Civil Service HRM Reforms in a new Democracy: The Case of Bhutan

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Abstract
The civil service in developing countries plays an important role in socio-economic development, strengthens good governance and provides continuity to the government. To date, most civil service human resource management (HRM) research has been on developed countries and there is limited empirical civil service HRM research on developing countries. Bhutan has received little research attention and research is sparse that investigates Bhutan Civil Service HRM strategies, policies and practices, and their contribution to achieving the national goal of Gross National Happiness (GNH). To address this research gap and contribute new knowledge to the civil service HRM literature, this study has examined: (i) the HRM model of the Bhutanese civil service in comparison to Brewster’s (1995) HRM model, and (ii) how and to what extent the civil HRM policies and practices contribute to achieving GNH. A qualitative case study approach was adopted. A total of 32 participants were purposively selected and interviewed, comprising senior and highly experienced civil servants. The data were analysed based on the framework of Brewster’s (1995) HRM model and major themes arising from the semi-structured interviews.

The thesis found that the Bhutanese civil service model of HRM differed from Brewster’s (1995) HRM model in significant ways. The 1998 devolution of executive authority from the King and change of government to parliamentary democracy in 2008 acted as a catalyst to influence the civil service and civil service HRM strategy. While Bhutan is dependent on international aid, the data suggest that there was no compulsion on Bhutan to adopt a western management system, in contrast to other aid dependent developing countries. The findings show that at the environmental level, the international context (donor aid countries, UN agencies, international financial institutions) therefore have indirect rather than direct influence on the HRM policies and practices of the Bhutanese civil service. At the national context, four important factors – GNH, government/legislative system, socio-economic development and leadership of the fourth king – have influenced the Royal Civil Service Commission’s RCSC’s corporate strategy and HRM strategy of the Bhutanese civil service. Overall, this study further finds that the GNH principles founded on the Buddhist values and principles of harmony, equity and fairness, accountability, trust and well-being influence the
national HRM context and the civil service HRM strategies and policies. The Bhutanese values, norms, beliefs and attitudes embedded in GNH provide a guiding framework for the HRM strategies and policies in the civil service. As proposed in Brewster’s (1995) HRM model, the government, legislative system, socio-economic development and national HRM context were found to influence HRM reforms in the civil service. There are however some contextual factors in Brewster’s (1995) HRM model that are as yet not relevant for Bhutan. For instance, trade unions do not exist in the national HRM context of Bhutan.

The study finds that the HRM of the Bhutanese civil service is meeting its strategic objective of achieving GNH. At the corporate strategy level, HRM strategy level and HRM practice level, elements including the creation of an apolitical, small and efficient civil service, devolved decision-making and merit-based recruitment; training and promotion contribute to achieving GNH. Ongoing civil service HRM challenges are found to include equitable compensation, youth employment, and flexible employment practices to support work-family balance. The study findings extend the applicability of Brewster’s (1995) HRM model for analysing different factors influencing civil service HRM policies and practices in developing countries.

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