

# **Identification of Factors Causing Construction Contract Breaks and Recommendations for Improvement in West Pasaman Regency**

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# **ABSTRACT**

The implementation of construction projects in the Regional Government of West Pasaman Regency almost every year there is always a termination of the contract which results in not achieving the government's goal of increasing the standard of living of the community because the targets set by the Government are delayed and hampered. This research was carried out which aims to identify the causes of contract termination in the implementation of construction service procurement in West Pasaman Regency, analyze and evaluate the causes of contract termination in construction implementation, and determine recommendations for improvement to prevent contract termination in the implementation of construction service procurement in Pasaman Regency West. This study uses descriptive qualitative analysis based on the results of interviews with CMO and TIO for work that has terminated its contract and analyzes administrative data on termination of contracts for construction work which has experienced termination of contract. The methods used in the discussion to find out the factors that cause construction contract termination are the Fault Tree Analysis (FTA) Method and the Obtain Cut Set (MOCUS) Method. From this study it can be concluded that the main factor causing the breakup of construction contracts is the owner's firmness with the performance of the provider, the provider being evaluated is unable to carry out the work, the contract termination should be carried out earlier, not waiting for the end of the year and not providing an extension of the implementation period past the fiscal year and the owner is negligent. in controlling the contract. While the supporting factors that cause the termination of the contract are the provider's fault, namely poor project management, the practice of borrowing company flags, not having capital, not heeding the instructions of the owner and field supervisor as well as other factors, namely disturbance factors from the community around the work location, weather, selection of providers and material supply. For recommendations for future improvements, it is recommended that the owner carry out control of the construction contract more optimally and the provider is more professional at work. This study analyzes the factors that cause construction contract terminations only from the owner's point of view, therefore further research is still needed from the point of view of job providers and supervisors to see the characteristics and possibilities of other different factors.

**Keywords:** Construction Contract Termination; The Causes of Contract Termination; Improvement Recommendations.

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# INTRODUCTION

Limited resources in the form of people, materials, costs or tools are things that trigger the birth of project management. The higher the complexity of a construction job and the scarcer the resources, the management system will be needed from the beginning of implementation to completion integrated with project management [1].

Project management consists of planning and controlling time, quality and cost. The time available and the costs that have been used in the completion of construction work must be measured continuously against the work plan. Construction projects are measured by achieving goals that are in accordance with time, budget, effective use of resources and satisfying the owner [2].

The process of procuring government goods / services that are carried out contractually, sometimes there is dissatisfaction from the owner, namely the Commitment Making Officer (CMO) on the results of the implementation of the work by the goods / services provider. The CMO's dissatisfaction can lead to unilateral termination of the contract by the Commitment Making Officer followed by other actions such as billing for a full refund of the advance payment, disbursing the implementation guarantee and including the goods / services provider. in the list. black [3]. Contract termination that occurs can be detrimental to the provider and CMO. For providers, contract termination has implications for company performance, loss of funds, materials and sanctions for being blacklisted, while for CMO the termination of the contract will have implications for the CMO performance assessment and result in job failure and low budget realization [4]. The termination of the contract for the implementation of construction work that occurs almost every year in the Regional Government of West Pasaman Regency results in not achieving the government's goal of improving the standard of living of the community because the targets set by the Government are delayed and hampered [5].

# **METHOD**

The object of this research is to identify the factors that cause construction contract breaks in the environment. Regional Government of West Pasaman Regency Year. Fiscal Year 2018 to Fiscal Year. 2022. Stages Literature study by looking for several sources and previous research. which discusses the factors that affect the termination of construction contracts in a construction project, especially from the point of view of the project owner. The literature study was refined by interviewing the Making Official. Commitment Officer (CMO) and Technical Implementation Officer. (TIO) construction projects in the West Pasaman Regency Government with questions about experiences while in the process of physical implementation of construction, what are the factors that cause contract termination that affect the achievement of regional development and suggestions for anticipating so that there is no more termination of contracts on construction projects implemented in West Pasaman Regency.

The preparatory stage of data collection to support the acquisition of accurate and relevant data, namely the identification and determination of informants or research subjects. The informants who are the subjects of this research are the Commitment Making Officer (CMO) and the Technical Implementation Officer (TIO) of construction projects at the Public Works and Spatial Planning Office of the Regional Government of West Pasaman Regency FY 2018-2021 as shown in Table 1 below.



Table 1. Research Subjects

No.	Code	Infor-man	Name of Construction Work	Package	Project
	Position			Year	Code
1.	CMO1	CMO	Rehabilitation of Irrigation Network D.I.	2022	P1
			Batang Karumie (DAK Assignment)		
2.	CMO2	CMO			
3.	TIO1	TIO			
4.	CMO3	CMO	Muaro Mais Bridge Construction project	2021	P2
			- Lubuk Gobing Kec. Ranah Batahan		
			(Provincial Special Financial Assistance		
			Year 2021)		
5.	TIO2	TIO			
6.	CMO4	CMO	Landscape Construction of the West	2019	P3
			Pasaman Great Mosque (Continued)		
7.	TIO3	TIO			
8.	CMO5	CMO	Construction of Sports Stadium Tribune	2018	P4
9.	TIO4	TIO			
10	CMO6	CMO	Construction of Indoor Tennis Court	2018	P5
11.	TIO5	TIO			

Data collection in this study is the use of administrative data on construction projects that have experienced contract termination and interviews.

- 1. Administrative Data. construction work, obtained from CMO and TIO activities that will be used as research material, the data is in the form of: Letter of Reprimand, Warning Letter, Minutes of Delay Proof Meeting (SCM), Contract Addendum, Technical Justification, Minutes of Payment, Construction Work Report, Minutes of Field Inspection and Minutes of Contract Termination. Each work package the data obtained by the author is not always the same and complete, depending on what is provided by CMO and TIO because it is related to archives whose physical implementation has occurred several years back.
- 2. Interviews, carried out with several questions and then copied in the form of interview transcripts. In this study, the interviews conducted were unsystematic because the interview guideline instrument adjusted to the conditions of the implementation of the work that was the object of research. Interviews were conducted directly to respondents and/or recorded and presented in the form of copies or transcripts to be processed into research data.
  - Interviews were conducted on June 12 to July 10, 2023, work administration data was requested directly from CMO and TIO during the interview. Documentation by researchers was carried out during the interview in the form of a matrix of transcripts of the results and recordings of the interview process.

The next method is data analysis which is a way to process the research data, data analysis is carried out qualitatively with a descriptive format using the fault tree analysis (FTA) method. The workings of the Fault tree analysis (FTA) method can be summarized into four main stages, namely identification of work that breaks the contract, identification of factors that cause contract breaks, depiction of Fault tree analysis (FTA) construction, and analysis of Fault tree analysis (FTA) construction with the MOCUS analysis method (Analysa, 2019). Fault tree consists of three nodes, namely events, gates, and transfers (Kabir, 2018). The following symbols are for event nodes in table 2.



Table 2. Symbols of Nodes

Symbol image	Symbol name	Description
	Basic evemt	Initial or basic errors that do not need further development or expansion.
$\Diamond$	Undeveloped evemt	Events whose contribution was not considered in the analysis due to insignificance or limited information
	Intermediate event	Errors caused by logical combinations of other events that are occurring at the bottom of the tree
	Normal event	Does not represent an error and is part of the nominal system behavior
	Conditioning Event	Does not represent a fault but as a special condition special condition special condition or limitation for certain types of gates

Here are the symbols for event gates:

Table 3. Gate Event Symbols

Symbol image	Symbol name	Description
	OR gate	an output event occurs if at least one input event occurs
	AND gate	an output event occurs if all input events occur
	XOR gate	an output event occurs if one and only one of the input events occurs
	INHIBIT gate	event output occurs if the only input event occurs in the presence of a conditioning event

Method of Obtaining Cut sets (MOCUS) is used to determine the minimum cut set used to provide answers to FTA problems using MOCUS (Method Obtain Cut Set). Cut sets are used to evaluate fault tree diagrams and are obtained by drawing a line through the blocks in the system to show the minimum number of failed blocks that cause the entire system to fail. If



one of the events in the minimum cut set does not occur, then the peak event or undesired event will not occur. In other words, the minimum cut set is the smallest root cause that has the potential to cause a contract break (peak event).

The next step after creating the FTA graphical model is to further analyze the basic causes that cause the top event to occur by finding the minimum cut set obtained from the analysis using Boolean algebra. The minimal cut set itself is a basic event that cannot be reduced anymore but without losing its status as a basic event itself. The Boolean logic operator notation used for OR gate is addition symbolized by (+), while for AND gate is multiplication symbolized by (.). The Boolean algebraic law used in this analysis is a - (b + c) = (a - b) + (a - c).

#### RESULTS AND DISCUSSION

In the West Pasaman Regency Regional Government FY 2018-2022 there are several construction works that have broken contracts, the data on the construction work packages that have broken the contract were obtained by the author from the Development Administration Section of the Regional Secretariat of West Pasaman Regency, where the list of Recapitulation of Broken Contracts for Procurement of Goods and Services (PBJ) West Pasaman Regency Fiscal Year 2018 S.D 2022. Specifically, the list of construction work packages that have broken contracts in the 2018-2022 Fiscal Year can be seen in the details of the broken contracts presented in Table 4 below.

Table 4. Jobs. Construction Projects that Broke Contract in 2018-2022

No.	<b>Construction Project Name</b>	Contract Value (Rp)	Provider	Fiscal Year	Project Code
1	Rehabilitation of Irrigation Network D.I. Batang Karumie (DAK Assignment)	1.199.917.600,00	CV. A	2022	P1
2	Construction of Muaro Mais Bridge - Lubuk Gobing Kec. Ranah Batahan (Provincial Special Financial Assistance 2021)	1.551.623.179,00	CV. B	2021	P2
3	Landscape Construction of West Pasaman Great Mosque (Continued)	1.097.286.397,90	CV. C	2019	P3
4	Construction of Sports Stadium Tribune	14.266.678.000,00	PT. D	2018	P4
5	Construction of Indoor Tennis Court	1.391.930.000,00	CV. E	2018	P5

From the data on construction projects that broke the contract based on table 4.1 above, it is known that all terminations. Contract. carried out by the Contract Signing Officer in this case, namely CMO. If it is related to LKPP Regulation no. 12 of 2021 concerning Guidelines for the Implementation of Government Procurement of Goods / Services Through Providers, the causes of contract termination by CMO can be explained in the following table 5.



Table 5. Reasons for Termination. Contract, which is done by CMO

	<b>Contract Termination by CMO Project</b>	Project 1	Project 2	Project 3	Project 4	Project 5
a.	The provider is proven to have committed Corruption, collusion and Nepotism, fraud. and/or forgery in the procurement process decided by the authorized Agency.					
b.	The provider is proven to have committed Corruption, collusion and Nepotism, fraud. and/or forgery in the procurement process decided by the authorized Agency.					
a.	The provider is in a state of bankruptcy decided by the court					
b.	The Provider is proven to be subject to Sanctions. Blacklist before the signing of the Contract					
c.	Provider fails to improve performance	$\sqrt{}$	$\checkmark$	√	√	√
d.	The Provider does not secure the validity of the. Implementation Guarantee					
e.	The Provider is negligent / defaults in carrying out its obligations and does not correct its negligence within the specified period	V	V	V	V	V
f.	based on the research of the Official authorized to sign the Contract, the Provider will not be able to complete the entire work even if given the opportunity to complete the work			V		
g.	The Provider is unable to complete the work after being given the opportunity to complete the work	V	V		V	V
h.	The Provider stops the work for 28 (twenty-eight) calendar days and this stoppage is not listed in the work implementation schedule and without the approval of the work supervisor; or					
i.	The Provider transfers the entire Contract not due to a change in the name of the Provider.					

The data presented by the author are several construction work packages that have broken contracts from 2018 to 2022. In fact, there are several work packages that have broken contracts, but due to the author's limitations in finding data related to the project, only five projects were taken as samples because the incident occurred several years ago where the archive of the project data was not found and the CMO and TIO of the project had been transferred a lot.



Table 6: Contract termination process of Irrigation Network Rehabilitation Works D.I.

Batang Karumie (DAK Assignment)

No.	Process	Date	Description
1.	Contract	July 21 to Nov 17, 2022	120 HK
2.	WL1	August 22, 2022	
3.	Add. II	September 5, 2022	Time compensation 30 HK (implementation time until December 16, 2022)
4.	WL2	December 2, 2022	Deviation ±20%
5.	WL3	December 26, 2022	Deviation of almost 30%
6.	Add IV	December 16, 2022	providing opportunities based on the results of meetings with technical teams and PA
7.	Physical weight	End of December 2022	Weight 69.9%
8.	Field minutes	Feb 3, 2022	Since Jan 26 there is no activity in the field
9.	Contract termination	6 Feb 23	Weight 82.56%
10.	Payment by CMO	End of Nov 2022	±60% of the contract value is deducted by 100% down payment

From the description above, it can be concluded that the factors causing contract termination for the Rehabilitation of Irrigation Network D.I. Batang Karumie (DAK Assignment) are shown in Table 7 below.

Table 7. Factors causing contract termination for the Rehabilitation of Irrigation Network of D.I.

Batang Karumie (DAK assignment)

No.	Cause		Description	
1	Owner	-	The work location is not yet clear from land issues	
		-	Did not ask the partner to explain the implementation method during PCM.	
2	Partner	-	Entrusting work to parties outside the company (contracting work to other parties)	
		-	The large number of work packages carried out at the same time	
		-	Not heeding the instructions of the owner and field supervisor	
		-	Wrong implementation method	
		-	No good intentions (work not according to spec)	
		-	Poor project management	
		-	Lack of capital	
3	Others	-	Weather factor	
		-	Interference from the surrounding community	



Contract termination process for the construction of Muaro Mais Bridge - Lubuk Gobing

Kec. Ranah Batahan (2021 Provincial Special Financial Assistance) according to table 8.

Table 8. Summary of the Contract Break Process for the Construction of the Muaro Mais - Lubuk Gobing Bridge Lubuk Gobing Kec. Ranah Batahan (Provincial Special Financial Assistance Year 2021)

No.	Process	Date	Description
1.	Contract	Sept 21 to Dec 29, 2021	100 HK
2.	WL2	December 14, 2021	Provider did not attend SCM meeting
3.	WL3	December 24, 2021	Deviation almost 86.8%
5.	Physical weight	26 Des 2021	11,41%
6.	Add I	Dec. 29, 2021	Provision of opportunity based on the
			results of the meeting with PA until
			Feb. 17, 2022
7.	Field minutes	Feb 17, 2021	Work is not completed, there is work
			that is not according to specifications
8.	Termination of Contract	Feb 17, 23	Weight 39.04%
9.	Payment by CMO	End of Nov 2022	30% of the contract (down payment
			only)

From the description above, it can be concluded that the factors causing contract breakage for the construction of the Muaro Mais - Lubuk Gobing Bridge Development in Ranah Batahan Subdistrict (2021 Provincial Special Financial Assistance) are shown in Table 9 below.

Table 9. Factors causing contract termination for the construction of the Muaro Mais Bridge - Lubuk Gobing Kec. Ranah Batahan (Provincial Special Financial Aid 2021)

No.	Cause		Description	
1	Owner	-	The large amount of work controlled by CMO	
		-	CMO is negligent	
		-	Method of implementation Cost budget plan does not match field conditions	
2	Provider	-	The large number of work packages carried out at the same	
			time	
		-	Did not heed the instructions of the owner and field supervisor	
		-	Work is not according to spec	
		-	Good intentions do not exist	
		-	Neglect to take care of project administration	
		-	Insufficient manpower	
		-	No capital, relying only on down payment	
		-	Negligent provider	
3	Others	-	Selection of partners by the UKPBJ Working Group	

The contract termination process of the West Pasaman Grand Mosque Landscape Development Work (Continued) according to table 10.



Table 10. Summary of the Contract Termination Process for the Landscape Development of the West Pasaman Grand Mosque (Continued)

No.	Process	<u>Date</u>	<u>Description</u>
1.	Contract	Sept 5 to Dec 29, 2019	116 HK
2.	Warning Letter	Oct 11, 2019	Deviation 2.72%
3.	SCM 1	Oct 31, 2019	Deviation 30.16%
4.	WL1	Nov 14, 2019	Deviation of more than 30.16%
5.	SCM 2	Nov 20, 2019	Deviation of 52.25%, There was a commotion by the supplier, no agreement was reached.
6.	WL2	Dec 23, 2018	Deviation of 60.29%
7.	SCM 3	Dec 23, 2018	Deviation 58.60%, Not attended by suppliers
8.	WL3	26 Dec 2018	Deviation 56.94%
9.	Contract termination	31 Des 2018	Weight 47.22%
10.	Payment by CMO		30% of the contract (only down payment)

From the description above, it can be concluded that the factors causing contract termination for the West Pasaman Grand Mosque Landscape Development (Continued) are shown in Table 11 below.

Table 11. Factors causing contract termination for the West Pasaman Grand Mosque Landscape Development work (Continued)

No.	Cause		Description	
1	Owner	-	CMO hands over field affairs to TIO	
		-	TIO's technical ability is limited	
		-	The large amount of work controlled by CMO	
2	Provider	-	Borrowing company	
			Insufficient labor	
		-	Did not heed the instructions of the owner and field supervisor	
		-	Provider is negligent	
		-	Good intentions do not exist	
		-	Neglected to take care of project administration	
		-	Do not have capital, only rely on down payments	
		-	Material not according to spec	
3	Others	-	Selection of provider	

The process of breaking the contract for the construction of the Sports Stadium Tribune according to table 12:



Table 12. Summary of the Contract Termination Process for the Construction of the Sports Stadium Tribune

No.	Process	Date	Description
1.	Contract	1 Agus s.d 25 Des 2019	147 HK
2.	Add. II	Dec 25, 2018	Time extension of 50 HK without extension of down payment guarantee and performance guarantee
3.	Physical weight	Dec 28, 2018	47,18%
4.	Contract termination	Jan 11, 2019	Weight 52.18%
5.	Payment by CMO		30% of the contract (only down payment)
6.	Payment by CMO	End of Dec 2018	42.18% of the contract (5% retention deduction)

From the description above, it can be concluded that the factors causing contract termination for the construction of the Sports Stadium Tribune are shown in Table 13 below.

Table 13. Factors causing the contract break for the construction of the Sports Stadium Tribune

No.	Cause		Description
1	Owner	-	CMO hands over field affairs to TIO
		-	TIO's technical capabilities are limited
		-	The large amount of work controlled by CMO
		-	Not conducting a planning review
		-	Extending the implementation time before the conditions are met
			by the provider
2	Provider	-	Entrusting work to parties outside the company
		-	Did not heed the instructions of the owner and field supervisor
		-	Lack of coordination with field supervisors
		-	No good intentions
		-	Poor project management
		-	Lack of capital
		-	Negligence in administration
		-	Material supply constraints
		-	Labor shortage
3	Others	-	Weather factor
		-	Limited material supply
		-	Selection of suppliers

The process of breaking the contract for the construction of the Indoor Tennis Court construction work according to table 14.

Table 14. Summary of the contract termination process for the construction of indoor tennis courts construction work

No.	Process	Date	Description			
1.	Contract	July 27 to Dec 13, 2018	140 HK			
2.	Add. II	Dec 13, 2018	Additional time until Dec. 30, 2018			
3.	Add. III	Dec 31, 2018	Additional time 50 HK			
4.	Physical weight	Dec 28, 2018	40,32%			



5.	Contract termination	Jan 11, 2019	No information
6.	Payment by CMO	End of December 2018	57.32% of the contract (there was an overpayment and became a BPK
			finding)

The conclusion of the factors causing the contract break for the Indoor Tennis Court Construction work is shown in Table 15 below.

Table 15. Factors causing contract breakage for indoor tennis court construction work

No.	Cause		Description
1	Owner	-	CMO leaves field affairs to TIO
		-	Basic CMO education is not civil engineering or architecture
		-	The large amount of work controlled by CMO
2	Provider	-	Entrusting work to parties outside the company
		-	Not heeding the instructions of the owner and field supervisor
		-	Partner negligence
		-	No good intentions
		-	Poor project management
		-	Lack of capital

Each factor will be coded alphabetically and numerically to make it easier to find and remember, which is presented in table 16 below.

Table 16. FTA Event Description Causing Contract Breaks for construction projects in West Pasaman Regency

No.	Event	Description	Event	Description					
	A	Factors causing co	ontract te	rmination					
	B1	Owner	C1	The work location is not yet clear from land					
				problems					
			C2	Not asking partners to explain the implementation					
				method during PCM					
			C3	The amount of work controlled by CMO					
No.	Event	Description	Event	Description					
			C4	Handing over responsibility to TIO					
			D1	Limited ability of TIO (new TIO)					
			D2	Weak supervision					
			C5	Limited technical capability of CMO					
			C6	CMO is negligent					
			D3	Not conducting a planning review					
			D4	Extending the implementation time before the					
				conditions are met by the provider					
			C7	Planning error					
	B2	Provider	C8	Borrowing company					
			D5	The borrower is negligent					
			D6	Borrower not responsible					
			C9	Poor project management					
			D7	Large number of works carried out at the same time					
			D8	Implementation method error					
			D9	Outsourcing work to other parties					
			D10	Lack of coordination with field supervisors					



		D11	Neglect of project administration
		D12	Work not according to spec
		D13	Insufficient labor
		C10	No goodwill
		D14	Did not heed the instructions of the owner and field
			supervisor
		D15	Negligent provider
		D16	Materials not up to spec
		C11	Capital
		D17	No capital
		D18	Relying on down payment
В3	Other	C12	Disturbance from the public
		C13	Weather
		C14	Selection of suppliers
		C15	Material supply

Table 17. Event Intensity Causing Contract Breaks for Construction Works in West Pasaman District

No.	Event code	Description	P1	P2	Р3	P4	P5	Intention to appear
1	Owner							
	C1	The work site is not yet clear from land issues	✓					1
	C2	Did not ask the partner to explain the implementation method during PCM	<b>√</b>					1
	C3	The amount of work controlled by CMO		✓	✓	✓	<b>✓</b>	4
	C4	Handing over responsibility to TIO			✓		✓	2
	C5	TIO's technical capability is limited			✓	✓	<b>✓</b>	3
	C6	TIO is negligent		✓		✓		2
No.	Event code	Description	P1	P2	Р3	P4	P5	Intention to appear
	C7	RAB implementation method does not match field conditions		✓				1
	D1	Limited TIO capability (new TIO)					<b>✓</b>	1
	D2	Weak supervision					<b>✓</b>	1
	D3	No planning review				✓		1
	D4	Extending the implementation time before the conditions are fulfilled by the provider				✓		1
	C8	Company borrowing			<b>√</b>		<b>√</b>	2
	C9	Poor project management	✓	✓			✓	3
	C10	No goodwill	<b>√</b>	<b>√</b>	<b>√</b>			3
	C11	Capital	✓	✓	✓			3
	D5	Defaulting borrower			✓	✓	✓	3
	D6	Borrewer is not responsible			✓	✓	✓	3
	D7	The amount of work performed the same time	✓					1
	D8	Implementation method error	✓				✓	2
	D9	Outsourcing work to other parties	✓					1



D10	Lack of coordination with field supervisors						0
D11	Neglecting to take care						0
D12	Work not according to spec						0
D13	Less labor						0
D14	Not heeding the instructions of the owner and field supervisors		<b>√</b>	✓	<b>✓</b>	✓	4
D15	Provider negligence		✓	✓	✓		3
D16	Material not as per spec			✓			1
D17	No capital	<b>√</b>	✓	✓	✓	✓	4
D18	Relying on down payment	<b>√</b>	✓	✓	✓	✓	4
More							0
C12	Interference from the community	<b>√</b>	<b>√</b>				2
C13	Weather	<b>\</b>	<b>√</b>		<b>√</b>		3
C14	Selection of providers			<b>√</b>	✓	✓	3
C15	Material supply		<b>√</b>		<b>√</b>		2

Of the five construction works mentioned above, the most common factor intensity found to cause contract breakage is:

- 1. Factors from the Owner
  - a. The work location is not yet clear from land problems.
  - b. The amount of work controlled by CMO at the same time.
  - c. CMO's technical capabilities are limited.
  - d. CMO is negligent.

#### 2. Provider factors

- a. Poor project management, namely insufficient labor in carrying out work, errors in implementation methods in work, contracting work to other parties and using materials that are not in accordance with specifications.
- b. No good intentions, namely not heeding the instructions of the owner and field supervisors, materials installed not according to spec and negligence of the provider.
- c. Capital factors where the provider does not have capital and only relies on advances.
- d. The company's borrowing practice, where the borrower is often negligent and irresponsible.

#### 3. Other Factors

- a. Disturbance from the community
- b. Weather
- c. Selection of suppliers
- d. Material supply

From the results of the research on the factors that cause contract termination under study, it can be seen whether there is a connection between the project and complex work referring to the Regulation of the Minister of PUPR Number 01 of 2020 concerning Standards and Guidelines for Procurement of Design-Build Integrated Construction Work through Providers and its amendment regulations in Article 5 paragraph (2) explained that complex work is in the form of work that meets the criteria:

# has high risk;

- a. Requires. high technology;
- b. uses equipment. that is specially designed;



- c. has. difficulties. to. be. defined. technically. regarding. how. to. fulfill. the. needs. and. objectives. of. procurement; and/or
- d. have. conditions. Uncertainty. (unforeseen conditions) that are high.

Based on the above definition, it can be concluded that the construction project studied by the author is not included in the complex work category. The resume diagram of contract termination which can be seen in Figure 6 can be concluded that:

- 1. The physical progress of the work given the additional 50 calendar days beyond the fiscal year did not increase significantly.
- 2. Of the five construction projects studied, it can be seen in the diagram above that only one construction project exceeded 50% physical progress at the end of the fiscal year.
- 3. Of the five construction projects studied, it can be seen in the diagram above that only two construction projects exceeded 50% of physical weight after being granted an extension of implementation time beyond the budget year.
- 4. From the table above, it can be concluded that the owner is too brave to give additional implementation time past the fiscal year because with the implementation time according to the initial contract alone the deviation of the work weight that occurs is very high, thus the owner is considered negligent in controlling the work.
- 5. The owner should have acted earlier to terminate the contract because from the results of the interview it was stated that the provider did not have good intentions to complete the work.

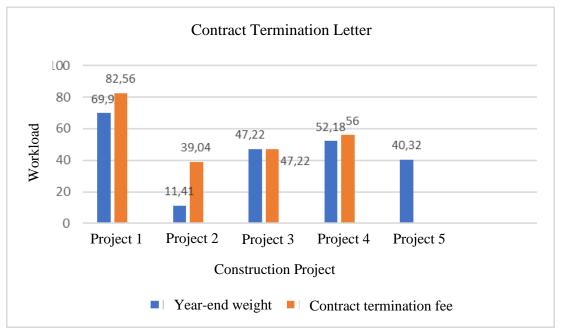


Figure 1. Contract break resume diagram

# **CONCLUSION**

From the results of research on the Identification of Factors Causing Construction Contract Breaks and Recommendations for Improvement in West Pasaman Regency, the following conclusions can be drawn:

1. The main factor that most influences the occurrence of broken construction contracts is the owner's assertiveness towards the performance of the provider, providers who are evaluated as unable to carry out the work should be terminated



- early, not waiting for the end of the year and not giving an extension of the implementation time past the fiscal year.
- 2. The owner is negligent in controlling the construction contract where the difference in delay between the physical realization of the implementation and the plan is very high, then a proving meeting is held and a warning letter is given.
- 3. While the supporting factors that cause contract termination are the fault of the provider, namely poor project management, the practice of borrowing company flags so that the sense of responsibility for the work is lacking, not having capital, not heeding the instructions of the owner and field supervisors.
- 4. The amount of work controlled by CMO at the same time also has an influence on contract termination because CMO is not maximized in controlling construction contracts.
- 5. Other supporting factors are disturbances from the community around the work site, weather, selection of providers and material supply.

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