PROGRAM - BRAZILIAN SYNERGY:

Implementing Contractualization in Brazil

Melchisedek Correia Silva

SUMMARY

Currently there are restless theoretical models exhaustively clarifying the importance of contractualization, however this work is not limited to describing concepts on the subject, but seeks full applicability to the term contractualize. The challenge proposed here is to align strategic planning with state-of-the-art execution, promoting the mastery of public policy, even when the action is underway. This management clash propitiates culture change in public administration, which this work proposes is something innovative and needs to be implemented together. Currently, several agencies use results agreements, performance-related compensation, awards to successful managers, etc. This demonstrates the break of paradigm in public management, and no longer a continuity of old reforms, it is in this context that management by results gains strength in the public sector, by setting goals, mapping the competencies of servants, setting objectives and penalties in order to achieve the purpose for which the agency was created. In this agreement not only the manager, but all those involved have rights and obligations, aligning themselves in favor of a single purpose. The idea now is to produce to the leaders conditions to know the potentialities of their staff, being able to allocate their human resources in an efficient way taking advantage of their resources, to give them certain budgetary autonomy in order to facilitate the maneuvering of the public machine and to put them in real time with the situation of their unit in relation to the strategic planning. The great advantage of the Brazil Synergy Program is to quickly and easily reveal the current performance of its policies of action, not needing to present a report at the end of the fiscal year on the execution of goals achieved or not. This way, the manager knows its execution and, if necessary, can promote adjustments throughout the year. In summary, the Brazil Synergy Program is born out of a results contract and is completed in an efficient model of indicator management.

Keywords: contracting, results contract and indicators management.
LIST OF PICTURES

Fig. 1 - Pyramid Synergy ................................................................. 08
Fig. 2 - Example table - Banking .................................................. 10
Fig. 3 - Example table - Banking Agency - Goals ............................. 11
Fig. 4 - Synergy Program - Banking .............................................. 11
Fig. 5 - Example - Synthetic table - Performance ............................ 49
Fig. 6 Synthetic framework-Indicator-"Budget execution- Continuous services". 53
Fig. 7 Synthetic Framework-Example - Server ............................... 53
Fig. 8 Synthetic Framework-Indicator - Frequency of Server ............... 54
Fig. 9 Synthetic Framework-Example-Indicator-Reduction Paper .......... 54
Fig. 10 Synthetic Framework-Indicator-Regularity of Processse .......... 60
Fig. 11 - Synthetic Chart - Task ..................................................... 61
Fig. 12 Synthetic Framework-Assessment of the Finalistic Programs of the M.T.E.. 64
Fig. 13 Synthetic Framework-Program Finalists - M.T.E.................... 65
Fig. 14-Program Synergy- Finalistic Indicators - M.T.E .................... 67
Fig. 15 - Table- Evolution Criteria - PS ......................................... 71
Fig. 16- Program Sinergia Brasil - PS .............................................. 72
SUMMARY

1- INTRODUCTION ........................................6
   1.1 Contextualizing the Problem. .........................06
   1.2 Work organization. ................................14
   1.3 Theme and Research Problem .......................14
   1.4 Specific Research Objectives .......................15
   1.5 Justification of the Study .........................16
   1.6 Research ...........................................18

2- THEORETICAL BACKGROUND .................. 19
   2.1 Competence-based Management ....................19
   2.2 Performance Indicators ...........................21
   2.3 Contractualism ...................................26
       2.3.1 Contractual Problems .......................31

3- DEVELOPMENT ................................. 40
   3.1 Conceptualizing the Labor .........................41
       3.1.1 Preamble .....................................43
   3.2 Outlining the format of the Brazil Synergy Program - PSB ..........48
       3.2.1 Server Pillar ..................................49
       3.2.2 Administrative pillar .......................59
       3.2.3 Society Pillar ................................61
   3.3 SYNERGY Brazil Program - Projecting the indexes and knowing the link between the Stages, Goals and Evolution Requirements ..........66

4  FINAL CONSIDERATIONS ..........................72

REFERENCE ............................................75
INTRODUCTION

1.1 Contextualizing the Problem

The perception of the importance of new result oriented public management models becomes a constant after the movements that occurred in Brazil in the 90s, especially after the Master Plan for the Reform of the State apparatus. It is in this context that the model proposed in this work is justified, in which a new methodology for managing the goals and results of the Federal Government will be suggested.

The central idea and intention of this project is to reproduce examples of private initiative, especially the Bank of Brazil's Management by Results Program, called SYNERGY Program, and with the necessary adjustments recommend its implementation in the public sector. The Financial Institution Banco do Brasil S/A was for several times sought to manifest itself on the functioning of the SYNERGY Program, proven by the Information Request filed under number 99901.000270/2012-76, on 06/18/2012 at 9:08 pm, through the website http://www.acessoainformacao.gov.br, with the following request: "I would like to receive via e-mail all the regulations of the SYNERGY program of Banco do Brasil for the branches of the retail network of Brasilia in the year 2011, including the regulations that established the SYNERGY program, how the program works, calculation methodology and so on. I clarify that I do not need any information or data regarding the company's goals, considering that I believe they are Banco do Brasil's particular goals in the banking market. My doubts are strictly related to the functioning of the SYNERGY program. Thank you. The answer of Banco do Brasil S/A was given on 06/26/2012 at 12h06min, via e-mail: "Mr. "omitted", We inform that according to Decree 7724/2012, Article 5, Paragraph 1, the disclosure of information from public companies, mixed economy company and other entities controlled by the Union that act in competition regime, will be submitted to the relevant rules of the Securities and Exchange Commission, in order to ensure competitiveness, corporate governance and, when applicable, the interests of minority shareholders. In this tuning fork, there is no CVM rule that requires the disclosure of the information requested". On 06/28/2012 at 10:10 a.m. the request was appealed in the 1st instance, again to Banco do Brasil S/A, with the following justification: "Description of the request: I understand that I cannot be at the mercy of regulation by CVM of entities that are part of the Executive Power and that only are not subject to Decree 7724/2012 because they act in competition regime. What the Decree intends for these entities is only to preserve their competitiveness and the interests of their shareholders, but as it was very clear in my request, the information I need does not involve any data that could harm Banco do Brasil's performance in the market, and I also reiterate that I need only the methodology and the operation of the SYNERGY Program, not needing ANY information about goals, values, references or any information that could expose Banco do Brasil before other Banks. I also understand that the population cannot wait for the Brazilian Securities and Exchange Commission (CVM) regarding access to information, and Decree 7724 should have given the CVM autonomy only in matters that directly involve the agency's ultimate activity, or at least set a deadline for such regulation". However, such appeal was once again dismissed, being filed on July 3, 2012 at 3:17 p.m. an appeal from the 2nd instance directed to the Comptroller General's Office, which was also dismissed. The last effort to know about the Program in question took place on 08/20/2012 at 18h18min, in the 3rd instance appeal filed for the Joint Commission of Reassessment of Information, referred to in art. 35 of Law No. 12.527/2011, as provided in paragraph 3 of art. 16, of the same law, which was denied on 14/11/2012 at 16h55min, alleging: "Although it..."
sphere. This new Program will be called Sinergia Brasil - PSB, in which it will be redesigned to make it possible, with precision and agility, to reach the goals of the Multiyear Plans, Budget Laws and Government Budget Guidelines Laws, and also to put into practice the contractualism in Brazil, through Sinergia Brasil.

However, it is important to highlight that several contacts were made with Banco do Brasil S/A in order to publicize the SYNERGY Program, and the bank was always negative in its responses alleging that such data could expose the Financial Institution to its competitors.

The PSB will contain a Work Agreement, which will be worked on later in the work, but from now on, such contract will have 03 fundamental pillars:

a) **Society Pillar**: in order to achieve final results.

b) **Administrative Pillar**: in order to safeguard the correct legal procedure.

c) **Server Pillar**: in the sense of acting directly on those responsible for planning and execution.

In addition, the PSB also conducts around 03 stages, as schematized below:

![Pyramid Synergy](Image)

Each organ will have its pyramid in the SYNERGY, in which it will have to start with the lowest phase, the Initial, drawing the goals the organ starts to be evaluated to reach its first stage: **Bronze Stage**.

---

does not contain, the expression "commercial confidentiality," the purpose of these articles is to declare that the legislator understood the need to safeguard the confidentiality of information. In this way, the disclosure of data or the methodology of the Program, can represent competitive advantage to other economic agents and, therefore, they are not susceptible of attendance”. All e-mails are in the form of an attachment to the work.
The next stage is Silver, the intermediate, therefore, last and highest, has the Gold Stage. It is noticeable that at each stage goals are established, which when reached enable the organ to move on to the next stage. To this route we will give the name of "evolution requirements". The evolution requirements should always be cumulative. In this way, the organ will only remain in the next stage as long as it continues to meet all the evolution requirements of the previous stages. Otherwise, the unit must return to the previous stage.

The strong point of this new program or methodology will be the incentive that the agency and its servers will have to be motivated to reach the goals and to overcome the 03 stages. These incentives will be detailed in the course of this work, but a priori they could be defined as incentives in the remuneration: in which the remuneration of the server would be decomposed in two parts, a fixed one, where it would be linked to the law that fixes its salaries and other benefits, and another variable part, which would be directly linked to the positive achievement of the goals of the organ.

Therefore, in the variable part the increment would be a proportional reflection of the performance of the unit to which the server is linked. But, depending on the structure of the organ and its budgetary availability, other incentives besides remuneration may be defined, such as qualification courses, seminars, congresses, breaks, premium licenses, etc.

In other words, this monograph work is based on the assumption and believes that servants will only strive to achieve their goals if this generates direct benefits for them. Following the example of what happens in private enterprise, at each goal imposed by the company, the employee makes every effort to achieve it, but not only because he believes that this effort will help the institution as a whole, but also, and usually, because the consequence of their actions can directly reflect in improvements for themselves or for the organization.

Let's see the following hypothetical example: a Financial Institution, such as Banco do Brasil S/A, needs to accumulate R$ 200,000.00 (two hundred thousand reais) annually in capitalization bonds, this then is the goal of Banco do Brasil as a whole for the Group - Capitalization Bonds, in other words, its Global Goal for this group. Once this global goal is determined, the Bank will define the role of each branch in achieving it, which will be outlined taking into consideration the size of the branch, number of employees, commercial location, sales history, business profile, market prospects, etc. This unitary role of each
agency will be defined as Specific Goals, which contribute to the achievement of the Global Goal.

Thus, assuming that for Agency X it was defined that its Specific Goal will be to realize R$ 10,000.00 (ten thousand reais) in capitalization titles per year, divided into 04 quarters of R$ 2,500.00 (two thousand and five hundred reais). And that each Real raised corresponds to 01 point in the Program in question.

Thus, we will design the SYNERGY of this agency for the group Titles of Capitalization in year 01:

| Stage | Initial | Bronze | Silver | Gold |
|-------|---------|--------|--------|------|
| Evolution requirements | All units start from this stage. | Keep the minimum requirements of the initial stage met. | Keeping the requirements of the initial stage and Bronze | Keep the requirements of the initial stage, Bronze and Silver. |
| Score for Evolution | 2.500 | 2.500 | 2.500 | 2.500 |
| Accumulated Balance | 2.500 | 5.000 | 7.500 | 10.000 |

Fig. 2 - Example table - Banking Agency

In the framework of Goals, the Agency will enter the year 01 with the following profile in SYNERGY:

| Stage | Specific Target - Agency X (Evolution Requirement) | Accumulated Goal | Deadline |
|-------|-----------------------------------------------------|------------------|----------|
| Initial | R$ 2,500.00 | R$ 2,500.00 | January to March |
And it will have the following perspective in the SYNERGY Program:

In view of this, the agency administrator organizes himself to gather efforts and focus the agency's work to reach each stage. As the SYNERGY is widely disseminated by Banco do Brasil, the employees are concerned with what is established at each stage, since the reach of this stage increases their remuneration, which comes in the form of Profit Sharing - PLR.

The SYNERGY is constantly updated, i.e., at each capitalization plan sold, it is already promptly computed in the program, so that the incessant follow-up allows the agency administrator to redefine his priorities even during the course of the program.
However, an institution of the size of Banco do Brasil S/A is not restricted to Capitalization Titles only, i.e., in its services there are several types of funding and intermediation of currency, such as financing, loans, discounting of securities, insurance of various modalities, operations in the financial market, currency exchange, etc. In this sense, in a macro view, the "Capitalization Bonds" group represents to the Bank only a slice of its business.

With this in mind, the managers of the SYNERGY program, and formulators of its objectives, can define weights to which each goal will contribute to the achievement of the Institution's Strategic Planning as a whole.

It is important to remember that the global goal may not be the same as the specific goal, unlike the case above, the global goal may be defined in reais and the specific goal in units of capitalization securities sold, this is precisely because each Bank unit contributes differently to the achievement of the goal as a whole. In the case of public agencies, this distinction will be even better visualized in the course of the work, given the heterogeneity of the sectors.

Well, the example above is a simplistic view of the proposed tool. At the effective level, several goals are established, not necessarily linked to the Bank's products and its essential purpose, financial intermediation, such as: regularity in the attendance of the employee's time sheet, training course carried out by employees, processes analyzed by the audit with correct procedural instruction - compliance, each with its proper weighting (target coefficient) according to its importance to the company and its strategic planning.

Another important point to be illustrated is that such demands of Banco do Brasil are formulated from a Labor Agreement with employee representatives, labor unions, boards of directors, etc., preventing the company's management from imposing unattainable or too costly goals. This Labor Agreement will be discussed in detail during the course of the work.

After this introduction and based on this first contact with the SYNERGY tool in the private initiative, we will take the example given to the Public Administration, remaining the central idea of the program: to measure with agility and precision the result of the demand of each unit in the agency and the agency itself as a whole. We will not use any specific agency for the object of study, but during all our work we will describe to the maximum the routine activity of the units in the public sector.
1.2 Work organization

The following work takes into consideration the peculiarities of the federal government in the results-oriented management model and in the new government management methodologies, in which it does not deny our bureaucratic past, but only perfects the way of doing public management in Brazil.

Throughout the work, ways to implement the BRAZIL SYNERGY will be studied, using the objectives and goals of a fictitious work agreement referring to any body. This will be our starting point and from this definition, we will start the dismemberment and study of such objectives linked to the organ, either as a strategic objective in its final activity or linked to each unit of the organ structure as a middle activity.

1.3 Research Theme and Problem

Using the context mentioned in the introduction as a context, it is relevant to research instruments for modernizing public management, especially with respect to the alignment of public agencies with Central Government guidelines, since 04 years of government are not enough to change a paradigm of governance, i.e., the necessary and sufficient arrangement to efficiently maneuver the public machine. Thus doing justice to our research topic: Rationalization of the state apparatus, budgets, public servants, time and so on.

It is in this tuning fork that the new trends of improvement of public management are guided. I insist that the objective of BRAZIL SYNERGY is not to carry out a policy of development of public policies, or to question the strategic planning of the PPA, but only to enable such planning to be successful, I insist, the objective of SYNERGY is to measure and guide the performance of public agencies, and not to outline the strategic policy of the Federal Government. The program suggested here offers conditions to conclude the objectives and goals of a results agreement, being simply the facilitator of this final result.

In order to conclude whether the BRAZIL SYNERGY Program could be implemented in the public sector, the following research problem is present:
"Could the Government, through the BRAZIL SYNERGY program, reach the guidelines established in a Labor Agreement in a more effective, efficient and effective manner?

1.4 Specific Research Objectives

These are specific objectives of this research:

1. Create a methodology to measure the productivity of the public sector based on performance indicators.

2. Propose a new results management model for the goals of a Work Agreement through a different results management practice.

3. To measure in a distinct and peculiar way the several goals that the units integrating the Public Administration structure have.

4. Analyze the feasibility of using BRAZIL SYNERGY in the public sector.

1.5 Study Justification

The relevance of this issue is shown in the clear loss of management control, deviations from purpose and lack of synchronicity that the federal government has been suffering in terms of achieving its objectives. With the possibility of full and real-time manipulation of public agencies, the manager of public policies, resulting from the Multi-year Plan or a Labor Agreement, may have more control in obtaining the purposes planned for the 04-year horizon.

The public interest is what guides this work, since the direction that the Public Manager should give to the social policies of his management, or at least should give, must be coincident with the designs of society. And the action of any Government must be timely and timely, based on this the BRAZIL SYNERGY can bring speed, effectiveness and pragmatism to the Government's work.

We will not deal here with the passion that the server should or should not have in relation to their work, since as seen before, we will start from the assumption that the public
servant responds to incentives, acting rationally and achieving goals in order to increase their remuneration or seek other benefits. We will not address here subjective aspects such as will, pleasure or animosity in working for results (however, it is well known that the dignity of man must be consented to the extent that it is compatible with the public purpose).

Through SYNERGY, citizens will be able to interfere with more quality in decision making, exactly in the proportion that they know the exact situation of public agencies in relation to the priorities of the central government, since this makes possible a peculiar vision of each unit and consequently a clearer vision of its global action together with its imposed work goals. The Brazil Synergy Program exposes to those who are interested the real position of each unit, making the server concerned not only with its capacity sector, but also with the entire mission of the agency, now, not only the commitment of some units, but the full success of all for the agency to fulfill its goals.

The power emanates from the people who grant it to their representatives, so that even indirectly they promote their will, manifested in the common good. Thus, in the same way that the shareholders demand maximum transparency from the administrators of their company, the company also wants maximum publicity of the situation of the public machine, thus, the BRAZIL SYNERGY should be widely disseminated, precisely to benefit those who manage to reach its stages, and to pressure those who ramble on its results.

As described by Sergio Ricardo and Erik Macedo on the subject of Management Contract (2005, pg. 03):

This new relationship between agencies also has the quality of increasing social control. By externalizing in a public instrument what used to be an intricate set of internal bureaucratic orders and dispositions of the administration, it allows the monitoring of the implementation of policies and the visualization of their objectives by publishing clauses, goals and indicators that define and guide the effectiveness of state work. ²

---

² Sergio Ricardo Ciavoli Mota and Erik Macedo Marques. Agreement of results between agencies with hierarchical relationship and management autonomy. X Congreso Internacional del CLAD sobre la Reforma del Estado y de la Administración Pública, Santiago, Chile, 18 - 21 October, 2005.
1.6 Research Methodology

In order to correctly analyze and identify how they are disposed to the units that are part of a Public Administration body, it will be discussed throughout the work, how the information on how this body should "walk" along its Work Agreement is processed so that it can meet the Government's perspectives.

In each unit, specific goals will be assigned, and later inserted in the BRAZIL SYNERGY, which will be designed in such a way as to provide a global and detailed view of the agency's performance and its units together with medium-term planning strategies (PPA). This case study will serve as a parameter for a future basis for the definitive implementation of SYNERGY.

As with the Bank of Brazil, SYNERGY can be viewed as a platform on the intranet of the agencies, in the format of a web page, where you can check the performance of the structure at all times, and can be updated daily, where you can measure in real time the productivity of the sector, redirecting efforts and thus correcting the action of the initial planning, although the execution of public policies is in progress.

The methodology used will be the Case Study, where the facts will be analyzed and classified in order to obtain a relationship with reality and the assumption that this abstract model suggests. The data to answer the problem question of this study will be collected directly by observing the structure of Brazilian Public Administration agencies.

2. THEORETICAL BASIS

2.1 Management by Skills

For Bridges (apud Robaina e Oliveira, 2008, pg.03): performance evaluation is a method that continuously seeks to establish a contract with employees regarding the results desired by the organization; it also seeks to follow the proposed challenges, correcting the course, when necessary, and evaluate the results achieved. ³

According to the perception of Heriana Robaina do Santos and Fernando de Oliveira Vieira (2008, pg.03):

³ SANTOS, Heriana Robaina dos; VIEIRA, Fernando de Oliveira. The role of performance evaluation in public administration: the case of the municipal secretary of planning and management of a city hall of Rio de Janeiro - Universidade Federal Fluminense, pg. 03, 2008.
One of the preponderant factors in determining the success of the performance evaluation system, according to Bergamini and Beraldo (1988), lies in the appropriate choice of the type or types of instruments to be used in this process. Like any administrative procedure within organizations, the choice of the most appropriate instrument is primarily linked to the objectives intended by the performance evaluation. Once it is clear what is intended with it, it will be easier to find the most recommendable type of instrument. According to the above, it is found that defining the objective(s) of the performance evaluation system to be implemented is a sine qua non condition for achieving successful organizational results.

Before we define such objectives, it must be clear the idea of rationality, that is, in the execution of goals, rational is the servers working in order to achieve a common end, and that this end will bring a return not only for them, but also for the collectivity, including the company, shareholders, government and so on. In other words, the server works oriented to a result, and not randomly.

The objective here proposed is to evaluate the individual competence in relation to the assignments of your position and your functions. We will not deal here with aptitude or talent, because they have some subjective aspect, and also because they are difficult to measure since the selection by public contest or public selections, do not always manage to evaluate such aspects.

In this way, the reason why competence management is part of the methodology of this work, translates into an adequate and impartial tool to analyze and measure the individual's behavior in his work routine, thus leading him to better working conditions or acting directly on his compensation. Of course, this is in contrast to the current criteria used to grant better job plans and salaries to public servants, which are generally seen as based on interests and political forces, and generally based on a clientelistic relationship, as stated by Barbosa (apud Robaina e Oliveira, 2008, pg.02):

The criteria used in the evaluation of civil servants and in the granting of promotions are always criticized and seen as based on political, nepotic and

---

4 Idem, pg. 03.
physiological interests, which exclude any measurement of performance, efficiency and productivity.  

It is remarkable that every analysis of individual behavior should be done in the most objective way, free of trends, being a sensitive area in the organizational routine. However, this will not be the subject of this work, but it is interesting to know to what extent an individual evaluation, which may bring changes in the remuneration of the server, can hinder or contribute to the outcome of the unit as a whole. Even knowing that the purpose of the public act is the social interest, manifested in the final activity of the organ, and that the private interest of the server should not exceed it, notably for that relapse employee, who does not fulfill his tasks, such paradigm break will not be received with good eyes.

In the same way, there is a considerable number of adherents of the culture that servants of the same career should earn the same remuneration, thus opposing the idea of remuneration proportional to their performance, complexity, responsibility and so on.

2.2 Performance Indicators

It is in this topic where the essence and the heart of the Brazil Synergy Program - PSB are exactly the performance indicators that PSB will monitor and evaluate daily.

This initial planning can be built within the agency itself, with the support of the managers and the technical area responsible, and the idea of hiring a third-party company with experience in the area to start the construction of indicators should not be discarded.

You should avoid "face forms" (those in which the user evaluates the service by marking a happy or sad face) or performance evaluation commissions, that is, anything that directly involves the insertion of data by users, and that has primarily subjective judgment.

It is in this environment where the PSB grows and shows itself to be efficient, replacing the performance evaluation commissions, which demand a lot of time evaluating the indicators and which still holds as a negative point the human factor in the interpretation of

---

5 SANTOS, Heriana Robaina dos; VIEIRA, Fernando de Oliveira. The role of performance evaluation in public administration: the case of the municipal secretary of planning and management of a city hall of Rio de Janeiro - Universidade Federal Fluminense, pg. 02, 2008.
the data. Also, from the moment of capturing the indexes and even their publicity to the manager, such commissions can be slow throughout this process. The PSB has the proposal of carrying out daily evaluation cycles, demonstrating the position and the progress of the agency in an agile way.

It is important to highlight and recognize the change in the organization when Synergy begins to be implemented, so it may be prudent to face it in two stages, as the Government of Minas Gerais did in its results agreement, correctly elucidated in its Management Primer for Municipal Results (2008, pg. 12):

The agreement of goals would be made in two stages, the first, at macro level, focused on results of impact to society, and the second, at team level within each body, prepared from the deployment of general goals and identification of internal responsibilities of each sector in order to define clearly and objectively the contribution of each server to the achievement of the agreed outcome.  

The consideration to which the creators of the above booklet attributed the restructuring actions and of great impact to the state of Minas Gerais, putting them in first place, is brilliant. However, in the 2nd stage of the implementation of its agreement, it is contemplated the fulfillment of the most specific demands to each Government unit, including the performance of its servers, as evidenced below by the passage also extracted from the mining text (2008, pg. 14):

Besides the consolidation of the first stage, it was also necessary that each goal agreed upon in this document be translated into the spectrum of contribution and accountability of the server. The establishment of final result goals for society, by itself, does not allow a clear understanding, by each server, of its contribution to the strategy. To this end, in 2007, work began to unfold the systems goals into specific goals by work teams in each sector of the Public Administration, in order to agree on the so-called 2nd stage of the Results Agreement. (emphasis added)

---

6 Government of Minas Gerais. Booklet: Management for Municipal Results. Government of Minas Gerais. http://www.planejamento2.mg.gov.br/governo/choque/gestao_resultados/arquivos/Acordo_Resultados.pdf. 2008.
The process of unfolding goals that culminates in the agreement of the 2nd stage of the Agreement is also a method of strategic alignment, which has the ability to direct the effort and resources of each server towards the achievement of the strategy conceived. The result of this process is the establishment of clear and aligned goals that allow both public managers and society to control and monitor the efficiency of state public servants and entities. 7

This form of divided action is convenient when dealing with management shock and culture changes, in order to promote easy absorption by the organs and their servers (since notably the human being is averse to change).

However, we will disagree on one point of the Mining Agreement. With regard to further improving the execution of the Synergy, we understand that the first stage would include the final actions of the state and the second stage the middle actions. In such a way that in the first moment the organ would be directed to the awareness of its servants of which area of performance it is inserted in the Government.

And throughout this stage, the implementation of the middle area indicators begins, detailing the routine of each sector and making the particular, peculiar and characteristic work of the units to be inserted in the PSB and take place in the general context of the agency.

Following the good essay found in the Minas Gerais State Results Booklet, which alludes to it: "The Strategic Alignment methodology defined consists of ten (10) steps, which are:" (2008, pg. 17).

1st - Contextualization / data collection;
2nd - Definition of the Organizational Identity;
3rd - Definition of Strategic Objectives;
4th - Preparation of the Preliminary Strategic Map;
5th - Definition of Indicators and goals of the Strategic Objectives/ Validation of the Strategic Map;

---

7 Government of Minas Gerais. Booklet: Management for Municipal Results. Government of Minas Gerais. http://www.planejamento2.mg.gov.br/governo/choque/gestao_resultados/arquivos/Acordo_Resultados.pdf. 2008
6th - Team deployment;
7th - Signing of the Results Agreement;
8th - Dissemination of the Results Agreement;
9th - Preparation of Action Plans;
10th - Systematic follow-up.

This work will not describe the stages of Strategic Planning that culminate in performance indicators, but we understand that only with good planning can goals be well defined.

Starting immediately for the construction of the indicators, we will bring once again the Mining Primer, which defines very well the characteristics that the indicators should have, and right after an example of indicator extracted from that text (2008, pg. 25):

Since the indicators / goals and products will be the items that will enable the control of performance in each strategic objective, their description must be clear and objective, so that any citizen can understand and verify compliance. The description of the indicators must contain at least the following aspects:

**Title:** a didactic title should be placed, which can convey to the reader the essence of the indicator;

**Description:** a lay person, who does not know the day-to-day of the organ, must clearly understand the indicator and the concepts associated with it; **Formula:** the mathematical formula needed to measure the indicator. If abbreviations are used in the formula, these should be explained;

**Polarity:** smaller better or larger better;

**Periodicity:** define the periodicity at which data regarding this indicator are available (daily, monthly, semiannually, annually);

**Data source:** it is necessary to indicate a source of proof where an auditor can resort to verify the authenticity of the data.

---

8 Government of Minas Gerais. *Booklet: Management for Municipal Results. Government of Minas Gerais.*
http://www.planejamento2.mg.gov.br/governo/choque/gestao_resultados/arquivos/Acordo_Resultados.pdf. 2008
Indicator S3-2: percentage of hospitalizations for conditions sensitive to outpatient care.

Description: it deals with the percentage of hospitalizations in the several state hospitals that have beds, which occurred for reasons that could be avoided if the patients had the adequate ambulatory attention.

Formula: number of hospitalizations for conditions sensitive to outpatient care
/ total number of hospitalizations - total number of normal deliveries and cesarean sections x 100.

Source: DATASUS /SIH.

Monitoring periodicity: annual.

Unit of Measurement: %.

Polarity: bigger better.

2.3 Contractualism

The concepts introduced by Luiz Carlos Gonçalves Bresser-Pereira on the reform of the bureaucratic state offer the perfect tuning for the understanding of this point of the theoretical reference. The idea of managerial public administration is the bed on which this work rests. Based on the characteristics of this new management model, such as: performance indicators, control of results, use of private administration practices and contractualism, our program can be successful.

We will study with more emphasis the principles of contractualism, since such technique will be indispensable in the use of the project we suggest.

What we want to define in this work by contractualism is the idea of agreeing on goals between agencies and strategic planning, denying that concept of a bureaucratic state, complying with norms, focused on itself and not on results. In the new context of public management, a state where its "product" is qualified only by its legality, and not in the economy, effectiveness and efficiency of its production, is not to be admitted. It is not enough now to be only legal, but also effective for its social purpose.

---

Government of Minas Gerais. Booklet: Management for Municipal Results. Government of Minas Gerais. http://www.planejamento2.mg.gov.br/governo/choque/gestao_resultados/arquivos/Acordo_Resultados.pdf. 2008
When pre-setting results to be achieved between two bodies, it is clear that this agreement will be for the benefit of both, and that each must achieve its goal for both to be satisfied. But on the other hand, the contractualization also generates mutual control over objectives, the agency will now have to take responsibility for its portion outlined in the planning, but also the planning agency will have to control, collect, exercising greater influence so that the initial agreement is implemented.

It is in this tuning fork in which it is clear that the Public Administration does not fulfill its objective only by following the letter of the law, that is, the efficient and effective State must comply with rules, but it is not only fulfilling this requirement that will achieve its purpose - the social interest. In this way, it is becoming more evident that the contracting of results is replacing the traditional forms of control.

However, a loss of autonomy in the institutions directly responsible for the execution of the tasks is perceived here. However, such loss takes into consideration that, many times, those who are out of execution, advising from a higher level, may find themselves better prepared to dictate the courses of action of the public policies of the observed institution. Moreover, going against this independence, sometimes so exacerbated in some organs, can prevent managements in which all projects walk according to the particular interest of one person; thus, the organ should not have the "face" of its manager, but that of the government, where everyone should walk in tune, reproducing the literary meaning of the word Synergy: the whole surpasses the sum of the parts.

The concept of contract here, at least in form, is very similar to the private contract, where the responsibilities and obligations of each one are explicit and transparent, and there must be some way of accepting or not the terms agreed there. Of course, it will not be required the term signature of 02 million public servants in the ATB, but it would be interesting to have some kind of commitment with the union representatives or similar, even to validate what was established there. What we want here is to get rid of any ambiguity about the role of the body and the server in the government's priorities, avoiding setting meaningless or poorly formulated goals, low ambitions, overlapping competencies, etc.

In a more comprehensive vision, the emphasis is to distribute responsibilities aiming at a single objective, however, always listening to the parties involved in order to elaborate a uniform and viable text, ratified by all.
In these terms it is even imaginable to see the birth of a new trend for the already aged practices of government management, combined with this, it is even possible to begin to build the translation of the concept of accountability. It is noted here that the contractualization of results must be a poignant topic in this concept.

Hiring meets the requirements of:

a) **Transparency**: the quantity of personnel, resources, goals will be available to society, from their planning to their execution.

b) **Responsibility**: both the manager and the servers, since the planned results will be charged.

c) **Effectiveness**: the work will be focused on meeting the results, not the simple conformity of the processes (debureaucratization of routine and growth of institutional performance).

d) **Accountability**: it must be equated inputs with results in order to demonstrate their viability.

However, even the term contractualize still finds authors daring to improve its concept and leaving exposed its deficiencies, as verified in the work of Werner and Reichard (2002, pg. 41):

> Despite the generally positive character of these evaluations, there are certainly serious problems and conflicts behind the new guiding logic of agencies governed by contracts. More frequently in the independent evaluations available, but also in some audit reports and those of ministries of finance, several recurrent problems have been mentioned:
> - existence of very simple contracts, with unambitious or demanding objectives;
> - Still, not all the stated objectives are achieved (and often this is not even noticed by the responsible ministries);
> - Important agency activities are not included in the contracts;
> - the objectives are often unspecific (overly detailed, leading to goal shifting or other traditionally bureaucratic responses);
- the objectives are formulated in a very vague way, which makes it difficult, sometimes impossible, to verify their fulfillment; and
- Often there are no sanctions for goals and broken promises.

In addition to these flaws - of a general nature and in principle well known - in contractual management, specific problems were pointed out. In most cases and countries, it is clear that contracts are influenced more by agencies than by their departments of origin. Politicians, as well as ministers, are rarely very involved in contract negotiations, and often the interest of political actors (parliamentarians, parties, etc.) and the general public in such agreements is quite small, to say the least.

On a more technical level, the reports are criticized for being too long, too extensive, too descriptive and not very analytical. There is a tendency to give a bureaucratic and technical tone to the process, which starts to concentrate on pseudo-exact figures, models and formal requirements, and not on its practical relevance. In cases where data is available, they are used, but not necessarily useful and essential. Information asymmetry problems may become more evident and more transparent in the case of contractual models, but they do not disappear.

Finally, it is clear that not all organizations are satisfied with the contracts. Different actors pursue different goals and agendas by promoting and introducing them. Some agencies fear losing autonomy, some ministries fear losing control, and so, in the end, the contractual arrangements have to deal with different perceptions of interests - who wins and who loses - and, therefore, with the consciousness and reality of power. 10

It is latent that the bureaucratic current that has prevailed in the country still continues intrinsically in the daily life of the Brazilian public administration. The management reforms introduced since the 90's were clear in not denying the formalism of the Brazilian Public

10 Jann, Werner and Christoph, Reichard. Best practices in state modernization. Public Service Magazine 53 (3):31-50. (2002).
Management, but only changing the focus - from processes to results, there was no paradigm break, but an alignment with the best international practices and the welcoming of insipient social movements.

2.3.1 - Contractual Problems

It is then realized that in contracting we are faced with new perverse attitudes to the movement, like everything modern, it is necessary to foresee, understand and correct the probable and inevitable distortions of the system.

As the study of this work is only theoretical, based on assumptions and methodology study, it was not applied to the concrete case the design of so many variables, however it is still plausible and quite reasonable to identify some anomalies that may arise in the execution of SYNERGY, which did not gain space in order to make the implementation of this project unfeasible, exactly on the contrary, to predict in advance possible errors is to put the planning one step ahead of execution:

a) Improper Creativity: Creativity when used improperly can be used to circumvent the system, creating mechanisms capable of achieving goals differently than planned. In popular jargon "Foaming or doing numbers", it is prudent to understand and not deny that the manager is biased to always interpret dubiousness favorably to his interest. Example: certain activity to be completed from beginning to end requires 50 procedures. The performance indicator of this activity only assigns value to the goal when all 50 procedures are completed, however, the manager can assign the achievement of the goal in 50 times, instead of only one when measuring the index.

b) Cost x Benefit Ratio: One of the basic principles of internal control systems, measurement of results, control or monitoring is the cost x benefit ratio, i.e., it only makes sense to adequately equate the performance indicators if they do not exceed the cost of the results themselves. Otherwise, everything that management reforms have brought to the public administration, i.e., the change of focus from processes to results, is denied.
c) **Negative Goal Exchange:** The performance indexes measure both the finalistic actions and the middle actions, that is, the one common to most agencies. In such a way that many units will have the same activities, goals and indexes, allowing an "exchange of objectives". But such a procedure can be negative for the system as a whole.

a. Negative Exchange Example:

Organ A - Target: reduce the consumption of paper reams. Organ B - Goal: to reduce the consumption of paper reams.

Considering that "B" realizes that it will not reach its goal, and at the same time "A" has already verified that it will reach its own, and will still stock the remaining material for the following exercise, there may be some kind of negotiation between these units, in the sense of "A" passing this spare material to "B", making it not have to buy more reams, having as consequence the "reach" of its goal. This exchange harms the system as a whole, because in the total sum, only one of the organs really reached the plan.

On the contrary, one can have a **positive exchange**, when in the sum of the goals both units managed to achieve what was expected:

b. Positive Example of Exchange:

Organ A - Goal: to regularize pending social security issues with the Federal Revenue Service. Organ B - Goal: regularize pending issues **not related to** social security with the Federal Revenue.

In the example above, the two units can temporarily exchange servers from their respective boards, who have experience in the subject, to benefit simultaneously. It is noticeable that here, at the end of the exercise, the two units have reached the plan, although once the activities are over, the servers will return to their original boards.
d) **Purposeful inertia:** The comparative analysis performed throughout the exercises, if not correctly arranged, distorts the true diagnosis of each organ's performance. The most evident example of this is the budget incrementalism, in which the manager tends to continue injecting public resources in those actions that constantly execute the entire budget, without however verifying if that expenditure continues to be a priority for the State, on the contrary it happens when at the end of the year the allocated resource is not used, in the following year the manager tends to decrease the values more and more, without previously verifying the real reason for the non-execution. This practice can be paralleled with the goals defined for each agency, that is, if the manager notices that the units are reaching the imposed goal with a certain "ease", those units will tend to increase it more and more in the following exercises, creating a certain fear and resistance to the agency in reaching its goals. Here there is no talk of "abandoning the attainment of the goal", for it would be detrimental to the organ as a whole, but what one wants to demonstrate is the possibility of the organ in "manipulating" this process of attaining the goal, braking or accelerating its activities. However, the goals should always have a challenging character for those who fulfill them.

e) **Low control in Brazil:** the greater the flexibility of autonomy given to an agency, the greater must be the control exercised over it. Working with results management implies in impregnating the confidence of the administrator, offering him the opportunity to conduct the public machine under its managerial aspect (however within certain limits, not only legal, but also political), but at the same time as the tie of management is loosened, it should be to tighten the control tie, always inspecting the internal and external control organs in their jurisdictions, auditing processes, establishing accountability, reviewing accountability and taking the accounts of the expense organizers. In short, the delegation of management autonomy does not take away from the delegating power its primary competence, and may even invoke for itself what it understands as exorbitant or out of government policy. However, the lack (absence in some entities) of auditors in relation to the exacerbated contingent of units, processes, programs, acts and contracts is routine in the Brazilian public administration, and the sampling procedure is the most usual to assign with reasonable certainty the regularity of the accounts.
f) **Low accountability in Brazil**: control is not accountability, but it routinely comes from that. The consequences of efficient control give intense subsidies to future accountability. It is definitely evident that the fundamental scope of the work of internal or external control is not the search for fraud or investigation by the judicial authorities, much less the imposition of penalties, but later the consummation of unions, disciplinary administrative processes, taking of special accounts and other similar procedures, it is natural and appropriate that in case of fault or malice of the public agent that his accountability is promoted, either in the fulfillment of the penalty imposed on him or in the return of the money put at risk. However, one more deficiency exposed in our administration, which is slow to judge, due to the high degree of instances and appeals, and the low number of competent collegiate in the decision.

g) **Agency Theory**: the maximization of personal interest is natural to the human being, and to propose models that nullify their influence is not the appropriate one, but to seek ways to soften their preponderance, creating an environment unfavorable to the particular interests of the principal, through corporate governance and direct action of the agents involved.

h) **Priority is given to strategic results over operational and bureaucratic ones**:  

i) **The Brazil Synergy Program is not an end in itself**: to demonstrate that the PSB is only a facilitator, and that the great importance of the system is in demonstrating the progress of state policies.

j) **Lack of autonomy on the part of the manager combined with the extreme rigor of the norm**: the exacerbated hardening of the norms that govern public administration, especially those edited at the time with the very bureaucratic bias, tend to be a barrier for the manager, given that in environments such as Brazil, in which we are faced with different situations at each moment and need to offer a certain autonomy so that the executor of public policy can circumvent certain circumstances. However, the flexibility of the norm must be very well outlined so as not to allow gaps for the misuse of the public machine. It is evident here that the legislator is on a pilgrimage to a narrow limit when drawing up the legal framework for public administration.
k) **Deviation of purpose in the granting of productivity awards:** The productivity award offered to the server that fulfills its goals may be based, among others, on cost savings or increased revenue collection. However, such facts may be distorted from their original idea when the servers intentionally cause excessive spending containment, hindering the execution of the agency's final activities, with the purpose of having their award increased. Or there is a perverse increase in revenue collection, as in the case of a supervisory body, which includes among its revenues those from fines, for example. What can happen is the increase of abusive fines only in the sense of increasing the entity's revenue and consequently producing a higher productivity premium. Such behaviors should be monitored in order to avoid deviation from the purpose of the program now discussed.

It will not be pointed out on topic, because it is not even convinced of how the topic will be treated, but assuming that it may be an acceptable difficulty to the public contract: to what extent the stability of the public servant in a permanent position (statutory right) can be considered a negative point to the actions proposed here? The almost absolute guarantee of ownership of the position after three years of effective exercise, for some authors a remnant of patrimonialism, can be considered an obstacle to the pursuit of excellence at work or a security and tranquility for the public agent, there are several perspectives for the replica and **this is an arena of much struggle and a right that for some is something irreversible.** (But there is something that cannot be denied, the path that follows the new cultures of public management and management reforms does not open space for stability, at least not in the way it is currently acquired).

Also here it will not be registered as item the part because it is a concrete and specific case, but that for the impact it is interesting to make it appear in this work: It is the Bill of Review 11- IA 718497 - filed by the Minas Gerais State Extractors Association -

---

11 Case: AI 718497 MG - Rapporteur (a): Min. CÁRMEN LÚCIA Trial: 13/05/2009, Publication: DJe-095 DIVULG 22/05/2009. PUBLIC 25/05/2009. Part(s): ASSEMINAS, HUMBERTO LUCCHESI DE CARVALHO E OUTRO (A/S) and ESTADO DE MINAS GERAIS - ADVOCACIA-GERAL DO ESTADO - MG - PRISCILA VIEIRA PENNA: State Law No. 14.694/03O which instituted the productivity award expressly excluded the possibility of incorporating the advantage for the purposes of retirement, also limiting it to the effective exercise of the position, obeying the criteria of performance evaluation and agreement of results” (fl. 112). 3 In the extraordinary appeal, Agravante affirms that the Tribunal a quo would have offended arts. 5, inc. **XXXVI** of the Constitution and 7th of Constitutional Amendment n. 41/2003, to the argument that the productivity bonus instituted by Law n. 14,694/03, altered by Law n. 15,275/04, both from the State of Minas Gerais, would be linear in nature and, therefore, would be due to the inactive.
ASSEMINAS in the Federal Supreme Court (being the extraordinary appeal deprived by that Court to understand that the matter is only up to the member state, not having any repercussion on the Federal Constitution) which provides on the controversy of the legal nature of the Productivity Award, instituted by the Mining Law No. 14.694/2003 only for the active servants, which also expressly establishes in its §3° of Art. 32:

§ 3° - The productivity premium is not incorporated to the remuneration or to the retirement or pension income of the servant and will not serve as a calculation basis for another benefit or advantage or for the social security contribution. 12

12 Minas Gerais. Law No. 14.694, of July 30, 2003. It disciplines the evaluation of institutional performance, the Results Agreement, managerial, budgetary and financial autonomy, the application of budgetary resources from savings with current expenses in the Executive Branch and other measures. 2003.
In that judgment the *Propter Laborem* nature of the bonus in question was defined, that is, it is only due in the case of the effective exercise of the position due to the peculiarity of the service to which this server is submitted, not being linear, not being incorporated or extending to other inactive servants or pensioners.

Another important feature about the contracting process is described in the Primer on the Minas Gerais Outcome Agreement (2008, pg. 09), namely:

> It is essential to emphasize that all the literature regarding performance contracting highlights continuity and experience as critical success factors. **In other words, the best contract is not made the first time.** Usually, one does not have a consolidated culture of measuring results, the agreement does not know to what extent it may require additional effort and the agreement does not know to what extent it may commit to improving results. Only the experience of repeated agreements and evaluations can take this tool (the management contract) to a level of efficiency in its main objective: improving the performance of the Public Administration. After cycles of pactuation and evaluation, it is possible to observe learning and improvement in the quality of contracts. In this sense, the renegotiation of commitments/results is of fundamental importance for the success of the project in the medium and long term.¹³(*emphasis added*)

Therefore, it is with the experience of trial and error that the text of the agreement is consolidating, the incipient initiatives may come in disagreement with the practice of public management, but over time this tends to improve. The State must "buy" this fight, since the management shock, like any change, tends not to be accepted in the first moment.

### 3. DEVELOPMENT

Now depart to the main scope of work.

---

¹³ Government of Minas Gerais. *Booklet: Management for Municipal Results. Government of Minas Gerais.*
http://www.planejamento2.mg.gov.br/governo/choque/gestao_resultados/arquivos/Acordo_Resultados.pdf. 2008
Our literature is vast on the subject of contractualism, agreement on results and other related issues. However, the objective proposed here is not to further elucidate such concepts, but rather to find appropriate means to give them full and effective applicability. In the paragraphs below we will offer the Brazil Synergy Program - PSB, as an environment capable of meeting the elements that will shape the meaning of agreeing on results.

3.1 Conceptualizing the Labor Agreement

In order to adapt the subject of contractualism to the development of work, we will call the "contract of results", so far well discussed in the previous paragraphs, as: Labor Agreement Brazil - ATB, that is, this will be the pact to which the servants, managers, politicians and so on will be submitted.

In reality, the Brazil Synergy Program - PSB, is nothing more than the ATB translated into graphs and numbers, composed among others by performance stages that signal the government's priorities throughout the year. The ATB foresees that the changes in stages will be conditioned to the fulfillment of the stipulated strategic and operational objectives, translated into specific indicators for this, besides considering the evolution of the agencies and their internal units, included in this work agreement. Each stage has indicators, and on top of these are worked the so-called evolution requirements, which must be reached in order for the unit to focus on the next stage.

The goal of setting goals is to encourage managers to develop actions to achieve them. However, the government should establish organizational and leadership actions so that they have greater viability in achieving these goals, moreover, these goals should be established together, under penalty of discouraging the manager and the direct executors, who must be inserted in the entire process of planning and execution, even to give validity to the document.

However, it is important to establish differentiated profiles within the results agreement, each with its individual characteristics. We do not want to elaborate more than one document here, since such a maneuver can create in the agents certain comparisons that can be harmful to the system. The purpose here is to make it clear that each goal has a different weight in the PSB. Example: the achievement of the State Policy by a body, such as the
qualification of x workers has a greater weight than the increase in the punctuality rate of the working hours of the servants of this same body.

The aspect considered here is not to value the strategic results to the detriment of the operational, the tactical, that is, the bureaucratic part, but to consider everyone in the system, but always respecting and attributing the weight to which each one deserves. Otherwise, the success of a public policy would not be praiseworthy if its executing agency had circumvented all Brazilian legislation to achieve the success and approval of the State.

It is with this climate that we will design the ATB, stipulating that it must have 03 fundamental pillars:

a) **Society Pillar**: in order to achieve the main result, that linked to the final area of the body, commonly linked to the strategic and non-operational field.

b) **Administrative Pillar**: in order to safeguard the correct legal procedure. Including the good *complicity* of the processes, the certification of regularity by the control bodies, efficiency in management and so on. As a rule, focused on the operational and tactical field.

c) **Server Pillar**: here will be defined all the rewards, obligations and incentives to managers and servers that succeed in their work.

Preliminary to the definitions of each Pillar, a kind of *Preamble* should be put to the ratification, which will contain the conditions of the ATB, that is, the "rules of the game", such as: deadlines, reservations, requirements, obligations and rights and everything else that will govern the system during its execution.

### 3.1.1 Preamble

**Management, Budget and Financial Autonomy.**

As an example, we mention below Chapter III of Law No. 17,600 of 2008 of the State of Minas Gerais, which "Disciplines the Agreement on Results and the Award for Productivity within the Executive Branch and makes other provisions:
THE EXPANSION OF MANAGERIAL, BUDGETARY AND FINANCIAL AUTONOMY.

Art. 18 The managerial, budgetary and financial autonomy of the organs and entities of direct, autarchic and foundational administration of the Executive Power may be extended by means of an express provision in the instrument of celebration of the Results Agreement, observing the requirements established in this Law.

Art. 19 The extension of the autonomy referred to in art. 18 may be achieved by granting, as agreed, the prerogative to:

I - amendment of the amounts and distribution of the commission filling positions, gratification functions and strategic temporary gratuities, under the terms of the current legislation, as long as it does not entail an increase in expenses;

II -

III - change basic organic structures and statutes, without increasing expenses, under the terms of a decree;¹⁴

It is noticeable above the legislator's concern in offering certain tools to the public manager so that he can develop his work with greater autonomy, that is, it is not enough just to establish goals and obligations, but it is fair to offer differentiated instruments and freedoms to make the agreement viable. We also cite Article 5 of Decree No. 44,873/2008 of the state of Minas Gerais - which "Regulates Law No. 17,600 of July 1, 2008, which regulates the Agreement on Results and the Award for Productivity within the Executive Branch and makes other provisions:

Art. 5 - Within the scope of the First Stage, the prerogative to change the quantitative and the distribution of positions in commission, the gratified functions and strategic temporary gratuities, which is dealt with in item I of art.

¹⁴ Minas Gerais. Law No. 17,600, of July 1, 2008. Disciplines the Results Agreement and the Productivity Award within the Executive Branch and makes other provisions. 2008
19 of Law No. 17,600 of 2008, may be negotiated as an extension of the managerial, budgetary and financial autonomy of the agreed upon, in compliance with the provisions of a specific regulatory decree.\textsuperscript{15}

The 1988 Magna Carta itself, in its paragraph 8 of Article 37, as amended by Constitutional Amendment No. 19 of 1998, defined that

The managerial, budgetary and financial autonomy of the organs and entities of direct and indirect administration may be extended by means of a contract, to be signed between their administrators and the public power, which has the purpose of setting performance goals for the organ or entity, being the law at its disposal: (Included by Constitutional Amendment no. 19, of 1998)

I - the duration of the contract;

II - the controls and criteria for evaluation of performance, rights, obligations and responsibility of managers;

III - Staff remuneration.\textsuperscript{16}

This flexibility in conducting the projects discussed here is necessary in a country in which its public administration rules follow bureaucratic times, with too much rigor and little room for discretion. However, our own history of public corruption condemns us to have such norms, otherwise it would be a perfect field for embezzlement.

\textbf{Deadline}

\textsuperscript{15} Minas Gerais. Decree No. 44.873, of August 14, 2008. \textit{Regulates Law No. 17,600, of July 1, 2008, which regulates the Results Agreement and the Productivity Award within the Executive Branch and makes other provisions.} 2008

\textsuperscript{16} Brazil. \textit{Constitution of the Federative Republic of Brazil}. 1988
Again in reference to Law No. 17,600 of 2008, we bring the article below:

Art. 15. The Results Agreement shall be in force for a minimum of one year and a maximum of four years, provided that it does not exceed the first year of the government subsequent to that in which it was signed, and may be renewed by agreement between the parties.

Here it is clear the link with the duration of the Federal Multiyear Plan, which is 04 years, covering the second, third and fourth year of the current government's term and the first year of the following government, in order to preserve the continuity of actions. The mining law also guarantees a minimum term of one year, making a lot of sense since the actions proposed here depend on several time-consuming factors.

From Review

The act of planning, whether in public or private administration, is nothing more than anticipating facts, but these facts, however predictable they may be, do not always obey a uniform behavior, and it is facts like this that happen during the execution that justify the revision of the plan. In other words, planning is something dynamic and not static, otherwise it would become obsolete.

Moreover, it is commonly perceived that the elaboration of public policies does not involve the other "tip", thus subjecting itself to constant adjustments. Thus, and concluding that the ATB is nothing more than an act of planning, it is that it must also be subordinated to revisions, of course every adjustment must be made with the full agreement of those covered, becoming a mere additive to the pre-established agreement.

Another way to justify the revision is that every action must be followed during its course, and not only at the end of it. The follow-up or monitoring allows the manager to evaluate the behavior of his plant, as commented by Garcia, (2001, pg. 11), in his text, he describes that monitoring is:
(...) a systematic and continuous process that, producing synthetic and timely information, allows rapid situational assessment and timely intervention that confirms or corrects the actions monitored. 17

The same author still complements:

Those who do not monitor the problems they must solve and the result of the actions with which they intend to confront them do not know what happens because of their actions and what changes they have provoked with their actions. They don't know where they are, they can't evaluate the efficiency and effectiveness of their interventions. In order to monitor it, it is necessary to make the problem precise, to demarcate it and measure it rigorously, to know its main determinations and to design specific actions with the power to eliminate or minimize the fundamental causes that generate it. When implementing actions, pertinent indicators should be produced - because they are useful for those who are responsible for their execution - and, therefore, can be worked on (analyzed and evaluated) in order to inform those who have the duty to coordinate actions and the power to correct them, if necessary.

For Street (2000, pg. 06), monitoring is:

It is the use of a set of strategies aimed at "monitoring" a policy, program or project in order to identify in a timely manner the advantages and weaknesses in its implementation in order to make the necessary adjustments and corrections to maximize its results and impacts. 18

3.2 Outlining the format of the Brazil Synergy Program - PSB

Drawing a parallel between Law 17,600/2008 of the state of Minas Gerais, it defines that (with adaptations):

17 GARCIA, R. C. Grants to organize evaluations of government action. IPEA, Texto para discussão, n. 776. Brasília, January 2001.
18 RUA, Maria das Graças. Evaluation of policies, programs and projects: introductory notes. Mimeo, 2000.
**Indicator:** measure, relative or absolute, used to measure the efficiency, effectiveness and effectiveness of the agreed performance;

**Target:** the desired level of performance for each indicator, in a given period, defined in an objective and quantifiable way;

**Institutional Performance Evaluation:** the process of determining the degree of achievement of the results agreed upon in the Results Agreement, carried out by the Monitoring and Evaluation Committee, in accordance with this law and its regulations; and

**Reference period:** the time interval adopted as the basis for calculating the amount to be distributed, as a Productivity Award, to the body or entity that meets the legal requirements.

The beginning and end of the evaluation period will occur in the same financial year.

These concepts will be used throughout the work, as we understand that they reflect the common practice of any goal agreement.

### 3.2.1 Server Pillar

**Deconstructing Performance Indicators - Server Pillar**

Based on hypothetical examples, we will risk describing the path taken by a task within an organ and its relationship to the achievement of its objectives, for example:

- The Budget Execution of the Alpha Ministry responsible for employment and income policies.

The performance indicator for the payment of continuous services is represented in the following table, and soon after some of the steps that this payment will be subject to (logically not all the list of procedures will be represented here):

| Ministério AlphaPilar | Servidor - PSBIndicator |
|-----------------------|--------------------------|

| Step | Description |
|------|-------------|
| 1    |...          |
| 2    |...          |
| 3    |...          |
Warning from the beginning that the purpose of the Alpha Ministry is not the payment of bills, but the promotion of employment and income policies, we will analyze the table above:

a) **Responsible Sector:** Regarding the responsible sector, there is not much to weave about such characteristic, however, it is important to emphasize that the existing link between responsible and indicator in the synthetic framework, is merely a highlight in order to easily identify the preponderant unit in the execution of that goal. However, this person in charge should not be given full responsibility for the execution of that goal. In a concrete case, if the goal is low, the responsible sector highlighted in the symptomatic chart of the goal is not always the same responsible for this low index. Taking as an example the case above (payment for ongoing services) one can cite the fact that the contractor did not send the invoice in time for payment, there is no budget to pay it, or simply the service concessionaire did not send it. In other words, the "responsible for the indicator" is not always responsible for the poor or good execution of the index.

b) **Analysis Point - PA:** The great challenge here is to find a point where the exact situation of the task can be identified, that is, to discover the factor that makes the indicator translate in the most effective way what it was created for, and it is this point that will be translated into graphs and numbers within the Synergy Program. This point will be called the **Analysis Point - AP**, which should be an act that:
• Be easy to measure;

• Be objective and be preferably classified in numerical and quantitative form, that is, avoid qualitative analyses that involve subjectivity. It should be emphasized that what is sought here is the ideal format for the indicator, however, there will be analyses that will be qualitative, such as the cordiality of the service, the promptness or the Indicators of complication, those that aim to obtain the degree of legality in the administrative act.

• Be at the final moment of the procedure, that is, when it is concluded, there is no point in measuring what is not yet ready or in the phase of completion;

• Be preferably accounted for in Synergy automatically, that is, it does not lack a human factor to be calculated and recorded;

e) **Unit of Measurement:** The unit of measurement of the indicators should be in the pattern of the goal and the current situation, however, indexes are not compared using different formats, thus it is only possible to calculate the relationship between planned and executed if there is comparability between them.

However, when projecting the indicators in the SYNERGY Program itself, all of them **should be transformed to the same unit of measurement, that is, in the form of Points, regardless of their original classification.** This happens in order to make possible the comparison between the units of public administration, being only possible if all are using this form of arrangement by points.

d) **Goal:** The goal is always previously defined following the pact established in the Results Agreement made by the body. As previously seen in the methodology of this work, the results agreement should be influenced by all its participants, in the sense of not putting abusive goals or unambitious goals to the point of discouraging them.

e) **Current Situation:** it is the simple indication of the real situation between planning and execution. It is measured through the established point of analysis and is constantly updated, in order to enable the manager to monitor its management reliably,
allowing him to correct any deviation discovered, even when in full progress of the policy.

f) **Achieved**: the relationship between Goal and Current Situation. It is this index that allows, a posteriori, the transformation of the indicator into Points, as will be seen below.

As a rule, all indicators will have these same attributes, with the exception of the *complication* indicators in the Administrative Pillar, which may carry certain distinct peculiarities. From such concepts, we will now start to detail a hypothetical situation for the Indicator - "Budget Execution - Continuous Services".

| Ministério AlphaPilar | Servidor - PSBIndicator | - Budget Execution - Continuous Services - January of X |
|----------------------|--------------------------|-------------------------------------------------------|
| Payment Accounts     | Responsible Sector       | Point of Analysis | Unit of Measurement | Goal | Current Situation | Reached | Maximum Score | Score Achieved |
| - Continuous Services | Budget Board             | Bank Order Issued | %                  | 90%  | 10%               | 9%      | Points        | Points         |

Remarks:

**Responsible Sector**: Budget Board, which is directly responsible for issuing the Bank Order of any payment.

**PA**: Even recognizing that the budget execution can be concluded only with the commitment of expenditure, here, was the bank order, and not the note of commitment, the most reliable point found to measure the indicator in question, taking into account that what we want to prove is the effective discharge of debts with continuous services, and not just their commitment.

**Unit of Measurement**: Percentage of execution.
We will follow below with other examples of indicators of this Pillar.

**Ministério AlphaPilar**

**Servidor - PSBServer**

**Frequency Chart**

- **January X**

| Server Frequency | Responsável Sector | Point of Analysis | Unit of Measurement | Goal | Current Situation | Reached | Maximum Score | Score Achieved |
|------------------|--------------------|-------------------|---------------------|------|-------------------|---------|---------------|---------------|
| Active Server    | Registered Frequency | Hours              | Total Hours          | Registered Hours | %      | Points         | Points         |

**Observations:**
- The goal will be the total hours of the work day multiplied by the number of servers.
- The justified absences or delays can be removed from the Goal.
- Servers of a special nature may be withdrawn from the Goal.

Fig. 7 - Synthetic chart - Example - Indicator - Server Frequency

Example:

1) Organ with 10 servers with a daily work day of 08 hours.
2) Assuming that the indicator below is updated on the last working day of the 1st week of the 1st month of measurement of the organ.

3) 02 Servers missed work this week unjustifiably.

| Ministério AlphaPilar | Servidor - PSBServer Chart | - Server Frequency - Position |
|-----------------------|-----------------------------|-----------------------------|
| **Server Frequency**  |                             |                             |
| **Active Server**     | **Registered Frequency**    |                             |
| **Point of Analysis** | **Unit of Measurement**     | **Goal**                    |
| **Hours**             |                             | **Current Situation**        |
| **400**               |                             | **Reached**                  |
| **320**               |                             | **Maximum Score**            |
| **80%**               |                             | **Score Achieved**           |
| **200 pts**           |                             | **160 pts**                  |

Observations:
- Goal: 08 hours daily X 05 working days in the week x 10 servers = 400 Hours to be fulfilled by the organ.
- Current Situation: 400 - 80 (02 servers x 08 daily x 05 absences in the week = 80)

Fig. 8 - Synthetic chart - Indicator - Server frequency

| Ministério AlphaPilar | Servidor - PSBIndicator | - Paper Expenditure Reduction - Position |
|-----------------------|-------------------------|-----------------------------------------|
| **Reduction of Paper Expenses** | **Responsible Sector** | **Point of Analysis** | **Unit of Measurement** | **Goal** | **Current Situation** | ** Reached** | **Expected Score** | **Score Achieved** |
| All                   | **Quantity Consumed**   | **Sheet** | **10,000 Sheets** | **1.000** | **10%** | **100 pts** | **10 pts** |

Observations:
- All: The reduction has been made in the organ as a whole, it makes no sense some units reduce consumption while others increase.
- Target: 10.000 leaves reduction (This value can be found by comparing the number of leaves used in the
After establishing the goals in the Work Agreement, counting them in the SYNERGY Program and analyzing them over a certain period of time is that you can distribute the results of this performance. One of the most traditional ways of giving back the object achieved is by affecting part of the remuneration of those involved, here it is called the **Productivity Award**.

One way to link unit performance with server remuneration is to split it into two parts, a fixed and a variable. The fixed part is that determined by law, usually limited to salaries and rights incorporated by the agent. The variable part is the one that would be altered in proportion to the performance of the server and its unit.

The purpose of this is to make the server have concrete reasons to achieve a result, and that this search is recognized in a factual way, in this case, translated by the salary increase. It must also be understood that the philosophy installed here will only achieve its objective if the whole unit seeks the same objective, that is, as the very definition of the word synergy: the value of the whole is greater than the sum of the individual parcels.

What the SYNERGY Program translates in a very clear way is what the server should follow, that is, if it is aware of the situation of its sector, according to the performance of each unit, measured in relation to its indicators, it will be able to know exactly the percentage to which the unit will be able to be rewarded for its effort. Once again, demonstrating in an intelligible way the flow of the agreed goals, the servers would have a goal, a more concrete goal to pursue.

Having as starting point the premise above, in the Server Pillar the indicators are more focused on the routine connected directly to the servers, as indicators of obligations, such as punctuality, cost reduction, recycling, conclusion of processes and so on.

In this sense, the Minas Gerais Government's Management Primer for Municipal Results (2008, pg. 09) concludes that
In the implementation of public management policies the results are more significant when the various tools integrate and leverage each other. In this sense, the more the contractualization of results integrates and complements the set of other policies implemented, the better the overall result will be. In this sense, it is recommended to create a system of variable remuneration linked to the results measured through the Result Agreements. This integration between the two policies has a great effect on the degree of mobilization, knowledge, and incentive that the employee dedicates to the goals agreed upon. To the extent that the achievement of results has consequences on the server's remuneration, the effort that will be dedicated to the achievement of results is much more significant. In practical terms, an award can be paid, proportional to the degree of achievement of the goals, after the evaluation period, in case of good performance in the fulfillment of the contract. (emphasis added)

Including, and as well clarified by Law No. 17,600 of 2008 of the State of Minas Gerais that "Disciplines the Agreement on Results and the Award for Productivity within the Executive Branch and makes other provisions", we have in its Articles 23, 26, 38 and 39 the following passages (with adaptations):

Art. 23. The Productivity Award is a bonus to be paid to the employees in effective exercise in a body or entity that:
I - is a signatory of the Results Agreement with express provision for the payment of a Productivity Award;
II - obtains satisfactory results in the Institutional Performance Evaluation, referred to in item IV of art. 11, carried out during the reference period, under the terms defined by decree; and
III - carries out the permanent Individual Performance Evaluation of its employees, under the terms of current legislation.

Sole paragraph. Only those bodies and entities that are signatories of the Results Agreement in effect, with established goals, within a reference period
of at least ninety days, will be entitled to the perception of a Productivity Award.

Art. 26 - It may be destined to the payment of a Productivity Award amount of resources corresponding to up to 1% (one percent) of the net current revenue, which is dealt with in item IV of art. 2 of the Federal Supplementary Law nº 101, of May 4, 2000, foreseen in the Annual Budget Law.

Single paragraph. The percentage referred to in the caption shall be provided for in the Budgetary Guidelines Law”.

Art. 38. The Productivity Award is not incorporated into the remuneration or retirement or pension income of the servant and shall not serve as the basis for calculation of another benefit or advantage or for social security contribution.

Art. 39. In the event the State presents a fiscal deficit, there shall be no payment of a Productivity Award in the following fiscal year.

We can see here the concern in attaching the amount paid with productivity premiums to a pre-defined percentage in order not to compromise the execution of other expenses, including the caveat in Art. 39 of not distributing, in the following fiscal year, this result when the State (Minas Gerais) presents fiscal deficit.

Another factor that deserves to be highlighted, and which has already been addressed previously, is with regard to the non-incorporation of this variable portion to the remuneration of employees, a matter already discussed at the Federal Supreme Court, which understood that it is up to the State Courts to settle these conflicts, but which has preliminarily understood the legal nature of the Productivity Award as due only to those who effectively contribute to the exercise of the labor activity.

### 3.2.2 Administrative Pillar

Although it is a specific pillar, what we do not want here is to bring back the outstanding characteristic of Public Administration in Brazil of the last century: of bureaucratic administration. We live in a time when the new management tools have allowed
us to bring the focus of processes to results, however it is known that the current managementism is still based on a bureaucratic column, as Professor Luciano Oliveira conducts well\(^\text{19}\):

"Managerial administration constitutes an advance, **but without definitively breaking with bureaucratic administration, since it does not deny all its methods and principles.** In fact, management relies on bureaucracy, maintaining its basic precepts, such as **admission of personnel according to strict criteria, meritocracy in public careers, performance evaluations, professional improvement and a structured compensation system.** The difference lies in the way the control is done, which starts to focus on the results, no longer on the processes themselves, trying, yet, to guarantee the server's autonomy to achieve such results, which will be verified later. "(emphasis added)

And it is not only for the focus on results that the conduct of the public servant should be based, but also for the current stage of management in the transportation to this practice, such as the increase of operational audits that aim to evaluate the management and not simply the legality of processes, accounting records and so on. However, it is the duty of the public agent to observe the legal administrative conduct, instructing all its processes as required by law, now, it makes no sense an effective, efficient and economic bidding, but illegal, addicted in all its stages, and it is in this diapason that it is necessary a Pillar the part of the others.

The matter that the indicators should measure here is of extreme importance in the conduct of the work of any unit, and preferably weight should be given to the height of its gravity. The sectors of internal control and even those of external control, outside the structure of the agency's Power, should be the verifiers of the agency's activity, offering subsidies to find the best way to project these indicators in the SYNERGY Program.

\(^{19}\) Oliveira, Luciano. http://www.editoraferreira.com.br/publique/media/luciano_toq27.pdf. Access on January 9, 2013, 16h05min.
### - Process Regularity - Position

| Regularity of Processes | Responsible Sector | Point of Analysis | Unit of Measurement | Goal | Current Situation | Reached | Expected Score | Score Achieved |
|-------------------------|--------------------|-------------------|---------------------|------|-------------------|---------|----------------|---------------|
| Internal and External Control Units | Internal Control Final Report | Percentage of regularity per analyzed process | 100 | -20 | 80% | 100 | 80 pts |

**Observations:**
- **Goal:** 100% Regularity in the processes analyzed by the Internal Control.
- **Current Situation:** Percentage of processes analyzed by the Internal Control that are irregular (Negative).
- **Reached:** If 80% was reached, it means that 20% of the analyzed processes are irregular.

**Fig. 10 - Synthetic chart - Indicator - Process Regularity**

### 3.2.3 Society Pillar

This pillar would theoretically involve all the others, since each task performed by a server aims at something greater, which is the concreteness of the agency's mission. Let's look at the example below of any payment related to a body whose purpose is the promotion of employment policies:

**Step 01**

| Server crowded in the | Server Task | The server crowded in the financial area is responsible for making such payment. |
|----------------------|-------------|--------------------------------------------------------------------------------|
| List of your Task    | It contributes directly to the achievement of your sector's |
### Financial Sector

| Task of the Finance Sector of the agency | It is the responsibility of the financial sector to pay the agency's bills.
| List of your Task | It contributes **directly** to the functioning of the organ.
| | It contributes **indirectly** to the promotion of public policies in the area of employment and income.

### Step 02

### Step 03

| Purpose of the Organ | Task | Promote public policies in the area of employment and income.

Fig. 11 - Synthetic chart - Task flow

Taking as an example the Ministry of Labor and Employment - M.T.E., it is verified in the website of the institution that has as values, mission and objectives\(^{20}\) the following:

**Mission:** To contribute to the insertion and permanence of men and women in the process of sustainable development through the protection of human rights at work.

**Vision of the Future:** To be recognized for the quality of its performance as a provider of public services.

**Specific Objectives:**
- To supervise the compliance with labor protection norms
- Provide assistance to workers and guidance to employers
- Enable job and income generation opportunities

\(^{20}\) [http://portal.mte.gov.br/delegacias/ma/missao-valores-visao/](http://portal.mte.gov.br/delegacias/ma/missao-valores-visao/). Access on January 9, 2013 at 8:35 pm.
Fighting discrimination in the labor market
Mediate individual and collective labor conflicts

In the same vein, the Ministry of Labor and Employment's 212008-2011 Multiyear Plan Evaluation Report, conducted in 2012, analyzes the agency's programs, such as labor intermediation, job and unemployment research, professional qualification, etc., as the report itself explains (2012, pg. 01):

The continuous improvement of the quality of public policies and their effectiveness in society is a principle that raises the challenges for public management and highlights the importance of evaluating government action. In this sense, the results presented in the Evaluation Report of the Multiyear Plan (PPA) 2008-2011 should be debated in order to allow the advancement of democracy in the interaction between the State and Society.

In order to comply with Article 19 of Law No. 11653 of April 7, 2008 and Decree No. 66001 of October 10, 2008, which deals with the management model of the PPA 2008-20011, the Federal Government agencies were responsible for preparing the evaluation of the Sector Objectives and Programs under their responsibility. The product of the work is the result of activities carried out in conjunction with program managers and technical teams within the agencies responsible for Government programs, which are members of the Sub-Secretariats of Planning, Budget and Management (SPOA), the Monitoring and Evaluation Units (UMAs) and the Executive Secretariats.

The evaluations deal with the results from the implementation of each agency's programs and include physical and financial statements of the values related to the actions developed, both within the responsible agency itself and in other Ministries, in the case of multisectoral programs. This report provides greater transparency regarding the results of the application of federal public

http://portal.mte.gov.br/data/files/8A7C812D39B0462E0139BB870C57539C/Caderno_Setorial_2011_com_capa.pdf. Access on January 9, 2013 at 23h35min.
resources. In addition, it facilitates understanding and accountability to society, thus generating information for the debates necessary to promote the improvement of the quality of public action and its results for Brazilian society.

Starting with the Evaluation of the Finalistic Programs of the M.T.E., one can see below the care in presenting in the indicators the foreseen and the executed in physical and financial form, as illustrated in the following tables taken from the above mentioned Report regarding the Finalistic Programs of the organ (2012, pg. 11, with adaptations):

**Objective of the Programs**: To increase the number of workers placed on the job market through the consolidation of the Public Employment System, to reduce the waiting time of workers for a job suitable to their abilities and to mitigate the social cost of unemployment.

| Actions (Product/Unit Measure) | Physical Goals | Financial Goals |
|-------------------------------|----------------|-----------------|
|                              | Foreseen | Performed | Foreseen | Performed |
| Qualification Scholarship Professional for Worker with Suspended Employment Contract - 0217 (BENEFICIATED WORKER/UNITY) | 31.969 | 5.923 | R$ 15.613.536,00 | R$ 14.585.793,06 |
| Benefit Payment Salary allowance - 0581 (WORKER BENEFICIARY/UNIT) | 18.189.315 | 19.096.510 | R$ 10.833.970.085,00 | R$ 10.379.396.260,00 |
| Insurance Payment Unemployment - 0583 (WORKER BENEFICIARY/UNIT) | 7.159.383,00 | 7.693.779,00 | R$ 23.121.878.479,00 | R$ 22.488.328.814,38 |
Based on this table we can make examples of indicators of finalistic programs. (We will use only the physical goals because they represent in a way to keep parallelism with the goals already studied before)

| Programs                          | Responsibility Sector | Point of Analysis | Unit of Measurement | Goal   | Current Situation Reached | Expected Score | Score Achieved |
|-----------------------------------|-----------------------|-------------------|---------------------|--------|---------------------------|----------------|----------------|
| Qualification Scholarship Professional for | Responsible for the Qualification | Scholarship Available | Beneficiary Worker | 31.969 | 5.923 | 18.5% | 300 pts | 55.5 pts |
| Worker with Suspended Employment Contract (BENEFIT WORKER) | Responsible for Paying the Benefit Salary allowance | Payment Made | Beneficiary Worker | 18.189.315 | 19.096.510 | 105,0% | 150 pts | 157.5 pts |
|---|---|---|---|---|---|---|---|---|
| Benefit Payment Salary allowance (WORKER BENEFITTED) | Responsible for Paying Unemployment Insurance | Payment Made | Beneficiary Worker | 7.159.383 | 7.693.779 | 107,5% | 100 pts | 107.5 pts |
| Insurance Payment Unemployment (WORKER BENEFITTED) | Responsible for Paying Unemployment Insurance | Payment Made | Beneficiary Worker | 14.130.00 | 11.299.00 | 80,0% | 100 pts | 80 pts |
| Insurance Payment Unemployment for Workers Domestic (WORKER BENEFITTED) | Responsible for Paying Research | Payment Made | Beneficiary Worker | 84,00 | 84,00 | 100,0% | 150 pts | 150 pts |
| Research on Employment and Unemployment - PED (RESEARCH DISCLOSED) | Responsible for Research | Research Performed | Published Research | 84,00 | 84,00 | 100,0% | 150 pts | 150 pts |

Fig. 13 - Synthetic chart - Indicators - Finalistic Program - M.T.E.
3.3 - SYNERGY Brazil Program - Projecting the indexes and knowing the link between the Stages, Goals and Evolution Requirements.

The starting point for designing the SYNERGY Program is the elaboration of the Labor Agreement, although this is not the object of this work, it will be its north. This way, we elaborate below the following Labor Agreement, which must be duly elaborated and approved by all involved in the process, be it Managers, Government, Servants, Unions or Society.

| Pillar             | Indicator                        | Minimum Requirement | Evolution Score | Score Achieved | Remaining Value for Evolution |
|--------------------|----------------------------------|---------------------|-----------------|----------------|-------------------------------|
| **Server Pillar**  | Server Frequency                 | 70 pts              | 180 pts         | 160 pts        | 20 pts                        |
|                    | Reduction of Paper Expenses      | 10 pts              | 80 pts          | 10 pts         | 70 pts                        |
| **Administrative Pillar** | Regularity of Processes | 60 pts              | 90 pts          | 80 pts         | 10 pts                        |
| **Society Pillar** | Professional Qualification Scholarship | 80 pts              | 200 pts         | 55.5 pts       | 144.5 pts                     |
|                    | Payment of the Wage Allowance    | 80 pts              | 150 pts         | 105 pts        | 45 pts                        |
|                    | Unemployment Insurance Payment   | 80 pts              | 100 pts         | 107.5 pts      | - 7.5 pts                     |
|                    | Unemployment Insurance Payment - Domestic Worker | 80 pts          | 100 pts         | 80 pts         | 20 pts                        |
The measurement unit of the SYNERGY chart will be all in Points to facilitate the comparison between the indicators. Below is the concept of the table’s variants quantified by points:

**Minimum Requirement:** For each indicator there is a score which, once reached, allows the unit to progress to the next stage in relation to that specific indicator. However, the unit can stand out in other indicators and achieve a much higher score than the one predicted for the evolution of the stage, causing this *plus to be* taken advantage of by other indicators that are performing badly. However, the SYNERGY system at each stage works with a method of accumulating the points perceived at the previous stage, i.e., it makes no sense or organ to reach the goal at the Bronze Stage, to evolve to the Silver Stage, and in this stage simply abandon that indicator.

The agency has to keep at least the minimum requirement to maintain the current stage. This is even valid for when the organ is in the initial stage, since it has not yet evolved, it does not need to reach 100% of the expected goal for evolution, but it should at least reach the minimum requirement defined in all indicators.

Another situation that may occur is that the agency has already evolved and still has accumulated points, even after compensated with indicators that have not reached the goal. An alternative would be to use the exceeded value in the next step. That is, in this case the organ can already start the next stage already in advantage.

A rule to be established, in order to better match the earned points with the indicators, would be to allow compensation only in the Pillar that had the indicator exceeded, avoiding, for example, that the surplus of finalistic indicator points are used to cover the poor performance of an indicator of the Administrative Pillar, which measures behaviors basically of the middle area, totally different from each other.
Measures can even be taken to block certain indicators so that they have an impeding restriction that does not allow them to receive "leftovers" from other indicators, making them only accept scores derived from their own measurement. Or even make some indicator that is preventing the unit from evolving to the next stage more flexible, causing that index to be disregarded, always, of course, unequivocally justified.

**Evolution Score** is the score defined in the Labor Agreement that when reached makes the unit to evolve to the next step compatible with that index. It is noticeable here that this value is not exactly the same defined as "**Maximum Score**" described in all indicators. This happens because in the indicators what is sought is always the ideal, making the goal always audacious, even to encourage the organ not to underestimate the capacity of its servers. However, it is known that what is expected is generally the goal not to be 100% achieved, given the limitations of personnel, budget, instruction, etc. Even if the goal is promptly completed, it is very likely that the ideal is undervalued.

**Score Achieved:** is a list of two measurements in the indicators, the "Achieved" and the "Maximum Score". The reached is usually in percentage format and the Maximum Score in points. The objective of this relationship being within the indicators is to simplify as much as possible the SYNERGY picture.

**Remaining Value For Evolution** is the simple subtraction between the "Evolution Requirement" and the "Score Achieved".

In the same way, another item that was not inserted in the indicators or in the SYNERGY Chart, but that deserves a highlight, is the **weight** figure. With the inclusion of weight, emphasis can be placed on the analysis of any indicator. Based on the example of the body whose purpose is the Promotion of Employment and Income, let us see the following:

Since the final activity of the agency is not to pay bills, but to promote employment and income, this fact may justify an individual treatment to favor the finalistic indicators. This differentiated treatment is given through the imputation of different weights according to the proportionality of the value of the success of that goal for the agency as a whole.

Let's look at the example of the body above: the creation of x job vacancies is of significant importance not only for the body, but also for society in general, so the body can establish a greater weight for these indicators than for the middle indicators, making each final indicator point worth 02 points of a middle indicator.
However, of course, it is not worthy of any government to reach such a goal at the cost of not paying suppliers anymore, or of not charging the frequency of servers, or even of waiving certain legal requirements in a bid, for example, simply in order to create more jobs and better promote income generation.

It is not discussed here what is more or less important, but rather the comminution of satisfactory weights to distinct jobs, recognizing with the value corresponding to the final objective that every server of the agency seeks: Promotion of Employment and Income. In this way, the final activities will commonly carry more weight than the middle activities.

Once another stage of the work has been won, we will now simulate a flow of a unit through the 03 stages that were previously presented at work, and which will make up the Synergy Program, shaping it and creating a healthy competitive environment as it stimulates the server to achieve results in favor of a goal.

First we will establish the evolution criteria for each stage, remembering that the organ starts in the Initial Stage, evolving in the sequence to the stages Bronze, Silver and finally Gold.

| Stage      | Initial                  | Bronze                       | Silver                       | Gold                        |
|------------|--------------------------|------------------------------|------------------------------|-----------------------------|
| Evolution  | All units start from this stage. | Keep the minimum requirements of the initial stage met. | Keeping the requirements of the initial stage and Bronze | Keep the requirements of the initial stage, Bronze and Silver. |
| requirements |                          |                              |                              |                             |
| Score for Evolution | 700                      | 1000                         | 1.200                        | 1.400                       |
| Accumulated Balance | 700                      | 1.700                        | 2.900                        | 4.300                       |

Fig. 15 - Table- Evolution Criteria - PSB
4. FINAL CONSIDERATIONS

The Synergy Program is not an end in itself. The greatest beneficiary will be society, this is the end to which all social programs must be destined. What is perceived is that the great challenge to implement this program in the civil service will be the particularities of the goals and demands of the units of each public agency (generally difficult to earn), example: what is the product that the Budget sector produces throughout the year? What does the Human Resources area develop that can be measured in goals? And if it has reached or not the planned goal? This can be the great challenge and the biggest complication of this project.

It is clear that some requirements need to be met for the project to be successful, for example:

I. The program must be unique, it can have several applications within it, but the unit makes the data easily confronted.
II. The legal framework that will govern the entire system must be elaborated. It must have legal force to be obeyed by all\textsuperscript{22}.

However, the servers need to be motivated for the strategy. Everyone in the institution wants to feel part of the results, and in the same way, the government needs to transmit the strategy in a broad and constant way, considering that currently, the measurement of the performance of the public sector goals is very procrastinated, and in the private sector this is done almost daily.

The suggestion presented by this author for future works would be to analyze in fact how the Synergy would be given in practice, using the Budget Laws and the Strategic Planning of each agency, in order to verify the viability of the project. However, in the first moment, using only organs of the Executive Power, which already has goals defined in the Multiyear Plan - PPA.

After this test, the application of the text in the Legislative and Judiciary Powers could be suggested, however, the use of the text is hindered in view of the fact that these Powers do not define goals in the Multiyear Planning.

\textsuperscript{22} There is an incipient initiative of the Presidency of the Republic to regulate the system through the draft bill presented by the Minister of State for Planning, Budget and Management: http://www.planalto.gov.br/ccivil_03/consulta_publica/contratos_desempenho.htm. Access on January 21, 2013.
REFERENCES

RICARDO CIAVOLIH MOTA, SERGIO AND MACEDO MARQUES, ERIK. Agreemnt of results between agencies with hierarchical relationship and management autonomy. X Congreso Internacional del CLAD sobre la Reforma del Estado y de la Administración Pública, Santiago, Chile, 18 - 21 October 2005.

SANTOS, HERIANA ROBAINA DOS; VIEIRA, FERNANDO DE OLIVEIRA. The role of performance evaluation in public administration: the case of the municipal secretary of planning and management of a city hall of Rio de Janeiro - Universidade Federal Fluminense. 2008.

GOVERNMENT OF MINAS GERAIS. Booklet: Management for Municipal Results. Government of Minas Gerais. http://www.planejamento2.mg.gov.br/governo/choque/gestao_resultos/archives/Acordo_Resultados.pdf. Access on August 2, 2013, 12h30min.

JANN, WERNER AND CHRISTOPH, REICHARD. Best practices in state modernization. Public Service Magazine 53 (3):31-50. 2002.

MINAS GERAIS. LAW NO. 14.694, OF JULY 30, 2003. It disciplines the evaluation of institutional performance, the Results Agreement, managerial, budgetary and financial autonomy, the application of budgetary resources from savings with current expenses in the Executive Branch and other measures. 2003.

GARCIA, R. COUTINHO. Grants to organize evaluations of government action. IPEA, Text for discussion, n. 776. Brasília, January 2001.

RUA, MARIA DAS GRAÇAS. Evaluation of policies, programs and projects: introductory notes. Mimeo, 2000.

BARBOSA, LIVIA. Meritocracy the Brazilian way: what is performance in Brazil? Public Service Magazine. V.120 - n.3, p.3-45, sep/dez. 1996.

PONTES, B. R. Avaliação de desempenho: nova abordagem. 7. ed. São Paulo: LTr, 1999.

BERGAMINI, CECÍLIA WHITAKER; BERALDO, DEOBEL GARCIA RAMOS. Avaliação de desempenho humano na empresa. – 4. ed. – São Paulo: Atlas, 1988.

OLIVEIRA, LUCIANO. http://www.editoraferreira.com.br/publique/media/luciano_toq27.pdf. Acesso em 09 de Janeiro de 2013, 16h05min.