

Public Sector Accountability in Brazil: how the Federal Court of Accounts is improving public governance

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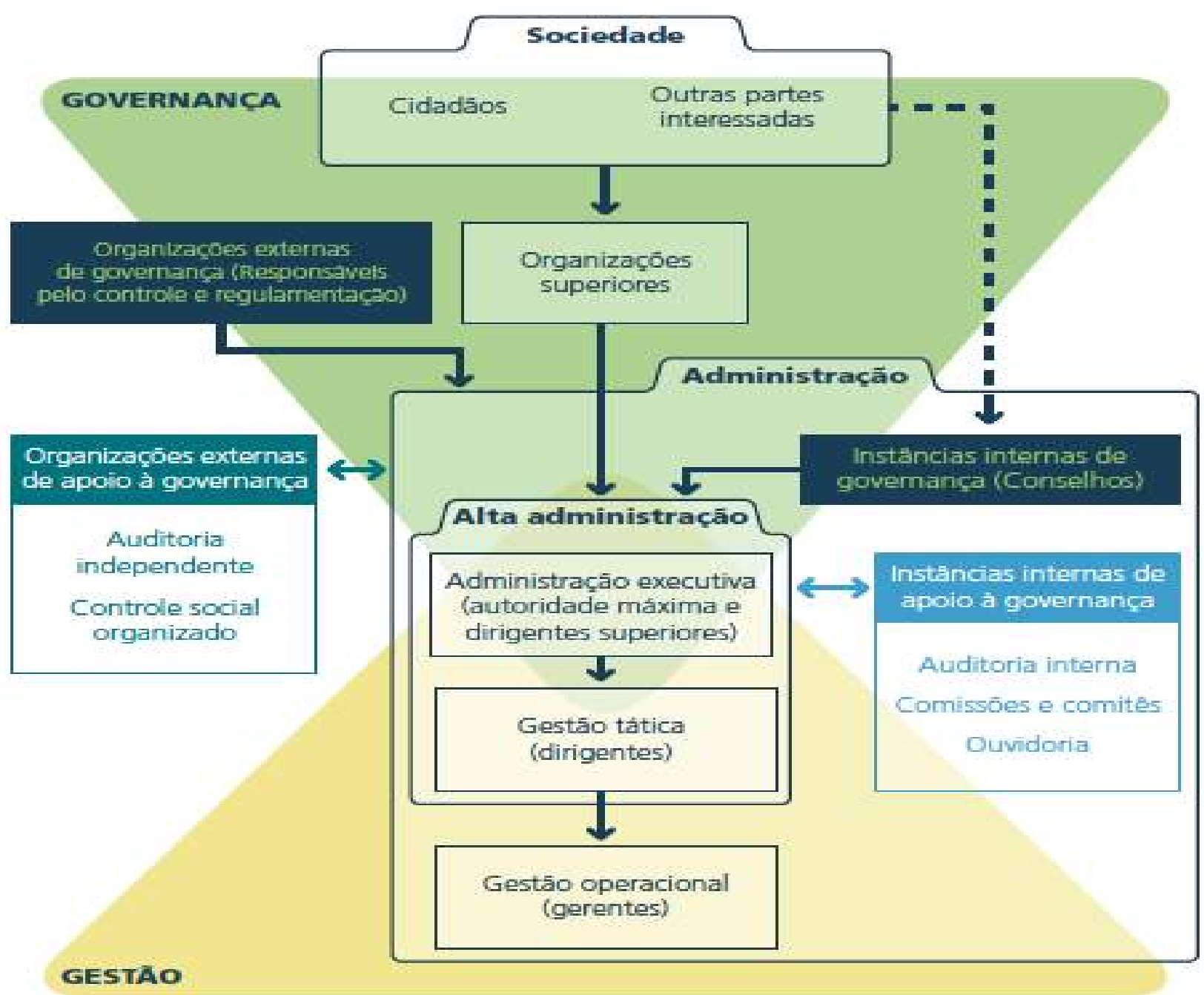


FIGURA 2: Sistema de Governança em órgãos e entidades da administração pública.

TCU Governance Model



FIGURA 3: Relação entre governança e gestão.

According to the World Bank the principles of the good governance are:

- Legitimacy
- Equity
- Responsibility
- Efficiency
- Probity
- Transparency
- Accountability

WORLD BANK. Chapter 12. governance and management. In: **Global Evaluations Sourcebook**, 2007. Available at: <<http://siteresources.worldbank.org/EXTGLOREGPARPROG/Resources/sourcebook.pdf>>.

Public Sector Governance comprises the mechanisms of leadership, strategy and control put into practice for assessing, guiding, and monitoring the managerial action, in order to implement public policies and the delivery of the needed services to society.



FIGURA 7: Componentes do referencial básico de governança.

Mechanisms of Governance

- Leadership
 - People and competencies
 - Principles and behaviors
 - Organizational leadership
- Strategy
 - Relationship with main stakeholders
 - Organizational strategy
 - Transorganizational alignment
 - Structures of governance
- Control
 - Risk management and internal control
 - Internal audit
 - Accountability and transparency

Leadership

People and Competencies

- Transparency for indicating, selecting and appointing senior officers.
- Ensuring that directors receive the adequate training for carrying on their activities. This must happen when senior officers are appointed to their positions.
- Establishing performance appraisal systems for senior officers and other managers.
- Ensuring that benefits and rewards granted to senior officers adequate and transparent in order to attract and maintain good professionals.

Leadership

Principles and behaviors

- Adopt codes of conduct and ethics for senior officers.
- Establish adequate control mechanisms in order to avoid biases, misconception, and conflicts of interests likely to undermine decisions.
- Behave according to established patterns based on legal and moral codes of conduct.
- Uphold a good reputation before society.

Leadership

Organizational leadership

- Assess, guide and monitor the organization's aims and targets and senior officers' performance.
- Define roles and to delegate responsibilities in order to ensure a balance of power and functions.
- Hold oneself responsible for the establishment of policies and directions, as well as for organizational outcomes.
- Ensure that the control is maintained and the required adjustments are carried out.

Strategy

Relationship with stakeholders

- Establish a social participation model, in which society, service users, and other stakeholders are involved.
- Establish communication channels for stakeholder's input.
- Publish the governance structure making clear roles and responsibilities.
- Establish an objective and professional relationship with the media and other *watchdog* organizations.
- Ensure that decisions, strategies, plans, actions attend stakeholder's demands and expectations equitably.

Strategy

Organizational strategy

- Establish a management model that prioritizes transparency, engagement with stakeholder's expectations with a focus on results.
- Set down a managerial system emphasizing alignment among strategies.
- Negotiate a strategic planning for the organization.
- Communicate to stakeholders the organizational strategy.
- Evaluate strategy implementation with performance indicators.

Strategy

Structures of governance

- Create a delegation policy that ensures the capacity for assessing, guiding and monitoring the organization's aims.
- Define clear roles and responsibilities for the organization's apex (councils, directors).
- Define internal levels to support governance.

Control

Risk management and internal control

- Encourage risk management as an essential factor for strategy implementation and decision-making.
- Establish a policy for risk management and internal control.
- Ensure that risk management and internal controls are embedded within organizational processes.
- Consider risks for other public organizations and stakeholders and to establish channels to communicate with them on a regular basis.

Control

Internal audit

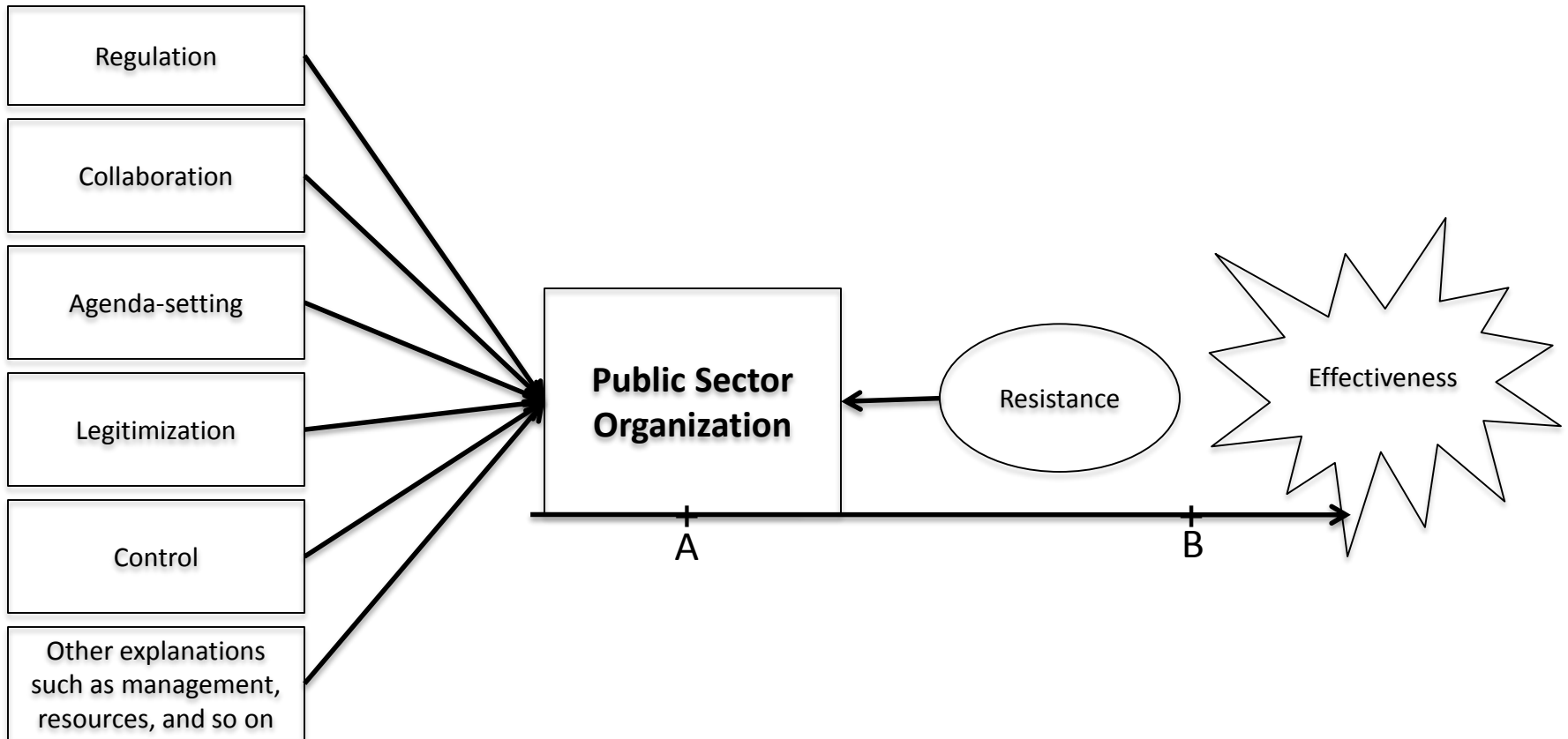
- Institutionalize the internal audit body's purpose, authority, and responsibilities.
- Provide conditions for the internal audit body's independence and effectiveness.
- Ensure that the internal audit body works as a mechanism for improving the organization's processes and outcomes.

Control

Accountability and transparency

- Publish periodically performance reports.
- Publish, alongside with the performance reports, reports from the internal audit body.
- Publish decisions from external control organizations about the regularity of the procedures.
- Assess stakeholder's satisfaction with strategies and outcomes regularly.
- Maintain organizational transparency for stakeholders, but ensure secrecy for critical procedures.
- Investigate irregularities and corruption thoroughly and punish when guilt is proved.

Stakeholder's Importance on Public Organization's Performance



Thank you very much

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