

ABSTRACT

Title: A Study of the Development of Garment Business in Cambodia

By: Ra Chhet

Degree: International Master of Business Administration (IMBA)

Major: International Business Management

IS Advisor:

(Dr. Vijit Supinit)

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(Date)

This study investigates the effectiveness of the development of garment business in Cambodia, it has built up Garment Business to share up with foreign investment for completion and export products to other counties. By the way, Cambodia’s Garment Industry has associate with foreign garment to build up garment productivity center. The most effective and lowest-cost strategy for raising labor productivity and quality in Cambodia’s garment factories should be the training to address Cambodia’s weaknesses in professional development, production controls and engineering, and organization of work. The highest priority must be aimed to train Cambodians in middle management—line supervisors and industrial engineering personnel. These are the positions that have the greatest effect on the efficiency of resource use in the plant. Training for other positions, including operators and mechanics, is also desirable. Training should emphasize not only cost reduction methods, but also ways to improve efficiency in production, quality control, planning, and information systems.

It examines the competitiveness of Cambodia’s garment export industry, on which the country’s recent and successful economic development has depended to an unusually heavy extent. Using primary interviews and drawing on the Japanese-language literature, it documents how Cambodia was inserted into garment global value chains, based almost entirely on inward investment. Despite its expansion in the face of strong Chinese competition since the end of the Agreement on Textiles and Clothing in December 2004, the industry remains vulnerable as a result of deficient infrastructure, labor unrest, official corruption and the absence of a domestic textile industry, all of which serve to diminish its attractiveness to global buyers.

Cambodia has followed other Asian countries into a V-Shaped recovery, with GDP in 2010 at 6.5 % and expected growth for 2011 at 8.7 percent, the garment industry has been growing consistently during the past two decades, and continues to do, so despite the strikes in the first part of 2014. In fact, in the first quarter of 2014 exports of garments and textiles increased by 8.98% as compared to the same period in 2013; similarly, there has been an 8.22% increase in the workforce the end 2013. Textile related products currently account for 70% of Cambodia’s total export.