



INNOVATIONS FOR SUCCESSFUL SOCIETIES

A HIGHER STANDARD OF SERVICE IN BRAZIL: BAHIA'S ONE-STOP SHOPS, 1994–2003

SYNOPSIS

Until 1994, the Brazilian state of Bahia delivered public services with little attention to efficiency or effectiveness. Citizens found it difficult to obtain basic documents like birth certificates, identification cards, and work permits, which were essential to earning a livelihood and participating in political life. Because issuing centers were mainly in urban areas with limited operating hours, citizens in interior areas were underserved, and applicants often had to wait in long lines and visit offices on different floors or shuttle between various buildings to fulfill all requirements. Poor management aggravated the problem. The state government usually placed its worst-performing employees in customer service positions. In 1995, Bahia's newly elected governor, Paulo Souto, moved to improve service delivery by creating one-stop shops that would provide all kinds of documents under one roof in selected locations throughout the state. Souto's reform team at the state Secretariat of Administration—the body responsible for public management—worked to enlist the cooperation not only of state agencies but also of national and municipal governments, all of which played roles in processing citizen documents. The state also hired new workers, streamlined procedures, expanded the number of locations, and deployed a fleet of mobile units to increase service access in remote areas. Regular customer-satisfaction surveys indicated the system was highly popular with the public. By 2003, when Souto won reelection, his reforms had not only simplified and accelerated document access but also demonstrated that government could be responsive and accountable to citizens.

Michael Scharff drafted this case study based on interviews conducted in Salvador, Brazil, in April and May 2013. Case published August 2013.

INTRODUCTION

In November 1994, the government of Bahia, Brazil's fourth-most-populous state, hosted its first technology fair. Nearly all of the vendors present were private companies eager to showcase their latest products. But an enterprising team from the state Secretariat of

Administration, which managed the state government, rented a booth, too, and showed onlookers how the government could accelerate and simplify the cumbersome and time-consuming process of applying for identification cards and driver's licenses.

Kátia Argolo de Castro, director of the Center for the Development of Administration (CDA), a unit at the secretariat responsible for helping other arms of state government modernize their internal management processes and information technologies, said people began arriving in droves as word got out about the booth. “The fair was scheduled to last three days, from nine o’clock in the morning until six o’clock at night,” she recalled. “By the second day, we had about 40 people in line, and the other vendors were complaining that the line was blocking their displays. We ended up staying until midnight both nights. We were delivering the documents as fast as we could. Everybody was so happy because they had never seen anything like that in a government institution.”

The fairgoers’ excitement about the government’s booth reflected Brazilians’ deep frustration with a confusing system that required trips to many different offices and very long waits. Like many other Brazilian states, Bahia had a fragmented and uncoordinated method for document processing and delivery. The central (federal) government issued some permits and IDs, and state and local agencies issued others. “Each document was in a different institution, and sometimes they were far, and sometimes for one document you would have to go to two places,” explained Elba Andrade, a member of Argolo’s team. People had to endure long lines and make multiple visits to receive the papers they needed, and customer service workers typically were inexperienced and poorly trained.

Public dissatisfaction ran deep because public documents play such an important role in the life of the average Brazilian. For instance, the ID cards issued by the state’s Secretariat of Public Safety were required for obtaining all kinds of essential services. “It’s our basic document for everything,” Andrade said. “If you want to open a bank account, get an electoral

card, or pick up a prescription from the pharmacy, you need an ID card.”

The overwhelmingly positive response at the technology fair persuaded Argolo’s team that the one-stop shop—a single location where multiple documents could be processed and issued—was a valid concept. “We said, ‘If it works in a specific fair, why can’t we do this elsewhere to give all citizens better service?’” said Emilia Gonçalves, another member of the CDA team.

For Argolo’s team, the technology fair was well-timed. A month earlier, the citizens of Bahia had elected a new governor, who had demonstrated the interest and the capability to streamline government operations. As the state’s secretary of commerce, industry, and labor from 1979 to 1986, Paulo Souto had combined in one location all of the many functions required to register businesses. In addition to its extreme popularity with business owners, the program had reduced transaction costs significantly.

In Souto, the staff at the Secretariat of Administration—and in particular, Argolo’s CDA—had an ally who understood and embraced the one-stop-shop concept. In late 1994, no other Brazilian state had done anything on the scale that Bahia’s government was about to attempt.

THE CHALLENGE

A geologist by training, Souto had broad government experience when he began his term in January 1995 after winning the 1994 election with 58% of the vote. He had held the top posts at the secretariats of industry, trade, and commerce—and of mines and energy.

Souto was well aware of the complex and irritating hurdles that all levels of government put in front of citizens who tried to access important services. The challenges arose from many factors: the absence of any standardized procedures across agencies, a tradition of bribes and payments to middlemen to expedite

processing, and a public service corps that viewed customer service as one of the least desirable public jobs. “He [the governor] was very worried about this relationship and the way the government closed itself off and isolated itself from the citizen,” Argolo recalled.

The state poorly communicated the requirements for the paperwork necessary to obtain a document. As a result, people who visited agencies often would be sent away for lack of the necessary documentation. In other instances, applicants had to visit multiple buildings and locales to obtain one document. For example, to secure a driver’s license, a citizen first had to undergo an eye examination at a clinic and then had to carry the results to the motor vehicle office. Moreover, operating hours varied—even among different branches of the same agency—and failed to match up with the times that citizens were available. “The hours that offices were open were inconvenient,” said Gonçalves. “You could not go during your lunchtime. You could not go after work.”

With high demand and slow processing, long lines often formed before dawn at document centers. Andrade said an agency branch might have the capacity to handle 50 people per day, but as many as 100 people might be in line when the office opened at 8 a.m.

Not surprisingly, the inconvenient hours and long wait times created opportunities for people to game the system, seek bribes, and accept kickbacks, Andrade said. “Generally, to get a document, you had to have a friend at the place where the document was provided or ask someone to go in the middle of the night and stand in line,” she said. Friends and relatives spelled each other, holding a place by taking turns in the queue. Sometimes people hired intermediaries or expeditors to wait or paid bribes to officials to get special service.

The delays and slowness were symptoms of a civil service culture that had little regard for

the notion that government existed to serve citizens. “Public servants believed that serving the public, actually delivering firsthand assistance to the public, was the least noble part of working in the public sector,” Souto said. “That is a bizarre thing because the citizen is, of course, the quintessential client of state services.”

In fact, frontline service positions traditionally went to the worst-performing employees. Andrade recalled that in 1989, her first year at the state Secretariat of Administration, she had an assistant who consistently underperformed, and no office wanted her. “She was so problematic that we decided to put her at the entrance desk in the building,” where she would greet arriving staff and visitors, said Andrade. “This was how mistaken the idea of delivering a public service was. The entrance is the open door for everyone, and you put the problematic person there.”

Brazil’s move toward greater state and local autonomy complicated Bahia’s efforts to implement the one-stop-shop concept. All three levels of government provided documents of one type or another, and for the idea to succeed, coordination was essential. Such cooperation would have been easy under the military government that ruled Brazil from 1964 to 1985, when the states were subordinate to national policy and had little say in their own affairs. However, in 1988, the democratically elected Constituent Assembly, which succeeded the military regime, adopted a new constitution that strengthened the federal system of government and gave the states greater political and economic autonomy.

The newly empowered state governments sometimes came into conflict with the federal government, especially when competing political parties were involved. For the same reason, tensions often grew between state and municipal governments.

Fortunately for Argolo and her team at the secretariat, the central government was likely to cooperate with Bahia's one-stop-shop reforms. Souto and Brazil's president, Fernando Henrique Cardoso, who came to office at the same time as Souto, were political allies.

At the municipal level, however, political differences threatened to undermine collaboration. Salvador, Bahia's capital, had a socialist mayor, Lidice da Mata, who had no allegiance to Souto's Liberal Front Party.

FRAMING A RESPONSE

Souto's enthusiasm for reform in Bahia coincided with a national movement to overhaul the civil service and make government less cumbersome and more responsive and accountable to citizens. "The red tape and the inefficiencies of government were the enemies and the evil to be defeated," said Sandro Cabral, a professor at the Federal University of Bahia. Cardoso assigned the Ministry of State Reform and its minister, Luiz Carlos Bresser-Pereira, to spearhead the changes.

Not only could Souto and his colleagues in Bahia ride a wave of national-level support for the reforms, but also the state was in strong financial health, which would prove essential as the governor talked with leaders of the participating agencies about cost sharing.

In November 1994, immediately after the technology fair demonstration, Sergio Moysés, whom Souto appointed to head the Secretariat of Administration when his term began in January, called for development of a preliminary plan for one-stop shops throughout the state. Argolo and Andrade got to work immediately.

If any state agency was thinking about how to improve interactions with citizens, it was Argolo's Center for the Development of Administration, which had a staff of about 30 people spread across three divisions: human resources, modernization, and technology. The CDA's core leaders included Argolo, the

director; Andrade, who was in the technology division; and Gonçalves, who served as director of organizational management. Those three, together with a handful of other individuals drawn from the CDA, formed the implementation team for the one-stop shops.

The reform team's proposal made customer satisfaction the highest priority in the design and operation of the shops, which would be called citizen assistance centers. Andrade said her team aimed to create a "shopping mall for public services, offering maximum comfort, convenience, efficiency, and flexibility." Each government agency would occupy one section of a large room. Same-day service would be standard, and the plan also called for offering scheduled appointment times. Customers would pay fees to the government-controlled Bank of Brazil, which would have a service counter at each shop. Along with the proposal, Argolo presented her boss, Moysés, with a miniature model of the one-stop shop, designed by the Secretariat of Administration's architect. Moysés liked the idea, and suggested that the CDA confer with representatives of state agencies and present an updated plan to Souto in February 1995, the second month of the new administration's term.

Members of Argolo's CDA team began contacting agency representatives immediately and accelerated their outreach following Souto's inauguration in January. The CDA's technology division, which already worked closely with the heads of information technology at other secretariats, made the technology chiefs key points of contact. The CDA team's conversations focused mainly on the critical question about the things that services agencies had the capacity to offer right away, given the limitations of existing technologies and processing requirements.

The CDA also debated how many shops to create and where to locate them. "At first, we thought creating units in the neighborhoods

would be better,” Andrade said. “But very fast we realized that people leave their houses in the morning and get back in the night. And during the day, they circulate near shopping centers and by bus transportation hubs.” The team decided to start by opening the first one-stop shop in a busy market area in the capital city of Salvador—home to 2.4 million people—and to expand the number later on.

In February, Argolo proposed to Souto that the state develop two one-stop shops in Salvador and two more in interior parts of the state during the first two years of the reform program. The team intended to continue expanding the number of shops in the capital and in cities in the interior in the years to come.

The CDA also suggested creating mobile document-processing units that would visit Bahia’s interior regions, where most of the state’s citizens lived. “He [Souto] wanted to do this,” said Argolo of the proposal. Argolo’s pitch represented an opportunity to adapt the model Souto had created at the secretariat of commerce, industry, and labor, albeit on a much larger scale. Aiming to maintain the momentum generated by the technology fair, Souto gave Argolo’s team its marching orders: by September, the team was to open the first one-stop shop in Salvador—and there was only little more than six months to complete the job.

Before the first one-stop shop could open, the CDA still had to answer two important questions. The first involved the extent of interaction among the various government agencies and the procedures to be followed in each citizen assistance center. The second involved authority and responsibility: Who would manage the one-stop shops and supervise the workers?

Successful reform hinged on bringing together multiple levels of government and disparate agencies. Because the first one-stop shop would be in Salvador, Souto decided to invite city leaders to join state and federal

agency representatives at a meeting where he would make the case for cooperation. Although the federal and state people showed up, Salvador’s socialist mayor declined to participate and sent no one. (Municipal agencies did join the reform effort in 1997, following the election of Souto ally and former governor of Bahia Antônio Imbassahy, which showed that political alignments mattered.)

The federal and state agencies had predictable reservations about the plan. “The agency heads already had big demands for documents,” Argolo said—and they worried about how they could supply staff members to the one-stop shops, given the load employees were carrying already. Nearly all of the representatives also questioned how they would be able to contribute financially to the one-stop-shop operation, she said. Because the state passed a budget every September, at the time of the meeting the agencies had no funds budgeted for the September 1995 opening.

Furthermore, state and federal agency representatives bridled at the notion of their workers’ having report to the Secretariat of Administration. “The notion that some public servants from a given secretariat would be subject to the coordination and direction of somebody who was not from that secretariat was another thing that generated a lot of resistance and unease,” said Souto.

Some agencies resisted change more than others did. Souto cited the Secretariat of Public Safety as an example: “They did not want to accept, nor would they ever have accepted, that ID cards would be issued outside the context of a police station. This was just something they couldn’t imagine.” Souto also initially faced pushback from the Federal Police, who were concerned about the security aspects of producing passports at the one-stop shops.

Following the introductory meeting, Souto and Moysés set out on a diplomatic mission to discuss the agencies’ reservations, overcome any

opposition, and develop a consensus for moving ahead. The pair's ability to pitch the innovativeness of the proposal and allay agencies' concerns helped win agreement. Argolo said that "the governor and the secretary of administration succeeded brilliantly in demonstrating, not only through data on service delivery and assistance but also through the innovativeness of the proposal, that it was a necessary and fundamental change in the relationship with citizens."

With the agencies on board, Argolo turned her attention to hiring staff to run the one-stop shop. By visiting the participating agencies and observing the number of personnel and steps required to process a given document, the CDA calculated how many workers were needed. The CDA then asked each agency to provide a list of personnel for the initial one-stop shop in Salvador. Given the concern about the lack of professionalism in the civil service, Argolo hired a team of psychologists to evaluate candidates' dispositions toward customer service and problem solving. Observing candidates in several activities, psychologists found that only about 36 of the roughly 120 people they assessed were suited to dealing with customers. "We almost went crazy," said Andrade of her team's reaction upon learning of the results. Moysés expressed equal concern and proposed that given the results, the team had no choice but to hire private staffing firms to provide workers.

State law stipulated that a contractor could be hired for a single two-year term, with the possibility of one renewal. After their contracts ended, contractors could not become civil servants automatically, as had once been the case. The Secretariat of Administration hired Postdata, a private company, to provide the contract workers.

Weeks later, Souto signed memorandums of understanding with a handful of state agencies, including the Department of Motor Vehicles, which issued driver's licenses; the Secretariat of

Public Safety, which issued ID cards; and the state Water and Sanitation Company, which issued water bills.

The agreements said the state government would hire contract employees to staff state-level agencies at the one-stop shops, with the aim of reducing costs and increasing flexibility. The cooperating agencies would provide their own workers to act as supervisors. At the federal level, some agencies dealt with highly sensitive information. For example, Federal Police officials had to access a secure database when issuing passports. Because of security concerns, Souto agreed to the federal government's demand that only civil servants staff the booths of the federal agencies.

The agreements also provided that the Secretariat of Administration would hire the manager for each one-stop shop and that the manager would oversee all operations. Those managers reported to Argolo.

In structuring reporting lines, Argolo's team had to strike a delicate balance between giving agencies enough autonomy to carry out their work based on their own expertise and ensuring quality control and oversight by the CDA. As an employee of the Secretariat of Administration, the manager helped ensure that both the public and the employees viewed the one-stop shop as a singular unit rather than as a group of autonomous agencies that simply happened to be in the same room. The Secretariat of Administration handled office supply needs for all the participating agencies.

For several reasons, Souto had less success in persuading potential partners to cover their own costs. First—as the agencies had complained originally—the 1995 state budget had no funds for the project because it had been created before the project began. Second, payroll costs were unclear because the Secretariat of Administration and the agencies had not determined how many workers each would contribute to each one-stop shop. Third,

state agencies had no assurance that the state legislature would increase their budgets for the following year if they set aside funds for the one-stop shop.

In the face of strong resistance, Souto dropped the cost-sharing idea after he obtained a supplementary budget from the state treasury. Souto directed that the Secretariat of Administration pay for implementing the project, including the physical space, equipment purchases, and maintenance. The Secretariat of Administration also paid the salaries of contractors working at state agencies. And federal agencies paid the salaries of federal civil servants at federal agencies' booths. Agencies also retained the authority to continue issuing documents at their own offices.

GETTING DOWN TO WORK

"We didn't take weekends or holidays," said Gonçalves, recalling the breakneck pace at which the team members worked in the months before the first one-stop shop opened. They had their hands full: first, hiring and training workers and second, managing the opening of the first shop.

Hiring and managing personnel

Moysés's decision to hire contract workers evoked little resistance among public servants, because the Brazilian state had had a history of using contractors in various roles typically held by civil servants. "In the 1990s, privatization was a good thing," said Professor Cabral. "It had the support of the media. There was this conviction that the public was bad and the private was good." Also, in an effort to protect the rights of government workers after years of military dictatorship, the 1988 constitution had enshrined strong tenure rights. Public servants had little reason to worry that they would be dismissed and replaced by contractors.

Although wages paid to contractors would be similar to the wages of civil servants and

although contractors would receive health insurance, certain other benefits were exclusively for civil servants. For example, at the end of the year, public servants received an additional one-month's pay as a kind of bonus. In addition to the year-end bonus, civil servants at the one-stop shop were given signing bonuses as rewards for accepting jobs many of their peers regarded as undesirable.

The CDA trained contractors and civil servants on the basic aspects of customer service, but the CDA left it up to individual agencies to educate their staff members about the specific steps required to process documents.

The one-stop shop opens its doors

In September 1995, the Secretariat of Administration welcomed citizens at the first one-stop shop at the Institute of Cacau, part of the state university and a hub of commercial activity and transportation in Salvador. The unit provided 14 services, including ID cards, driver's licenses, vehicle registrations, and social security cards.

Eager to see how Bahia had embraced the national reform movement, Bresser-Pereira, the minister of state reform, visited the Institute of Cacau operation. "It was incredible," Bresser-Pereira recalled. "I was very happily surprised about this." At the entrance to the shop, a receptionist greeted visitors and gave them papers that indicated their likely waiting time. Andrade said her team created a baseline for wait times by visiting the participating agencies and observing how long each service took to perform. They then made a rough calculation of the time savings generated by the new efficiencies in each step of the process. The estimated wait time appeared on the ticket each visitor received.

The CDA team worked hard to publicize the new operation. Argolo's team invited the media to visit the one-stop shop and made

workers available for interviews. The team also ran advertisements on radio and in newspapers. During the first year, about one-tenth of the entire operations budget went to advertising services.

The shop was an instant success. Within days of opening, the unit was struggling to keep up with the flood of visitors. The demand pushed Argolo's team to accelerate plans for more shops.

Delivering services to the hinterland

While the team members worked on expanding the program, they also discussed how to correct the perception that government was interested in serving only citizens in the capital.

The secretariat could justify the cost of a unit in an area where population density was high and demand was concentrated. But millions lived in the sprawling rural interior of the 567,295-square-kilometer state, where communities were much smaller and travel was more challenging.

The team came up with the idea of using mobile units to deliver document-processing services to remote areas. (In a similar initiative, the CDA sought to deliver government health services.) After conducting a cost analysis, the CDA decided it had enough funds to purchase six 18-wheel tractor-trailer trucks to serve as the platform for the document-processing units and two more trucks to serve as health units. Because of space constraints within the trailer offices, the trucks offered only the four most popular services: ID cards, birth certificates, work authorization cards, and criminal background statements, which were needed for job applications. Designed to be comfortable as well as convenient, the trailers were air-conditioned and had large retractable awnings that provided shade for people as they waited outside to enter the processing areas.

The CDA recruited Dário Cova da Silva, who had just completed a degree in public

administration, and gave him responsibility for overseeing the mobile units.

As with the original one-stop shops, employees who worked in the mobile units were contractors, with the exception of two civil servants from the Secretariat of Administration: a manager, who oversaw the operations, and an ombudsman, who fielded questions and complaints from citizens. All of the workers received daily allowances for food and lodging and could keep any unspent money. The opportunity to earn additional money by saving some of the daily allowance was a powerful incentive to get civil servants to work in the trucks, according to da Silva.

In setting the truck routes, da Silva said, he divided the state into six sections of roughly equal populations. Within each section, da Silva assessed the population of each municipality, anticipated demand, and the number of services that could be offered each day. A truck would remain for three days in a municipality with more than 50,000 people. If a city's population was less than 50,000, the truck stayed in place for two days. Da Silva drew up a full-year schedule for each truck's rotation in each section, with an eye to making the moves as efficient as possible. Given the number of municipalities and staff work schedules, a truck would visit a municipality roughly twice a year. In most cases, the trucks would set up their operations in town hall parking lots.

Before the trucks set out for the year, da Silva and members of the Secretariat of Administration's operations team visited municipalities to check road conditions and assess utility connections. (The trucks had generators and therefore could do without electricity, but phone lines were needed to send information back to the agencies' headquarters.)

About two weeks before a truck was due to arrive at a given place, the CDA sent the local government a report covering the length of stay, the services the truck would offer, and any fees

associated with those services. Local government authorities then informed their communities of the truck's impending arrival.

The mobile units began to operate in January 1996. The 18 employees on each worked 15 days straight, with the rest of the month off except for two or three days of preparatory work prior to the next deployment. Da Silva said he modeled the work schedule after the way oil companies created 15-day work shifts on offshore rigs. And while traveling between locations, the mobile units' employees rode in separate vans.

The staff operating the mobile units faced a number of challenges, including poor road conditions and varying standards of accommodation. When road conditions made it impossible for the trucks to get to the town hall, the team would instead set up as close as possible to the largest population area. When no local hotel was available, workers sought the assistance of the municipality in renting houses for the period the truck was in town. If neither option was available, the workers would stay in a neighboring municipality.

Frictions sometimes developed among staff members. Cramped working quarters and weeks-long deployments created tension. "It was like a reality show sometimes," da Silva said of the interactions between employees. And managers had to dampen those conflicts.

Expanding

In 1996, planning was also under way at the CDA for two new centers in Salvador to complement the first two centers that had opened in 1995. But the organization lacked the time and staff capacity required to plan for and implement the new fixed centers while simultaneously running the mobile units. By that time, oversight of the one-stop shops had become a continuing managerial responsibility rather than a onetime organizational effort. "It [the one-stop shops] stopped being a project to

become a regular, normal activity of the government," Souto said.

In July 1996, Moysés raised the profile of the one-stop shops by assembling a dedicated Executive Coordinating Office team for the project within the Secretariat of Administration. The new office had three divisions: operations, technical, and administration and financial.

As head of the mobile units, da Silva became coordinator of the operations division. Soon after, Andrade joined the coordinating office as quality director. Argolo and Gonçalves remained at the CDA to continue the unit's mission to help state agencies modernize processes and information technologies.

Elevating oversight of the reform to the new coordinating office served a strategic purpose. Souto and Moysés still hoped to win the cooperation of Salvador's municipal government and, as the one-stop shops expanded into the state's interior, to receive support from other municipalities to open centers in their areas and provide local services. Giving the reform program its own unit in the Secretariat of Administration signaled the state government's seriousness about the reform.

In late 1996, the coordinating office opened two more one-stop shops in the capital—both of them in shopping malls. Souto said the choice of location was strategic and was intended to get the public to associate the delivery of services with the efficiency of the private sector. Shopping malls were clean and air-conditioned, had reliable electricity, and offered customers a choice of places to shop. The public regarded shopping malls as "places of excellence," Souto said.

In 1997, as the number of fixed one-stop shops grew to five in metropolitan areas and the first two opened in the interior of the state, the coordinating office expanded its functions and took on a new name that clarified its purpose: Superintendency for the Development of Public Services and Citizen Assistance, called SESAC.

Gonçalves joined SESAC as operations director. SESAC reorganized its operations into five departments: public service management assessment, public service development, civil servant development training, operations for public service delivery, and administrative and financial.

As part of the administrative expansion, Moysés’s secretariat also established an advisory council that served as a vehicle for continuing dialogue with agencies that participated in the one-stop shops. Each agency had a representative on the council, and Moysés chaired the group.

Improving Communication

Satisfying people’s needs and wants when it came to the one-stop shops required that the reformers learn from experience and make constant improvement. “After the first one-stop shop, we started to see how services were working and made constant adjustments,” said Argolo. She recalled that the first major problem that arose involved “long lines, because people didn’t know which documents to bring with them.” That same problem had arisen under the old system, and it pointed up the need for better communication. In response, the CDA established a call center in 1996 at the

GOVERNMENT ENTITIES REPRESENTED AT ONE-STOP SHOPS

Federal	Federal Police Social Security Institute Electoral Office Regional Labor Court National Equity Federal Bank Federal Treasury
State	Public Safety Bahia Printing Company Department of Culture Agriculture Justice and Human Rights Housing Finance (Department of Motor Vehicles) Water Supply Company Traffic Department Legal Assistance Chamber of Commerce Administration Department Labor and Social Work
Municipal	Military Enrollment Finance Department Physical Planning Public Services

Source: *Public Service Delivery Handbook*, State Secretariat for Administration, Bahia, 2000

Secretariat of Administration and advertised the phone number widely in various media outlets. People could phone the call center to find out which documents they needed to bring to receive a particular service.

In 1997, the first two shops to open in interior areas of the state encountered an unexpected obstacle that underscored the uncertainties that reformers faced in spreading reform throughout Bahia's less-developed areas: A clean, well-lit, air-conditioned government office in a rural part of the state was an anomaly, and the public did not know what to make of it. "We figured out that people would go and look, but they didn't enter the unit," Andrade said, specifically referring to the second unit, which SESAC situated in a shopping center. "I found this very curious. I called an attendant who was working at the center and said, 'Look, people seem to be afraid to enter.' And the attendant said, 'Oh, yes, they're simple people. Not that well-dressed. And they're sort of ashamed of entering.'"

Andrade said she went to the center from which the worker had phoned and met a man who asked her whether he could enter the building wearing torn clothing. "I said, 'Sure, it's a place for you!'" she recalled.

Evaluating performance

Because the one-stop-shop concept was untested, the CDA placed a premium on soliciting citizens' feedback for ideas on how to improvement processes, procedures, and overall service quality. For the first two years, the CDA used a system that relied on the public to voluntarily provide feedback. After receiving a particular service, people were given cards on which to rate the service as good, fair, or poor. The cards were inserted into a machine that compiled the data on a daily basis and produced a printout with the results of each agency's rankings.

The problem was that most people didn't bother. "At the end of the day," Andrade said, "if we had an attendance of 1,000, maybe 10 people submitted cards—and they were typically people who were upset." The response rates were too low to give an accurate picture of how people felt about the services they received. The mobile units had a voluntary system that provided rating cards people could put in comment boxes.

With the establishment of SESAC in 1997, the Secretariat of Administration sought ways to improve citizens' feedback. Andrade, who became director of public service management assessment, designed a short questionnaire. Twice a year, employees from SESAC visited the one-stop shops and polled exiting people on their thoughts about the service they received. The aim was to solicit responses from a representative sample.

"We started off by asking them what service they used and whether they thought the service was excellent, good, regular, or bad," Andrade said. "If they said it was excellent, we let them go. If they said it was good, regular, or bad, we asked them what could be better." Andrade recalled that a typical complaint might have been about the fees associated with obtaining specific documents like ID cards or driver's licenses—or about a worker's behavior.

Andrade said representatives of the participating agencies appreciated hearing the feedback. "One of them told me once that I was giving him the proof they needed for retaining budgets from the higher administration," she said.

Although the Secretariat of Administration evaluated the performance of its own workers, the secretariat had never developed an effective system for monitoring the contract workers at the one-stop shops. Program administrators investigated customer complaints and could ask contracting firms to reassign or discharge

specific workers, but the process was indirect, slow, and uncertain.

Early in the reform process, the secretariat commissioned a consulting firm to design software that would produce a record of how long it took each employee to perform a specific task. The secretariat's team could compare the data against the baseline figures Andrade had drawn up earlier, though again, the secretariat staff found their ability to act constrained.

OVERCOMING OBSTACLES

In 1999, the Secretariat of Administration faced a leadership crisis that threatened to undermine the public's trust in an initiative designed to restore faith in government. Newspapers were reporting high-level irregularities at the secretariat, including allegations that Moysés had approved inflated contracts for staffing firms that supplied workers to the one-stop shops. The news reports also alleged that Moysés had given the contract to operate the trucks used by the mobile one-stop shops to a company owned by his brother at an exorbitantly high cost and that the rents for the fixed units were excessive.

SESAC's budget numbers helped fuel questions. For example, from 1997 to 1999, when 13 new one-stop shops opened, SESAC's budget increased from US\$5.2 million to US\$12.8 million. (Slightly more than half of the increase resulted from currency devaluation after Brazil unpegged its currency in January 1999.) But then, in 1999–2000, when just two additional shops opened, the budget increased to US\$27.7 million.

Law enforcement authorities had wiretapped Moysés's phone and claimed they had proof that irregularities had occurred. César Borges, who became governor in 1999 after Souto declined to run for another term as governor, dismissed Moysés and appointed Ana Benvinda Teixeira Lage to take over the Secretariat of Administration. Teixeira Lage had

worked at the Secretariat of the Treasury, which was considered one of the best-performing agencies in the state. (A judge later dismissed the charges against Moysés.)

Teixeira Lage viewed her arrival as an opportunity to reduce costs and infuse new energy into the secretariat, including SESAC, which oversaw the one-stop shops. "I had very strong support from the governor to make the necessary adjustments we thought were important to reduce costs and improve the functioning of the one-stop shops," Teixeira Lage said. To determine the correct market prices for hired contract workers and rents, she enlisted the help of the state's Agency for Smart Growth and Development, which kept data on contracts signed between private firms and the state. Teixeira Lage then renegotiated the contracts with the staffing firms and the truck providers and pressured building owners to lower rents for the one-stop shops located on their properties.

Teixeira Lage also took other steps to lower costs. She reduced the number of mobile one-stop shops from six to two. (At the same time, the secretariat retired the state's two mobile health units.) Andrade said that in an effort to retain all six mobile units while reducing costs, the team had explored the possibility of buying the tractor-trailers rather than renting them. But the costs of procurement, ownership, and maintenance were too great.

To improve operations, Teixeira Lage removed nonperformers. Using civil servants' performance evaluations, she zeroed in on the worst-performing staff. But she encountered two challenges in improving the situation. First, because of tenure rules, it was nearly impossible to fire someone. Second, a provision in the civil service code allowed the governor to appoint some state employees directly, sidestepping normal civil service hiring procedures that included a written examination. Those workers were protected by political alliances. However,

to address both challenges, SESAC reassigned people to other areas of state government.

ASSESSING RESULTS

In 2003, Souto left the Senate and won a third, nonconsecutive term as Bahia's governor. (Souto had become a senator after stepping down during his second term as governor.) During his next four years in the governor's office, he continued to expand the number of fixed one-stop shops in both urban and interior areas. By 2007, there were 11 shops located in urban areas and 14 located in interior areas. The number of mobile units remained at two.

The period 1995–2002 saw increases in the number of services provided, the number of one-stop shops, and the number of agencies represented at the units. The two one-stop shops in existence in 1995 housed 2 federal and 13 state agencies and delivered a total of 172,979 services. By 1998, the 18 fixed one-stop shops and 6 mobile units were incorporated a total of 8 federal, 17 state, and 3 municipal agencies, which, combined, provided 5,452,057 services. By 2002, the 22 fixed and 2 mobile units—which hosted a combined 7 federal, 16 state, and 4 municipal agencies—were distributing 5,717,660 services. Together the fixed and mobile units delivered a total of 45,290,836 services from September 1995 to June 2002.¹ (Meanwhile, individual government agencies continued to deliver services at their offices, as they had done since the start of the reform in 1995.)

By 2002, the one-stop shops had reduced wait times for key documents when compared with pre-1995 levels. For example, ID cards, which had taken about 24 hours to process, were completed in an average of 30 minutes. The processing time for proof of criminal background checks went from 30 minutes to 2 minutes—and work cards, from 7 minutes to 5 minutes.²

Despite the reductions in processing times, however, performance was not always as consistent as planned, however. The high turnover of contract workers, created by the four-year-total term limit (a two-year contract followed by an optional two-year extension), meant there were always new people on the job, learning how to assist customers. At the start of the reform, the secretariat had decided to use contractors partly because civil service rules limited the removal of poorly performing personnel and partly because of cost. Not only were contract workers slightly less expensive; contractors' salaries also did not count toward the state's payroll cap. But Andrade said that over time, it had become apparent that the subsequent turnover undermined consistent service quality. In fact, by law, the state could not invest resources to train contractors in procedures other than the basics of customer service.

Difficulties with turnover rates aside, the results of satisfaction surveys conducted throughout the period of the initial reform (1995–2003) reflected widespread popularity of the one-stop-shop model. The first one-stop shop received glowing customer reviews in the first customer satisfaction survey in October 1995, and surveys indicated that support for the reform remained strong. A 2000 survey, administered to 3,504 people, found that 85.6% of citizens evaluated the performance of the fixed one-stop shops as "optimum," and 9.1% rated the service as "good." Just 3.4% considered the service "regular," and 1.9% called the service "bad." No one rated the performance as "very bad," which was the last-remaining option.

The story was equally positive about the mobile units. A 2000 survey given to 536 users of the mobile units revealed that 97.2% rated the service as "optimum"; 2.6% said the service was "good"; 0.2% rated the service "regular"; and no one labeled the service "bad" or "very bad."

The survey results came the same year the United Nations Public Administration Program recognized Bahia's one-stop shops with a coveted award for outstanding public service.

A number of factors contributed to the success of the reform effort, but none was more important than Souto's ability to secure the participation of state and federal agencies and, later, municipal governments. Souto suggested that citizens' positive reviews served as a powerful force in persuading reluctant agencies to participate. "I think even they realized that they really didn't stand a chance and that this wasn't something they could fight, particularly once the evaluations started coming in," said Souto, referring specifically to the state agencies in Bahia. The one-stop shop, Souto asserted, "was one of the most highly rated public services of the state."

The Bahia model quickly caught the attention of other countries. In 1998, Portuguese officials visited Bahia to learn about the one-stop shops and the following year opened a version in Lisbon. In 2001, Bahia's government agreed to help the government of Bogotá, Colombia, improve an existing model created after the first one-stop shops emerged in Brazil. CDA team member Gonçalves, who advised the Colombians, said one of the main areas they sought help with was getting agencies to work together.

In 2011, CDA team member Andrade took the first of many trips to the Dominican Republic and said one piece of advice she always gave partner governments was to negotiate favorable rents from retail owners by citing the increased customer traffic the retail center would experience. (Andrade joked that she would like to own a store located next to a one-stop shop.)

Bahia's model also generated interest elsewhere in Brazil. By 2000, Bahia state agencies not included in the one-stop shops and other government-run entities, including state

hospitals, sought technical assistance from the secretariat to learn how to improve their delivery of services.

The one-stop-shop reforms demonstrated sustainability in 2006, when Souto's term ended and Jaques Wagner of the opposition Workers' Party became governor. "When the opposition came to power they didn't dare change the name," said Souto, indicating how popular the reform was. In fact, according to Elizabeth Matos Ribeiro, a professor at the Federal University of Bahia, Wagner not only preserved the model but also invested in improving the system.

Ribeiro said that the success of the reforms had failed to inspire better performance in other areas of government that sorely needed changes. She said that heavy reliance on contract workers meant that the effort did not address the problem of a poorly trained and motivated civil service. "You go to hospitals and public schools in the state, and they lack medicine, chairs, and basic products like toilet paper," she said.

REFLECTIONS

Seated at her office in the state Secretariat of Administration in 2013, Elba Andrade reflected on the key lessons she had learned in implementing one-stop shops in Bahia. The first was the extent of the reformers' commitment to working together with other levels of government rather than their trying to compel cooperation.

"I really think, looking back, that the most important thing to the success of the one-stop shop was the partnership," said Andrade. "We created a team of partnerships. We never said to an agency, 'If you don't have a printer, it's your business, not mine.' The feeling was always one of sharing. We had to be together in bringing better services to citizens, and that's how we found success."

In 2011, Andrade became technical coordinator of the International Center for

Innovation and Exchange in Public Administration. Bahia and the United Nations Department of Economic and Social Affairs established the center to help communicate innovative lessons to other parts of the state's government, and they situated it within the Secretariat of Administration.

Throughout the reform process, the team at the secretariat took steps that helped win cooperation among competing tiers of government and that enabled the creation of one-stop shops that served the public's needs in new ways. "You had different perceptions between the three layers: federal, state, and municipal," said Sergio Cabral, a professor at the Federal University of Bahia. "Even within the three layers, you had different personalities. They managed to agree on a governance structure to deal with those differences."

Emilia Gonçalves, who played an important role at the Secretariat of

Administration, stressed the importance of compromise in the goal of uniting under one roof several disparate agencies with unique cultures. "Because we were building a new culture, we had to respect one another," she said. "That's a very big challenge for anyone who wants to do a project like this."

Offering thoughts for other governments that want to create one-stop shops, Bahia's former governor Paulo Souto stressed the importance of ensuring that everyone—from those at the highest levels of government to customer service people at the front desks—understands and embraces the common goal. "You would need to really convince the government itself about the importance of this type of project," he said. "In particular, you would have to convince public servants—and even the outsourced workers—of the importance of assisting citizens well when delivering a public service.

¹ Emilia Gonçalves. "Serviço de atendimento ao cidadão: modelo organizacional para melhoria na prestação de serviço público." August 2002.

² Ibid.



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