The Mediating Effect of Psychological Empowerment on the Relationship Between Employee Training and Life Satisfaction in Garment Factories in Indonesia

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ABSTRACT
Garment sector becomes one of major contributors to Indonesia’s economic growth which is shown through an increasing Indonesian clothing exports from 2016 to 2018. The challenges within global business have attracted great attention to improve working conditions and human resource practices, and promote workers’ well-being. The main purpose behind conducting this research is to examine the mediating effect of psychological empowerment between employee training and life satisfaction. The quantitative research method is selected and a questionnaire is completed to collect data. In order to prove the stated hypotheses, a structural equation model is used with a sample of 2,897 garment workers from 86 selected garment factories in Indonesia. The results discover that psychological empowerment partially mediates the relationship between employee training and life satisfaction. However, the indirect effect of psychological empowerment on life satisfaction is smaller than the direct effect of employee training on life satisfaction. It indicates that organizations can implement more effectively on employee training to improve workers’ life satisfaction rather than improving workers’ psychological empowerment. The research provides insight for management, particularly in the garment industries, to enhance employee life satisfaction through training programs.