

## **ABSTRACT**

*This research try to analyze the effect among variable to answer the effect of differentiation strategy and top management support to high performance work practices human resources management systems, and then to analyze how differentiation strategy and high performance work practices human resources management systems create garment corporations competitive advantage, that will improve garment corporations performance. This research gives both theoretical and managerial implications about steps that could be taken by garment corporations to improve their performance through the competitive advantage gained from the differentiation strategy and high performance work practices human resources management systems with influence from differentiation strategy and top management support.*

*This research use the sensus method, and the overall population are 140 garment corporations in Central Java and Yogyakarta that joined Asosiasi Pertekstilan Indonesia (API). The data used in this research is only 105 data, because 35 garment corporations are refuse to participate in this research. Confirmatory Factor Analysis from Structural Equation Modeling (SEM) are used to analyze the goodness of fit respondent data with the research model which developed based on theoretical mindset.*

*Result of the analysis shows that 5 (five) hypothesis proposed in this research were accepted. The differentiation strategy and top management support positively affecting the high performance work practices human resources management systems, differentiation strategy and high performance work practices human resources management systems positively affecting the garment corporations competitive advantage, and the competitive advantage also positively affecting the garment corporations performance.*

**Keywords:** *Garment Corporations, Differentiation Strategy, Top Management Support, High Performance Work Practices Human Resources Management Systems, Competitive Advantage, Corporation Performance.*