

The Urgency Of Regulating Security Service Business Entities For The Optimization Of The Security Service Industry In Indonesia

Deni Salahuddin¹ , Basuki Rekso Wibowo² , Wagiman³

^{1,2,3}Faculty of Law, Universitas 17 Agustus 1945 Jakarta

penuh123@gmail.com

Article Info

Received: 2026-05-10

Revised: 2026-10-16

Accepted: 2026-10-21

Keywords:

Security Service Business
Entities; Regulatory
Fragmentation; Legal
Harmonization; Integrated Co-
Supervision; Security Guards.

Abstract

Security Service Business Entities (Badan Usaha Jasa Pengamanan, BUJP) operate at the intersection of security governance and employment relations in Indonesia. This study examines their regulatory framework, particularly Law No. 2 of 2002 on the Indonesian National Police, Government Regulation No. 43 of 2012, Police Regulation No. 4 of 2020 on Self-Security, Law No. 13 of 2003 on Manpower as amended by Law No. 6 of 2023, and Government Regulation No. 35 of 2021 on employment agreements, outsourcing, working hours, and termination of employment. Using normative legal research with statutory, conceptual, comparative, and legal-synchronization approaches, the study identifies fragmentation in regulatory scope and institutional supervision. Police regulations focus on professional guidance, licensing, competency certification, and technical supervision, whereas labor regulations govern employment rights, wages, occupational safety, and industrial relations. The analysis finds no integrated mechanism for information exchange, joint supervision, and cross-sectoral compliance evaluation. Consequently, police-supervision findings may not inform labor-compliance assessments, while labor violations may not be reflected in broader evaluations of BUJP compliance. These gaps risk weakening legal certainty, accountability, and protection for security guards (Satuan Pengamanan, Satpam). To address this problem, the study proposes an Integrated Co-Supervision Model linking the Indonesian National Police, labor authorities, and other institutions through coordinated monitoring, information sharing, joint evaluation, and follow-up, while preserving each institution's statutory powers. Its novelty lies in connecting legal harmonization, institutional coordination, and implementation within one supervisory framework tailored to BUJP. The model contributes a normative approach to coherent regulation, worker protection, and accountable security-service governance.

I. Introduction

Indonesia, as a state based on law, bears a constitutional obligation to protect citizens in obtaining decent work and fair treatment in employment relations. This constitutional commitment is implemented through labor legislation that guarantees equal opportunity to obtain work and equal treatment without discrimination by employers. In labor-law terms, state intervention is important because the employment relationship is not always structurally balanced. Workers may occupy a weaker bargaining position than employers; consequently, legal regulation is required to limit the exercise of employer power and to protect workers' rights. The need for such protection has also been emphasized in Indonesian labor-law scholarship, which views government intervention as necessary to restore balance in employment relations. (Republik Indonesia, 1945 ; Republik Indonesia, 2003 ; Asikin dkk., 2010 ; Wijayanti, 2018)

One profession in which these issues are particularly visible is the Satuan Pengamanan (Satpam), or security guard. Under Police Regulation No. 4 of 2020 on Self-Security, Satpam constitute a professional group performing limited, non-judicial police functions, recruited by a BUJP or by a service user to carry out security functions within the self-security system. This legal position distinguishes security guards from ordinary outsourced workers. They are workers with employment rights, but at the same time they perform security functions connected to public interests and to the broader national security system. (Republik Indonesia, 2020 ; Republik Indonesia, 2020; Republik Indonesia, 2002)

The expansion of industry, commerce, offices, public-service facilities, residential areas, and other economic activities has increased demand for professional security services. In practice, many security guards are employed

through outsourcing arrangements. Outsourcing transfers supporting work to an external service provider and creates a structure in which the provider, the user company, and the worker occupy interconnected but legally distinct positions. Indonesian labor law regulates outsourcing and employment protections through the Manpower Law as amended and Government Regulation No. 35 of 2021. For BUJP, however, this employment framework intersects with police regulation governing self-security, licensing, professional development, and technical supervision. (Greaver dalam Chandra, 2003 ; Republik Indonesia, 2003; Republik Indonesia, 2021; Republik Indonesia, 2002; Republik Indonesia, 2012; Republik Indonesia, 2020)

This intersection creates a triangular legal relationship. Formally, the employment relationship exists between BUJP and Satpam, while day-to-day duties are performed within the operational environment of the user company. Labor obligations therefore attach primarily to BUJP under the applicable employment framework. At the same time, security guards are trained, certified, and professionally supervised within the police-law regime. The dissertation summary on which this chapter is based identifies recurring uncertainty concerning the allocation of responsibility, protection when guards face legal or occupational risks, and the relationship between professional security obligations and employment rights. (Republik Indonesia, 2003; Republik Indonesia, 2021)

The central regulatory problem is not simply the number of applicable rules. Rather, it is the absence of a sufficiently integrated legal design connecting the different regimes. Legal harmonization requires more than the coexistence of sectoral norms; it requires alignment among rules so that they form a coherent regulatory system. The employment relationship must be understood together

with the rules governing outsourcing and worker protection, while police regulations governing self-security and technical supervision must also be integrated into the same analytical framework. The broader purpose is to ensure legal protection through a system capable of balancing public authority, business interests, and workers' rights. (Khairandy, 2012 ; Soepomo, 2003; Republik Indonesia, 2021 ; Republik Indonesia, 2020; Republik Indonesia, 2012 ; Cheyne et al., 1998; Hadjon, 1987)

The source study identifies three connected problems. First, although Indonesia has multiple rules governing BUJP, those rules remain distributed among different legal regimes and institutions. Second, the resulting disharmony affects legal certainty and the protection of Satpam. Third, supervision is conducted sectorally, so the results of police supervision, labor inspection, and corporate compliance are not yet integrated into a comprehensive evaluation of BUJP.

Previous studies and the existing regulatory framework provide an important starting point, but they do not yet offer a sufficiently integrated account of BUJP governance. Police Law No. 2 of 2002, Government Regulation No. 43 of 2012, and Police Regulation No. 4 of 2020, as amended by Police Regulation No. 1 of 2023, establish the police-related framework for self-security, including coordination, technical guidance, and professional oversight. In parallel, manpower legislation and Government Regulation No. 35 of 2021 address employment relations and outsourcing, while private and corporate law govern contractual and business responsibilities. These regimes serve distinct purposes, but their coexistence does not by itself specify how police supervision, labor inspection, and corporate compliance should inform one another in practice. Suharyati and Wagiman (2021), for example, examined Polri's supervision of BUJP outsourcing and found that implementation had not been optimal, citing

the absence of specific outsourcing-supervision rules, limited supervisory personnel, and facility constraints. Their study provides empirical insight into the limits of police supervision, but its focus on Polri oversight does not itself establish an integrated mechanism linking police findings with labor-law compliance, Satpam's employment and professional protection, and the responsibilities of service-user companies. The regulatory framework has also changed since the 2020 Police Regulation, which was amended in 2023; therefore, the issue is not simply whether BUJP are regulated, but whether the relevant rules and institutions operate as a coordinated system.

The research gap addressed in this chapter is therefore both legal and institutional. At the legal level, the applicable framework does not yet provide a sufficiently integrated arrangement for connecting Satpam's professional obligations with employment protection, clarifying responsibility between BUJP and user companies when workplace or operational incidents occur, and ensuring that violations identified under one regulatory regime are considered in the assessment of compliance under another. At the institutional level, the separate supervisory functions of Polri and labor authorities are not consistently connected through shared information, joint evaluation, and coordinated follow-up. The novelty of this study is its proposed Integrated Co-Supervision model, which combines substantive legal harmonization, coordination among competent institutions, and practical monitoring and evaluation procedures without transferring or displacing their existing statutory powers. Unlike an approach limited to describing sectoral rules or examining police supervision alone, the proposed model treats licensing and technical guidance, labor compliance, Satpam's competence and protection, and BUJP accountability as interconnected dimensions of one regulatory assessment. The model is intended

to close the coordination gap while preserving the respective legal mandates of each authority.

Accordingly, this chapter addresses the following research questions:

1. How are the rules governing Security Service Business Entities integrated in Indonesia?
2. Why is harmonization of the rules governing Security Service Business Entities relevant in Indonesia?
3. Why is a supervisory institution or integrated supervisory mechanism urgent for monitoring and evaluating the implementation of legislation governing Security Service Business Entities in Indonesia?

2. Research Method

2.1 Type of Research and Research Approaches

This study employs normative legal research, also referred to as doctrinal legal research, to examine the legal framework governing Security Service Business Entities (Badan Usaha Jasa Pengamanan or BUJP) and security guards (Satuan Pengamanan or Satpam) in Indonesia. The research focuses on the interpretation, application, coherence, and normative adequacy of existing legal provisions governing security services, employment relationships, administrative supervision, and corporate responsibility. It is conducted through library research and the examination of documentary legal materials rather than interviews, surveys, or direct field observation. The purpose is to determine whether the existing regulatory framework provides sufficient legal certainty, effective protection for Satpam, and an adequate basis for coordinated supervision of BUJP.

The research applies six complementary approaches.

1. First, the statutory approach examines the relevant legislation and regulations to identify the legal status, rights, obligations, institutional competencies, and

supervisory mechanisms applicable to BUJP and Satpam. Particular attention is given to the relationship between police regulations governing security services and employment legislation governing workers' rights. The statutory approach is also used to examine whether the relevant provisions establish clear and consistent responsibilities for BUJP, service-user companies, and competent government authorities.

2. Second, the conceptual approach examines legal concepts and doctrines relevant to the research problem, including legal protection, legal certainty, legal harmonization, outsourcing, administrative supervision, corporate responsibility, and the legal system. These concepts provide analytical criteria for evaluating whether the existing rules adequately protect Satpam and whether the division of responsibilities among relevant institutions is legally coherent. The conceptual approach also distinguishes substantive regulatory problems from institutional and implementation problems.
3. Third, the comparative approach examines selected regulatory arrangements concerning private security services in the United States, Germany, and Malaysia, as identified in the underlying study. The comparison focuses on functional aspects of regulation, including licensing, professional competence, personnel protection, institutional coordination, and monitoring and evaluation. Foreign legal arrangements are not treated as rules directly applicable in Indonesia. Instead, the comparison is used to identify regulatory principles and institutional practices that may be adapted to Indonesia's constitutional framework, legal system, and existing distribution of public authority.
4. Fourth, the case approach is used to examine concrete legal situations relevant to the operation and supervision of BUJP, particularly the triangular relationship among BUJP, Satpam, and service-user companies. The analysis focuses on

situations in which employment responsibilities, professional security obligations, and operational control may intersect, such as employment disputes, occupational accidents, and legal problems arising during security duties. These situations are examined to clarify how existing legal norms operate in relation to one another. Because the underlying manuscript does not identify specific court decisions as primary case materials, this approach does not claim to provide a systematic analysis of particular judicial judgments.

5. Fifth, the analytical approach is applied to assess the content, legal implications, and practical normative adequacy of the relevant provisions. The analysis identifies overlapping authority, gaps in legal protection, unclear allocations of responsibility, and deficiencies in the coordination of supervision. The provisions are assessed not only individually but also in relation to their regulatory objectives and their interaction with other applicable legal regimes.
6. Sixth, the legal-synchronization approach examines the consistency of the relevant legal provisions both vertically and horizontally. Vertical synchronization concerns the conformity of subordinate regulations with higher-ranking legislation and the constitutional framework. Horizontal synchronization concerns the consistency and functional relationship among regulations of comparable levels or between sectoral regulatory frameworks governing different aspects of BUJP activities. This approach is used to identify potential normative conflicts, overlapping responsibilities, and regulatory gaps without assuming that every difference between sectoral rules constitutes a legal contradiction.

2.2 Sources and Classification of Legal Materials

The research uses documentary legal materials classified into primary, secondary, and tertiary legal materials. Primary legal materials consist of authoritative legal instruments relevant to the regulation of BUJP, Satpam, employment relationships,

and institutional supervision. The principal instruments identified in the underlying manuscript are the 1945 Constitution of the Republic of Indonesia; Law No. 2 of 2002 concerning the Indonesian National Police; Law No. 13 of 2003 concerning Manpower, as amended, including through Law No. 6 of 2023; Government Regulation No. 43 of 2012 concerning Procedures for Coordination, Supervision, and Technical Guidance of Special Police, Civil Servant Investigators, and Forms of Self-Security; Police Chief Regulation No. 24 of 2007 concerning Security Management Systems for Organizations, Companies, and/or Government Institutions; and Police Regulation No. 4 of 2020 concerning Self-Security.

Government Regulation No. 35 of 2021 concerning Fixed-Term Employment Agreements, Outsourcing, Working Hours and Rest Periods, and Termination of Employment is also relevant to the employment and outsourcing dimension discussed in the study. The Civil Code is considered where contractual relationships and private-law responsibilities between BUJP and service-user companies are concerned. The applicable corporate-law provisions are relevant insofar as the legal form, management, and accountability of BUJP are examined. The use of these instruments is directed toward identifying the legal basis and limits of each relevant obligation and supervisory function.

The legal instruments are examined in their applicable versions and in conjunction with their amendment, implementation, and hierarchical relationships. The identification of a regulation as relevant does not, by itself, establish that it contains a specific obligation or supervisory mechanism. Each provision must therefore be verified against its authoritative text before conclusions are drawn about its legal effect. This procedure is necessary to distinguish obligations expressly provided by legislation from interpretations or reform proposals developed through legal analysis. Secondary legal materials consist of legal textbooks, scholarly journal articles, expert

opinions, previous research, and academic writings addressing legal protection, manpower and outsourcing, private security regulation, legislative harmonization, administrative supervision, corporate responsibility, and comparative law. The study draws on the conceptual and theoretical contributions of, among others, Philipus M. Hadjon on legal protection, Maria Farida Indrati Soeprapto on legislation, Bagir Manan on Indonesian positive law, Lawrence M. Friedman on the legal system, and comparative-law scholarship by Konrad Zweigert and Hein Kötz and by Peter de Cruz. These materials are used to interpret legal norms, establish analytical criteria, and evaluate possible directions for regulatory improvement.

Tertiary legal materials, including legal dictionaries, encyclopedias, indexes, and other reference works, are used where necessary to clarify legal terminology and concepts. They function as supporting materials and do not replace primary legal instruments or authoritative doctrinal analysis.

The materials are collected through library research by identifying, classifying, and examining relevant legislation, scholarly literature, and documentary sources. The selection of materials is based on their relevance to the research questions and their contribution to understanding the legal relationships among BUJP, Satpam, service-user companies, and the institutions responsible for supervision. The research does not rely on primary empirical data obtained through interviews or field observation.

2.3 Legal Analysis and the Derivation of the Proposed Regulatory Model

The collected legal materials are analyzed qualitatively through a systematic and prescriptive legal-analysis procedure. The analysis proceeds in five stages.

1. First, the relevant legal provisions are inventoried and classified according to their subject matter, legal hierarchy, regulatory objectives, and institutional scope. The classification distinguishes provisions concerning the establishment and licensing of BUJP, professional development and supervision of Satpam, employment and

outsourcing, contractual relationships, and the authority of the institutions responsible for regulation and enforcement.

2. Second, the identified provisions are interpreted by examining their wording, legal context, regulatory purpose, and relationship with other applicable provisions. This stage determines the rights, obligations, and powers expressly established by the legal framework. Where the relationship between provisions is unclear, the analysis examines whether the uncertainty arises from conflicting legal commands, overlapping institutional responsibilities, incomplete regulation, or the absence of a connecting implementation mechanism.
3. Third, the provisions are subjected to vertical and horizontal synchronization. The results are used to identify inconsistencies in regulatory hierarchy, overlapping or disconnected responsibilities, and gaps affecting the legal protection of Satpam and the accountability of BUJP. The findings are then evaluated using the conceptual criteria of legal certainty, legal protection, accountability, proportionality, and effective administration. Comparative materials are considered at this stage to assess whether selected regulatory practices from other jurisdictions offer useful and legally adaptable responses to the identified problems.
4. Fourth, the research constructs a normative problem map linking each identified deficiency to the relevant legal provisions, the institutions concerned, and the legal or supervisory consequences. The problem map distinguishes three dimensions of regulatory reform: substantive harmonization of legal norms and responsibilities; institutional coordination among competent authorities; and procedural integration of monitoring, evaluation, information exchange, and follow-up. This distinction ensures that the proposed reform addresses the causes of regulatory fragmentation rather than merely recommending the adoption of additional

regulations.

5. Fifth, the proposed Integrated Co-Supervision model is derived through prescriptive legal reasoning from the findings of the statutory, conceptual, comparative, case, analytical, and synchronization approaches. The model is developed by translating the identified regulatory gaps into specific coordination functions, including the exchange of relevant compliance information, joint or coordinated evaluation within each institution's legal competence, referral of findings to the competent authority, and appropriate follow-up under the applicable legislation. The proposed arrangement is designed to connect police supervision of professional security functions with labor supervision of employment rights and other relevant compliance functions, without transferring, abolishing, or enlarging statutory powers merely through an administrative coordination arrangement. The model is then assessed against four criteria: consistency with the existing legal hierarchy; respect for the statutory competence of each participating institution; adequacy in addressing the identified protection and coordination gaps; and feasibility within Indonesia's existing regulatory and institutional framework. Where implementation would require new legal obligations, formal data-sharing duties, or changes to institutional authority, the research distinguishes measures that may be implemented through coordination under existing powers from measures requiring an appropriate regulatory basis. The resulting model is therefore a normative proposal grounded in the analysis of existing legal materials, rather than an empirical claim that the proposed mechanism has already been implemented or proven effective.

Through this procedure, qualitative and prescriptive analysis connects the diagnosis of regulatory fragmentation with a structured proposal for legal harmonization and integrated supervision. The ultimate objective is to formulate a legally coherent

regulatory model that strengthens legal certainty, supports effective protection for Satpam, clarifies institutional coordination, and promotes accountable governance of the security-service industry in Indonesia.

3. Results and Discussion

A. The Reality of Integration of BUJP Regulation in Indonesia

The study finds that BUJP operate at the intersection of several legal regimes with different regulatory objectives and institutional mechanisms. Unlike an ordinary business entity governed mainly by corporate and private law, BUJP are simultaneously regulated through police law, labor law, administrative law, and corporate law. This complexity follows from their function: BUJP engage in economic activity while also organizing security services connected to public interests. The effectiveness of BUJP governance therefore depends on the degree to which these regimes are integrated.

From the police-law perspective, BUJP are regulated to ensure that private security services remain connected to the national self-security system. The Police Law, Government Regulation No. 43 of 2012, and Police Regulation No. 4 of 2020 provide the framework for guidance, operational licensing, competence certification, and administrative supervision. The source study emphasizes the Police Law as a core legal basis for this function. From the labor-law perspective, however, BUJP are employers responsible for the normative rights of security personnel. Employment contracts, wages, social security, occupational safety and health, and industrial-relations disputes fall within labor law. The study finds that these two perspectives frequently operate in parallel rather than as one integrated protective system. (Republik Indonesia, 2002)

Private and corporate law add another layer. The relationship between BUJP and user companies is established through cooperation agreements governed by contractual principles, while BUJP as corporate entities must comply with corporate governance and management obligations. The source study links these obligations to the legal doctrine of

the limited-liability company. The practical problem is that each regime emphasizes its own sectoral interest: police regulation focuses on professional guidance and security, labor regulation on employment relations and worker protection, and corporate law on business governance. (Khairandy, 2014)

The resulting fragmentation produces both overlap and regulatory gaps. Police regulation provides for BUJP guidance and supervision but does not establish a comprehensive mechanism for joint examination with labor inspectors. Labor regulation protects workers but does not specifically integrate the distinctive position of Satpam as personnel carrying out self-security functions. In harmonization terms, the relationship among legal substance, institutional structure, and implementation remains incomplete. Legislative scholarship cited in the source study supports the need for systematic alignment across these dimensions. (Soeprapto, 2007)

The practical consequences are significant. User companies may prioritize operational needs and competitive service costs, while BUJP must simultaneously satisfy administrative, security, and labor obligations. Cost pressure can affect the priority given to workers' normative rights. Moreover, when Satpam face employment disputes or legal problems arising from security duties, professional supervision and employment protection are handled through separate institutional channels. The study uses Hadjon's legal-protection framework to emphasize that protection must be effective in the concrete relationship between individuals and public or private power. (Hadjon, 1987)

The triangular relationship also creates a distinction between formal and factual control. Formally, BUJP are the employers and therefore carry employment obligations toward Satpam. Factually, however, user companies frequently determine schedules, daily assignments, operational directions, supervision, and performance assessments at the place of deployment. The source study identifies this divergence as a central source of legal uncertainty. When a dispute concerns termination, workplace injury, an operational

incident, or a security action taken at the user company, the legal system must determine responsibility across relationships that are not identical in form and in practice.

This problem is reinforced by the contractual structure between BUJP and user companies. Service agreements ordinarily regulate the scope of services, personnel requirements, service standards, duration, and contract value. The dissertation-summary manuscript finds, however, that such agreements tend to focus more strongly on the commercial interests of the contracting businesses than on detailed protection for deployed security guards. As a result, contractual freedom does not by itself resolve questions concerning worker protection, professional liability, legal assistance, or the consequences of a user company's request to remove a guard from a particular assignment.

The study therefore characterizes the present integration as sectoral coordination rather than a genuinely integrated regulatory system. The difficulty is not that police law, labor law, private law, and corporate law have no legitimate separate purposes. The difficulty is that the outputs of those regimes do not yet converge into a single legal design for the security-service industry. A BUJP can thus be assessed differently depending on whether the relevant issue is licensing, professional competence, labor compliance, or contractual performance, even though those dimensions are interconnected in the actual provision of security services.

Institutional coordination is likewise incomplete. The police conduct technical guidance, licensing, certification, and administrative evaluation; labor authorities supervise employment norms and industrial relations. The source study finds no fully integrated information-exchange and joint-evaluation mechanism through which violations in one field automatically inform compliance assessment in another. Friedman's legal-system theory is therefore relevant: the weakness concerns not only legal substance but also legal structure. (Friedman, 1975)

Accordingly, the first research question is answered by finding that Indonesia possesses a substantial body of BUJP-related regulation, but that regulation remains dispersed and sectoral rather than systematically integrated. The principal challenge is not a total absence of rules; it is the absence of a unified legal design connecting corporate status, employment relations, security functions, professional protection, and supervision.

B. The Relevance of Harmonizing BUJP Regulation

Harmonization is relevant because the coexistence of multiple regulations does not automatically produce legal certainty. The source study identifies overlapping authority, inconsistent regulatory orientation, and incomplete protection of Satpam as consequences of sectoral regulation. Legal protection scholarship is invoked to show why regulatory design must be evaluated from the standpoint of those affected by it, particularly workers whose professional obligations expose them to both employment and security-related risks. Legislative theory, in turn, supports harmonization as a process that aligns objectives, authority, and implementation rather than merely eliminating textual contradiction. (Hadjon, 1987 ; Soeprapto, 2007)

The study evaluates harmonization against the objectives of legal certainty, justice, and utility. Legal certainty is weakened when the allocation of responsibility among BUJP, user companies, police authorities, and labor authorities is unclear. Justice is weakened when protection of Satpam depends on the institutional perspective through which a problem is viewed. Utility is reduced when supervision and professional guidance are not connected in a manner capable of preventing violations and improving service quality. Bagir Manan's discussion of Indonesian positive law is used to support the importance of a coherent legal order capable of achieving these legal purposes. (Manan, 2004)

A major normative gap concerns the relationship between professional development and employment protection. Police Regulation No. 4 of 2020 focuses on education, certification, technical guidance, and administrative supervision of self-security. Labor

legislation regulates workers' rights and obligations but does not establish a special integrated framework for Satpam as workers who also perform a nationally recognized security function. A further gap concerns allocation of legal responsibility between BUJP and user companies when disputes, workplace accidents, or legal problems arise from security operations. (Republik Indonesia, 2020)

A second normative gap concerns the allocation of responsibility between BUJP and user companies. The security guard is formally employed by BUJP but performs duties within the user company's operational sphere. The source study finds that current regulation does not provide a sufficiently comprehensive guide for allocating responsibility when employment disputes, occupational accidents, or legal problems arising from security operations occur. In the absence of a clearer regulatory connection, responsibility can depend excessively on contractual interpretation or on the perspective of the institution handling the dispute. Harmonization is therefore relevant not only to institutional efficiency but also to the legal position of the individual guard.

The source manuscript further proposes that harmonization be directed toward a National Standard Operating Procedure for Security Guards and toward clearer coordination of supervision. The purpose is to connect professional standards with employment protection and institutional accountability. Such a framework would clarify what is expected of Satpam in performing security functions, what protection follows when duties are performed according to procedure, what responsibilities remain with BUJP as employer and security-service provider, and what operational responsibilities attach to the user company. This approach seeks proportionality among professional duties, employment rights, and organizational responsibility.

Accordingly, harmonization has a preventive function. Clearer norms and institutional interfaces can reduce disputes before they occur by making the applicable standards and responsibilities more predictable. They can also improve corrective action because

violations identified in one regulatory domain would no longer be isolated from assessments in another domain. In the study's reasoning, this is the point at which legal certainty, justice, and utility become operational rather than merely abstract objectives: certainty requires clear rules and responsibility; justice requires meaningful protection for the weaker party in the employment relationship; and utility requires a regulatory arrangement capable of supporting professional and effective security services.

The source study also identifies an imbalance between professional obligations and professional protection. Security guards are required to meet competence standards, undertake education, comply with professional ethics, and perform duties according to operational standards. Yet the regulation of rights to legal assistance, professional protection when actions are taken according to procedure, and rehabilitation following legal problems remains limited. This reinforces the need for harmonization that integrates professional duties with employment and legal protection. The legislative-harmonization framework cited in the study supports this broader conception. (Soeprapto, 2007)

Comparative discussion in the source manuscript considers the United States, Germany, and Malaysia. It describes the United States as emphasizing business accountability, personnel standards, licensing, background checks, and recurrent training, while involving public authorities, professional associations, and independent certification structures. Comparative-law scholarship is cited as the methodological basis for drawing lessons across legal systems. Germany is described as emphasizing professional competence and layered coordination among local government, police, and trade authorities. Malaysia is described as employing a more centralized model with strong government-police coordination, strict licensing, periodic compliance evaluation, and attention to personnel welfare and competence. (Zweigert & Kötz, 1998)

The comparative section does not propose copying any foreign system. Rather, it identifies recurring principles: private security is treated as a strategically supervised

sector; personnel protection extends beyond ordinary employment terms to competence and professional development; and supervision benefits from coordination rather than isolated sectoral action. Comparative-law literature cited in the source study supports the use of functional comparison to identify such common regulatory principles. (de Cruz, 2007)

For Indonesia, harmonization should therefore operate on three levels. First, substantive harmonization should align rules governing BUJP, Satpam, user companies, and state authorities, eliminating overlap and filling protection gaps. Second, institutional harmonization should establish a coordination mechanism among bodies responsible for guidance, supervision, and enforcement. Third, implementation harmonization should establish procedures through which the relevant rules are applied consistently in practice. The source study grounds this approach in legislative theory. It also emphasizes that harmonization should balance the interests of the state, business entities, workers, and service users, consistent with the need for coherence in Indonesian positive law. (Soeprapto, 2007 ; Manan, 2004)

Friedman's framework further indicates that legal reform must address substance, structure, and legal culture together. New rules without institutional coordination may remain ineffective, while stronger institutions without coherent norms cannot eliminate regulatory conflict. The second research question is therefore answered by finding that harmonization is necessary not simply to tidy the statute book, but to create an operational legal system capable of providing certainty, protection, accountability, and effective governance. (Friedman, 1975)

C. The Urgency of Integrated Monitoring and Evaluation: Integrated Co-Supervision

The effectiveness of BUJP regulation depends on supervision. In a state based on law, the exercise of legal authority should be accompanied by mechanisms that ensure that

authority remains within legal limits and that regulatory objectives are achieved. The source study uses Jimly Asshiddiqie's constitutional-law scholarship to connect supervision with the rule of law and accountable governance. Without effective supervision, formal norms risk remaining law in the books rather than becoming law in action. (Asshiddiqie, 2010)

The present supervisory structure is sectoral. The Indonesian National Police conduct technical guidance, issue operational licenses, certify competence, and evaluate self-security operations. Labor authorities supervise employment norms, workers' rights, and industrial relations. Corporate compliance is addressed through the applicable corporate-law framework. Specialization is not itself the problem; the problem is the lack of a mechanism that integrates the outputs of these different supervisory functions into a comprehensive compliance assessment.

Sectoral supervision is particularly problematic because compliance in the security-service industry is multidimensional. Administrative licensing cannot provide a complete picture if serious employment violations are excluded from the assessment, while labor supervision cannot fully assess the professional-security dimension if it is disconnected from police guidance, certification, and technical evaluation. The source study therefore treats information exchange and joint evaluation as essential features of an effective supervisory architecture. Integration is intended to allow separate institutional competencies to contribute to one broader assessment of BUJP compliance.

The proposed model is consequently a co-supervision model rather than institutional consolidation. The Indonesian National Police would continue to exercise its legally established functions in professional guidance, operational licensing, certification, and technical supervision. Labor authorities would continue to exercise their authority over employment relations and workers' rights. Other relevant stakeholders may participate according to their respective functions. What changes is the connection among these

activities: monitoring results, compliance information, professional-development findings, and evaluation outcomes would be coordinated so that the performance of a BUJP is not viewed through only one regulatory lens.

This design also addresses the study's concern with accountability. Integrated monitoring can make it more difficult for a problem to disappear in the institutional boundary between police supervision and labor supervision. A labor violation could become relevant to the broader evaluation of the business entity, while findings concerning professional competence or technical security management could inform the assessment of employment and organizational practices where relevant. The model thus seeks to transform fragmented supervision into a continuing cycle of guidance, monitoring, evaluation, and legally appropriate follow-up.

The Integrated Co-Supervision Model should therefore be read as the institutional expression of the study's harmonization thesis. Substantive harmonization identifies which norms and responsibilities must be aligned; institutional harmonization identifies how the competent authorities must coordinate; and implementation harmonization requires procedures that make this coordination work in practice. The novelty is the combination of these dimensions in a supervisory mechanism designed specifically for the dual public-interest and employment character of the BUJP industry. Its objective is not merely stronger control over businesses, but a regulatory environment that simultaneously supports professional security services, worker protection, business accountability, and the effectiveness of the national security system.

The source study notes that labor-rights violations do not necessarily become part of the evaluation of BUJP operational licensing, while police technical-guidance findings do not necessarily become part of labor-compliance assessment. Each institution therefore sees only one part of the entity's compliance profile. From a legal-system perspective, this is a structural weakness in implementation. It also limits preventive supervision because

information relevant to one authority may not be systematically available to another. (Friedman, 1975)

The need for integration grows with the complexity of the security-service industry. The source study therefore proposes an Integrated Co-Supervision model. The model does not abolish or transfer existing powers. Instead, it creates a coordinated monitoring and evaluation mechanism linking the Indonesian National Police, labor authorities, and other relevant stakeholders. The statutory foundations of the principal police and labor powers remain those already identified in the source manuscript. (Republik Indonesia, 2002; Republik Indonesia, 2020; Republik Indonesia, 2003)

Under Integrated Co-Supervision, technical guidance results, labor-law compliance, Satpam competence standards, and evaluation of security-service operations would form parts of an interconnected information and assessment system. This would allow supervision to move from separate administrative checks toward a more comprehensive assessment of BUJP performance and compliance. Friedman's legal-system approach supports this institutional integration because effective regulation depends on the ability of legal structures to implement and connect legal substance. (Friedman, 1975)

The model is intended to strengthen legal certainty, improve the effectiveness of professional guidance, and provide more effective protection for Satpam. It would also support professional, transparent, and accountable BUJP governance. The rule-of-law framework cited in the source study reinforces the importance of monitoring and evaluation as part of accountable exercise of public authority. (Asshiddiqie, 2010)

The novelty of Integrated Co-Supervision lies in its emphasis on coordinated oversight without institutional displacement. Rather than proposing a single authority that absorbs the powers of police and labor institutions, it connects their functions through shared monitoring, information exchange, evaluation, and follow-up. This makes the model consistent with the study's broader conclusion: the core regulatory need is integration and

harmonization of existing legal regimes, not simply multiplication of new sectoral rules.

4. Conclusion

This chapter has examined the urgency of regulating Security Service Business Entities as a means of optimizing Indonesia's security-service industry. The first conclusion is that BUJP regulation already has a legal basis in police, labor, private, administrative, and corporate law, but the rules remain sectoral and have not yet formed a fully integrated legal system. This fragmentation contributes to normative disharmony, disconnected authority, and incomplete legal certainty for BUJP, Satpam, and user companies.

The second conclusion is that harmonization is a fundamental requirement. It should not be limited to textual alignment among regulations. Harmonization must integrate legal substance, institutional authority, and implementation mechanisms so that legal certainty, justice, and utility can be pursued together. Particular attention is required for the legal status and protection of Satpam, the allocation of responsibility between BUJP and user companies, and the relationship between police professional guidance and labor-law protection.

The third conclusion is that monitoring and evaluation must be strengthened through an integrated supervisory mechanism. The Integrated Co-Supervision model proposed by the source study links the Indonesian National Police, labor authorities, and relevant stakeholders without changing their respective statutory authority. By connecting technical guidance, labor compliance, competence standards, and operational evaluation, the model can provide a more complete picture of BUJP compliance and support more professional, accountable, and sustainable governance.

Taken together, the three findings form a single chain of reasoning. Regulatory fragmentation produces uncertainty in the triangular relationship among BUJP, Satpam,

and user companies; harmonization is required to align the substantive rules and allocation of responsibility; and harmonization cannot become effective without a supervisory structure capable of connecting professional guidance with employment oversight. Integrated Co-Supervision is therefore not an isolated administrative proposal, but the implementation mechanism through which the dissertation's broader concept of regulatory integration can be realized.

The chapter therefore recommends cross-sector regulatory synchronization, clearer allocation of legal responsibility, stronger professional and employment protection for Satpam, and implementation of Integrated Co-Supervision as a coordinated monitoring and evaluation framework. These measures are directed toward an Indonesian security-service industry that is professional, modern, legally certain, and consistent with the principles of the rule of law.

References

- Asshiddiqie, J. (2010). *Konstitusi dan konstitusionalisme Indonesia*. Sinar Grafika.
- Asshiddiqie, J. (2010). *Konstitusi dan konstitusionalisme Indonesia*. Sinar Grafika.
- Asikin, Z., et al. (2010). *Dasar-dasar hukum perburuhan*. PT RajaGrafindo Persada.
- Chandra, S. (2003). *Outsourcing implementasi di Indonesia*. Elex Media Komputindo.
- Cheyne, C., O'Brien, M., & Belgrave, M. (1998). *Social policy in Aotearoa New Zealand: A critical introduction*. Oxford University Press.
- de Cruz, P. (2007). *Comparative law in a changing world*. Routledge-Cavendish.
- Fuller, L. L. (1964). *The morality of law*. Yale University Press.
- Hadjon, P. M. (1987). *Perlindungan hukum bagi rakyat di Indonesia*. Bina Ilmu.
- Indrati Soeprapto, M. F. (2007). *Ilmu perundang-undangan: Jenis, fungsi, dan materi muatan*. Kanisius.

- Kadir, Z. K. (2024). "Menggugat netralitas hukum pidana: Perdebatan ideologis di balik kebijakan kriminal di negara-negara liberal." *Eksekusi: Jurnal Ilmu Hukum dan Administrasi Negara*, 2(4), 380–400.
- Khairandy, R. (2012). *Harmonisasi hukum dalam sistem perundang-undangan nasional*. FH UII Press.
- Khairandy, R. (2014). *Perseroan terbatas: Doktrin, peraturan perundang-undangan, dan yurisprudensi*. FH UII Press.
- Kitab Undang-Undang Hukum Perdata.
- Manan, B. (2004). *Hukum positif Indonesia: Suatu kajian teoritik*. FH UII Press.
- Peraturan Kepala Kepolisian Negara Republik Indonesia Nomor 24 Tahun 2007 tentang Sistem Manajemen Pengamanan Organisasi, Perusahaan, dan/atau Instansi/Lembaga Pemerintah.
- Peraturan Kepolisian Negara Republik Indonesia Nomor 4 Tahun 2020 tentang Pengamanan Swakarsa.
- Peraturan Pemerintah Nomor 43 Tahun 2012 tentang Tata Cara Pelaksanaan Koordinasi, Pengawasan, dan Pembinaan Teknis terhadap Kepolisian Khusus, Penyidik Pegawai Negeri Sipil, dan Bentuk-Bentuk Pengamanan Swakarsa.
- Soemitro. (1990). *Metodologi penelitian hukum*. Rineka Cipta.
- Soepomo, I. (2003). *Hukum perburuhan bidang hubungan kerja*. Djambatan.
- Suharyati, & Wagiman. (2020). "Pengawasan pelaksanaan outsourcing pada Badan Usaha Jasa Pengamanan (BUJP) oleh Kepolisian Negara Republik Indonesia." *Jurnal Hukum*, 7(2), 215–218.
- Umar, B. W. (2010). *Privatisasi keamanan di Indonesia: Peran dan fungsi satuan pengamanan dalam perspektif keamanan nasional*. Pustaka LP3ES Indonesia.
- Undang-Undang Dasar Negara Republik Indonesia Tahun 1945.
- Undang-Undang Nomor 6 Tahun 2023 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 2 Tahun 2022 tentang Cipta Kerja menjadi Undang-Undang.
- Wijayanti, A. (2018). *Hukum ketenagakerjaan pasca reformasi*. Sinar Grafika.

Zweigert, K., & Kötz, H. (1998). An introduction to comparative law. Oxford University Press.