, Working Time and Rest Time, and Termination of Employment); 12) *Peraturan Presiden No. 111 Tahun 2013 tentang Perubahan Atas Peraturan Presiden Nomor 12 Tahun 2013 Tentang Jaminan Kesehatan* (residential Regulation No. 111 of 2013 concerning Amendments to Presidential Regulation Number 12 of 2013 concerning Health Insurance)”.

**Second**, Implementation Stages. PT. Rimba Rezeki Makmur will get legal guidance at the execution stage. The execution of legal guidance will be carried out based on previously obtained data. The audience will be given a brief presentation of the legal advice information in the form of a PowerPoint presentation so that it may be readily comprehended. Counseling will be conducted in a manner that partners can easily understand, allowing the content offered to be simply accepted.

**Third**, the evaluation stage. During the evaluation stage, a meeting and a brief discussion will be held with the management of PT. Rimba Rezeki Makmur on the issue of *Program Kreativitas Mahasiswa* (Student Creativity Program) activities that have been completed. This stage also serves to determine how far the partners' comprehension of the actions carried out has progressed. *Program Kreativitas Mahasiswa* (Student Creativity Program) reports and articles will be used as proof of responsibility for the implementation of *Program Kreativitas Mahasiswa*

(Student Creativity Program) activities and as the foundation for decision-making throughout the assessment stage.

## **Result and Discussion**

### **An Employment Agreement as a Tool for Protecting Workers and Employers**

An employment agreement is a contract that establishes the connection between an employee and an employer, or a superior and subordinate relationship, and states the rights and duties each party bears. The goal of an employment agreement is to create a balance of rights and duties in the workplace for as long as the work agreement is still in effect (Maulinda et al., 2016). The balance of rights and duties specified in Indonesian labor laws and regulations aims to guarantee the well-being of employees and their families. Employers that wish to conduct business in Indonesia must follow the labor standards that apply to workers in Indonesia in order to provide protection for contract workers and permanent workers (Kusuma, 2014).

According to Soepomo, the legal protection afforded to workers is classified into three types (Sami'an, 2019):

- a. Economic protection, which involves providing adequate remuneration for workers. Economic protection also implies that salaries will be maintained provided employees are not forced to work against their choice;
- b. Social protection, which includes benefits such as occupational health insurance, freedom of association, and the ability to organize; and
- c. Technical protection, which refers to workplace safety and security.

According to Asri Wijayanti, there are five categories of legal protection for workers: worker placement, employment relations, occupational health, job security, and worker social security (Sinaga & Zaluchu, 2017). Workers, as Indonesian citizens who adhere to the ideal of justice, give protection in order to achieve good job and income, as well as to speak and organize their thoughts. By providing such protection, it may foster a cooperative working partnership that will benefit the Indonesian economy and the well-being of its people (Suyanto & Nugroho, 2016). The signing of a labor agreement is an essential tool that may be utilized to safeguard workers' legal protection and rights. This is because the work agreement gives legal protections and clarity for both workers and employers to carry out their commitments once the other party has done so appropriately. The labor agreement, as a guarantee and legal certainty instrument, can be used to safeguard both parties since it applies the principle of *pacta sunt servanda* as stipulated in Article 1338 paragraph (1) of the Civil Code, which states: “*Semua persetujuan yang dibuat sesuai dengan undang-undang berlaku sebagai undang-undang bagi mereka yang mengikatnya*”. The article establishes a legal foundation for the application of the principle of *pacta sunt servanda* in Indonesia, which states that all agreements created by the law are binding on those who are bound by them.

This implies that if one of the parties fails to carry out their responsibilities as specified in the labor agreement, the damaged party might take legal action to safeguard their interests. For example, if the employer fails to give wages as stipulated in the labor agreement formed in accordance with positive legislation, legal action can be done in the form of reporting to the local manpower office, and so on (Cahyaningrum, 2013). The employment agreement includes terms pertaining to the employment relationship, such as the rights and duties of employees and employers. Such provisions can be enhanced further by enacting a corporate rule. In practice, however, there are frequently errors in the usage of PKWT and PKWTT in employment contracts. For example, according to the “*Keputusan Menteri Tenaga Kerja Dan Transmigrasi Republik Indonesia Nomor KEP.100/MEN/VI.2003 tentang Ketentuan Pelaksanaan Perjanjian Kerja Waktu Tertentu* (Decree of the Minister of Manpower and Transmigration of the Republic of Indonesia Number KEP.100/MEN/VI.2003 concerning Provisions for the Implementation of a Specific Time Work Agreement,” a PKWT that is not made in Indonesian and latin letters, the PKWT changes to a PKWTT calculated from the date of an occurrence work relationship. Such errors that occurred were caused by both parties' lack of awareness of the appropriate labor regulations (Pohan, 2020). This error will almost probably result in losses for both the employee and the business. To minimize unanticipated losses, a labor agreement drafted in accordance with positive legislation is required.

### **Implementation of Legal Counseling on the Importance of an Employment Agreement**

PT. Rimba Rezeki Makmur is a firm that deals with wood processing. PT. Rimba Rezeki Makmur is located at Ruko Tiban Point Blok B No. 5-7, Kel. Tiban Indah, Kec. Sekupang, Batam City, Prov. Kepulauan Riau was established through the Deed of Establishment Number 01 dated April 3, 2021, by Notary Rian Sugito, S.H., M.Kn. with ratification from the “*Menteri Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat Keputusan Nomor AHU-0023883.AH.01.01. Tahun 2021 tanggal 07 April 2021* (Ministry of Law and Human Rights of the Republic of Indonesia based on Decree Number AHU-0023883.AH.01.01. the Year 2021, April 7, 2021)”. PT. Rimba Rezeki Makmur has a “*Keputusan Kepala Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Batam Nomor 0051/KA-A3/111 Tahun 2021 tentang Izin Usaha Kawasan Kepala Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Batam* (Decree of the Head of the Batam Free Trade Zone and Free Port Concession Agency Number 0051/KA-A3/111 of 2021 concerning the Regional Business Permit for the Head of the Batam Free Trade Zone and Free Port

Concession Agency)". The organizational structure of PT. Rimba Rezeki Makmur consists of one director, one commissioner, one shareholder, and two staff.

The Labor Law was the rule controlling manpower in Indonesia prior to the establishment of the UU Ciptaker. The incompatibility of labor standards during the colonial era, which generated a remarkable imbalance between employees and bosses, served as the impetus for the creation of the Labor Law. As a member of the United Nations, the Labor Law seeks to provide protection and guarantees for Indonesian employees, as well as to maintain and execute the Universal Declaration of Human Rights (Sinaga & Zaluchu, 2017). However, as time passes, the Labor Law is deemed ineffective in providing legal protection and clarity in Indonesia, thus the UU Ciptaker is created, which governs many areas of Indonesian people's life, including the sphere of employment. UU Ciptaker was applied fairly to both employers and employees, whereas UU Ciptaker was created to avoid overlapping rules, enhance economic growth in Indonesia, reduce unemployment in Indonesia, and so on (S. et al., 2020). UU Ciptaker specifically regulates employment in Indonesia in Chapter IV, which accommodates 4 laws, namely the Law: "*Undang-Undang Nomor 40 Tahun 2004 tentang Sistem Jaminan Sosial* (Law Number 40 of 2004 concerning the Social Security System)"; "*Undang-Undang Nomor 24 Tahun 2011 tentang Badan Penyelenggara Jaminan Sosial* (Law Number 24 of 2011 concerning Social Security Administering Institution)"; and "*Undang-Undang Nomor 18 Tahun 2017 tentang Perlindungan Pekerja Migran Indonesia* (Law Number 18 of 2017 concerning the Protection of Indonesian Migrant Workers)". The Labor Cluster on UU Ciptaker specifically regulates the guarantee of workers' rights to protect workers and improve the welfare and prosperity of Indonesian citizens (Sjaiful, 2021). Amendments to the UU Ciptaker do not completely change the contents of the Labor Law but only partially change the contents of the Manpower Act (Wibowo & Herawati, 2021). One of the articles that have been amended in the Manpower Act is Article 153, which was amended by Article 81, Number 40 of the UU Ciptaker, which reads:

*"Ketentuan Pasal 153 diubah sehingga berbunyi sebagai berikut:*

*Pasal 153*

- 1. Pengusaha dilarang melakukan pemutusan hubungan kerja kepada pekerja/buruh dengan alasan:*
  - a. berhalangan masuk kerja karena sakit menurut keterangan dokter selama waktu tidak melampaui 12 (dua belas) bulan secara terus-menerus;*
  - b. berhalangan menjalankan pekerjaannya karena memenuhi kewajiban terhadap negara sesuai dengan ketentuan peraturan perundangundangan;*
  - c. menjalankan ibadah yang diperintahkan agamanya;*
  - d. menikah;*
  - e. hamil, melahirkan, gugur kandungan, atau menyusui bayinya;*



- f. mempunyai pertalian darah dan/atau ikatan perkawinan dengan pekerja/buruh lainnya di dalam satu perusahaan;
  - g. mendirikan, menjadi anggota dan/atau pengurus serikat pekerja/serikat buruh, pekerja/buruh melakukan kegiatan serikat pekerja/serikat buruh di luar jam kerja, atau di dalam jam kerja atas kesepakatan pengusaha, atau berdasarkan ketentuan yang diatur dalam perjanjian kerja, peraturan perusahaan, atau perjanjian kerja bersama;
  - h. mengadakan pengusaha kepada pihak yang berwajib mengenai perbuatan pengusaha yang melakukan tindak pidana kejahatan;
  - i. berbeda paham, agama, aliran politik, suku, warna kulit, golongan, jenis kelamin, kondisi fisik, atau status perkawinan; dan
  - j. dalam keadaan cacat tetap, sakit akibat kecelakaan kerja, atau sakit karena hubungan kerja yang menurut surat keterangan dokter yang jangka waktu penyembuhannya belum dapat dipastikan.
2. *Pemutusan hubungan kerja yang dilakukan dengan alasan sebagaimana dimaksud pada ayat (1) batal demi hukum dan pengusaha wajib mempekerjakan kembali pekerja/ buruh yang bersangkutan.”*

The changes contained in the Labor Cluster Copyright Act will cause companies to make mistakes in making and designing employment agreements to form employment relationships. Therefore, the process of implementing the outputs of *Program Kreativitas Mahasiswa* (Student Creativity Program) activities begins with observing the operational activities of PT. Rimba Rezeki Makmur then provided legal counseling on a work agreement and provided a draft work agreement that had been approved by PT. Rimba Rezeki Makmur. The draft work agreement referred to is given in the form of a softcopy and a hardcopy to PT. Rimba Rezeki Makmur. This *Program Kreativitas Mahasiswa* (Student Creativity Program) activity's first output is counseling material, which includes several material explanations, including: understanding of the agreement; material and formal terms of the employment agreement; type of work agreement; calculation of compensation money; expiration of the work agreement; and important reasons for the need for an employment agreement. The second output of this *Program Kreativitas Mahasiswa* (Student Creativity Program) activity is PKWT and PKWTT, which are created and manufactured in accordance with the UU Ciptaker and its implementing rules, namely PP No. 35 of 2021. There are basic conditions that must be satisfied under the laws and regulations regulating employment in order for the agreement to be legally binding, namely material and formal requirements. The material requirements of a cooperation agreement, such as the legal provisions of the agreement as regulated in Article 1320 of the Civil Code, namely the agreement of both parties, the ability/skill to carry out legal actions, the existence of a specific thing (in this case, the work), and a lawful cause (the work is not against public order, decency, and applicable regulations). When the material

criteria of a labor agreement are met, an employment relationship can form between the two parties, namely the employer and the prospective employee. Meanwhile, the formal conditions that must be completed in a labor agreement are outlined in Article 13 of PP No. 35 of 2021, which states:

*“PKWT paling sedikit memuat:*

- a. Nama, alamat Perusahaan, dan jenis usaha;*
- b. Nama, jenis kelamin, umur, dan alamat Pekerja/Buruh;*
- c. Jabatan atau jenis pekerjaan;*
- d. Tempat pekerjaan*
- e. Besaran dan cara pembayaran upah;*
- f. Hak dan kewajiban Pengusaha dan Pekerja/Buruh sesuai dengan ketentuan peraturan perundangundangan dan/atau syarat kerja yang diatur dalam Peraturan Perusahaan atau Perjanjian Kerja Bersama;*
- g. Mulai dan jangka waktu berlakunya perjanjian kerja;*
- h. Tempat dan tanggal PKWT dibuat;*
- i. Tanda tangan para pihak dalam PKWT.”*

According to Article 13 of PP No. 35 of 2021, the following formal conditions must be completed in a labor agreement: the firm Identity (the company's name, address, and type of business); worker identity; position or type of job, as well as location of employment; wage amount and mode of payment; Rights and obligations of the employer and the worker governed by labor law and/or the working conditions specified in company regulations or work agreements; The labor agreement's validity duration; the location, date, and signatures of the parties in the employment agreement. In a work agreement, formal and material obligations must be satisfied. Failure to meet the legal and material criteria of the employment agreement might result in a variety of repercussions. Failure to meet material criteria that are subjective conditions, such as both parties' agreement and the competence or aptitude to carry out legal proceedings, may result in the work agreement being terminated (Can be canceled). Can be canceled means that one of the parties who bind themselves in the agreement can request that the agreement be canceled, but the agreement remains binding on both parties as long as it is not canceled by the judge at the request of one of the parties who has the right to request that the agreement be canceled. The failure to fulfill the material requirements of an objective agreement, namely the existence of a certain thing (in this case, a job) that was agreed upon, and a lawful cause (the work is not contrary to public order, decency, and applicable regulations), results in the agreement being canceled for the sake of the law. "Canceled by law" signifies that the agreement was never carried out and is no longer binding on both parties. The formal criteria of a work agreement may be met with the result of this work agreement draft, and difficulties and disagreements that might impede the company's ability to conduct its business

can be avoided. Each criterion includes phrases and objectives that assist to build harmonious labor relations and benefit both parties. The legal counseling procedure proceeds successfully, with no major impediments to the counseling process. Following a amendment in the UU Ciptaker, PT. Rimba Rezeki Makmur now has a better knowledge of the work agreement after seeking legal assistance. PT. Rimba Rezeki Makmur can create or change the draft work agreement, which is the product of this *Program Kreativitas Mahasiswa* (Student Creativity Program) activity, to be applied for prospective workers in the future while remaining compliant with Indonesian labor laws and regulations.



Picture 1.

*Legal Counseling Materials are Delivered to PT. Rimba Rezeki Makmur*

After receiving legal counseling on the topic "The Importance of Work Agreements in Running a Business for PT. Rimba Rezeki Makmur to Participate in Supporting National Development," PT. Rimba Rezeki Makmur has a better understanding of the concept and function of work agreements in protecting the rights and obligations of employers and workers. By preserving the rights and duties of all partners in a business, it creates wealth and wellbeing for both employees and employers, allowing them to contribute to national growth. Aside from that, PT. Rimba Rezeki Makmur has fulfilled its obligations as an employer in Indonesia, specifically by utilizing a work agreement for PT. Rimba Rezeki Makmur employees in order to provide protection and legal certainty for both parties in order to guarantee the rights and obligations of workers and employers.

### Conclusions

PT. Rimba Rezeki Makmur is a wood processing firm based in Batam City, Riau Islands Province, that was formed by Deed of Establishment Number 01 dated April 3, 2021, by Notary Rian Sugito, S.H., M.Kn. This *Program Kreativitas Mahasiswa* (Student Creativity Program) activity was carried out by conducting interviews and observations of PT. Rimba Rezeki Makmur in order to identify the challenges encountered by PT. Rimba Rezeki Makmur. The issues discovered in PT. Rimba Rezeki Makmur include a lack of understanding of work agreements, so this activity is carried out by providing legal counseling with the theme "The

Importance of Work Agreements in Running a Business Against PT. Rimba Rezeki Makmur to Participate in Supporting National Development" and designing and drafting PKWT and PKWTT for the benefit of PT. Rimba Rezeki Makmur in running its business. The findings and outputs of this PKM activity are in the form of legal counseling materials supplied to PT. Rimba Rezeki Makmur, which succeeded in enhancing PT. Rimba Rezeki Makmur's legal awareness of the value of a labor agreement. Furthermore, this PKM activity generates PKWT and PKWTT, which PT. Rimba Rezeki Makmur might utilize as a work agreement for prospective workers in the future.

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