

DOES EMPLOYEE DEVELOPMENT IMPACT TURNOVER INTENTION AMONG
GARMENT WORKERS?
EMPIRICAL STUDY: GARMENT WORKERS IN INDONESIA

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ABSTRACT

As a source of competitive advantage, organization needs to retain their human capital by reducing the turnover intention. Several human resource management (HRM) practices, such as training and development, promotion opportunities, performance appraisals, and recognition, are used by organizations to effectively retain their employees. The purpose of this study is to examine the impact of employee development, represented by training and promotion, toward growth mindset, empowerment, job security and turnover intention among workers in context of Indonesia's garment industry.

Raw dataset from Better Work Indonesia survey were used for this research, which is collected from 109 garment companies and 2580 respondents who work in garment sector. The data were analysed by using structural equation model (SEM) with Lisrel 8.8.

The results indicate that employee development have positive impact on workers' growth mindset and empowerment, and eventually, decrease turnover intention among workers in garment industry. This study also confirm that employee's job security gives negative impact on turnover intention. This study revealed that employee development unable to increasing, and even reducing, job security perceived by employees. This message provide a significant input toward human resource development in Indonesia.

These findings are expected to provide beneficial suggestion for management in garment industry. By using HR practices that focus on job security, balanced with employee development, company will effectively retain its employees or workers.

Keywords: employee development, growth mindset, empowerment, job security, turnover intention, garment workers

