ABSTRACT

The tight competition of the world’s garment industry causes high production demand in developing countries, one of which is Indonesia, which can provide labor with flexible regulations to reduce production costs. Those flexibility costs benefit the company, but harms workers. Low wages, long working hours and bad relations with supervisors are some of the adverse effects felt by workers regarding their working conditions. Poor working conditions can result in high turnover intention among garment workers. Since 2011, Better Work Indonesia, a collaborative organization between the International Labor Organization (ILO) and International Finance Corporation (IFC), is launched to solve the problem of working conditions and improve the competitiveness of Indonesia’s garment industry, by providing programs and trainings to garment factories in Indonesia. This qualitative study aims to determine the differences in working conditions and turnover intention among garment companies that have participated in the Better Work Indonesia (BWI) programs and those who have not participated in the program (Non BWI). The research data was obtained by conducting a focus group discussion on 93 garment workers in Java who worked for BWI and Non BWI companies. The results showed that BWI companies tended to have higher compliance with various labor regulations than Non BWI companies, but turnover intention rates were found to be high in both types of companies. The results of further analysis will be discussed in this study.

Keywords: Garment workers; turnover intention; working condition