



## Influence of labor union advocacy as a determinant in creating harmonious industrial relations: A study in Indonesia

Edy Widayat<sup>1</sup>, Liosten Rianna Roosida Uly Tampubolon<sup>2</sup>, Ulul Albab<sup>3</sup>, Ir Totok Hendarto<sup>4</sup>

<sup>1</sup> Teacher Training and Education of Faculty, DR. Soetomo University, Indonesia

<sup>2</sup> Economics and Business of Faculty DR. Soetomo University, Indonesia

<sup>3</sup> Administrative Sciences of Faculty, DR. Soetomo University, Indonesia

<sup>4</sup> Agriculture of Faculty DR. Soetomo University, Indonesia

### Abstract

Work relation is a relation between labor and employer that is established after the work contract is signed. relations between labor and employer are not always harmonious as sometimes disagreement arises when dealing with labor law. It begins with a work contract that is individualistic between labor and employer. Although labor and employers strive together for wellbeing and company growth, there are also potential conflicts of interest due to both sides interpret and perceive labor law differently. Advocacy on Law No. 21 of 2000 is necessary to resolve conflicts in the company due to not harmonious industrial relations. This research purpose is to find out and analyze determinant influences to help labor unions achieve harmonious industrial relations. Problem statement: to identify determinant factors that influence labor union to achieve a harmonious industrial relations. This research used phenomenology approach. The research informants are as follows: labor union, company management, and head of labor department. This research used descriptive qualitative analysis with interactive models. The results of the research concluded as follows: labor union advocacy has a significant effect on increasing labor union performance through sustainable professional development advocacy activities, bipartite advocacy, tripartite advocacy, PHI advocacy influenced by advocacy determinants: education level, communication, openness, infrastructure facilities and industrial relations. This research is limited and focused on labor union advocacy, therefore this research can be developed with further research.

**Keywords:** Advocacy, Labor Union, Industrial

### Introduction

Labor development has many dimensions and correlations. The correlations are not only with the interests of the workforce during, before and after the period of work but also the correlations with the interests of employers, government, and society. Therefore, comprehensive arrangements are needed, including human resource development, productivity improvement and to improve competitiveness of Indonesian labor, efforts to expand employment opportunities, employment placement services and industrial relations development. One of the manifestations of labor development is the establishment of labor law. The limitation/definition of labor is a set of regulations, both written and unwritten, that is related to an event in which a person works for someone else by receiving wages.

The working relations between labor and employers is not always harmonious, there have been disagreements regarding labor law. Work relation is a relation between labor and employers that occurs after the employment agreement has been signed. There are several ways that can result in the termination of employment, such as:

1. Termination due to the law.
2. Termination by the employer.
3. Termination by the labor.
4. Termination due to court ruling.

It begins from the existence of more individual work relations between workers and employers. Regulations on workers' rights and obligations are regulated through individual work agreements. The work agreement is carried out at the time of recruitment of workers, including the provisions regarding the time of appointment, probation of the position concerned, salary (wages), available facilities, responsibilities, job descriptions, and job placement. On the one hand, workers and employers have the same interests, namely the survival and progress of the company, but on the other hand the relations between the two also has the potential for conflict, especially when it comes to different perceptions or interpretations regarding the interests of each party. Industrial relations involves a number of concepts, for example the concepts of justice and equality, strength and authority, individualism and collectivity, rights and obligations, as well as integrity and trust. Meanwhile, the main function of the government in Industrial Relations is to establish or compile labor laws and regulations so that the relations between workers and employers are harmonious and balanced, based on fair arrangements of rights and obligations. Furthermore, the government is also obliged to fairly resolve disputes or conflicts that occur. Basically, the interests of the government are also to maintain the continuity of the production process for the sake of broad interests. This is in accordance with the Chinese

government, which is greatly influence the wage amount, and the government's intervention also influenced the harmonious industrial relationship. Chinese labor/employment condition is also in accordance with the situation in Indonesia, where the government formulates the regulations and policies on employment/labor to protect the workers and the entrepreneurs. (Wei *et al.*, 2019) <sup>[31]</sup>.

The ultimate goal of regulating Industrial Relations is to increase the productivity and welfare of workers and employers. These two goals are interrelated, not separated, and even influencing each other. The productivity of a company that begins with the work productivity of its workers is only possible if the company is supported by workers who are prosperous or have hopes that in the future their welfare will improve.

Meanwhile, the welfare of all parties, especially workers, can only be fulfilled if it is supported by company productivity at a certain level, or if there is an adequate increase in productivity, which leads to the level of productivity that is in accordance with employers' expectations. Prior to being able to achieve the expected level of productivity, all parties involved in the production process, especially the head of the company, need to seriously create supportive working conditions. From the description above, it can be concluded that labor union advocacy is urgently needed to resolve problems that arise within the company caused by disharmony in industrial relations. Therefore it is necessary to know and analyze the factors or determinants that influence the success of labor union advocacy to create harmonious industrial relations in order to improve the performance of labor unions in Indonesia.

### Research Problem

Based on the description above, the problem in this research is: understanding and analyzing Labor Union Advocacy as the Determinant in Creating Harmonious Industrial Relations: Study in Indonesia

### Research Method

This research uses a qualitative descriptive study with a phenomenological approach. According to (Nasution, 2007) <sup>[17]</sup>, qualitative descriptive research is research by using descriptions to give a clearer picture of social situations.

### Research Focus

To evaluate and analyze the Influence of Labor Union Advocacy as the Determinant in Creating Harmonious Industrial Relations.

### Research Location

This research was conducted in East Java with informants namely labor unions, management, and manpower office.

### Source of Data

Data obtained from primary data are interviews with informants, triangulation of data to obtain validity of data that is more authentic, and secondary data, such as documents, labor laws, and observations in the field.

### Theoretical Basis

#### Definition of Advocacy

Advocacy in employment is an activity or a series of actions in the form of recommendations, assistance, statements and

defense carried out against workers / members of a certain condition / problem. The advocacy activities for the implementation of Law No.21 of 2000 (RI, 2000) include the following activities:

#### 1. Advocating the Making of Collective Labor Agreements (PKB).

PKB is a written agreement in the Indonesian language which is made jointly between the employer and the labor union organization registered with the agency responsible for labor affairs. The advocacy process for making a Collective Labor Agreement is as follows: once a labor union has been formed at a company, the labor union at the company has the right to apply for a Collective Labor Agreement (Lee *et al.*, 2017) <sup>[13]</sup>. The objectives of the PKB Making Advocacy are:

1. Reinforce and clarify the rights and obligations of workers and employers.
2. Strengthening and creating harmonious industrial relations within the company.
3. Strengthening together the conditions of employment in a harmonious industrial situation and labor relations that have not been regulated in legislation.

This advocacy includes activities of accompanying workers to make a draft PKB which contains the terms of work, the rights and obligations of companies and workers, the period of validity of the Collective Labor Agreement and the procedures for collective bargaining agreements. The parties involved in advocating the making of PKB are companies represented by HRD/Personnel managers, labor unions represented by chairpersons and other administrators, and Manpower Office. This advocacy is carried out by the union until they get the endorsement from the Manpower Office. The effectiveness of the labor union advocacy role in the making and implementation of Collective Labor Agreements greatly influences the creation of harmonious industrial relations, because PKB is the legal basis that workers and companies must adhere to so that the interests of both parties can be fulfilled. Fulfilling the interests of both parties will lead to job satisfaction and harmonious industrial relations. (ASRI WIJAYANTI, S.H., 2003) <sup>[2]</sup> and article 124 (1) Law No.13 of 2003; Law No.13 of 2003 (RI, 2003) regulated in articles 115-135; Decree of the Minister of Manpower and Transmigration RI: No. Kep.48 / MEN / IV / 2004 concerning the procedures for making and ratifying company regulations and the registration of collective labor agreements). It is in line with the Thai's policy on protection, which becomes the responsibility of their government. (Wilhelm *et al.*, 2020); (Wels, 2020). Meanwhile, in Italy, the regulation on employment cannot be conducted in deciding the wage amount. (Bottalico, 2019).

#### 2. Bipartite advocacy

Bipartite advocacy is a form of assistance that is carried out by labor unions when a dispute occurs between labor unions and companies, whether the dispute is normative or that is of interest at the company level.

Example: 1) Violation of UMK (City Minimum Wage) committed by a company, which is a violation on Article 90 paragraph (1) of Law No. 13 of 2003 (RI, 2003) concerning Manpower (UUK) states: "Employers are prohibited from paying wages lower than the minimum wage as referred to in Article 89" and Article 185 paragraph (1) of the UUK

states: “Anyone who violates the provisions referred to in Article 42 paragraph (1) and paragraph (2), Article 68, Article 69 paragraph (2), Article 80, Article 82, Article 90 paragraph (1), Article 143, and Article 160 paragraph (4) and paragraph (7), are subject to imprisonment sanction for a minimum of 1 (one) year and a maximum of 4 (four) years and/or a fine of a minimum Rp 100,000,000.00 (one hundred million rupiah) and a maximum of Rp 400,000,000.00 (four hundred million rupiah).”

Advocacy from labor unions is to report violations committed by companies to PPNS, and PPNS follows up on the matter to the state prosecutor's office.

2) A violation of the BPJS (Social Security) by the company in which the company has not committed to, is in violation of Law Number 24 of 2011 concerning the Social Security contained in Article 17 paragraph (2) concerning administrative sanctions in the form of fines, written warnings, and not get certain public services. Advocacy from labor unions is to report violations committed by companies to PPNS, and PPNS follows up on the matter to the state prosecutor's office (RI, 2011).

### 3. Tripartite Advocacy.

Tripartite advocacy is assistance provided by labor unions when disputes occur between labor unions and companies, whether disputes that are normative or that are of interest at the Manpower level.

Example: 1) Unilateral Termination of Employment.

It is when the company conducts the violation of terminating employment unilaterally. So the union advocates for workers who are laid off in accordance with applicable laws and regulations. Advocacy is carried out in the form of fighting for the employee being able to return to work, but if it is not successful then the union will fight for the rights of workers who have not been fulfilled such as severance pay, the period of appreciation and compensation in accordance with Law No. 13 of 2003, articles 150, 156-158.

2) Violations of Hiring Contract Employees - Continuously. When a company commits a violation by continuously employing employees with contract employee status, it violates Law No. 13/2003 articles 65-66. Advocacy carried out by labor unions to fight for workers' rights to be appointed permanent employees at both bipartite and tripartite levels. If that is not successful then proceed to the PHI level.

### 4. PHI advocacy

PHI advocacy is advocacy carried out by labor unions when the results suggested by the Manpower Office (mediator) are not in line with expectations, the union will follow up with PHI by filing a lawsuit with PHI in accordance with Law No. 2 of 2004 (RI, 2004). The advocacy process union at the company or bipartite level after a mutual agreement is made a joint agreement between the union and the company in accordance with article 7 of Law No. 2 of 2004. If no agreement is made then the next process will proceed in accordance with article 13 of Law No. 2 of 2004. (Nasution, 2017) <sup>[18]</sup>.

#### Example: Unilateral Termination of Employment.

Unilateral Termination of Employment is carried out by the company to employees who are union administrators, on the grounds of violating work discipline. Advocacy carried out

by labor unions to the company is to fight for union management so that they can be re-employed (Bipartite). However, if the company still decided to terminate the employment, the union reports the company's actions to the Disnaker (Tripartite). If the decision made by the Manpower Office is not in line with the union's expectations, the case will be continued to the PHI level until the employee gets his rights back or is rehired.

### Definition of Labor Union

Labor unions are organizations formed from, by and for workers/laborers both in companies and outside companies, which are free, open, independent, democratic, and responsible for fighting for, defending and protecting the rights and interests of workers/laborers and improve the welfare of workers/laborers and their families (Law No. 21 of 2000 article 1:1) (RI, 2000). Labor unions are a forum for workers to fight for the welfare of workers and their families, and unions function as mediators for the interests of companies and workers (Mukherjee & Wang, 2013) <sup>[16]</sup>, (Streeck & Planck, 2015) <sup>[28]</sup>. Labor union advocacy is urgently needed when there are disagreements between workers and companies that cause industrial disputes, so unions are expected to be good mediators in advocating for workers and companies (article 103 of Law No. 13 of 2003). If no agreement is reached between the two parties then at the tripartite level, it will be settled through PHI (Law No.2 of 2004). Even before it reaches a consensus, the labor union conducts a rally that can play a role as a bargaining tool. In Israel, an industrial action (strike) must be informed by the labor union to their company and police force at least two weeks before the rally. The reason for strike also must be communicated to their companies by a strike permit letter. The time span and rules are intended to create a good relationship between the workers and their management before the strike/rally is conducted. It is expected that the conflict resolution in the industrial relationship can be achieved by way of deliberation to reach consensus. The consensus for labor-related conflict in Israel is parallel to the one in Indonesia: either by bipartite or by industrial relationship court. (Afik *et al.*, 2018) <sup>[1]</sup>.

### Definition of Harmonious Industrial Relations

According to Law No. 13 of 2003, industrial relation is defined as a system of relations formed between the actors in the production process and/or services consisting of elements of employers, workers/laborers, and the government based on Pancasila values and The 1945 Constitution of the Republic of Indonesia. (Quinn & Cahill, 2017) <sup>[20]</sup>; (Lazear & Shaw, 2007) <sup>[12]</sup>; (Trant & Brekken, 2018) <sup>[29]</sup>.

Therefore, to create a balance of interests between workers, employers and the government, good and correct advocacy is needed. Of course the implementation of advocacy is also influenced by the creation of high determinants of advocacy, including high levels of education, communication, openness, and infrastructure. In the U.S., the education level and gender of the laborers are significantly influencing the wage amount. This is unparalleled with the basic wage amount calculation in Indonesia because the country determines its wage amount from the sum of economic growth and inflation level, multiplied with the previous year's wage amount. (Callaway & Collins, 2017) <sup>[5]</sup>. It must also be supported by professional advocates, and be able to

work together well in resolving industrial relations disputes. Thus it can be concluded that the higher and more correct the advocacy activities of the implementation of Law No. 21 of 2000, the higher the creation of harmonious industrial relations. (Gunarto, 2011)<sup>[10]</sup>.

## Discussion

### 1. Factors Affecting the Success of labor Union Advocacy

The factors that influence the success in advocating the implementation of Law No.21 of 2000 include:

#### 1. Communication

The main key to success in creating a safe and dynamic Industrial Relations is communication. Maintaining good communication is indeed not easy, and special attention is needed. With the maintenance of regular communication, both parties, workers and employers, will be able to benefit greatly. The main supporting factor of this communication is the positive interaction between workers and employers. This kind of interaction if maintained regularly and continuously creates mutual understanding and trust. These two things will in turn be the dominant factor in creating work and business peace or industrial peace. For workers, communication can be used to find out early and in depth about the condition of the company and the prospects of the company in the future. In addition, workers can also express their views to help improve company performance. This kind of thing needs to be responded positively by management, so that at the same time it is an acknowledgment and appreciation for workers who care about the fate of the company. Meanwhile, communication management or entrepreneurs must have a positive value. In addition to the involvement or participation of workers in the fate of the company, management can also know from an early age the "pulse" of its workers, up to the workers at the lowest level. Thus management can take steps to solve problems early and can prevent the problem from becoming bigger. The prerequisite to be able to foster communication is that the head of the work unit or work unit, whatever its function, is basically also the leader of the human resources in the unit or work unit concerned. Communication is not possible only by the work unit/HR leadership (executive director, managers, or division managers, etc.) without any concern from all lines in the company. Therefore, human resource development in general, and in particular Industrial Relations, must be a concern for all leaders at every level. For this reason, Industrial Relations need to be understood by all levels of leadership, not just HR leaders or personnel so that work calm and business calm are the goals between creating safe and dynamic Industrial Relations. The calm of work and business can be seen from the indicators that there is a dynamic work relations between management and workers or labor unions.

In another definition communication is the delivery of ideas and information in organizations, and systems for complaints and complaints. Internal communication is very important for the organization. Several previous studies explain that communication is related to media in management. According to (Kalla, 2010)<sup>[11]</sup>, there are four areas of internal communication, including business, management, corporate and organization. Internal communication can also be seen from the stakeholder approach (Welch & Jackson, 2014)<sup>[32]</sup>, which includes

internal management, internal team of peers, internal projects of peers and corporate internal. Internal management is focused on employee participation and its impact on internal communication such as meetings and discussions. The influence of communication at the organizational level is emphasized, namely internal (fellow employees) and external (consumers, suppliers, government and other stakeholders).

Communication strategies are communication as an oral or written relations of two or more people that can lead to understanding in a problem. There are four communication flows in practice of a company:

- a. Downstream communication. This model of communication takes place when it is used as a vehicle for the management to deliver various information to the subordinates, such as orders, instructions, directions, and reprimands.
- b. Upstream communication. This model of communication takes place when the members of the company want their superiors to always listen to their complaints or inspirations.
- c. Horizontal communication. This communication model takes place between people at the same level in a company.
- d. Diagonal communication. This model of communication takes place between two work units that are on different levels of the company, but in similar companies.

#### 2. Education

Advocating the implementation of Law No. 21 of 2000 requires fairly educated human resources from the labor union. By having a better educated labor unions, they will have better understanding of labor laws, and easier to relate it to the difficulties faced by both labor and companies, thus unions that have a higher level of education will be more flexible in accepting complaints from labor or companies and better communication to resolve industrial relations by deliberation and consensus. Unions began to abandon the habit of ignorance and learn to adopt rational, open and communicative principles. By having members with a higher level of education within the union, the union can be a good partner for the company which will facilitate the interests of the labor and the company. If there is an industrial relations dispute, it is expected to be resolved at the bipartite level by deliberation to reach consensus. Under these conditions, labor unions can play a role in building a harmonious industrial relations and can fight for the welfare of labor and achieve company's goals. If the conditions of harmonious industrial relations are achieved, it will improve the performance of labor unions.

Furthermore, harmonious industrial relations can create a system of relations between the parties in the production process by companies, labor and the government which is one of the important factors to improve working conditions, quality, productivity and competitiveness.

#### 3. Openness

The Japanese labor union advocacy group plays an essential role in influencing laborers' wage amount. By high education level, excellent communication, and openness of the labor union, this can influence the company's policies to increase its wage amount annually, which also increases the company costs due to the significant annual increase in

wage amount. (Chino, 2016) [6]. The lack of openness in a company management system often leads to negative perceptions of the laborers. Even industrial relations disputes are often caused by labor's negative perceptions of the company. Labor's assume that the company's management is not open, often covering the profits obtained by the company, or even worse, the company claims to be at a loss, while labor assess that the volume of production continues to increase every year, of course the company's profits are increasing every year. The labor who have worked well do not get rewards as compensation for their performance. Labor also does not get a significant increase in income with an increase in profits obtained by the company. Thus, the labor assessed that the company is unfair and less attentive to improve the welfare of labor. As a result, labor rally to demand increases in salaries, bonuses, and benefits. The act of rally will cause adverse impact, the production process will stop running and the company will suffer loss.

On the other hand, there is a sense of "fear" from the company to improve the welfare of workers through increase in provision of salary/wage, bonuses and benefits to labor because the company is afraid of workers demanding more than what has been given. This condition shall not occur if there is mutual openness between employers and labor, in the sense that if the company does experience significant profit increases then the company is obliged to prosper the welfare of its labor by raising salaries, giving additional bonuses and benefits. But if the company has experienced a decline in profits, it should also be communicated openly to labor so that labor can understand the difficulties of work and take responsibility to keep the company survive and contribute to the company by increasing labor performance, productivity, discipline and efficiency in all fields so the difficulties the company can be resolved well. That way, companies and labor are positively synergized

In addition, companies must also be open to the existence of labor unions and have mutual trust between companies and labor in industrial relations disputes. (YN/Head of DPW PPI/5 September 2018/16.00-20.00).

#### 4. Facilities and Infrastructures

Facilities and infrastructures are significant supporting factors that will affect the continuity, easiness and success of the union in running the organization. Unavailability of infrastructure, such as the office space of the union's work unit within the company, is a limiting factor often met by the union to carry out its organizational activities. Unions cannot properly receive visitor labor in an adequate office space. The atmosphere of receiving complaints from labor in an inadequate space will cause discomfort for unions and labor visitors, so they will feel negativity toward the company. Such negativity leads to the settlement of the industrial relations dispute taken by labor was a demonstration by mobilizing all labor. The company needs to realize this problem. Therefore the company is obliged to provide adequate office space facilities and infrastructure for unions so that the union and labor feel valued and recognized by the company, the union can run the organization comfortably and can be a good partner for the company. The facilities and infrastructure provided by the company are also in the form of providing transportation equipment for trade union officials who carry out

organizational activities outside the company. With transportation facilities provided by the company, the union will facilitate and expedite the capability to attend union meetings conducted outside the company.

Facilities and infrastructures are not provided by the company for unions because the company fears that the facilities and infrastructures provided by the company may be abused by the union. (Y/Head of PUK RTMM PT.Jacobis/10 September/16.00-20.00).

From the description above, it can be concluded that the determinants of advocacy for the implementation of Law No. 21 of 2000 to create harmonious industrial relations in order to improve the performance of labor unions are as follows:

##### 1. Communication.

The better the communication between the labor union and the company labor in resolving labor issues, the better and more successful the labor union advocacy will be in resolving industrial relations disputes.

##### 2. Education

The higher the education level of the union, the better competence and understanding of the union will be with labor legislation and they will be more flexible when dealing with all situations and conditions of employment.

##### 3. Openness

The more open the company is towards the existence of labor unions and the condition of the company's ability to provide labor, the higher the awareness of labor to accept the condition of the company and be more responsible towards company's sustainability.

##### 4. Facilities and infrastructures

The more adequate the facilities and infrastructures the company provides for the union, such as office space and transportation, the more comfortable the union in their conducts of organizational activities and the more loyalty increase of the union to the company.

##### 5. The influence of harmonious industrial relations on the performance of labor unions and companies

The establishment of harmonious industrial relations will improve the performance of the labor union and company.

#### 2. Labor Union Advocacy in Creating Harmonious Industrial Relations

To create a harmonious industrial relations, there must be a balance between the interests of labor, companies and the government since each party has their own interest. Labor work to earn wages, companies strive for incomes and the government makes companies as producers of goods and services. The different approach happened in the United States when the labor union's advocacy groups in strong and have bargaining position for negotiating to get access to the capable company's financial audit result because this audit result can be utilized for a consideration basis to increase the wealth of the laborers and their family members. In Indonesia, it is quite challenging to get the audit report because there no rules that regulate labor union's rights to access the company's financial statement. Labor unions experience difficulties in having a proper wage amount that can improve their wealth based on the company's financial report considerations. (Bryan, 2017). Therefore, good and correct advocacy is necessary in balancing the interests between labor, companies and the government,. This is in-line with the statement of the informant:

The existence of labor unions in the workplace is very

helpful in bridging opinions between the two parties, labor and companies, it is necessary to identify certain gaps in one organization and the existence of labor unions is beneficial for both parties, as regulated in Law No.21 of 2000 concerning workforce. The union labor assistance gave a very positive contribution, hopefully, someday the union will truly be a channel in delivering employee aspirations towards the company and vice versa. The benefits that I felt with the existence of a union are the provision of a standard monthly salary with a number of needs, health benefits provided wisely by the company to labor, and other labor rights that have been given by the company to the union aspirations. Perhaps the suggestion for labor unions in the workplace is a regeneration of organization where there are still many senior members who already have families so that they are unable to carry out the tasks of the union optimally. (EY / Owner of PT. Baladhika Majapahit Mojokerto / 22 April 2018 / 09.00 - 13.00)

Another statement that supports the opinion of labor union advocacy being capable of creating harmonious industrial relations was by Rukilah, SPSI PT Cigarette Sriwijaya, summarized as follows:

Good, with the labor unions in each company can look after each other and side by side. They can protect the rights of labor in an arbitrary company, so that labor's rights can be fully protected. If there is a problem, it can be discussed to find a solution and if there is an increase in wages, it can be discussed without a demonstration through a labor union. If the company is already considerate, the labor should not demand too much, they must also be able to make a good contribution to the company through doing a good work so the company may consider their request, therefore giving and receiving will not clash, and there will be no violence. Labor must be able to be open as well as companies to be able to maintain policy can be practiced as the culture of the company, so it can be mutually beneficial. (SPSI PT.Cigarette Sriwidjaja / 30 April 2018 / 16.00 - 18.00)

Harmonious industrial relations can be achieved if each party who becomes an advocate can be "fair", open to feedback, not selfish, respect each other and can communicate well and effectively. Unions must be wise in understanding the situation of the company, the conditions of the labor and obeying labor regulations. The company must openly accept the existence of labor unions and make the union a good mediator for the interests of the company and labor, the company implements labor laws especially Law No. 13 of 2003 and Law No.21 of 2000 properly and correctly. Labor office becomes the agency in charge of labor which can provide guidance, training, and technical guidance to a maximum extent to labor and companies. Labor office is able to create conditions to minimize the suspicion of labor and companies to the manpower office. The same experience also happens in Italy, where the labor union role is very dominant in creating efficiency in the company, regarding their role as a good mediator between the workers and the company. The union educates its members to work optimally to push down production costs. Therefore, the product's price can compete in the international market. This is also parallel to the Indonesian's labor union role on becoming a good mediator either for the company or the workers to create a harmonious industrial relationship and can conduct the company's obligations so

that the company can survive. (Devicienti *et al.*, 2017)<sup>[7]</sup>.

### 3. Harmonious Industrial Relations Improve Labor Union Performance.

Performance represents achievement of the implementation of a program of activities or policies to achieve goals, objectives, vision, and mission of the organization as outlined through the strategic planning of an organization. Performance can be measured if an individual or group of labor already has criteria or standards of success that have been set by the organization. Therefore, without the goals and targets set as measurement, then the performance of a person or organizational performance may not be known as the benchmarks of success is not defined. It also happens in Japan, when the role of the labor union advocacy group can increase worker's performance. The higher the advocate's determinant, then the higher also the labor union's performance, which later can improve the productivity and profitability of the company. It is in accordance with the condition in Indonesia, where the determinants of the labor union's advocacy group influence the harmonious industrial relationship through the positive increase of the harmonious industrial relationship, which will also increase the company's performance in terms of productivity and profitability. (Morikawa, 2010)<sup>[15]</sup>.

#### Factors that influence labor performance include

##### 1. Effectiveness and Efficiency

The effectiveness of an organization can be measured through goals achieved in accordance with plan, efficiency is related to the amount of sacrifice incurred in achieving goals.

##### 2. Responsibility

Responsibility is an inseparable part or as a result of authority ownership.

##### 3. Discipline

Discipline is when the applicable laws and regulations is obeyed. Labor discipline is the obedience of the labor by respecting work agreements with the company where the labor works.

##### 4. Initiative

A person's initiative is related to the power of thought and creativity in the form of ideas to achieve organizational goals. Every initiative should be appreciated by the superiors.

The aforementioned factors must be carried out by advocates of the implementation of Law No.21 of 2000 at the time of advocacy for the creation of sustainable professional development. If the making of this sustainable professional development is achieved through deliberation to reach consensus, it can be carried out properly and correctly by the company and labor. Labor union advocacy is urgently needed to build sustainable professional development to achieve a harmonious industrial relations. Where this harmonious industrial relations also affect the performance of labor unions, because the company can accept the function of labor unions as a mediator between the interests of the company with the interests of labor, can protect labor, can improve the welfare of labor and their families and can improve company performance. Thus it can be concluded that the higher the level of harmonious industrial relations, the better the performance of labor unions (Geger, 2013)<sup>[9]</sup>.

#### 4. Previous Research

There is only few research related to advocating the implementation of Law No.21 of 2000 in the context of creating harmonious industrial relations, some of them are as follows:

1. In the research by Asri Wijayanti, S.H., M.H, 2003 <sup>[2]</sup> under the title "The Function of Labor Unions in Enhancing Industrial Relations", it was concluded that labor unions are a form of implementation of one's right to associate and gather. The existence of labor unions is very important for the continuity of industrial relations. Unions are expected to be able to carry out their functions optimally in order to improve industrial relations at the company level (ASRI WIJAYANTI, S.H., 2003) <sup>[2]</sup>.
2. In the research by Fritje Rumimpunu, 2014 <sup>[26]</sup> under the title "The Pancasila Industrial relations System in Indonesia with Workers, the Company as seen from the Aspect (Law No. 13 of 2003), it was concluded that the growth of the company caused labor and employers do not know each other personally, so when problems arise between labor and employers, it is not simple to solve that it can affect the running fluidity of the company. Therefore it is necessary to have rules that must be obeyed by both parties to maintain the order of the labor and the company, since then the relations between workers and employers began to be studied and discussed the problem which is the forerunner to the development of Pancasila based industrial relations (Rumimpunu, 2014) <sup>[26]</sup>.
3. Ujang Charda S, 2017 <sup>[30]</sup> in the research entitled "Model of Settlement of Industrial Relations Disputes in Labor Law After the Establishment of Law No.2 Year 2004" concluded that the settlement of industrial relations disputes in labor law after the establishment of Law No. 2 of 2004 concerning Settlement of industrial relations disputes is known as the voluntary settlement model through bipartite, conciliation, mediation, and arbitration, and compulsory settlement through the industrial relations court. In addition, there are restrictions that only disputes and termination of employment disputes can be submitted to the Supreme Court without appeal (Ujang Charda, 2017) <sup>[30]</sup>.
4. Dr. I Wayan Gede Wiryawan, S.H., M.H, 2015 <sup>[8]</sup> in the research entitled "Relevance of Freedom of Association with Protection of Labor in the Reformation Era" concluded that freedom of association was a result of the reformation era, which was built on the basis of guaranteeing the protection of human rights for freedom of association. The existence of labor unions which basically functions as a tool for labor protection has not been running optimally as a result of the conflict approach that is built in the paradigm of industrial relations (Dr. I Wayan Gde Wiryawan, S.H., 2015) <sup>[8]</sup>.
5. Budi Sihabudin, 2017 <sup>[27]</sup> in the research entitled "The Role of Labor Unions in the Protection of Labor's Rights in CV. Triona Multi Industri" concluded that the union is a party involved in making a work agreement, by representing or agrees to an proposal agreement made by a company in the form of an agreement on behalf of the law, and if something happens that is detrimental to the labor, labor union has the right to refuse or disagree with the proposal agreement made by the company. Labor unions as representatives and contribute labor aspirations, like a container to accommodate the aspirations of labor related to human rights, labor's rights, so their aspirations van be fulfilled and delivered and lead to prosperous and democratic justice. Labor unions as bodyguards/supervisors of policies, namely a forum that oversees policies issued by the government or company, in this case the labor union acts as a supervisor (control). In addition, labor unions have the right to oppose, defend their rights or reprimand the government and companies in the event of adverse irregularities in a policy that are not just, the role of labor is very important to achieve labor life that are prosper and free from oppression of power and government (SIHABUDIN, 2017) <sup>[27]</sup>.
6. Anik Rotul Qori'ah, Mochammad Al Musadieq, Arik Prasetya, 2015 in the research entitled "Influence of Labor Union Functions on Job Satisfaction and Work Motivation" concluded that it is expected that companies can maintain and improve treatment to aspirational contributor, because of aspirational contributor variable (labor union) has a significant and dominant influence on work motivation, so that workers' motivation will improve (Qori'ah & Prasetya, 2015) <sup>[19]</sup>.
7. Irawan, Ad Hoc Judge of the Industrial Relations Court at the Mataram District Court, 2013 with the title "Settlement of Industrial Relations Disputes through Mediators" in the study concluded that industrial relations disputes were resolved through mediators. According to Law No.30 of 1999 article 6 paragraph (3) in the event of a dispute, the written agreement of the parties can resolve the dispute through a mediator. Whereas Law No. 2 of 2004 article 4 paragraph (4), if the parties do not make a choice of settlement through conciliation or arbitration within seven working days, the agency responsible for labor affairs delegates dispute resolution to the mediator. Only civil Servants (PNS) at the agencies responsible for labor can be appointed as mediators of industrial relations disputes because the government provides public services as a state responsibility (RI, 1999).
8. Meria Utama, Iza Rumesten RS, Irsan in the research entitled "Win-Win Solution Settlement Dispute in Industrial relations" concluded that the law in Indonesia has accommodated the model of dispute resolution by Bipartite or Tripartite, even the court institutions also participated in resolving labor disputes. However, this method is less effective because the approach taken is often detrimental to one party in general, namely labor. So that in every dispute that occurs ended with dissatisfaction for the warring parties. The law also accommodates other forms of dispute resolution, namely through the ADR to obtain results that are Win-Win, which is equally beneficial for the warring parties. Based on the research results, the actual form of the Win-Win ADR method, namely negotiation, mediation and even arbitration can also be effective and present the wishes of the parties, but the mediation form is the most ideal form of Win-Win-based industrial relations dispute resolution, because the labor concerned have the opportunity to express their interests and also bridge the interests of employers so that the outcome of this method is a solution that is mutually beneficial to the

parties (Meria Utama; Ira Rumesten R.S; Irsan, n.d.).

**Based on the research results, the minor prepositions are as follows**

Proposition 1: Advocates, namely: labor unions, companies, labor offices and PHI to advocate the implementation of Law No.21 jointly and synergistically to build harmonious industrial relations in order to improve the performance of labor unions in East Java.

Proposition 2: The higher the determinants of advocacy are: the level of education, communication, openness, infrastructure, increases the success rate of advocacy activities in implementing Law No. 21 of 2000 to build harmonious industrial relations in order to improve the performance of labor unions in East Java.

Proposition 3: The higher the success rate of implementing PKB advocacy, bipartite advocacy, tripartite advocacy and PHI advocacy lead to more harmonious industrial relations development.

Proposition 4: The higher the industrial relations leads to better labor union performance.

Major Proposition: Advocating the implementation of Law No.21 of 2000 has a significant effect on increasing the performance of labor unions through PKB advocacy activities, bipartite advocacy, tripartite advocacy, PHI advocacy influenced by advocacy determinants: level of education, communication, openness, infrastructure and industrial relations.

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