



# Can strategic human resource management enable gross national happiness?

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## Abstract

**Purpose** – This is a theoretical paper, which aims to consider the role of strategic human resource management (SHRM) in the development of “gross national happiness” (GNH) in Bhutan.

**Design/methodology/approach** – The paper initially examines the question of what is strategic capacity building and its importance for developing nations. It then considers the story of Bhutan where the idea of GNH forms the development philosophy and approach to attaining the long-term visions and goals for the country. Different models and structures for SHRM in Bhutan are discussed in order to determine whether it can be applied to a nation effectively and, if so, whether it will enable the attainment of GNH and the performance desired by the government.

**Findings** – A link between SHRM and the achievement of Bhutan's 2020 vision is identified as, if Bhutan is to achieve its national capacity, it must identify the capabilities that it needs and then the strategies to support such developments. All four of Ulrich's HRM types will be required and this will need careful management, as there is a tendency to move towards one or other within an organization. Bhutan is going through a period of extensive change and the values will be changing. What is recognized here is that not only must the SHRM develop appropriate people management strategies, it must also acknowledge its crucial role in the recognition and maintenance of appropriate value sets.

**Research limitations/implications** – The proposed framework is currently limited to a theoretical application for Bhutan because, it is argued, that an appropriate model of SHRM will support the desired attainments, but that to do so the specific values of Bhutan will need to be identified and integrated into policy development.

**Practical implications** – The role of SHRM in supporting or driving change is considered and a potential framework for SHRM in Bhutan is proposed. There is potential to apply these ideas more widely.

**Originality/value** – This paper identifies a role for SHRM in the attainment of GNH for Bhutan, which is important in helping Bhutan to achieve its national capability.

**Keywords** Quality of life, Human resource management, Human resource strategies, Bhutan

**Paper type** Research paper



## Introduction

The role of human resource management (HRM) in the achievement and implementation of strategic management is widely discussed, particularly when the strategy is overtly linked to the development or harnessing of human capabilities

(Barney, 1991; Barney and Wright, 1998). The strategic human resource management (SHRM) literature tends to focus upon two main areas. First, the contribution that the firm's human resources (HR) can make to the development of core competencies and competitive advantage and, second, the integration between the firm's strategy and HRM strategy in pursuit of growth, profit, and the all important "bottom line" (Barney and Wright, 1998; Martell and Carroll, 1995; Michie and Sheehan, 2005; Wright and McMahon, 1992; Hailey *et al.*, 2005). Despite continued debates about its applicability to, and relevance for, public sector organizations (Tompkins, 2002), overtime this largely private sector focused literature has been picked up by those interested in public sector management. This has been particularly the case where there is potential for SHRM to add to performance, or where there is a perception that a lack of SHRM is impeding performance (Carmeli and Schaubroeck, 2005; Daley and Vasu, 2005). There is also an emerging literature on SHRM, or the lack thereof, in transition and developing economies, which points in part to the problems of policy transfer (McCourt and Ramguttu-Wong, 2003; Zupan and Kase, 2005). In part this interest is formed by the "bold contention" that "the way governments manage their public servants can improve the performance of an entire national economy" (Al-Arkoubi and McCourt, 2004, p. 978). This raises two critical questions for SHRM in a development context: first, how important is SHRM to capacity development of nations? and, second, if such a link can be made, what approach would be most appropriate?

In this theoretical paper, we initially examine the question of what is strategic capacity building and its importance for developing nations? We then consider the story of Bhutan, where the idea of "gross national happiness" (GNH) forms the development philosophy and approach to attaining the long-term visions and goals for the country (DIT, 2008). We discuss different potential models and structures for SHRM in Bhutan in order to determine whether it can be applied to a nation effectively and, if so, whether it will enable the attainment of GNH and the performance desired by the government.

### Strategic capacity building and developing nations

There has been discussion globally about capacity building because it encompasses:

[...] the country's human, scientific, technological, organizational, institutional and resource capabilities. A fundamental goal of capacity building is to enhance the ability to evaluate and address the crucial questions related to policy choices and modes of implementation among development options, based on an understanding of environment potentials and limits of needs perceived by the people of the country concerned (UNCED, 1992).

It should be stressed that capacity building is more than just training individuals in more skills or even raising the levels of education within a nation. These ideas may help, but they will not be sufficient. In creating an enabling environment it must be supported by the appropriate policy, legal, and organizing frameworks; which will enable the long-term recognition, development, and utilization of apposite capabilities. Capabilities are the skills necessary for a nation or an organization to coordinate resources effectively to achieve specific purposes (Analoui, 2007). It is argued that for a nation to be able to recognize and exploit such capabilities, there will need to be systematic development in a range of areas: HR, organizational, and institutional. All of these three will affect, and be affected by, the models of SHRM present within the systems.

Miller, Eisenstat and Foote argue that, to be able to create capabilities, an entity needs to be able to discover their asymmetries and create new capability configurations: asymmetries are:

[...] skills, knowledge, processes, relationships, proper ties, or outputs that its motivated competitors are unlikely to acquire [...] these do not currently produce any economic advantages but have potential to be transformed into valuable resources or capabilities (Miller *et al.* Qtd. in de Wit and Meyer, 2005, p. 337).

Moreover, Pablo *et al.* (2007) contend that an organization's strategy can be achieved by recognizing the dynamic capabilities that will be needed and managing to enhance and support them. On the surface, these claims may not seem to be apposite to a nation but, although it does not necessarily wish to achieve a competitive advantage, a nation does wish to develop a sustainable economy and for this it may need to either become competitive against other nations, or develop on-going strategic alliances. Such alliances will need an awareness of asymmetries and dynamic capabilities, as these will enable a nation to determine; first, what strengths it needs to acquire from its partnering countries and, second, what it has to offer others.

The procedure with an asymmetry is to consider what sets one country apart from another in its most fundamental terms, as it is from these that distinctive capabilities can be developed. Capability configurations are "systems of reinforcing elements incorporating core capabilities and the organisational design infrastructures in which they are embedded and that renew, adapt, and support these capabilities" (Miller *et al.* Qtd. in de Wit and Meyer, 2005, p. 337; see also Pablo *et al.*, 2007). Asymmetries will be developed into capabilities by specifically developing structures and designs which maximise the "virtuous cycle" of enhancement, by which is meant that chains of influence will develop when one asymmetry-based capability has a good outcome which promotes another new capability to emerge. In terms of SHRM as a supporting structure for such developments, it can be seen that where effective HR development leads to greater levels of shared knowledge, this will enable innovation which will lead to greater sustainability. In this case, the procedure will be to recognize that the asymmetry may be that the education processes are developing nationals skilled in a particular area and this can then be exploited; for example, the case of technological advances and education in Bangalore, India, which has led to major developments in the information systems infrastructure and products in this area for a global market. For this paper, the question is what asymmetries, capacity, and capabilities can Bhutan be seen to have as the source for a sustainable future, and whether is it possible for the country to manage capability development in a proactive way.

### **Bhutan: its vision, GNH, and SHRM**

In 1999, Bhutan released "A Vision for Peace, Prosperity and Happiness" (Bhutan Planning Commission, 1999). In this, the overarching goal for Bhutan is identified as "the need to ensure the future independence, sovereignty and security of our nation state" (Bhutan Planning Commission, 1999, part 2, p. 7). To achieve this, the guiding principles are seen to be: identity, unity and harmony, stability, self-reliance, sustainability, and flexibility. To support all of these, a central development concept is outlined: the maximisation of GNH. We posit that the ideas that underpin GNH, and lead to its adoption, are a recognition of the asymmetries of Bhutan and that it acknowledges

the unusual way that Bhutan has developed and emerged from their specific set of values, beliefs, and potential capabilities.

The discussion of GNH emerged as a result of the claim by the Bhutanese king that “Gross National Happiness is more important than Gross National Product” (Thinley, 1998) and that this should become the Bhutanese national vision. This distinctive national aspiration marks a major difference in approach to development in Bhutan as it is argued that GNH will drive the economy, not the other way around.

That happiness is an element of all economies is not in question; for example, Frey and Stutzer (2002, p. 171) argue that “The extent to which people are happy or unhappy is an essential quality of the economy or society. The state of the economy strongly affects people’s happiness”. Graham (2005) reflects that there is a history of happiness in economics that was lost in more recent times; that originally utility had a wider ranging scope, which recognized intrinsic reward as well as economic gain. However, those who discuss the economics of happiness argue that happiness will not replace income-based measures of welfare, but instead should complement them with broader measures of well-being (Frey and Stutzer, 2002; Graham, 2005).

Bhutan rejects this, arguing that the mentality of the people will be affected by a much wider range of issues than merely the economy; the economy will become an indicator of GNH, not the other way around (DIT, 2008). This has interesting parallels with some of the aspects of SHRM, where the levels of elements such as job satisfaction (Yoon and Thye, 2002; Loveman, 1998) and affective commitment (Allen and Meyer, 1990) are considered to be indicators of the ability of the organization to influence and improve performance. The argument is that a series of variables will enable an organization to increase its capacity and value, but only when the worker attitudes and behaviors are affected in an appropriate way (Hailey *et al.*, 2005). The question is, which HR practices will impact upon the organization in an appropriate way so as to preserve currently appropriate asymmetries or develop new ones. In this paper, we argue that such a question can also be expanded to look at whether SHRM could enable a country to develop the capabilities it needs to achieve its development targets.

GNH is the espoused desire of the Bhutanese government. It can be seen as not only to be supporting the vision, but also as a set of values and processes which would act as the boundaries of desirable and acceptable behavior and shape future policies (Hirata, 2005). Shared values offer those who hold them information about what is unique to their context and greater commitment will emerge as a result when such values are understood (Schuh, 2006). Happiness, according to Thinley (1998) is a shared desire of every human being and, as such, it links to values as being both an aspiration and a behavioral driver. However, in Bhutan, it has become more than that – it is becoming the philosophical framework for their future development (Ura, (2005)). Recent senior management development exercises confirm this approach, discussions centre around GNH as a vision, how to articulate such a vision, and how to use modern techniques in order to enable this long-term goal (Blackman, 2008; O’Flynn, 2008).

Stehlick (2000) argues that if GNH is to be achieved it will be through good governance but that there are severe challenges to be faced; essentially, can a country be happy in the face of the move towards the driving forces of westernization and a market economy? Will it be possible to achieve all the aspects of Bhutan’s vision; can cultural stability and global integration work together? This tension is outlined in the HRM literature where much of the discussion focuses around the ideas of reward

not merely being about financial gain (Armstrong and Murlis, 2004; Agarwal, 1998) but being about using a range of different types of rewards and benefits to trigger differing motivational behaviors (Agarwal, 1998). This is currently the situation in Bhutan where the key to the implementation of GNH will be the development of realistic performance indicators and suitable methods of implementation, which are about more than just economic factors.

There are four “pillars” to GNH: sustainable and equitable socio-economic development (sometimes taken to mean self-reliance), pristine environment, the preservation and promotion of Bhutan’s culture, and good governance (Hershock, 2004). Each of these is being developed as a set of independent, but integrated, policies and plans. The question is whether GNH will result from these as a result of development activity or whether GNH will act as a driver of the activity (Hershock, 2004). Some would argue that this is one of the reasons to link SHRM to GNH in that similar debates emerge in both fields – what is driving and what is following or emergent (Newell and Scarborough, 2002); after all if GNH is to be the tool for achieving the vision it will, of necessity, need to be the driver.

### **SHRM as a tool for GNH**

So far, in this paper, we have identified that for a nation to be successful it must recognize and develop its capabilities. We argue that Bhutan can be seen to be focusing its strategic vision upon developing capabilities in the areas of human development, culture and heritage, balanced and equitable development, governance, and environmental conservation (Bhutan Planning Commission, 2006; Royal Government of Bhutan, 2005). All of these have a strong HR focus and so the potential of SHRM to be a major proponent of any strategic plan should be explored.

Although the private sector is growing, in Bhutan (Priesner, 1999) the government is still the largest employer and a major enabling agent for any change. Consequently, we examine the adoption of SHRM and the extent to which it has been adopted in the Bhutanese civil service, as well as its linkages to broader governmental goals. In 2008, Bhutan transitioned to a democratic constitutional monarchy and, in preparation for this change, a series of civil service reforms were enacted including the introduction of the position classification system, decentralization, and the formal adoption of a merit-based civil service; all of which are HR tactics. Such reforms have been tied to the goal of institutionalizing “good governance” which is based, in turn, around the four pillars of transparency, accountability, efficiency, and professionalism (Royal Government of Bhutan, 2005).

SHRM has developed as a result of an awareness that, for successful strategic implementation, the individuals and teams involved would need to be managed appropriately (Wright *et al.*, 2005; Analoui, 2007). The emphasis has increased as different models have emerged; some of which have SHRM not so much as a supporting system but as the driver for change for the organizations. Storey (1992), in his typology of HR functions, argued that there were four major forms of HRM based upon whether the function was interventionary, non-interventionary, tactical, or strategic. In terms of being a part of strategy formulation, if the function was strategic and non-interventionary it was seen to be an advisor on policy, decision making, etc. If, however, it was strategic and interventionary then it would actually be the change maker and act as the driver for strategy within the organization. This fits with

the argument that SHRM, rather than matching with the organizations and being driven by the policies in place in what is described as the “best-fit model” (Newell and Scarborough, 2002; Analoui, 2007) should reflect the resource-based view of the firm and act as the conduit to develop strategies to shape sustained competitive advantage (Newell and Scarborough, 2002; Analoui, 2007; Barney and Wright, 1998) and act as strategic partner. If the Bhutanese nation is planning to harness its capabilities then the argument would be that the public service needs to develop HRM strategies that will both shape and develop the capabilities for the future. Ulrich’s (1997) model supports this view, identifying as it does four key roles using the two dimensions of people versus process and strategic versus operational. It can be argued that for Bhutan to develop GNH, it will need all four of the roles to be present (Table I).

Table I identifies some current strategies: organizational development interventions formulating new processes to enhance efficiencies and an increasing focus upon decentralization and democracy throughout the Bhutanese Civil Service. The question then is, if these strategies suggest that SHRM can support Bhutanese achievement of their vision, what form should it take? According to Tompkins (2002), a single top-down strategy of HRM may not be effective for governments where different agencies have specific purposes which may not all be harmonious in the approaches required to people management. However, where there is a clear overarching goal such as the 2020 vision to be supported by the cultural and performance outcomes provided by GNH, one might argue that there will not need to be two levels of SHRM strategy for Bhutan: the first at ministerial and agency level for the development of GNH indicators and then the second at a sub-agency level where the indicators are made into specific tactics and protocols. Moreover, one might argue that in a country of only 672,500 people (Office of the Census Commissioner, 2005), a centralized policy can be implemented effectively even where there are slightly different agency purposes. The fundamental issue, it would seem, is the creation of clear, national strategic objectives (Tompkins, 2002). If these can be articulated, then there is no reason why there cannot be SHRM focused upon the development capabilities to support a national, government agenda, not merely an organizational one, but this will only be possible if the underlying values support the desired outcomes. Tompkins’ (2002) model identifies various SHRM strategies that can be undertaken in order to develop certain HRM outcomes; however, when these are analyzed they can be seen to be more aligned to the strategic partner model of HRM, being driven by national and institutional strategic frameworks already in place, rather than as developing frameworks themselves. There is an argument that Bhutan will have to move further towards the change maker format than Tompkins’ model will allow; this is because of the underlying values of the country which will need to be aligned with the strategies chosen and will need to be distinctive in some form. For GNH, one of the asymmetry’s needed will be a clear reflection of what makes Bhutan distinctive and what GNH will mean in terms of actual strategic developments.

Tompkins (2002) demonstrates that the desired outcomes will be driven by the strategies chosen, which will reflect the underlying values held within the organization. The importance of values in decision making is well accepted, since it is argued that unless strategies are underpinned by shared values they are likely to break down and the desired objectives will not be achieved (Williams, 2002; Kotter, 1995; Schuh, 2006). Thus, if GNH is to be achieved, the underpinning values for its achievement will need to be clear and agreed throughout the decision-making process. There appears to be

Administrative expert	In this role, the HR professional designs and delivers efficient HR processes for staffing, training, appraising, rewarding, promoting, and otherwise managing the flow of employees through the organisation. The deliverable from this role is administrative efficiency, which would fit with the goal of maintaining a small and flexible civil service. This is a regularly stated goal within the governance framework. Moreover, this fits with the focus upon developing the skills levels of the civil service through improved management and leadership education at all levels of the service. The objective of good governance is paramount here
Employee champion	The employee contribution role for HR professionals encompasses their involvement in the day-to-day problems, concerns and needs of employees. The deliverables aimed at are increased employee commitment and competence. The Bhutanese systems are currently an interesting mix of autocracy and consultation. An organisational development (OD) programme launched in April, which set out to review processes and systems throughout the Bhutanese civil service is an example of this (Royal Government of Bhutan, 2007; Royal Civil Service Commission, 2007). The speed and remit of the programme were extremely centralised and autocratic in its manner and yet the training and delivery were all designed to gain maximum input. In terms of the Bhutanese goals, there is a desire to develop a sense of “ownership” within each agency, which will lead to ongoing self-management and reflection. The move towards democracy will mean that each individual will need to feel committed to change and this role of champion, rather than caretaker, will be crucial
Change agent	This role focusses on managing transformation and change. The deliverable is aimed at developing a capacity for change. HR managers help employees to let go of old systems and adapt to a new culture. In the case of Bhutan, however, it may be about preserving and adapting the old culture. The remit of the Royal Institute of Management in Bhutan can be seen to be focussed upon this view of HR: “Presently, the Institute plays a crucial role in the areas of: training and capacity development of the civil service in close coordination with the Royal Civil Service Commission; Capacity development needs of local governance institutions and agencies aimed at facilitating the decentralization initiative of the Royal Government; Supporting the private sector development through niche training interventions in support of their HR development initiatives” (Royal Institute of Bhutan, 2006). The use of OD also attests to this perception that from the appropriate coordination and management of people, strategic development can be achieved. This will become important as decentralisation is implemented throughout Bhutan
Strategic partner	The strategic HR role focusses on aligning HR strategies and practices with business strategy. The deliverable is strategy execution. HR practices help accomplish business objectives. Although OD is being utilised there is still a strong feeling that the strategies are already in place. This will lead to there being a strong need for partnership between different agencies and functions if the Bhutanese Vision 2020 is to be achieved. Moreover, as democracy is developed within Bhutan there is an increasing pressure for decentralisation which will strengthen the need for effective partnerships between centralised departments and advisors and the Dzongkhags (local government administrations)

**Table I.**  
Models of SHRM  
for Bhutan

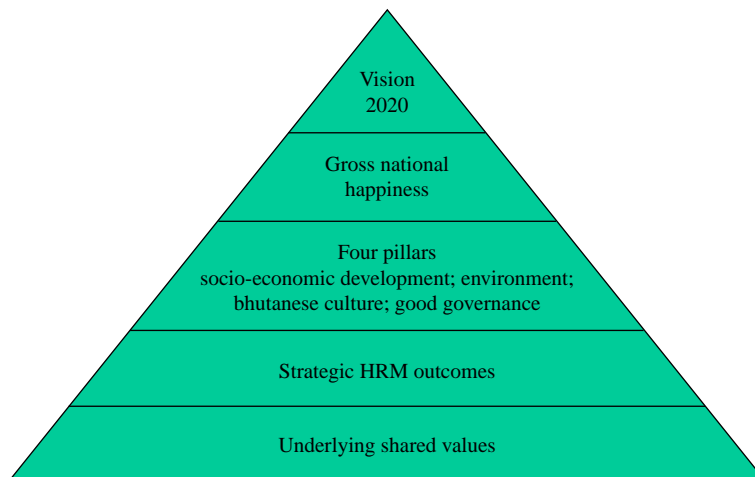
**Source:** Adapted from Ulrich (1997)

a pyramid of values, strategies, and visions where the values can almost be seen to be the fundamental foundation for achievement (Figure 1).

An advantage for Bhutan in achieving the foundations of its development pyramid is the presence of an already strong country culture and shared underpinning values. However, the strength of this may not be as clear as initial observations imply. Bray (1993) outlined that the “national language” originated from only eight out of 20 districts and the “national dress” was not worn throughout Bhutan before it was imposed as a part of the “traditional values and etiquette programme.” There are cultural distinctions between different parts of Bhutan that may re-emerge when the unifying authority of the king gives way to party political democracy. In other words, the focus upon the culture, which is present in all of the official documents may come, not from a feeling of history but from a recognition that, for the future to be different from other developing countries which appear to attempt to move towards and replicate Western civilizations, there must be a recognition of what is currently different and make that a core element of any development strategy and capability development. Unless underlying values are shared, they will merely become espoused theory, not theory-in-use (Argyris and Schon, 1996), which could lead to them being replaced by other, maybe more modern, probably increasingly westernized values; for GNH to be implemented effectively the values will need to be articulated and then capabilities and asymmetries developed to support such values.

McDonald (2003, 2005) outlines his concerns that, for there to be sustainably different development strategies that do not merely replicate western development, thereby losing the distinctiveness of the developing country, there needs to be a reflection in the decision making of the underlying values of Bhutan and GNH which are rooted in very different history and ideals:

I wonder then if at heart, Bhutan’s aim is not to directly cultivate a more responsible form of happiness, one that is grounded in deeper Buddhist values of enacted wisdom and compassion (McDonald, 2003, p. 4).



**Note:** SHRM as an element in achieving vision 2020

**Figure 1.**  
Values to vision



That any underlying values used to drive SHRM need to differ from a westernized perspective in some way, is supported by most authors discussing the role of GNH in Bhutanese development (Ura, 2005; Hershock, 2004; Prakke, 2005; Hirata, 2005). Prakke (2005) goes further arguing that the pillars are not enough: for there to be successful development in Bhutan which reflects its unique culture and history, the pillars will need to be underpinned by spiritual integrity. One of the aspects of Bhutan which is not always discussed in the formal documentation, but is clear to see in everyday life, is the underpinning philosophy of Buddhism which is an essential element of Bhutanese life; the integration of Buddhist principles into asymmetries and capabilities will be vital if new policies and processes are to fit with both the culture already *in situ* and that being developed over time. Only with this in place will there be certainty that the development does not become a synonym for “westernisation.” Based upon this premise, a table can be developed which links the underlying values, desired HRM outcomes, and the outcomes required by Bhutan according to its current strategic documents (Table II).

Table II demonstrates the potential for SHRM to achieve the espoused goals of Bhutan, providing that there is a match between the values and the goals that are being set and also the ability of those implementing the ideas. This latter point is recognized within the Bhutanese government and a great deal of resource is being given to develop a new leadership cadre that is devolved throughout the civil service as, without enhanced leadership capacity, new dynamic capabilities will neither emerge nor be utilized effectively (Pablo *et al.*, 2007).

What becomes apparent is that there needs to be a continuous feedback loop that is driven, not by financial outcomes or even service delivery targets, but by what is meant by “happiness” in GNH and how it should be measured. These indicators of happiness will need to become the asymmetries and be built into the strategic capabilities for the future. The development of GNH indicators will be crucial, as if the wrong things are measured more damage will be done than if nothing is measured (Blackman, 2006). Those developing the SHRM indicators will need to consider; first, whether the indicator will develop the desired goal and; second, whether it is appropriate within a Bhutanese context. As an example, the national culture can be seen to contain collectivism and a nurturing orientation (Hofstede, 2001), to develop metrics which focus upon the individual will be to change the current drivers and, potentially, the culture of Bhutan itself. Asymmetries and capabilities will currently exist that will support effective teamwork, will encourage concern for others, and will enable collective goals to be achieved. These can be developed into capabilities for effective decentralization and the maintenance of Bhutan’s distinctiveness. The current government is aware of the need to recognize and preserve difference (Royal Government of Bhutan, 2005) and has undertaken high levels of reflection in order to clarify the pillars and the way forward to effective democracy. This will need to continue if SHRM is to become a useful tool to support GNH which, in turn, delivers the vision 2020.

### Conclusion

In this paper, we have identified a role for SHRM in the attainment of GNH for Bhutan. If Bhutan is to achieve its national capability it must identify the capabilities that it needs and then the strategies to support them. We argue that an appropriate model of SHRM will support these attainments, but that to do so the specific values of Bhutan will need to be identified and integrated into policy development. All four of Ulrich’s

HR strategies	Underlying values	Desired HRM outcomes	Bhutanese desired outcome
Cost containment strategies (including wage setting, wellness programmes, and work arrangements)	Economy	Cost-effective staffing	Efficiency; accountability; sustainable and equitable socio-economic development; good governance; stability; and self-reliance a compact civil service
Performance management strategies (including setting measurable and achievable objectives linked to appropriate rewards; developing measurements that support happiness)	Productivity	Mission/vision-related results	Transparency, accountability, efficiency, pristine environment; self-reliance; and sustainability and flexibility
Involvement strategies (developing autonomy and appropriately devolved decision making)	Empowerment	Sense of ownership enhanced motivation and contribution; employee recruitment and retention	Accountability; good governance; unity and harmony; stability; and decentralisation
Retention strategies (including reward structures, family friendly and flexible policies, and intrinsically motivating work)	Need satisfaction	Job satisfaction; employee commitment and retention	Sustainable and equitable socio-economic development; decentralisation; unity and harmony; and leadership development
Investment strategies (including developing individual competences and organisational capabilities)	Human development	Personal competence; agency adaptability; and employee commitment and retention	Professionalism; preservation and promotion of Bhutan's culture; recognition of spiritual elements and values; self-reliance; and sustainability and flexibility
Cohesion strategies (including establishing a strong sense of community, recognising the current culture's strengths and weaknesses, developing trust, developing effective measures for GNH; reflecting upon Buddhist principles)	Comradeship; openness; trust happiness; selflessness	Job satisfaction; Cooperative relations; Employee commitment; Development of supporting underlying values;	Professionalism; preservation and promotion of Bhutan's culture; recognition of spiritual elements and values; identity; Sustainable and equitable socio-economic development; good governance; unity and harmony; development of asymmetries for the future

**Table II.**  
Underlying values,  
human resource  
outcomes, and strategic  
fit for Bhutan

Source: Adapted from Tompkins (2002)

HRM types will be required and this will need careful management, as there is a tendency to move towards one or the other within an organization. However, we do contend that there will be a need to move towards the change maker and the strategic partner in order to support GNH as decentralization develops. Bhutan is going through a period of extensive change and the values will be changing. What is recognized here is that not only must the SHRM develop appropriate people management strategies, it must also acknowledge its crucial role in the recognition and maintenance of appropriate value sets which, in turn, underpin asymmetry and capability development.

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