

Public Sector Reform in Brazil: changing human capital policies

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Abstract: Since 2016, Brazil is facing several changes on how the human capital matter is treated, especially in the Public Sector. With the new Federal Government composition that started in 2019, its leitmotiv is to provide better public services with less costs, reducing the workforce by stopping admissions of statutory employees at the public service. This paper describes three fundamental pillars to face this challenge: build a welfare structure, run a digital transformation and perform a results-oriented culture, showing how a Brazilian Public Agency is successfully implementing it at the same time that deals with frequent normative changes of the Public Sector Reform, which implies in a volatile framework.

Keywords: Brazil. Public Sector. Public Administration Reform.

1. Introduction

The article seeks to present the advances achieved inside the organizational and personnel structures of Brazilian Federal Public Service, concerning the Public Sector reforms occurred since the promulgation of 1988's Federal Constitution till the present days.

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To this end, the paper mentions the results of the managerial reform adopted during the 1990s, as well as the institutionalization of governance, accountability and citizen participation channels in the public sector decision-making process, and the sequence of these advances in institutional terms over the following decades.

The analysis highlights that, despite the different governmental orientations over the last decades, Brazil has evolved towards the professionalization of its public service, while countless challenges remain to be faced by public managers on the upcoming years.

The paper will address the factors that guide societies thru a need of transforming Public Sector, and then mention main topics of the Public Sector Reform in Brazil, since the State Apparatus Reform from 1990s till the current days. In a specific section, the Public Sector Reform will be analyzed at the human capital approach. To exemplify the human capital perspective from the Reform, the paper will discuss policies for personnel implemented by Brazilian Electricity Regulatory Agency (ANEEL) – an Agency that was conceived under the 1990s Reform.

To reach the expected results, the paper is based in a literature review about Public Sector Reform in Brazil, comprehending bibliographic and legislative research for the historical review chapters, and empirical research for the Agency case study chapter.

2. The need of transforming Public Sector

Before entering the evolutionary history of Public Administration in Brazil, it is convenient to outline what the doctrine of administrative science has agreed as models of Public Administration: patrimonial, bureaucratic and managerial.

According to the Master Plan for the State Apparatus Reform, in the patrimonialist Public Administration model, the State apparatus functions as an extension of the sovereign's power, and his servants have real nobility status, being that “the *res publica* is not differentiated from *res principis* ”(BRASIL, 1995, p. 15, free translation from Portuguese). The public and private assets were confused in their use by the sovereign.

As a result, clientele formation, corruption and a low degree of professionalism were characteristics of this model. With the advent and predominance of capitalism and democratic regimes, society began to no longer passively accept the excesses inherent to this model, and patrimonialism began to decline, without, however, never having been completely extirpated, at least in Brazil.

Despite bureaucratic traits in the management of ancient civilizations and secular institutions, such as the Church and the Armed Forces, the genesis of the bureaucratic model of Public Administration, founded on professionalization, on the idea of structured career, hierarchy and formalism, is commonly attributed to advent of the Liberal State in the middle of the 19th Century, in Europe.

As stated by Luiz Carlos Bresser-Pereira, the bureaucratic model emerged to replace the patrimonial model of administration, which proved to be “incompatible with industrial capitalism and parliamentary democracies” that emerged in that century (Bresser-Pereira, 1996, p. 4, free translation from Portuguese).

Regarding the bureaucracy in the work of the sociologist Max Weber, Idalberto Chiavenato (2003) emphasizes that it is based on laws and the legal order, being the administrative apparatus par excellence in systems of legal domination, whose basis of legitimation is the belief in justice of law. Regarding this rational stance, he states:

The position of officials (bureaucrats) and their relations with the governor, the governed and their fellow bureaucrats are defined by impersonal and written rules, which rationally delineate the hierarchy of the administrative apparatus, rights and duties inherent to each position, methods of recruitment and selection etc. (Chiavenato, 2003, p. 261, free translation from Portuguese).

Still according to Chiavenato, Weber identifies, as fundamental factors for the development of bureaucracy, the “development of the monetary economy”, the substantive increase of the “administrative tasks of the Modern State” and the “technical superiority of the model” (Chiavenato, 2003, p. 262, free translation from Portuguese).

Continuing with references to Max Weber's studies, Chiavenato lists, among the characteristics of the bureaucracy, the previous definition of regulations; formality; rationality; the standardization of routines and procedures; the impersonal character and the predictability of the organization's functioning (Chiavenato, 2003, p. 262, free translation from Portuguese).

However, the model's dysfunctions could be noticed by the emphasis on the previous performance of administrative controls. As highlighted in the Master Plan for the Reform of the State Apparatus, in the bureaucratic model, “it is based on a previous distrust in public administrators and in the citizens who address demands to them” (Brasil, 2005, p. 15, free translation from Portuguese).

In spite of the positive aspects of bureaucratic organization, the exacerbation of this distrust is one of the causes of slowness and bureaucracy in the pejorative sense, traditionally recognized by the excess of unnecessary documentation required to prove certain situations or petition the State, and by the slowness in good part of public sector decision-making processes, such as public procurement and contracting.

In addition to being based on strict controls and an emphasis on processes, the bureaucratic model ends up resulting in a very large attention from the State to its own structure, which ends up harming its view to the public and, therefore, the effectiveness of the provision of public services.

The finding of imperfections in the bureaucratic model paved the way for the adoption of the managerial model. According to Chiavenato, this model, in its initial phase, consisted of managing public affairs in a similar way to the private sector, striving for efficiency in the search for the satisfaction of users of public services (Chiavenato, 2006, p. 112, free translation from Portuguese).

In a more specific approach, Fernando Luiz Abrucio attributes the emergence of the managerial model of public administration to the global conjuncture of the late 1970s and to the events that followed this decade, summarized in four key factors: the global economic crisis (due to the oil crises 1973 and 1979), the fiscal crisis of the Welfare State model in the United States and Europe, the government's inability to solve problems - unlimited, in the face of scarce resources to solve them - and globalization, with the consequent loss of capacity of governments to control commercial and financial flows (Abrucio, 1997, p. 8, free translation from Portuguese).

Still for that author, the negative view regarding bureaucracy was not only linked to more intellectually elaborated theories, but also to the perspective of common sense. "In the United States, the anti-bureaucratic feeling took the form, in Kaufman's definition (1981), of a generalized epidemic", he says, pointing out that the fact of being seen at the time as "an interest group than as a neutral technical body at the service of citizens" (Abrucio, 1997, p. 10, free translation from Portuguese).

Such perception is evident in this excerpt from the work "Reinventing the Government", from 1994, considered a literary landmark for the managerial reform model, and which served as the basis for Abrucio's (1997) article: "what most irritates people in dealing with the government is the arrogance of bureaucracy. People, today, want to be valued as customers. Even by the government" (Osborne, Gaebler, 1994, p. 182, free translation from Portuguese).

In view of this scenario, Public Administration theorists began to defend the idea of privatization of services that the State was no longer able to provide adequately, reserving only those activities that are typical of them, such as police, diplomacy, public budget management, taxes collection. This initial model, called "pure" managerial, has been under consideration over time, starting to contemplate, depending on the study, dialogue with a less or more robust state.

In fact, none of the Public Administration models completely replaced the other. Even today, public bodies are found where the overly bureaucratic view is deeply ingrained. In others, with a more worrying situation, patrimonialist criteria guide the way of administration, with constant news of appointments of a purely political-electoral and non-technical nature, without the nominee having the appropriate qualification for the exercise of certain highly complex functions. In the same organization, the three models can coexist, which demonstrates that public organizations are a changing system, with different degrees of evolution.

3. Public Sector Reform in Brazil: from 1990s to the current days

The finding of imperfections in the bureaucratic model paved the way for the adoption of the managerial model worldwide, and in Brazil it was no different. The second half of the 1990s was the moment when the Brazilian Public Administration took firm steps towards adopting the model. According to the text of the Master Plan for the Reform of the State Apparatus, the reconstruction of the State apparatus on a managerial basis should consider “the need to address the asymmetries resulting from the persistence of patrimonialist aspects in contemporary administration, as well as formal excesses and anachronisms of the traditional bureaucratic model” (Brasil, 1995, p. 17, free translation from Portuguese).

Also according to the text of the Master Plan, the managerial model of public administration is backed by the previous model (bureaucratic), from which retains some of the basic principles, such as admission by merit, career structuring, performance evaluation and continued training (Brasil, 1995, free translation from Portuguese).

According to Luiz Carlos Bresser-Pereira, the characteristics of managerial public administration can be summarized in political decentralization, administrative decentralization, reduction of hierarchical levels, assumption of “limited trust”, instead of “total distrust” in the public manager, control by results of the administrative processes and administration focused on meeting the needs of the citizens (Bresser-Pereira, 1996, p. 6, free translation from Portuguese).

Direct governmental execution was replaced by privatization of part of the State's productive sector, and autonomous regulatory agencies were created to ensure the quality of provision, in this new scenario, of telecommunications services, electricity, oil and fuels, transport, health surveillance, supplementary health, water resources, cinema and, more recently, mining, on the federal level, notwithstanding the creation of dozens of agencies in states, cities and also consorciated at regional level.

The State Reform also included, at the administrative level, the encouragement of citizen participation in the management and inspection of issues conducted by the Public Administration, such as the figures of councils, public hearings and consultations and the participative budget.

Serves as an example, the provision for public hearing in Art. 21 of Annex I to Decree No. 2,335, of October 6, 1997, which constitutes the Brazilian Electricity Regulatory Agency - ANEEL:

Art. 21. The decision-making process that effectively affects the rights of economic agents in the electricity sector or consumers, resulting from an administrative act by the Agency or a draft law proposed by ANEEL, will be preceded by a public hearing with the objectives of:

- I - collect subsidies and information for ANEEL's decision-making process;
- II - provide agents and consumers with the possibility of forwarding their claims, opinions and suggestions;
- III - identify, in the broadest possible way, all aspects relevant to the subject matter of the public hearing;

IV - publicize ANEEL's regulatory action.

Single paragraph. In the case of a draft law, the public hearing will take place after prior consultation with the Civil Office of the Presidency of the Republic (Brasil, 1997, free translation from Portuguese).

The participative budget, which gained prominence as an experimental initiative in the city of Porto Alegre, capital of the Rio Grande do Sul State, and was disseminated as a good practice in municipal administrations throughout Brazil throughout the 1990s, gained foreseen in federal legislation, still with a local focus, with the edition of the Fiscal Responsibility Law (Complementary Law no. 101, of May 4th, 2000), and the City Statute (Law no. 10.257, of July 10th, 2001).

At the end of the first and at the beginning of the second decade of 2000, Decree no. 6.932, of 11th August, 2009, which institutes the Charter of Services to the Citizens, and Law no. 12.527, of 18th November, 2011, known as the Access to Information Law, were edited.

The Access to Information Law regulates the right guaranteed to anyone by the Federal Constitution of 1988 to request and receive public information from public bodies and entities. In its operationalization, the legislation provides for the procedures of requesting access, including by electronic means, and the accountability of public agents who obstruct or postpone access to this right.

Accompanying the expansion of transparency and citizen participation, the accountability of public agents has advanced significantly from the mid-1990s to the present days. The relevance of the edition of the Law of Fiscal Responsibility, in 2000, which emphasizes limits for personnel expenses, rules for indebtedness and stimulated responsibility and transparency in fiscal management carried out by public managers at the federal, state and municipal levels, needs to be emphasized.

Law no. 12.846, of August 1st, 2013, known as the Anti-Corruption Law, innovated by clearly providing for administrative and civil liability of legal entities for the practice of acts against the Public Administration, starting to provide for the leniency agreement, provided its celebration of the maximum authority of each public body or entity, which may sign it with the legal entities responsible for the practice of the acts typified by the Law that collaborate with the investigation and administrative process, since that this collaboration results in the identification of the others involved in the infraction and greater speed in obtaining information to prove the illicit (Brasil, 2013b).

It is also worth mentioning the creation of the National Program for Public Management and Debureaucratization - GESPÚBLICA, through Decree nº 5.378, of February 23, 2005, which aimed to contribute to improving the quality of public services provided to citizens and to increase the Country's competitiveness, including the implementation of management transformation measures, the consolidation of professional public administration geared to citizens' interests, with a view to:

Article 2nd.

- I - eliminate the institutional deficit, aiming at the full compliance with the constitutional competences of the Federal Executive Power;
- II - promote governance, increasing the capacity to formulate, implement and evaluate public policies;
- III - promote efficiency, through better use of resources, in relation to the results of public action;
- IV - to ensure the effectiveness and effectiveness of government action, promoting the adequacy between means, actions, impacts and results; and
- V - promote democratic, participatory, transparent and ethical management (Brasil, 2005, free translation from Portuguese).

Among the contributions of the Program, there was the benchmarking of good practices among public institutions, the development of the Public Management Self-Assessment model, the dissemination of Citizen Service Charters and the preparation of manuals on administrative simplification and process management in Public Administration. However, the Decree that created the Program was revoked by Decree no. 9.094, of July 17th, 2017.

It can be said that, in addition to the former Ministry of Planning, Budget and Management, nowadays Ministry of Economy, the body responsible for GESPÚBLICA, have acted as expressive agents in the propagation of the governance and quality management agenda, in recent years, the Federal Court of Accounts - TCU and the Regulatory Agencies.

The Basic Governance Reference, developed by TCU in 2013 and subsequently updated, is a guide based on national and international reference publications on the subject, notably from associative entities of control bodies such as the International Organization of Supreme Audit Institutions - INTOSAI, and economic and management studies as the Organization for Economic Cooperation and Development – OECD papers. The work points out the basic principles of governance in the public sector, guidelines and practices for good governance (BRASIL, 2013c), serving for consultation by the various bodies of Public Administration.

The Regulatory Agencies, established during the Reform of the Brazilian State Apparatus, which have specialized careers and with good growth prospects, have stood out in the adoption of good practices, notably the Regulatory Impact Analysis - RIA, under the encouragement of the Program for Strengthening of Institutional Capacity for Management in Regulation, led by the Presidency of the Republic - PRO-REG. Among the experiences of the Agencies, we highlight the one of the National Health Surveillance Agency - ANVISA, a pioneer in the consolidation of the RIA culture, and the Brazilian Electricity Regulatory Agency - ANEEL, which regulated the elaboration of RIA through Normative Resolution no. 540, of March 12th, 2013. On its Art. 2, the Normative Resolution states:

Art. 2 RIA is the procedure through which information is provided on the need and the consequences of the regulation being proposed and it is verified whether the potential benefits of the measure exceed the estimated costs, as well as whether, among all the alternatives evaluated

to achieve the objective of the proposed regulation, the action is the most beneficial for society (Brasil, 2013, free translation from Portuguese).

Attached to the Normative Resolution, there is a form, to be filled in by ANEEL's organizational units responsible for drafting the regulation, which must include, necessarily, the identification of the problem, the justifications for the Agency's intervention in the matter, the objectives pursued with the intervention and analysis of the impacts of the listed options, as well as the ways of monitoring the results.

This documentation is submitted to a public hearing, serving to contribute to the level of information available for public participation within the scope of the regulatory body. With the approval of Normative Resolution no. 798, of December 12th, 2017, which came into force in July 2018 to replace Normative Resolution no. 540/2013, the provisions of the standard were improved, now providing for the availability of RIA in public hearing prior to the provision of the draft regulatory act, as well as the assessment of the regulatory result, which provides for the assessment of the results of the norms adopted or changed with regard to the achievement of its objectives and the impact of their implementation with the market and society.

It is also worth mentioning the edition of Law no. 13.334, of September 13th, 2016, which created the Investment Partnership Program (PPI), aimed at expanding and strengthening the interaction between the State and the private sector through the signing of investment contracts. partnership for the execution of public infrastructure projects and other privatization measures, having among its objectives to strengthen the regulatory role of the State and the autonomy of State regulatory entities.

Such autonomy was improved with Law no. 13.848, of June 25th, 2019, that stated the administrative autonomy of the Agencies, the application of alternate terms in their boards, an Ombudsman designated by the President of Republic and approved by the Federal Senate, and the provision of a substitute director for the periods in which they have vacancies. The bills that aimed to discipline these and other issues related to Regulatory Agencies waited for several years in the National Congress until it became a law.

It can also be highlighted, as a landmark of the period, the regulation of Law no. 13.303, of June 30th, 2016, which provides for the legal status of the public companies, the mixed capital companies and its subsidiaries, within the scope of Union, States, Federal District and Municipalities, the so-called "New Law of State Companies". Such regulation, which took place through Decree nº 8.945, of December 27th, 2016, brought several requirements for the exercise of management positions in state-owned companies, in order to strengthen compliance and ensure that managers have the technical skills necessary to perform these functions.

In the field of social participation, the previously existing mechanisms remained valid, and there was strengthening of the performance of the Public Ombudsmen

through the procedures provided for in Law no. 13.460/2017 and Decree no. 9.094/2017.

Right at the beginning of the administration of President Jair Bolsonaro (2019-), an adjustment was made in the public machine, in the sense of its reduction and optimization. The legislative instrument for this was Provisional Measure No. 870, of January 1, 2019, afterwards converted into Law no. 13.844, of June 18th, 2019. The administrative downsizing was detailed in arts. 57 and 58 of the Provisional Measure. The text of Art. 57 explains the conversion:

- a) the Ministry of Finance, the Ministry of Planning, Development and Management, the Ministry of Industry, Foreign Trade and Services and the Ministry of Labor were converted in the Ministry of Economy;
- b) the Ministry of Social Development, the Ministry of Culture and the Ministry of Sports were integrated in the Ministry of Citizenship;
- c) the Ministry of Human Rights became the Ministry of Women, Family and Human Rights;
- d) the Ministry of National Integration and the Ministry of Cities were converted in the Ministry of Regional Development;
- e) the Ministry of Justice and the Ministry of Public Security were converted in the Ministry of Justice and Public Security;
- f) the Ministry of Transport, Ports and Civil Aviation was transformed in the Ministry of Infrastructure;
- g) the Ministry of Transparency and Comptroller General of the Union returned to its original name of Comptroller General of the Union (Brasil, 2019, free translation from Portuguese).

This article also presents the migration, to the Civil House, of the Parliamentary Affairs Department, previously linked to the Government Secretariat; the change, for the Government Secretariat, of the Special Secretariat for Social Communication and the Special Secretariat for the Investment Partnerships Program, formerly linked to the General Secretariat; the attribution of the status of Special Secretary to the Federal Revenue Service and the natural updating of its location, from the then Ministry of Finance to the new Ministry of Economy.

As for the Government Schools, responsible for the initial training and continued training of civil servants, art. 65 of the MP notes that the structure of the School of Tax Administration - ESAF, which was linked to the Ministry of Finance, was incorporated by the National School of Public Administration - Enap, which was linked to the Ministry of Planning, and is strengthened in this process.

From reading the text of the Provisional Measure, it is also possible to extract the strengthening of the Attorney General's Office of the National Treasury, which was previously responsible for the legal advice of the matters of the Ministry of Finance, and now incorporates all the themes assumed by the new Ministry of Economy.

The consolidation of the Federal Controllershship-General nomenclature also stands out, in place of the formerly created Ministry of Transparency and Federal Controllershship-General. The maintenance of the original nomenclature is an old claim of its civil servants. The ministry status, however, was maintained, which fails to meet those who advocate that the CGU should be in a special structure in the Presidency of the Republic, as it originally worked.

According to João Augusto Ribeiro Nardes, Claudio Sarian Altounian and Luis Afonso Gomes Vieira, on their 2014 book about Public Governance that is still actual, a good part of the challenges to be faced by the country towards full development depends on the ability to better manage its public policies, which would pass for qualitative improvement in management:

[...] much needs to be done so that our enormous potential is transformed into results in order to place our country in a unique international condition. And the ability to achieve this overcoming is intrinsically related to good public governance (Nardes, Altounian, Vieira, 2014, p. 155, free translation from Portuguese).

Such an improvement can only be achieved when the degree of professionalism in the exercise of public service is as high as the challenges to be faced in overcoming difficulties towards national development are elevated.

Currently, there is a proposal to amend the constitution (PEC 32/2020) in progress, which would be the first stage of the Jair Bolsonaro administration's Administrative Reform proposal, but which depends on greater consensus on its content within the political class in order to be able to advance. Nevertheless, small changes towards the Administrative Reform of the current government have already been implemented since its beginning in 2019, especially in the area of people management.

4. Public Sector Reform in Brazil: the human capital perspective

The paradigm shift in the Reform of the State Apparatus of the 1990s, in terms of personnel, had a value as a north: the search for efficiency. However, as already pointed out in previous studies, this value was only added to the constitutional provisions on public service with the advent of Constitutional Amendment no. 19, of June 4th, 1998, which among the changes in principles and rules related to the Administration Public, gave the following wording to the main part of Art. 37:

Art. 37. The direct and indirect public administration of any of the Powers of the Union, the States, the Federal District and the Municipalities will obey the principles of legality, impersonality, morality, publicity and efficiency and, also, to the following: (Wording given by Constitutional Amendment nº 19, of 1998) [...] (Brasil, 1998, free translation from Portuguese).

The amendment also made the constitutional text, in its art. 41, dedicated to public servants, states the possibility of losing the public service position resulting

from the civil servant performance evaluation, and also stated the need of a special performance evaluation for the acquisition of stability in the public service. The loss of position after performance evaluation is still pending regulation.

The civil service valuation policy in the two terms of President Fernando Henrique Cardoso (1995-1998; 1999-2002) took place in order to prioritize higher-level careers that are part of the strategic core of the State. This analysis corroborates the study of the Economic Commission for Latin America and the Caribbean - ECLAC, which pointed out as good practices the case of the professionalization of the Brazilian public service in the period after the reform of the State apparatus:

“Concretely, a new human resources policy was established, a Civil Service and a public procurement policy (1997) which considers:

- The annual planning of opening of the bodies in the federal administration.
- The dimensioning of cupos considering the necessary appropriation in each organ and entity, the anticipated vacancy of positions and the emergency correction of eventual verified failures;
- The total approval of the selected candidates, without the waiting list and with the selection criteria and subsequent hiring of the selected candidates;
- The gradual renewal, but constant, of the staff, with emphasis on the careful assimilation of the new servers, by the bodies or the receiving entities.
- Prioritizing for hiring higher level positions and in the strategic core carts” (Comisión Económica para América Latina y el Caribe - CEPAL, 2014, p. 68, free translation from Spanish).

The impacts of this policy were due to the strengthening of the high bureaucracy in economic, tax and management careers, to the detriment of the staff of street level bureaucrats. The tenders for this last segment were reduced and there was no feeling of being honored by the State, even considering the discontinuity of recruitment, flexibility of the legal regime or even outsourcing of less specialized activities.

In times of downsizing the public sector, Provisional Measure no. 2.174-28, of August 24th, 2001, instituted the Voluntary Dismissal Program - PDV, reducing the working hours with proportional remuneration decrease, and also stated na incentive to civil servants that joined an unpaid leave (Brasil, 2001a). Partial dedication of employees was encouraged, with a consequent reduction in public spending. The exception was in relation to strategic careers, which had limited possibilities of voluntary dismissal and prohibition on the reduction of working hours.

The most striking differences between the Fernando Henrique Cardoso administration's policy of valorization and that promoted by the Lula government (2003-2006; 2007-2010) lie in the prioritization of strategic careers at the top level and flexibility of the dedication to the public service.

As of 2003, the valuation policy started to foresee a greater role for civil servants in wage negotiations and continued appreciation of higher-level careers, but accompanied by gradual wage recomposition and replacement of the workforce

in street-level careers, which contributed to increase the attractiveness of the public service in relation to the highly trained staff in the country.

This professionalization movement not only occurred in increasing the quality of the recruited staff and in holding public tenders more frequently, but also reached the professional qualification of the joined servant and, subsequently, the search for results.

More recently, Law no. 12.813, of May 16th, 2013, known as the “Conflict of Interest Law”, was published, dealing with the conflict of interests at the federal level. The Law defines as a conflict of interest “the situation generated by the confrontation between public and private interests, which may compromise the collective interest or improperly influence the performance of the public service” (Brasil, 2013a, free translation from Portuguese). The rule brought in its text several restrictions to public managers, including listing cases in which quarantine periods must be observed when they are disconnected from the public service, making it difficult for them to move between functions in public service and private initiative, in the opposite direction to that of Provisional Measure no. 2.174-28/2001.

Under Michel Temer government, Provisional Measure no. 792, of July 26th, 2017, was issued, establishing, within the scope of the federal Executive Branch, the Voluntary Dismissal Program, reduced working hours with proportional remuneration and unpaid leave with payment of incentive in cash to servants. Such Provisional Measure revoked MP no. 2.174-28/2001, which it looked like in an extensive way. MP no. 792/2017, however, did not prosper, having registered low rates of adhesion of the civil service and having lost its effectiveness, not reaching its legislative process conclusion in the National Congress. Thus, the 2001 Provisional Measure remains in effect.

From 2016 to 2020, the most evident aspects with regard to the organization of the public service were the almost stagnation of recruitment, even for typical State careers, as a result of the fiscal adjustment that appears in the current political agenda, whose Constitutional framework was designed with the promulgation of Constitutional Amendment nº 95, of December 15, 2016, which changes the Transitional Constitutional Provisions Act, to institute the New Tax Regime.

After the enactment of the amendment, the level of public spending for the period of 20 years was practically frozen, as the newly added art. 106 of the ADCT, which reads as follows:

Art. 106. The New Tax Regime is established within the scope of the Federal Government's Tax and Social Security Budgets, which will be in force for twenty financial years, pursuant to articles 107 to 114 of this Transitional Constitutional Provisions Act (Brasil, 2016, free translation from Portuguese).

It is also possible mention the encouragement to outsource activities and the social security reform, which impacted directly public servants. The recently sent PEC 32/2020 presents the end of what is known today as the “single legal regime”

and institutes the following: experience link, fixed-term employment, job with indefinite employment, typical State position and leadership and advisory position. The typical State positions would maintain stability. Anyway, the legislative discussion of this proposal is still beginning, and many adjustments on the text can be done to ensure it will be approved by the Parliament.

5. A case study of human capital perspective from Public Sector Reform: Brazilian Electricity Regulatory Agency policies for personnel

This constantly changing scenario is a challenging status for any public sector organization. Nonetheless, Brazilian Electricity Regulatory Agency (ANEEL), created under the 1990s State Apparatus Reform, shows that public administration efforts to reach innovative ways and good practices on personnel policies can lead the organization to a “world class” standard.

Even with this changing scenario, a Standard & Poor’s paper¹ released in 2019 stated the role of ANEEL that, acting professionally, ensured solid basis for the electricity sector development in Brazil, attracting investments and regulating the electricity markets with transparency.

At the personnel point of view, ANEEL’s quality of Life Program was instituted in 2010, undergoing some reformulations and is currently called VIDANEEL. The Program aims to increase the well-being of individuals and the level of satisfaction of each one with work and with the institution, in order to achieve the final objective of obtaining motivated, committed and highly productive civil servants. In this way, the focus of the program is on people, their feelings and perspectives in relation to the work they do, the institutional and collective recognition, the possibilities of professional growth and respect for individual characteristics (Alves, Silva, Santos, 2019, p. 44, free translation from Portuguese).

With a consolidated internal policy of movement between units, allowing the development of public servants in different areas of their professional interest, combined with meeting the needs of the institution; as with the regulation of teleworking, the establishment of a transparent justification of reasons for choosing occupants of management positions, as well as offering health insurance options and a health structure at the Agency's headquarters, ANEEL has seen its indicators in internal environment surveys evolve and its workforce members being each day more frequently invited to occupy high positions in other Federal Government areas.

¹ S&P: Regulação da ANEEL é essencial para garantir investimentos no setor elétrico brasileiro. Available in: <https://www.aneel.gov.br/sala-de-imprensa-exibicao-2/-/asset_publisher/zXQREz8EVIZ6/content/standard-poor-s-regulacao-da-aneel-e-essencial-para-garantir-investimentos-no-setor-eletrico-brasileiro/656877?inheritRedirect=false>. Access: 10 oct. 2020.

The construction of this welfare belt aimed at the Agency's servants was largely responsible for the success of the Agency's transition to remote mode during the Covid-19 pandemic period, in 2020, as its planned return to presential activities, already in course.

As part of the measures, communication tools and remote access to the Agency's IT infrastructure were made available and equipment (notebooks, monitors, etc.) was provided when necessary. In parallel, the people management and social communication units promoted communication and orientation campaigns for civil servants and managers about adapting to remote work and actions to organize the new routines.

Due the ANEEL's international activity, since the first informations about COVID-19 began to be released, the HR team and the Board recommended to avoid international travels and contacted ANEEL professionals who study abroad to obtain information about their health and safety conditions.

The human resources unit also monitored the occurrence of cases with a positive diagnosis for COVID-19 and provided guidance to the teams of these professionals who had contact with those infected. The administration unit reinforced measures for cleaning and conserving work environments.

At the end of the first week of dealing with the emergency situation, the Agency had 256 servants and all interns in full-time telework, added to another 89 servants in half presential/telework, representing a total of 52% of the Agency's employees in measures preventive. Since April 1st, 2020, the Agency has had, on average, 88% of servants in some teleworking mode.

The people management unit has been in constant contact with leaders, providing the necessary support and guiding employees and leaders on how to manage people and tackle specific issues of each organizational unit. Some other strategies were implemented to help servants to deal with this moment and to prepare for teleworking. Online training actions and learning spaces were made available on the Intranet to disseminate information about COVID-19, about Agency's actions implemented within the scope of fighting against the virus, and also about teleworking.

The health team was also prepared to provide presential and online care, with occupational medicine, psychiatry and psychology services. Nutrition and workplace gymnastics services have also started to be offered online. The documentation area provided online space with storytelling to help employees to entertain their children during teleworking.

The human resources unit keeps managers and the necessary public updated on cases of employees diagnosed with Covid-19, providing all possible support to these employees, their leaders and colleagues. By means of a standard operational procedure, protocols were established to report the cases and assist the employees and colleagues potentially affected, as well as the procedures to be followed in each type of situation. The people management unit also

coordinated the preparation of a plan for the gradual resumption of presential activities, which is cautiously being implemented.

Several online webinars and training activities were offered to promote development and integration under the remote period. For those in presential mode, safe packs with masks and alcohol were provided as a compliment, and the structure was adapted to the new configuration of social distancing. An innovation-oriented culture, present in the DNA an organization built under a context of Public Sector Reform, made easier the adaptation for the need of facing the pandemic challenge.

6. Conclusions

The paper showed the advances achieved in the organizational structure and personnel structure of the Brazilian Federal Public Service, from the 1990's Public Sector Reform till the present days, with focus on the institutional framework and human resources development, which can be extended to other developing countries.

It is possible to implement the new Public Sector Reform main values about personnel (3rd party workforce uplift, digital transformation and results-oriented culture), with measurable quality improvement to the "customers" of the public services, what, under cultural aspects, gives a strong sign for more efficient management in favor of public services users.

The paper also discussed about the case of ANEEL, presenting good practices adopted under personnel policies, that are aligned with past and present Public Sector Reforms. A lot of challenges still must be addressed to reach the aimed quality, under the citizens point of view, of public services in Brazil, but with good examples already performed by modern public organizations, it will be easier to expand the efficiency culture to a bigger number of public branches.

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