

## Contents lists available at **Journal IICET**

#### IPPI (Jurnal Penelitian Pendidikan Indonesia)

ISSN: 2502-8103 (Print) ISSN: 2477-8524 (Electronic)

Journal homepage: <a href="https://jurnal.iicet.org/index.php/jppi">https://jurnal.iicet.org/index.php/jppi</a>



# Principles of properness in partnership relationships with MSME business actors

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## **Article Info**

# Article history:

Received Jul 20<sup>th</sup>, 2022 Revised Sep 06<sup>th</sup>, 2022 Accepted Oct 14<sup>th</sup>, 2022

# Keyword:

Principles proper, Business actor, MSME business actors

## **ABSTRACT**

The purpose of this study was to analyze the principle of propriety of business actors in establishing partnerships in Umkm Tugu Keris, Pelayaran District, Pekanbaru City where in the implementation of the agreement it was preceded by an agreement by both parties as a guide to reach an agreement that was not carried out by the parties in accordance with what was stated. has been stated to have been agreed upon in the contents of the agreement. The research method used is sociological law with a descriptive approach. The population and samples are business actors, government agencies, consumers. Oral interview method to find information as data if for this research. The analysis technique uses qualitatively analyzed data which is then expressed in qualitative descriptive language and sentences. The results of the research on the principle of propriety in partnership relationships still need to be considered for changes in the behavior of UMK business actors, in relation to establishing this collaboration it is expected to be even better, namely providing comfort and satisfaction for visitors as customers in enjoying every merchandise offered by business actors at Tugu



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#### Introduction

Business activity is basically a line of business with an (almost) unlimited reach, all opportunities can be processed into business opportunities (Romindo et al., 2020). From the legal aspect of those who will carry out business activities, they must choose the available form of business based on the existing legal framework. In connection with business, it is an act of business law, the regulation of which is in private law, namely the civil law code, in the provisions of book 3 concerning engagements, specifically Articles 1337, 1338, and Article 1339, that it is important for every business actor to establish a partnership relationship with its partners, customers, guided by the principle of good faith, as in that principle that the benchmark is decency and rationality, so that in the relationship it is based on that principle, as a principle in acting in accordance with legal norms, as happens in MSME activities (Priyono, 2019). At the Tugu Keris roundabout, Sail Sub-district and its surroundings, business actors sometimes experience friction in establishing these relationships, which eventually leads to legal conflicts, for example, there is disharmony in the relationship between competing for stalls, or also consumers, thus things that are contrary to propriety occur. seb as the principle of maintaining business comfort. In general, this has an influence on the position of the parties as legal subjects and with all existing legal consequences. understanding of legal norms is important so that the goal of running a business to achieve prosperity can be achieved (Lismanto & Utama, 2020). Based on the cultural approach, the partnership aims to enable business

partners to adopt new values in their business such as broadening their horizons, initiatives, creativity, taking risks, work ethic, ability in managerial aspects, working on the basis of planning and being forward-looking (Alam & Hermawan, 2017). The selection of business partners needs to be done with careful consideration to prevent unwanted things from happening in the future. With a clear form according to the law, it can be expected that the company will be able to firmly determine the steps that must be taken to achieve the desired goals. Likewise, based on observations that occurred in the community, that the community's economy, when there were restrictions on the movement of community activities by the government, due to the Covid-19 pandemic, seemed to be paralyzed, but this was not the case for MSME business actors, who were at the roundabout (Ilmar & Sh, 2020).

Tugu Keris, Sail District, Pekanbaru City, on the contrary, entrepreneurs, both young and elderly, do not recognize any restrictions on the movement of community activities, sales transactions there are growing rapidly, like mushrooms that grow in the rainy season, growing, as if there were no such restrictions., proved to continue to run its business, with so many visitors who thronged the area, resulting in congestion, which was caused by the accumulation of road body area by parking for both two-wheeled and four-wheeled vehicles, both by visitors and even the business actors themselves who filled the area. The keris monument circle t, because as usual, there are face-to-face meetings with the community, this can be seen from the increasing number of business actors in the Tugu Keris Roundabout, Sail District, Pekanbaru City, as if they are constantly running their business, getting busier, this is recognized by one of the business actors who are members of the community. in the Gilyu Tent group. On the other hand, this limitation poses a challenge for business actors to do innovative things, thus encouraging business actors to develop their business through innovative trading by making the appearance of their place of business more attractive, so that it attracts the attention of the public to visit, and make the appearance of their products more attractive., to make consumers interested in buying their products, this is done so that their business continues to run smoothly, with the hope of increasing profits. This has triggered other business actors to also join the business premises, so that the business premises at the Tugu Keris roundabout are developing more rapidly, even though it is crowded and very busy with business opportunities that offer various kinds of products to consumers, ranging from culinary, sundries. women's, men's clothes, and children's toys, and so on that are in the business location at the keris monument roundabout. Of course, this also raises various problems, both conflicts of norms, and laws that become complex which cannot be avoided, due to the lack of anticipation from all parties, this problem will arise. With the rapid development and increasing number of business actors who trade at the Tugu Keris Roundabout, thus triggering disharmony conflicts among business actors there, sometimes causing disputes, which results in the relationship between these business actors becoming uncomfortable, for example due to conflicts of opinion. regarding various matters, resulting in quarrels, regarding the boundaries of stalls, attracting consumers, and so on, which cause disharmony in the relationship between these business actors.

Therefore, research is carried out related to the principle of propriety and partnership relations with MSME actors due to frequent conflicts of problems with restrictions on business marketing, resulting in unfavorable relationships between business actors, which is expected with the principle of decency and partnership relations that will be applied to business actors so that there will be minimal the occurrence of disputes due to consumer competition. The relationship should be, the parties understand to maintain good social interaction, which according to law is a relationship based on the existence of a principle of propriety, where the parties are aware of the importance of tolerance, mutual respect, which is a propriety that serves as a guide in a partnership relationship between actors. business, to run the business, to be safe and peaceful, this should be what needs to be in the relationship, but this is not the case, the more crowded and fast the business actors are in the Tugu Keris roundabout, the more complex the problems that occur, even causing conflicts, which can create legal problems. As when the increase in the number of people is not followed by an understanding of legal norms, of course it will cause a conflict in the community, legal culture is important, "The third component of legal system, of legal culture. By this we mean people's attitudes toward law and legal system their belief ...in other word, is the climinate of social thought and social force wich determines how law is used, avoided, or abused". This means that it can be understood that legal culture concerns legal culture which is human attitudes (including culture) towards law and the legal system. No matter how well the arrangement of the legal structure is to carry out the stipulated legal rules and no matter how good the quality of the legal substance is made without the support of legal culture by the people involved in the system and society. Law as a tool to change society or social engineering is nothing but ideas that the law wants to realize. In order to guarantee the achievement of the legal function as an engineering society towards a better direction, it is not only necessary to have the availability of law in the sense of rules or regulations, but also to guarantee the realization of these legal rules into legal practice in society. A society obeys the legal norms that apply in society. As intended in his doctrine from LM, Friedman, as a culture that makes guidelines in the actions of everyday life in the community, so as to minimize disputes between people, but sometimes conflicts of interest that lead to conflicts are also

unavoidable, This is one of the triggers for disharmony in partnership relationships with business actors in the Tugu Keris area, Sail District, Pekanbaru City.

The results of Afriana et al. (2020) research show that the implementation of the partnership is monitored in an orderly and regular manner by an institution established and tasked with overseeing business competition if it is proven that Medium Enterprises own and/or control Micro, Small, and/or Medium Enterprises as their business partners in implementing partnership relations with reference to also on the implementing provisions, namely PP No. 17 of 2013. In Namira (2022) research, the supervision of partnership relations carried out during the Covid-19 pandemic was very good. This can be seen from the case of Decision No. 16/KPPU-K/2019. Supervision and handling of cases is in accordance with PP No. 17 of 2013 concerning the implementation of Law no. 20 of 2008 concerning Micro, Small and Medium Enterprises. This problem is motivated by ignorance or not understanding in applying the principle of propriety as a rule or norm in establishing a partnership relationship. Therefore, in turn, researchers, after making observations in the field, are interested in conducting further research on legal issues that occur to business actors, and colleagues, both consumers, and other parties related to these business actors. This is the basis, why researchers are interested in conducting further research on the issue of norms, as well as legal norms that occur in these business actors, as well as providing an understanding of the importance of the principle of propriety in establishing partnership relationships between these business actors, especially for SMEs in Tugu Keris, Sail District, Pekanbaru City. As described in the background above, this research will continue with the title "Principles of Properness in Partnership Relationships with MSME Business Actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City". This is the main theme of the problem in this research, the rest will be carried out more in-depth research on the issue of the principle of decency to business actors who are at the Tugu keris roundabout, Sail sub-district, Pekanbaru City, of course, the research is original, although maybe someone has done previous research. but the researchers themselves differ in their point of view on the legal issues that the researchers will discuss.

# Method

The research method used is sociological law with a descriptive approach, which focuses more on the problems that arise and for this reason the researcher focuses on discussing the provisions of the legislation and seeing how the law is practiced in society (S. P. Sinaga, 2022). The nature of this research is field research or field research is direct research into the field.

## Research sites

As for the research location in the Implementation of the Proper Principles in Partnership Relationships with MSME Business Actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City, one of which has been questioned from the business actors is a business group that is incorporated in the Gilyu Tent, according to this entrepreneur, the business actors who are in the keris monument roundabout often conflict, causing unrest for the parties and customers when visiting there, the parties who are members of the Gilyu tent, hope that there will be good intentions for the good of all parties, as well as the surrounding community, and carry out agreements that has been agreed upon by both parties, then follow up on any violation of the agreement that has been agreed upon by the two parties, as stipulated in the regulations governing it.

#### Population

Based on the problems to be studied, the population of this study is as follows: a). Head of Subdistrict Sail Pekanbaru City, totaling 1 (one) person b). Chairperson of Commission 4 for Economic Affairs of the Pekanbaru City DPRD c). Head of LPMK Sail District, Pekanbaru City d). Head of the Business Group at the Tugu Keris Roundabout, totaling 3 (three) people, Ronggowarsito Village, totaling 3 (three) people from Sail District, Pekanbaru City, e). There are 5 (five) business actors at the Tugu Keris roundabout, Sail District, Pekanbaru City.

# Sample

The sample in the study, which will be carried out using field interviews, consists of: a). Head of Subdistrict Sail Pekanbaru City, totaling 1 (one) person b). Chairperson of Commission 4 for Economic Affairs of the Pekanbaru City DPRD c). Head of LPMK Sail District, Pekanbaru City d). Head of the Business Group at the Tugu Keris Roundabout, totaling 3 (three) people, Ronggowarsito Village, totaling 3 (three) people from Sail District, Pekanbaru City, e). There are 5 (five) business actors at the Tugu Keris roundabout, Sail District, Pekanbaru City. For the sampling process by asking questions related to the research focus. From the population that has been identified, the researcher will determine the sample, this sample determination uses the census method for business actors who are at the Tugu Keris Roundabout in Sail District, Pekanbaru City, totaling 3 (three) people. (Data Source: Processed data for November 2021).

## Data source

As a source of data in this study are: Primary data is the main data obtained by researchers through respondents or samples (Harahap & Herman, 2018), this data can come from parties, namely government agencies, as well as partners from business actors who are in MSMEs at the Tugu Keris Roundabout, Sail District, Pekanbaru City, as well as other sources that are most important in the problem. related to the subject matter under discussion. Secondary data is data obtained from literature books that support the subject matter discussed (Sugiyono, 2018). Secondary data can be in the form of theses, theses, dissertations, journals, newspapers, papers, seminars, brochures, and others. Terier data, namely data obtained through dictionaries, encyclopedias, papers, and the like that function to support primary and secondary data.

# Data collection technique

To obtain relevant data to answer the existing problems, the collection in this study used the following tools: 1) Observation, That is the method of data collection which is carried out by means of field observations relating to the object of research on business actors, and administrators who are under the auspices of the UMKM group, the Tugu Keris Roundabout, Sail District, Pekanbaru City; 2) Interview, That is, researchers conducted direct interviews with respondents to obtain information or information related to solving problems faced by the parties in implementing the principle of propriety in establishing partnership relationships which are the basis for cooperation between MSME business actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City; 3) Literature review, That is the method of collecting data through the literature that has a correlation with the problem being studied (Yusuf & Khasanah, 2019).

## Data analysis

In the data the authors group based on the existing problems, then data processing is carried out. Furthermore, the data is analyzed qualitatively which is then revealed in descriptive qualitative language and sentences, namely providing an explanation of the problems and solving the problems proposed systematically and thoroughly. The technique of inferring data from research is used by the inductive method, namely drawing conclusions from specific statements into general statements

## **Results and Discussions**

In business law, that the system is an open system, as a complement to regulating, so that every legal subject, both individuals and legal entities, is free to enter into agreements with the parties, in determining its contents, both those that have been regulated and those that have not been regulated in the law (Prasetyo, 2017). This is as stated in the provisions of Article 1338 Paragraph (1) of the Civil Code: "which states that all agreements made legally are valid as law for those who make them". The provisions of Article 1338 Paragraph (1) of this Civil Code give freedom to the parties to; a) make or not enter into an agreement; b) enter into an agreement with anyone; c) determine the contents of the agreement, its implementation and requirements, as well as: d) determine the form of the agreement, namely written or oral. Furthermore, as are the elements in the provisions of business law, that the guidelines and foundations in establishing a partnership relationship are based on the principles in business law, one of which is the principle of good faith. This principle of good faith developed following social ethics regarding comprehensive obligations of obedience that apply to citizens, the doctrine that requires parties to create and carry out a business must be in good faith, the doctrine of good faith developed along with the recognition of informal consensual contracts, which initially only included sales and purchase agreements, leases, civil partnerships and mandates. as for the benchmark of good faith in contract law refers to three forms of behavior of the parties in the contract, namely; first that both parties must adhere to their promises or words, both parties are not justified in taking advantage by misleading one party, third, both parties comply with their obligations and behave as honorable and honest people, even though these obligations are not expressly agreed upon. The provisions of Article 1338 Burgerlijk Wetboek Paragraph (3), that all agreements must be carried out in good faith, a certain agreement in the form of a series of words as a description of a relationship between the two parties, for example, that when an individual begins to carry out an agreement, various kinds of agreements arise (Kusnandar, 2015).

Kinds of problems which when the agreement is formed, it appears at all or only slightly in the minds of the feelings of both parties. Therefore, as a benchmark, there is rationality, honesty and propriety, compliance that must be carried out in the agreement, honesty and compliance are two very important things in the issue of implementing the agreement, so that honesty and compliance in the implementation of the agreement are closely related to the issue of interpretation of an agreement. the benchmark of good faith, that honesty in the implementation of the agreement lies in the actions taken by both parties in carrying out the agreement, and it is not justified to use the weaknesses of the other party to benefit oneself. As with other benchmarks of good faith, it is appropriate for the implementation of a business to have an objective nature, as the root of a legal regulation in general, as an effort to strike a balance between the various interests of both parties. The principle

of good faith in contract law, starting with the pre-contract phase, is good faith that must be present when the parties negotiate, good faith in this phase is the meaning of honesty from the start, the parties, which are subjective. Meanwhile, good faith in the implementation of the contract is an objective good faith that refers to the contents of the agreement, where the benchmark of good faith is that the contents of the agreement must be rational and appropriate. This is the basis for thinking to carry out a business activity, such as establishing a partnership relationship with a group of MSME business actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City. Those business actors who have agreed to change the partnership relationship must be based on rationality and propriety. That the principle of propriety in the conduct of business also means carrying out with tolerance, mutual respect as a moral ethic, as a manifestation of the characteristics of the rational and compliant principle. The principle of propriety becomes a fundamental provision in business law, and binds the parties who run the business. Likewise, in establishing partnerships between business actors with MSMEs as well as with consumers or customers in groups of business actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City, it is a guideline in establishing such partnerships, as what should be done by the business actors, for example in in terms of cooperation, dividing the stalls where they trade fairly, not fighting each other to get the merchandise booth, and not attracting customers or consumers, even being able to accept business actors who will join the business group, so that business partnerships are established between the actors. This effort can even facilitate newcomers to provide trading stalls, and so on that are needed to maintain the partnership relationship, as well as other partners. Furthermore, it is the partners who will continue the continuity of their business, which of course the business actors expect a smooth profit, but it is not easy for the partners to carry out the relationship as mandated in the decency principle, so things happen that lead to a dispute over each other's stalls., as a place for their business to continue, there are many factors that hinder it, in terms of their limited knowledge, so they are easily provoked by emotions that cause conflict, or in other forms. This is also a disharmony in realizing the principle of propriety among business actors, and other problems faced by MSME business actors at the Tugu Keris Roundabout, Pekanbaru City.

The principle of propriety is a guideline which is an element in the principle of good faith, which is the benchmark, where a legal act in which one party binds itself to another party to carry out an engagement, then the principle of propriety should be the main basis (N. A. Sinaga, 2018). The principle of propriety itself does not stand alone, but is in sync with other business law principles, which are based on the principle of good faith, for the realization of a partnership relationship between business actors. The principle of propriety is so important in an agreement between business actors to establish cooperation between the two parties, the parties face each other in a legal relationship to accommodate their interests. The principle of propriety, in the conduct of a business is based on the idea that the parties in a legal relationship must have an attitude that is associated with character, meaning that it refers to a benchmark rather than good faith, namely the standard of rational behavior, which is nothing but that the parties must comply with their promises or words. In all cases, good faith means that both parties must treat each other without deceit, deceit, without disturbing the other party, as well as that good faith is the commitment of the parties to not only be bound by what they expressly agreed, but also To equity, the partnership agreement with MSME business actors in the business group at the Tugu Keris Roundabout, Sail District, Pekanbaru City should be the same, even though the MSME business actor has been facilitated by the Sail Sub-district Head, Mr. Fachruddin Panggabean, S.Sos., Folder., as a legal umbrella, as has been given a decree by the Mayor of Pekanbaru to accommodate the management of the business at the Tugu Kersis Roundabout, both parties have agreed in negotiations, even stated in the agreement, sometimes one of the parties behaves which is not expected as in the implementation of the partnership, inappropriate, as in the case described above.

The results of Ilham (2020) research show that the implementation of the broiler partnership legislation is weak. This can be seen from the tendency of the core company to narrow to the KKHN model, while other models are pressed and bankrupt, as well as unilateral termination of business relationships by the core company for plasma as its business partner. The results of the Alam & Hermawan (2017) research show that the pattern of relationships established between small farmers and CV. Asa Agro Corporation is a plasma core partnership pattern. Factors such as communication, cooperation, trust and commitment simultaneously affect the partnership. While partially only the commitment factor that has a dominant influence on the partnership. This Namira (2022) research focuses on the implementation of the supervision of partnership relations carried out by KPPU during the COVID-19 pandemic. It was found in this study that the supervision of partnership relationships during the COVID-19 pandemic was very good. This can be seen from the case of Decision No. 16/KPPU-K/2019. Supervision and handling of cases is also in accordance with Government Regulation no. 17 Year 2013.

The cooperation at the beginning of the negotiations has been agreed upon, but various obstacles in implementation, these various obstacles, an approach has been tried by both parties, in order to achieve conformity of the will, but it is not easy to create harmony, so this is where the importance of an agreement

needs to be based on the principle of propriety in partnership cooperation with MSME business actors in the Business Group at the Tugu Keris Roundabout, Sail District, Pekanbaru City. The principle of propriety in its implementation does not materialize as expected by the parties, meaning that there are factors that cause the inhibition of the agreed upon wishes not to be carried out in accordance with the terms of the agreement, normatively that the parties agree to reconcile their will in an agreement, but in its implementation problems arise. , which is the inhibiting factor for not accommodating the conformity of the will, when viewed from the point of view of the principle of good faith, it is part of inappropriate and irrational behavior, when referring to the benchmark of the principle of good faith. Interpreting good faith in the provisions of Article 1338 Paragraph (3) of the Civil Code, that agreements must be carried out in good faith, containing matters as honesty (Arifin, 2020). This is a fundamental issue in the partnership agreement, so that the agreement is in accordance with the principles of good faith, propriety and rationale.

The implementation of the Proper Principles in Partnership Relationships with MSME Business Actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City, as philosophically the establishment of a business stall in this MSME business group, is to overcome the problems of the community affected during the COVID-19 pandemic. Where so many difficulties are felt by the community, not only Middle-low income earners, even middle to upper-class people, are affected by the COVID-19 pandemic, with the various assistance provided by the government to business actors, especially MSMEs, it is necessary to provide a forum to provide trade space, even though the government has also issued trade regulations through electronic commerce, but the Malay community in general, prefers to socialize by visiting a place, rather than through this electronic means, so that the realization of this discourse begins with the bustling of SME business actors who are beginners at the Tugu Keris Roundabout. At the beginning of the establishment of the trading stalls were business actors who were just beginners starting their trading businesses at the Tugu Keris Roundabout, running as they should, but along with the increase in MSME business actors, disputes were unavoidable among new business actors or beginners or newcomers, who have occupied the stall first. However, this was met with resistance from the old business actors, who had left the stall, due to a decrease in customers, and even fewer visitors, so the business actors left the Tugu Keris Roundabout stall. Next, seeing how crowded the visitors were, as if there was no Covit 19 pandemic, at the Tugu Keris Roundabout, the old business actors tried to get the stall back, but apparently this, the new business actor did not respond, even happened, conflict between these business actors, resulting in disputes that are unavoidable, even leading to actions that according to law are not justified. This is a legal issue, that business actors in establishing partnership relationships do not understand the principle of propriety, as the basis for establishing such partnership relationships, namely mutual respect for fellow business actors, tolerance, as a form of morality for business actors, for maintain the continuity of its business properly, so that it can carry out business activities comfortably, and visitors will be safe and comfortable to enjoy the menu of merchandise offered, without worrying about disputes, physical contact. In the implementation in the field, sometimes what has been agreed upon at the beginning of the negotiation is thorough, but there are many things that become obstacles in the implementation of the cooperation, even though at the beginning there was an adjustment of will as a good faith from the parties, but it was not as easy and smooth as in the initial agreement. Where there is a lack of synchrony, for example to make peace in dividing the stalls, and there is no attraction and attraction for visitors in its implementation, things happen that defend each other's will, resulting in disharmony between the business actors, there are things that are not natural, which The significant occurrence of this disharmony, made it difficult for them to fulfill the implementation of the agreement that had been agreed upon, meanwhile another problem was the existence of credit to the parking lot for the visitors' vehicles, which caused traffic jams, because it prevented motorists from passing through the area, this is also a problem. So from the real problems mentioned above, that when viewed from the principle of decency, as a benchmark in the principle of good faith, where there has been a discrepancy in the will of the MSME business actors, then what they want is not realized, to get a comfortable business place, safe, and peaceful, so that visitors can also feel the same, of course. Therefore, both parties should be able to implement as stated in the provisions of Article 1338 Paragraph (3) of the Civil Code; 'that every agreement must be carried out in good faith'. In its implementation, the parties must pay attention to and consider the interests of the other party in certain situations and conditions. If the implementation of the agreement creates an imbalance or violates the sense of justice, one of the parties may file a lawsuit to obtain an adjustment to the rights and obligations that have been agreed upon in the agreement. So that the MSME business actors in the Tugu Keris Roundabout, Sail District, Pekanbaru City, as a business group under the auspices of the Pekanbaru city government, which is given authority to the Sail District Head, then it is necessary to run their business without violating the sense of justice among business actors. Therefore, the management must work carefully and efficiently with respect to the trust that has been given to the management to manage and carry out the mandate, with all the limited knowledge they have, they must try to implement the principle of propriety, even though the administrators have trying as much as possible to realize a sense of justice as an embodiment of the principle of propriety, but in reality it is not easy to implement, there are still many factors that become obstacles. What has been planned carefully and carefully, but in the field there are many problems faced, so that rationality and propriety which are the guidelines in good faith, do not work as they expected, meaning that it has not been maximized to be realized. The board of LPMK Sail District sat together to discuss the problems in the business group at the Tugu Keris Roundabout, as their effort was to maintain good communication, continue to carry out their business activities, by continuing to strive to realize the principle of propriety, as a mandate that they must carry out with the intention good faith.

The obstacle factors faced in establishing a cooperative partnership relationship with MSME business actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City, in implementing the decency principle, although the decency principle is a benchmark for the principle of good faith, its function is very important in a partnership relationship with MSME business actors. However, this is not easy, when in its implementation, there are many obstacles, this can happen because it depends on the behavior of the parties, both from internal and external factors that influence the implementation of the decency principle, as there is encouragement from good faith intentions from business actors, the. As an element of good faith is a rational and proper behavior, which is based on the norms set forth in an understanding to do an act, which does not violate the sense of justice in business associations, which is agreed upon by both parties. Likewise, the obstacles that occur in the implementation of the decency principle for partnership cooperation for MSME business actors at the Tugu Keris Roundabout, Sail District, Pekanbaru City, it is inevitable that there will be a clash from the partners as an external inhibiting factor, for example in terms of compatibility in determining strategic stalls, parking lots, grabbing visitors, and other problems they face. Which until now has not been able to fully overcome, to this problem, the obstacle is that the parties defend each other's opinions, and use their own ways to run the business, and do not comply with the agreed rules as guidelines in carrying out their business activities. this is one of the obstacles, on the one hand the heads of LPMK have tried to provide solutions and aim to maintain the comfort of the place of business, as a form of providing a safe place for visitors to enjoy a comfortable shopping atmosphere at the stall, and also of course aiming to so that these business actors continue to exist and increase the income of MSME business actors, which is expected by the local government, because the assistance provided is efficient and sustainable, and can maintain the stability of people's incomes. Meanwhile, on the other hand, until now it still depends on the crowds of visitors, considering that the pandemic is still ongoing, which is still running prokes, and the implementation of business hours for business activities, this is also an obstacle to getting maximum income, so that it can generate high profits. is expected, for the survival of the MSMEs. These obstacles are faced by the UMKM business actors, but those who have to fight and act rationally and appropriately, as the principle of good faith in the implementation of their business activities, this issue, of course, is not a trivial thing, because to maintain this consistency, the most important goal and very The important thing that must be maintained by business actors is to maintain the stability and comfort of their stalls so that they do not disturb the public. However, the sub-district head and his administrators, continue to strive to provide support and attention to these MSME business actors, in accordance with their mandate to realize the principle of decency, as the implementation of good faith intentions to the people of Pekanbaru City, despite the many challenges and obstacles that must be passed until now.

According to the sub-district head, the administrators of the LPMK Sail District, as well as the Management of the MSME Business Actors Group at the Tugu Keris Roundabout, Sail District, Pekanbaru City, according to the Head of District, along with business actors. MSMEs who are members of the business group at the Tugu Keris Roundabout, they sit together to mediate any problems that arise in the behavior of business actors at the Tugu Keris Roundabout, such as disputes between old business actors and new business actors, friction occurs to fight over merchandise stalls, and overcome the congestion and complexity of parking problems, as well as other issues, which must be satisfactorily discussed to discuss these issues, by continuing to strive to maintain this partnership by entering into collective agreements, endeavoring to be a supporter of the creation of a sense of community. among the MSME business actors. By trying to approach business actors, PT Sarana Pangan Madani, several efforts were made to maintain harmony with partners, as a manifestation of the implementation of good faith, as the mandate carried out was to control the stability of the supply of daily food needs for the people of the City. Pekanbaru, namely by entering into farming contracts with farmers in Siak Regency, namely by planting rice, approximately 3000 to 5000 ha, rice farming land, where PT Sarana Pangan Madani provides rice seeds, fertilizers, agricultural tools, as capital that is given directly to farmers. And also open a chili plantation area, which is located in Panam District, Pekanbaru City, which is managed by young millennials who are talented in agriculture, namely students and alumni from agricultural degrees in Pekanbaru City. This is what has been attempted and mediated by the Head of the Sail District of Pekanbaru City as the Camat who oversees the community, the Camat is authorized to issue a Decree by the Mayor, to become the legal umbrella for the management of MSMEs at the Tugu Keris Roundabout, Sail District. As mandated in the decree, in the future there will be no more disputes that violate the sense of justice between these business actors, this is synchronous and directly proportional to the principle of propriety, the benchmark for which is ethical values that refer to morals, this depends on on good intentions as the good faith of the business actors themselves, to create a harmonious situation in establishing a cooperative partnership relationship between business actors and

visitors at the Tugu Keris Roundabout. These business actors must be able to give empathy to other business actors, who will join the business group at the Tugu Keris roundabout, to fulfill their daily needs. So that if this goal is achieved, of course, it will provide many benefits and benefits that are achieved by all parties, which are none other than the MSME business actors themselves, and the people of Pekanbaru who can visit with a sense of security and comfort, enjoying every stall provided by the community, the business actor. The power to realize the principle of propriety itself is in the business actors, and all parties who support the success of creating a comfortable business field, meaning that it cannot only be done by certain parties, all parties must encourage each other towards a more conducive and efficient direction. As a form of concern to be able to improve a decent and harmonious standard of living in society. Whatever actions have been carried out by the parties, of course, are based on the principle of propriety, which is a very important principle as a guide in establishing partnerships with MSME business actors at the Tugu Keris Roundabout in Pekanbaru City. So that the purpose of the partnership is to produce balanced justice for the parties, in particular, and the community as a result of these actions, because the main goal is to be felt by the community, namely to get comfortable and peaceful when visiting the place. efforts to implement the principle of propriety, which is an element of the principle of good faith, in carrying out an action, especially in establishing cooperative partnerships with MSME business actors in the business group at the Tugu Keris Roundabout, Pekanbaru City.

# **Conclusions**

When a legal action is carried out by both parties in a cooperative partnership relationship, the principle of propriety should be the guideline, these MSME business actors, to achieve a conformity of wills, which does not cause a violation of a sense of justice among each other, where it is acceptable to accept the conformity which creates an agreement, then at that time an bond will be born that binds emotionally close to each other to support creating harmony in realizing healthy competition in trading at the Tugu Keris roundabout, Sail District, Pekanbaru City. This means that from the beginning, the parties had an intention to act in good faith, which should be guided by the moral level of propriety and rationality, which is the benchmark for the principle of good faith, so that what is offered by one party is accepted by the other party. then there is a conformity of will, which should be followed by its implementation, meaning doing what has been agreed upon. Guided by the fact that it is appropriate to carry out what has been agreed upon. But in reality, it is not easy in its implementation, various obstacles and disputes that occur, to achieve the implementation of what has been agreed upon at the beginning of the conformity of will. This also occurs in the implementation of the principle of appropriateness in partnership with UMKN business actors in the Business group at the Tugu Keris Roundabout, Pekanbaru City District, where the implementation has not gone as expected by all parties., avoiding various disturbing things. Therefore, the principle of propriety must still be implemented with various things that hinder it, can minimize situations that violate the sense of justice that are not based on the principle of propriety.

The factor that becomes an obstacle in the implementation of the principle of propriety, in partnership with UMKN business actors in business groups at the Tugu Keris Roundabout, Sail District, Pekanbaru City, in general, the behavior of business actors, that there are still some business actors who still stick to their wishes. it is not appropriate to do, which gives a sense of inappropriateness in establishing the partnership relationship, has not fully understood in a partnership relationship the need to maintain harmony as based on the principle of propriety which is considered by one of the business actors to be unreasonable or irrational, even inappropriate, as a matter of fact, is attracting visitors, and so on, as an improper act. So therefore, that proper and rational behavior, this is a very important guideline in the implementation of partnerships, which is a benchmark in the implementation of this MSME business partnership partnership, has not yet been implemented, as expected by MSME business actors at the Tugu Keris Roundabout, District Pekanbaru City Sail.

Various efforts in implementing the principle of propriety towards partnerships between business actors and UMKN in business groups at the Tugu Keris Roundabout, Pekanbaru City, are to change the behavior of these business actors, by obtaining enlightenment through explanations of counseling lectures on how to do business, in the eyes of business law, which is based on on the principles of business law, especially the principle of propriety, which is a benchmark of the principle of good faith in legal actions, by approaching and coordinating business actors who are members of the MSME group at the Tugu Keris Roundabout, Sail District, Pekanbaru City, by conducting mediation discussing the problems faced, which lead to acts that do not provide a sense of justice, as a form of violation of moral ethics, as an element of the principle of propriety, this mediation was facilitated directly by the Head of the Sail District, Mr. Fachruddin Panggabeadn, S.Sos, M.Ap., and attended by all elements of the LMPK management in the Sail sub-district, to provide correct enlightenment in getting a place of business at the Tugu Keris round about, Sailkontak farming district, in the hope that there will be no unlawful acts that lead to unpleasant acts, as a violation of criminal law. So that by making changes to the

behavior of UMK business actors, in relation to establishing this partnership, it can be expected to be better, which provides comfort and satisfaction for visitors as customers in enjoying every merchandise offered by business actors at the Tugu Keris Roundabout, Sail District. This Pekanbaru City.

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