

# A Brazilian Intellectual Property Office for the 21<sup>st</sup> Century

Preliminary Diagnostic Report



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## Abbreviations and Acronyms

|                 |  |
|-----------------|--|
| ABDI            | Brazilian Agency for Industrial Development  |
| AECON           | Economic Affairs Advisory  |
| ANVISA          | National Health Surveillance Agency  |
| BPM             | Business Process Management  |
| BuscaWeb        | Search engine for bibliographic data of processes and orders published weekly on RPI Industrial Property Journal |
| CADE            | Administrative Council for Economic Defence  |
| CADPAT          | Patents Administrative Coordination  |
| CATMAT / CATSER | Catalogue of Materials and Services of SIASG   |
| CCOM            | Social Communication Coordination  |
| CEDIN           | Technological Information Dissemination Centre   |
| CENGE           | Engineering and Architecture Coordination  |
| CEPIT           | General Coordination of Studies, Projects and Dissemination of Technological Information                         |
| CETEC           | Corporate Education Centre   |
| CGDI            | General Coordination of Dissemination for Innovation   |
| CGLI            | General Coordination of Logistics and Infrastructure   |
| CGMAR I         | General Coordination of Trade Marks I  |
| CGMAR II        | General Coordination of Trade Marks II   |
| CGMID           | General Coordination of Trade Marks, Geographical Indications and Industrial Designs                             |
| CGOF            | General Coordination of Budget and Finance   |
| CGPAT I         | General Coordination of Patents I  |
| CGPAT II        | General Coordination of Patents II   |
| CGPAT III       | General Coordination of Patents III  |
| CGPAT IV        | General Patent Coordination IV   |
| CGPATs          | General Patent Coordination  |
| CGPCT           | General Coordination of the Patent Cooperation Treaty  |
| CGPE            | General Coordination of Planning and Strategic Management  |
| CGREC           | General Coordination of Appeals and Administrative Proceedings for Nullity                                       |
| CGRH            | General Coordination of Human Resources  |

|         |   |
|---------|---|
| CGTE    | General Coordination of Technology Contracts  |
| CGTI    | General Coordination of Information Technology  |
| CGU     | Comptroller General of the Union  |
| COADE   | Human Resources Assistance and Development Coordination   |
| COARH   | Human Resources Administration Coordination   |
| CODEX   | Document Management and Formal Examination Coordination   |
| COGED   | Coordination of Bibliographic Data Management   |
| COGEF   | Flow, Data and Quality Management Coordination  |
| COGIR   | Coordination of Knowledge Management, Procedural Instruction and User Relationship  |
| COINF   | Infrastructure, Support and Information Security Coordination   |
| COINT   | International Relations Coordination  |
| COLIC   | Coordination of Procurement, Bids and Contracts   |
| COPEM   | Coordination of Services, Materials and Heritage  |
| COPEX   | Guidance Committee on Trademark Examination Procedures, Industrial Designs and Geographical Indications                                     |
| CORED   | Industrial Design, Contracts and Other Records  |
| COREM   | Technical Coordination of Appeals and Administrative Proceedings for Nullity of Trade Marks   |
| COSIS-  | Coordination of Information Systems and Data Administration   |
| CPAPD   | Permanent Committee for Improvement of Procedures and Guidelines for Examining Trade Marks, Industrial Designs and Geographical Indications |
| CQUAL   | General Coordination of Qual  |
| CTIRGOV | Incident handling committee   |
| DAREC   | Support Division for Nullity Resources and Administrative Processes   |
| DAS     | Digital Access Service, WIPO, PCT internal system   |
| Delphi  | Client / Server System  |
| DIADI   | Division of Support for Geographical Indications and Industrial Designs   |
| DIBIO   | Biochemistry and Related Patents Division   |
| DIC IV  | Civil Engineering Patents Division  |
| DICAD   | Administrative Contracts Division   |
| DICOL   | Division of Contracts and Tenders   |
| DICON   | General Accounting Division   |
| DIDOC   | Patent Documentation Division   |

|              |   |
|--------------|---|
| DIESP        | Studies and Projects Division   |
| DIFOR        | Division of Formal Examination and Notifications                                  |
| DIGED        | Document Management Division  |
| DIGEQ        | Quality Management Division   |
| DIGER        | Risk Management Division  |
| DILOG        | Contracts and Logistics Division of Regional Units                                |
| DIORC        | Budget and Costs Division   |
| DIPAG        | Payment Division  |
| DIPATs       | Technical Divisions   |
| DIPCT        | International Division of the Patent Cooperation Treaty                           |
| DIPEF        | Financial Programming and Execution Division                                      |
| DIRAD        | Directorate of Administration   |
| DIREF        | Functional Records Division   |
| DIREM        | Multilateral Relations Division   |
| DIRMA        | Directorate of Trade Marks, Industrial Designs and Geographical Indications       |
| DIRPA        | Directorate of Patents, Computer Programs and Topographies of Integrated Circuits |
| DISAO        | Occupational Health Division  |
| DISAP        | Patent Applications Organization Division   |
| DISEG        | Information Security Division   |
| DITEC IX     | Technical Examination Division IX   |
| DITEL        | Telecommunications Patents Division   |
| DNPCT        | National Division of the Patent Cooperation Treaty                                |
| DSIC         | Department of Communication and Information Security                              |
| e-Contractos | System for filing electronic registration and petition forms                      |
| e-Marcas     | Electronic system for filing Trade Marks requests and petitions                   |
| ENAP         | National School of Public Administration  |
| e-PCT        | WIPO's online portal for filing and managing PCT applications                     |
| ePCT         | WIPO international patent system  |
| EPO          | European Patent Office  |
| FAQ          | Frequently Asked Questions  |
| FGV          | Getúlio Vargas Foundation   |
| FIF          | Individual frequency sheet  |

|            |   |
|------------|---|
| GDAC & T   | Activity Performance Bonus in S&T                     |
| GEAP       | Government-wide Enterprise-Architecture Portal        |
| GeraDoc    | Document Generation System                            |
| GESI       | Gender Equality and Social Inclusion                  |
| GI         | Geographical Indication                               |
| GRU        | Union Collection Guide                                |
| HR         | Human Resources                                       |
| ID         | Industrial Design                                     |
| INPI       | National Institute of Industrial Property             |
| INSS       | National Institute of Social Security                 |
| IP         | Industrial Property                                   |
| IPAS       | Industrial Property Automation System                 |
| IPEA       | International Preliminary Examining Authority         |
| IPER       | International Preliminary Examining Report            |
| ISA        | International Search Authority                        |
| ISR        | International Search Report                           |
| IT         | Information Technology                                |
| LOA        | Annual Budget Law                                     |
| LPI        | Industrial Property Law                               |
| MarcasDoc  | Trade Marks Manual                                    |
| MascasData | Weekly monitoring of individual productivity          |
| MEI        | Individual Microentrepreneur                          |
| MGS        | Madrid Goods and Services                             |
| MOP        | Madrid Office Portal                                  |
| MRE        | Ministry of Foreign Affairs                           |
| NIT        | Technological Innovation Centre                       |
| PAG        | General Automated Filing                              |
| PAN        | Administrative nullity process                        |
| PCT        | Patent Cooperation Treaty                             |
| PDTIC      | Information Technology and Communications Master Plan |
| PE         | Electronic Petitioning                                |
| PE         | Preliminary Exam                                      |
| PFE        | Specialized Federal Attorney                          |

|         |  |
|---------|--|
| PGC     | System for Recruitment Planning and Management   |
| POP     | Standard Operating Procedures  |
| PROAMB  | Adaptation Program   |
| PROINS  | New Staff Orientation and Integration Program  |
| PUSH    | System where the client receives, in his registered email, updates regarding their processes |
| QMS     | Quality Management System  |
| RJ      | Rio de Janeiro   |
| RO      | Receiving agency/Receiving Office  |
| RPI     | Industrial Property Magazine   |
| SAESA   | Special Affairs Service  |
| SAGED   | Archive and Document Management Service  |
| SANOT   | Notation Section for Transfers and Names   |
| SAPIENS | Electronic Document Manager  |
| SAPRA   | Building Administration and Auxiliary Activities Service                                     |
| SARGE   | General Archive Service  |
| SCDP    | System for granting conveyance charges and daily allowances                                  |
| SCP     | Federal Government Payment Card System   |
| SEADE   | Assistance and Human Resource Development Support Section                                    |
| SEADM   | Administrative Support Section   |
| SEAGO   | Human Resources Governance Support Section   |
| SEARC   | Collection Service   |
| SEARH   | Human Resources Administration Support Section   |
| SEBRAE  | Brazilian Micro and Small Business Support Service   |
| SECAD   | Career and Performance Service   |
| SEEXP   | Patent Issuing Service   |
| SEGEC   | Knowledge Management and Technical Documentation Service                                     |
| SEGOV   | Human Resources Governance Service   |
| SEI     | Electronic Information System  |
| SELIF   | Financial Settlement Service   |
| SEPAN   | Annuity Payment Control Section  |
| SEPEN   | Publication of National Orders Section   |
| SEPEX   | Protocol and Issuing Service   |
| SERAP   | Retirement and Pension Service   |



|            |   |
|------------|---|
| SEREM      | User Relationship Service   |
| SEREP      | Contract Renegotiations Section                                     |
| SERPA      | Heritage Service  |
| SERPRO     | Federal Data Processing Service                                     |
| SESUP      | Supply Service  |
| SETEL      | Telephony Section   |
| SIAFI      | Federal Government Integrated Financial Administration System       |
| SIAPE      | Integrated People Management System                                 |
| SIASG      | Integrated System for General Services Management                   |
| SIC        | Integrated Commercial System  |
| SICAF      | Unified Supplier Registration System                                |
| SIGED      | Support Section for Geographical Indications and Industrial Designs |
| SIGINPI    | INPI's Integrated Management System                                 |
| SINPI      | Integrated System of Industrial Property                            |
| SIOP       | Integrated Planning and Budgeting System                            |
| SIPOC      | Suppliers, Inputs, Process, Outputs and Customers                   |
| SisBioList | Biological Sequence Listing System                                  |
| SISCAP     | Patent Production Registration System                               |
| SISCON     | Agreements Management System  |
| SISGD      | Performance Bonus System for progression and promotion purposes     |
| SISP       | Public Service Computer System                                      |
| SisPES     | Sustainability System for Federal Government Facilities             |
| SOF        | Federal Budget Secretariat  |
| SPIUnet    | Union Heritage System   |
| SRPCT      | Reception Section of the Patent Cooperation Treaty                  |
| TCE        | Special Accountability  |
| TCU        | Federal Audit Court   |
| USP        | University of São Paulo   |
| WIPO       | WIPO – World Intellectual Property Organization                     |

EXECUTIVE SUMMARY

01

The Foreign, Commonwealth & Development Office of the United Kingdom (FCDO) through the Cross-Whitehall Prosperity Fund Global Trade Programme, is providing assistance using Overseas Development Funds to support Technical Assistance to eligible programmes, whose primary objectives include poverty reduction, promotion of gender equality and inclusive growth. In 2016, during the Trade Ministerial Dialogue between UK and Brazil, in the Joint Economic and Trade Committee (JETCO), both countries publicly committed to working together through the Prosperity Fund to facilitate Brazil's trade.

To deliver the objectives of the Global Trade Programme, the Intellectual Property Office of the United Kingdom (IPO UK), in conjunction with FCDO, have collaborated with INPI, the "Instituto Nacional da Propriedade Industrial" of Brazil, to design a transformational project entitled "A Brazilian Intellectual Property Office for the 21st Century". The desired outcome of the project is a much more effective IP regime in Brazil – encouraging innovation, greater international trade, investment, interaction with global value chains, enabling job creation and supporting inclusive growth and poverty reduction.

To successfully deliver this programme, Palladium has appointed teams of consultants from FGV Projetos (Quality, Service Pricing, Human Resources), ITS/USP (Information Technology) and Procomex (Processes) to work alongside its team of local and national experts. Central to the programme is the involvement of all change-makers within INPI as well as wider stakeholders. This will allow the programme to achieve the transformational ambitions to which it aspires.

A successful implementation of the Programme entails review of the current procedures at INPI in order to replace them with best-practice and sustainable solutions, thus enabling a healthy IP framework that supports inclusive and sustainable economic growth, innovation, trade and prosperity.

## "A Brazilian Intellectual Property Office for the 21st century": achievements and challenges to date

Palladium's approach to successfully delivering this programme was originally centred around embedding our programme team within INPI itself, working closely with INPI staff on a day to day basis and with the project team either based in or travelling frequently to Rio to co-create a successful programme with INPI. This approach was deemed particularly important given the extremely sensitive nature of the programme, i.e. transformative change within the institution itself, including recommendations on organisation redesign and HR. Building strong and lasting relationships with INPI counterparts was deemed to be crucial to most effectively maximising the impact of the programme.

The Brazil IP Programme started on March 2nd with a kick-off week scheduled to take place the week of March 16<sup>th</sup> in INPI offices in Rio. As a result of Covid-19, this had to be done virtually. As the programme was designed to be intensively client-facing (with the consulting team working inside INPI for a considerable proportion of time), an intensive replanning exercise had to be undertaken to account for the remote working environment and the challenges that this might pose for a programme focusing on organisational transformation and centred on the principle of co-creation.

In the months since the Programme began, Palladium, its consultants and INPI have therefore had to adapt in order to ensure the successful delivery of all project activities. This has not been

without its challenges. For example, the methodology for process mapping and redesign, which relied heavily on in-person multi-day workshops, was adapted with the use of a virtual whiteboard collaboration platform, which involved a steep learning curve for the team of consultants before they could present it to INPI and initiate their mapping exercise. Similarly, because consultants have still not had the chance to meet with INPI staff face-to-face, some activities in the Work Plan were brought forward from October to July, in order to allow for more “personal” contact through interviews. This was felt to be important as otherwise the contact could be regarded as distant and disengaged, even if the activities scheduled, involving desktop research and analysis of documentation, proceeded as scheduled. Indeed, the lack of in-person interaction with INPI has been one of the key challenges of the programme thus far, particularly in the context of a country such as Brazil which values personal relationships and in-person presence, and given the transformational ambitions of the programme itself.

## Objective of the Preliminary Diagnostic Report

The purpose of this Preliminary Diagnostic Report was to assess whether the quality of work that could be delivered under a remote working situation was of sufficient quality to allow the programme to achieve its aims. When this Preliminary Diagnostic Report was originally designed back in April, it was assumed that the lockdown period would last for three months, and that immediately after lockdown all activities could resume in a face-to-face manner. Instead, what is being found around the globe is that resumption of face-to-face activities in an office environment is tentative, phased and gradual, and therefore remote work, partial or full, will remain the preferred option for as long as the pandemic is widespread. The conclusions of this Report are thus even more critical, as they will inform the Programme’s approach to delivery going forward, and in particular any adjustments to the Project Work plan that need to be made as a result of Covid-19 and other factors identified during the Programme’s first months.

This Preliminary Diagnostic Report therefore presents the early findings of all five of the Brazil IP Programme’s workstreams and has the following goals: description of activities carried out thusfar, preliminary findings and recommendation for revalidation of findings in face-to-face interactions, as needed. It is an interim step in the Programme’s Inception Phase activities, and was designed to act as a “pause-button” at which the programme stakeholders could assess the reality of operating in remote-working situation and agree what, if any, further adjustments to the Project Workplan might need to be made.

A key finding of this report relates to the question of whether revalidation of findings from the first three months’ activities is indeed necessary. This report concludes that further validation will not be needed, because workstreams have successfully developed their own methods of achieving high quality results without the need for in-person interactions. This is also a lesson learned to all of those involved, in that remote sessions became the “new normal” and therefore gradually increased their productivity over time. It is also important to note that instruments were developed to work around the constraints of remote working and identify new opportunities, namely, holding multiple sessions with dozens of participants, which would have been less likely in normal in-person circumstances. One example is the Processes Workstream, which adapted its methodology to add a real-time collaborative tool as a substitute for face-to-face meetings, most of them holding more than 40 staff from INPI present. Strategies to address the lack of in-person interactions are described in the next chapters.

In this Executive Summary, we will outline the main findings from each of the Workstreams before concluding with some high-level findings and next steps for the Programme as whole.

## Quality Management System

The objective of this Preliminary Diagnostic Report of INPI's Quality Management System was to develop a preliminary understanding of the current state of Quality Management Services in INPI's Macroprocesses.

As per the workplan approved for the first 3 months of the project, the Quality Management workstream has successfully completed all activities defined under "Milestone 2.6: Preliminary Diagnostic Report":

- Collect information regarding carried out projects, rules and standards currently adopted
- Analysis of the main results achieved to date - examination of formal reports sent by INPI
- Survey on ISO 9001-15 standards applicable to the INPI case
- Collection and examination of specific quality control specifications for National and International Patents (PCT: RO, ISA&IEPA), Trademarks and Industrial Design Processes
- Identification of Quality Management activities potentially necessary to be considered for INPI's 8 Macroprocesses
- Prepare report with preliminary findings from initial assessment

The results and conclusions of this report were based on the examination and on qualitative content analysis of over 700 documents and of 16 interviews with key personnel. The main conclusions about INPI's QMS current state are:

- Noteworthy progress has been achieved in the last 2 years due to CQUAL (Centre for Quality = Coordenação Geral da Qualidade) actions and leadership.
- QMS is in early maturity stage, with some differences found between processes. The average gap to achieve reasonable standards of quality when evaluated by the criteria of ISO 9001/15 is over 50%.
- Significant effort will still be needed to ensure proper assimilation and understanding by the organization of cross-functional processes view, risk-based management, client centred operations, statistical process control (SPC) and lean thinking.

Although all of the workstreams' findings and conclusions are based on firm evidence, face to face interviews allowed the team to develop a more organic view, and better understand the real organizational climate.

The gap analysis and the assessment of the readiness of INPI to comply with ISO 9001: 2015 standards, or another best practice to be chosen later, should be conducted based on a survey with a safe (statistically relevant) sample of participants.

The design of future processes for a new or revised QMS will include guidelines and recommendations on structure, processes, resources, and roles within revised quality function.

A suggested plan and justification for including the main improvements to be made will be prepared considering the results of the survey, international benchmarking, management goals and expectations and inputs from the redesign of the business processes.

## Process Management System

The objective of this Preliminary Diagnostic Report of INPI's Process Management System was to develop a preliminary understanding of the current state of the 8 Macroprocesses selected by INPI to be mapped and redesigned during the program.

As per the workplan approved for the first 3 months of the project, the Process Management workstream has successfully completed all activities defined under "Milestone 2.7: Preliminary Diagnostic Report":

- Definition of the main 8 macroprocesses that will be mapped and redesigned;
- Definition of stakeholders that must be engaged during process mapping and redesign activities;
- Analysis of INPI materials (Process Maps and Relevant documents);
- Presentation and validation of findings with INPI leadership;
- Development of "A3 Analysis" for the eight macroprocesses;
- Development of a Preliminary Diagnostic Report, describing activities carried out in the months of pandemic-related restrictions, with assessment of quality of findings and roadmap for possible revalidation of findings.

From June to August 2020, Consultants carried out a preliminary diagnosis of the eight macroprocesses within the scope of the Processes Management Workstream: National Patents; PCT International Applications ; Trade Mark; Industrial Design; Human Resources Management; Information and Communication Technology Management; Budget, Financial and Accounting Management; and Logistics and Infrastructure Management. After 47 virtual workshops, totalling 98 hours of work and involving the participation of 83 INPI civil servants, it was possible to gather key insights into the eight macroprocesses and the context in which they take place.

The A3 methodological tool was the tool used in the diagnosis to systematise and standardise relevant information so as to offer an overview of the 8 macroprocesses, assessing elements that will be critical for the mapping phase. At the same time, this methodological tool was also configured as a mechanism to enable communication with the macroprocesses leadership within the organisation, promoting their engagement from the start of the process.

The engagement of macroprocess' key players provided access to critical strategic information, building communication bridges, and solid cooperation with INPI civil servants. It was possible to obtain the necessary information for an objective and transparent assessment, translating the current organisational reality. This diagnosis is the first step towards the mapping phase, aiming at the modernisation of the institution to reach INPI 4.0.

Key preliminary findings are highlighted below with more details found in the main body of the report.

- **INPI** is strictly divided into departments, favouring the structure view above the process view. This makes it difficult to track how the processes permeate and affect various structures within the organisation, making it challenging to cross-examine them. As a result, most professionals allocated in a specific area are unaware of the activities processes developed by another area
- There is little transparency in the processes due both to a lack of documentation, as well as to the lack of knowledge of departments outside those in which the processes take place within each area. This situation impacts internal communication among professionals in the same area, as well as between other **INPI** departments.
- All areas showed a keen sense of belonging to the institution; however, no initiatives encouraging inter-departmental interaction were observed. The comments made by all participants in the priority definition meetings confirm this observation – they emphasised the importance and, at the same time, the lack of this type of activity at **INPI**. This incomplete communication between departments has also been identified in the A3 mapping of macroprocesses, when staff mentioned multiple times that they were unaware of other department’s activities.
- All the areas involved mentioned several initiatives to identify processes which were not continued/updated. Due to the lack of a culture of continuous improvement, these analyses were outdated. It is worth noting that these initiatives were developed in response to different contexts, needs and demands, without structure and standardisation. This scenario has been changing since 2019, when CQUAL started reviewing the processes with the areas in a coordinated way and developed a training program for civil servants.
- Despite having participated in numerous process review initiatives that have not yielded the expected results, the civil servants see this project as a way to definitively implement continuous improvement within the organisation and solve existing challenges. This vision was clear in the engagement of focal points with the proposed activities and in their openness to self-assessment and identification of challenges.
- Although they consider that the development of their activities is essential for effective management of the organisation, civil servants from non-core areas realise that these macroprocesses are undervalued in comparison to the core processes. This has an impact, for example, on the availability of resources and the urgency in meeting the demands of each department.
- In the workshops held, no initiatives addressing the gender and social inclusion theme were identified within the organisation, also mirroring findings for the Human Resources workstream, in the A3 for eight macroprocesses and in the interviews with GESI experts.

The work conducted under this workstream, informed by nearly 100 hours of meetings with INPI’s professionals, highlighted that INPI currently faces a series of challenges in terms of processes, which generate rework, communication failure, and loss of efficiency. The review of processes and the implementation of a continuous improvement culture, so as to avoid wasting

resources or using them in a way that does not add any value, will bring significant gains to the organisation.

An important conclusion of the diagnostic stage of the programme relates to the level of detail required by INPI for the “To Be” mapping of each Macroprocess. Rather than the high-level design of future process originally planned, the team ascertained that a much more granular level of detail is needed to deliver real impact to INPI, and to deliver the ambitious aims of the programme. This will require additional efforts in this workstream on the part of both the consultants and INPI<sup>1</sup>.

In addition, the workshop-intensive methodology employed by the Processes team means that this workstream has been most affected by the remote-working situation due to the need to avoid all-day in-person workshops. This is being mitigated by use of an online collaborative tool with positive results thus far, and the extension of this workstream through additional months.

Our early findings have found that processes at INPI are transversal and do not necessarily match with the current organizational structure. In fact, they encompass multiple departments. This means that intra-departmental efforts of mappings and identification of solutions will potentially be incomplete, siloed, and will also have a significantly lower chance of successful implementation if the scope is to be circumscribed to the terms of the current contract.

In order to adapt to the remote work situation, consultants developed a methodology that incorporates real-time collaboration, because the common software for notation of business process only allows for use of single users or small teams, not permitting simultaneous inputs from large groups. In fact, the activities for this workstream would have entailed in-person workshop for discussion with large groups, with processes being mapped on walls, in collaboration with all of those present. After the sessions, inputs would then be transferred to BPMN by the consulting team, considering its single-user environment, thus resulting in a product in BPMN, already ready for distribution.

Instead, what has been adopted involves the addition of a digital whiteboard that imitates as much as possible the work environment and collaboration of an in-person workshop, and therefore the mapping exercise generated in this tool, in the many weeks of gathering inputs and proposing solutions, must be transferred to BPMN, the industry standard of processes notation.

## Service Pricing Policy

The objective of this Preliminary Diagnostic Report of INPI’s Service Pricing Policy was to develop a preliminary understanding of the current practices and frameworks used by the organization to estimate the cost and define the price for each of the services it provides.

As per the workplan approved for the first 3 months of the project, the Service Pricing workstream has successfully completed all activities defined under “Milestone 2.8: Preliminary Diagnostic Report”:

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<sup>1</sup> Previous exercises of processes mappings within INPI have been considered only partially successful. As an example of the effort involved, previous work of mapping Patents by previous consulting efforts in 2019 took nearly two months, involving in-person workshops for two weeks; and the result nonetheless fell short of INPI’s expectations. This was a stand-alone effort that considered that the macroprocesses were mostly contained within departments.



- Desktop research on financial, income generation and legal boundaries for pricing policy defined for the national public sector.
- Identify and analyse existing methodology for costing INPI's services.

The challenge of setting sound Pricing guidelines depends firstly on analysing the costing system adopted by INPI, which was found to have been well formulated and technically sound - though crucially it stops one level before the individual costing of end- services offered.

To address this issue, a supplemental approach was developed. This will shortly be tested in a “pilot” focusing on a certain individual end-service, so as to identify the best means of implementing the complete model in all major spheres. This approach has been discussed at length with INPI counterparts, who have provisionally agreed to its formulation and are actively cooperating in providing input data.

In parallel, an investigation into the variables currently considered in the pricing process was initiated. This line of enquiry is being run in parallel, though the main focus is the costing system, as well as findings from other workstreams, mainly *Benchmarking*, that will bring practices on pricing from global IPOs and *Processes*.

The team found that, with regard to INPI's service fees schedule, there seem to be several overlaps and/or redundancies. The first task in this regard will therefore be to reduce the list of services to a more tractable number. This compacted list would become the focus for further work on costing. From this reduced list of services, it will then be necessary to ascertain the availability of data on volumes for each of the listed services, and to recover this data.

The next step in this workstream will involve adjusting the Conceptual Costing Model to the actual range of services offered by INPI and include the real figures for costs incurred. To this end, the “pilot” experiment, mentioned above, is expected to provide useful feedback.

The aim is to arrive at a rationale for pricing that that incorporates the best knowledge about costs, international benchmarking on pricings, and political sensitivities to be assessed in collaboration with the Ministry of Economy.

## Information Technology Services

The objective of this Preliminary Diagnostic Report of INPI's Information Technology Services was to develop a preliminary understanding of the current state of its existing IT services based on internationally recognized best practice standards, including a benchmarking exercise regarding its application by other leading international IP Offices.

As per the workplan approved for the first 3 months of the project, the IT workstream has successfully completed all activities defined under “Milestone 2.9: Preliminary Diagnostic Report”:

- Identify 2 state of the art INPI-like agencies (global IP offices): after several consultations with INPI staff, 3 international IP Offices have been selected (UK IPO, IP Australia and Korea IPO).
- Development of a questionnaire addressing global practices of IT services and processes based on ITIL v.3” several interactions with INPI IT Department were conducted to customize and validate the questionnaire.

- Receive the answers from global IP offices, analyse them and keep contact to the focal point for any information completion: responses from the above-mentioned IP Offices have been received and analysed.
- Validate preliminary findings with INPI Leadership: responses have been shared and discussed with INPI.
- Develop Preliminary Diagnostic Report, describing activities carried out in the months of pandemic-related restrictions, with assessment of quality of findings and roadmap for possible revalidation of findings: all activities and findings of the period are described in Chapter 4, p.83, of this report.

As agreed with INPI's IT Representatives, the improvement of IT Services is being guided by the Information Technology Infrastructure Library (ITIL) framework, given that its best practices focus specifically on IT Services Management, and not only on its Governance. Thus, all the IT activities conducted so far were developed under the ITIL best practices perspective, which does not exclude other guidance, such as COBIT and ISO, that can also be adopted together with ITIL in the future if INPI decides to incorporate them as tools and or goals Those methodologies can work as complement to ITIL, as joint adoption is possible and well-documented. In these first 3 months of activities, the main outcomes of the IT workstream were the preparation of IT questions for a general international benchmarking questionnaire sent to 3 international IP Offices; the preparation of an IT-specific benchmarking questionnaire composed by 115 questions, in Portuguese and English, to be responded by IT representatives from these same international IP Offices; and the analysis of the answers to the IT questions of the general International Benchmarking questionnaire.

The first activity conducted the IT Workstream was a thorough research about how ITIL guidance is currently being adopted by leading organizations. Since its launch in the 1980s, the guidance evolved from version 1 to 4, and we are now experiencing the transition from version 3, last updated in 2011, to version 4, launched in the beginning of 2019. Although many best practices concepts were kept the same from ITIL v3 to ITIL 4, their structure and approach has changed significantly. ITIL v3 has a more structured view of the IT Services Lifecycle, whereas ITIL 4 aims to promote flexibility through agile methodological concepts. The research indicated that the ITIL 4 approach is still in transition in many organisations, especially due to its recently development.

The results of this research culminated in a lecture to the INPI's IT team on July 16th. On this occasion, the IT Workstream presented, among others, the main concepts related to IT services, best practices frameworks and guidance, and both teams had the opportunity to discuss and align the expectation for the next steps (see **Annex 8** for the lecture's content).

Consequently, having defined that the benchmarking exercise should comprehend not only how IP Offices adopts ITIL in practice, but also the transition from an ITIL version to another, the IT Workstream supported the development of the International Benchmarking Questionnaire, specifically in the section related to IT. The questionnaire content was based on ITIL v3, ITIL 4, ISO/IEC 20000 and also in some respects from COBIT, given that INPI's team mentioned their interest in this specific guideline as complementary to the ITIL framework. The benchmarking questionnaire preparation and outcomes are described in detail in Section 4, and is the result of the following activities:

- Meetings with INPI's IT team, in which each question has been discussed and validated;
- Preparation of the questionnaire in both languages, Portuguese, and English;

- Questionnaire made available as Microsoft Word files and also as forms from Google Forms platform.

After the validation of these questionnaires with INPI, the benchmarking exercise was conducted in two different steps. First, as a section of the full international benchmarking questionnaire that included questions from all workstreams; and second, as an IT-specific benchmarking questionnaire, that included a broader set of IT-specific questions, and that can be found in the IT Annex.

In relation to the full international benchmarking questionnaire, the IT questions were developed to better understand the IT Services under a strategic perspective. In other words, the purpose was to understand if the selected international IP Offices were aligned with best practices concepts and guidance, which frameworks were adopted, versions, etc.

Although both questionnaires have been approved by INPI, only the full benchmarking questionnaire was delivered to and responded by the international IP Offices. This is because the responses to the IT-specific benchmarking questionnaire require the indication of IT focal points by each IP Office, something that had not happened at the time of finalisation of this report.

Regarding the preliminary findings of the IT Workstream, this PDR focuses on the analysis of answers received from the IP Offices of United Kingdom (UK IPO), Australia (IP Australia) and Korea (KIPO). The answers of the IT specific benchmarking questionnaire, and its corresponding analysis, will be included in future deliverables from the IT Workstream.

The answers provided by the UK IPO, IP Australia and KIPO confirmed the general guidelines of the activities that are being held by the IT Workstream together with INPI. This conclusion came from the observation that, the three IP Offices seem to be structured on a best practice basis, aiming at innovation, continual improvement and agile performances, all associated with a strong strategic alignment.

It was observed that best practices guide the ITSM in the three IP Offices consulted. However, despite that similarity, the answers from UK IPO and IP Australia, related to ITSM, have an additional aspect in common that must be highlighted: both IP Offices mentioned their ITIL v3 adoption and their transition to an upgraded version. This suggests that they already identified the need to have ITSM guidance aligned with the changes brought by the 4th Industrial Revolution, especially technology innovation and agile methodologies, which are essential concepts in the ITIL 4 framework.

These three IP Offices currently work based on agile methodologies, focused on innovation and continual improvement routines that are previously established. More than a coincidence, this results from this work based on best practices strongly suggests that the improvement of IT Services, aimed at providing better IP Services, necessarily pass through an agile performance, aligned with the technology evolution and continually reviewed to be even more efficient.

With regard to innovation, the three IP Offices affirmed that they are considering adopting new technologies such as artificial intelligence-based systems, for initial assessment (IP Australia, KIPO); for the assessment of image files for suitability (UK IPO, IP Australia, KIPO); for patent prior art search (UK IPO, IP Australia, KIPO) and for the assessment of patents meeting formality requirements (IP Australia, KIPO).

With regard to continual improvement routines and plans for improving IT systems in the next 5 years, the answers from the three IP Offices were also similar. All of them mentioned the existence of processes focused on continual improvement already implemented, as well as routines to promote regular reviews of their plans for IT systems improvement. The UK IPO affirmed that, in addition to already having routines and methodologies in place which focus on continual improvement, they will soon have initiatives aiming at delivering the improvement at an even higher pace.

Another key finding reveals a common effort towards the improvement of systems aimed at digital services, integrated platforms and providing better IP services for customers.

More than just a support resource, technology plays an important strategic role in these organisations by helping them to achieve corporate goals more efficiently. The main best practices' frameworks, including ITIL, highlights the need to establish a clear alignment between the corporate strategy and the IT strategy, aimed at better results and increased effectiveness.

In sum, the answers from UK IPO, IP Australia and KIPO indicate a movement towards implementation of best practices, agile methodologies, innovation and continual improvement, all of which are cornerstones for ITIL (and in particular ITIL 4), the framework selected to drive improvements at INPI.

The answers also demonstrated that these concepts work well for public services and are possible in practice, most notably when based on best practices, proven methodologies and guided by a well-planned implementation process.

## Human Resources Services

The objective of this Preliminary Diagnostic Report of INPI's Human Resources Services is to develop a preliminary understanding of INPI's workforce, career track and organizational structure.

As per the workplan approved for the first 3 months of the project, the HR workstream has successfully completed all activities defined under "Milestone 2.10: Preliminary Diagnostic Report":

- Gather formal information regarding workforce (Quantitative data - how many, salary paid, formal position; Qualitative Data - Statutes and Regulation applicable to INPI);
- Gather Institutional Info regarding workforce (further required data, beyond FOI, such as workforce profile, salary composition; accurate job position inside the organizational structure - check adherence of work processes to formal positions); main problems;
- Interviews regarding institutional practices regarding performance evaluation and career paths (ongoing);
- Sharing of Preliminary Results;
- Develop Preliminary Diagnostic Report, describing activities carried out in the months of pandemic-related restrictions, with assessment of quality of findings and roadmap for possible revalidation of findings.

The methodology used consisted of collecting: (i) formal data identification (statutes and regulations); and (ii) institutional data (workforce profile, payroll, career plan, performance evaluation forms; organizational chart; workforce positioning, managerial roles and structure).

In terms of data analysis, the HR Workstream focused on: (i) career progression and job planning: regulatory timeline and implications, workforce profile (age, gender, ethnicity, employee tenure), career positioning and progression; and (ii) organizational structure: regulatory timeline and implications (creation, extinction and transformation movements), quantification of managerial roles and workforce and gender identification, employee attendance.

The next step involved obtaining data and informal practices, such as unregulated practices and cultural habits, through (i) interviews with managers and (ii) focus groups with employees. The data collected was extremely helpful to provide an initial understanding of Human Capital Management practices at INPI and improve the depth of HR diagnoses. The current stage of HR's workstream covers formal and hard data analysis, to be followed in October and onwards by validation of informal data against real data, through consultations, focal group dynamics and in-depth interviews.

The available formal data depicts the following tentative findings:

- Organizational structure requires improvement and possibly streamlining in terms of size and/or adequation of unit status. The diagnosis is that there are too many “boxes” in the structure of the organization, which leads to inefficiency. The goal is to develop a new organizational structure that streamlines units and facilitates flow of processes in the organization
- Some employees are performing roles outside of their job description, which, among other challenges, make more difficult the planning for provision of new staff. Career benefits are universally given and fail to incentivise improved performance
- Career framework and performance evaluation procedures must be revised

## Conclusions and Next Steps

Commencing as it did at the start of the global Covid-19 pandemic, the Brazil IP Programme was forced to quickly adapt its workplan and vision for the Inception Phase of the programme to incorporate remote working. Initially expected to last three months, remote working has in fact become the modus operandi for the Programme and this is likely to remain the case for the short to medium term at the very least. The ability to quickly pivot and operate successfully in this unfamiliar environment is due in no small part to the commitment and dedication shown to the Programme team by INPI counterparts, who participated in extraordinary numbers in the numerous video calls and online meetings which were a central part of the activities undertaken between June and September.

One of the key findings of this phase of the Programme is that it is challenging to recreate virtually the organic co-creation and building of bonds which occurs when a project team is physically

embedded within an organisation such as INPI on a day-to-day basis. When all meetings are conducted remotely, it takes more time and demands a more concerted effort to ensure that trust and a common vision between parties develops. This will continue to be a central focus of the project team over the remainder of the Inception Phase, as this relationship will be central to the success this programme over the coming years.

This report outlines the activities undertaken by the project team to date and analyses whether remote working has had a negative impact on the quality of the Programme overall. It concludes that all five workstreams were able to successfully adapt their ways of working to ensure that there was no impact on the quality of work being delivered. In four of the five workstreams, the Report has concluded that there is no readjustment to the workplan needed and that all activities originally planned to be conducted remotely can be switched to a virtual format without any negative impact on their quality or their proposed timelines. For the Processes workstream, the Report has concluded that some adjustment to the current timelines will be needed in order to protect the quality of deliverables for INPI. This is due in part to the methodology being used in the Processes workstream, which is heavily dependent on co-creation via workshops between INPI and the workstream team. By switching these workshops to a remote format, there are necessary adjustments needed so that participants are not asked to commit to virtual workshops lasting all-day. In addition, upon commencing their work with INPI, the Processes workstream was able to develop a more informed view of the level of detail needed to successfully deliver the future design of each of the Macroprocesses to the level of detail needed by INPI. These two elements have meant that a revised workplan for the Processes workstream is needed to preserve the quality of the Programme. This is currently in the process of being agreed between stakeholders.

Next steps for the programme will involve intense participation from INPI staff, maintaining the high degree of engagement experienced so far. Together Palladium and INPI will co-create conclusions and recommendations that will lead into a draft inception report, which will be multi-phased, starting in January 30 and ending on July 30. Another key focus will be to incorporate findings and guidelines to INPI on GESI (Gender Equality and Social Inclusion), whose report is due on October 8<sup>th</sup>, 2020. Similarly, in the next months, there will be intense collaboration with INPI staff to design the Theory of Change – which sets technical goals, intermediate goals, and then links those outcomes of the Programme to the wider benefits to IP community and Brazilian society.

Together, these steps will allow the Programme to move further towards its goal of facilitating INPI to become an IP office for the 21<sup>st</sup> century. As importantly, they will allow the ambitious primary and secondary benefits of the Programme to be achieved, with resulting positive impact on all Programme stakeholders.

# QUALITY MANAGEMENT SYSTEM

# 02

## Introduction

This is the Preliminary Diagnostic Report of INPI's current state of Quality Management System (QMS), referring to the first three months of the Inception Phase.

During these three months, data and information collection and analysis activities were conducted with the aim of producing an overview of the performance and the actual situation of the QMS at INPI. Although the scope stated that the investigations would be carried out only with the examination of formal documentation, there was an opportunity to conduct interviews with some representatives of the quality system in various departments of the INPI. In addition to collecting information, one of the aims of this exercise was to establish trust, inform the goals and deliverables of this workstream, and hear personal observations about the procedures of each department.

The conclusions are based on the examining more than 700 documents and analysing 16 interviews on:

- Current situation of QMS activities and efforts conducted over each department
- Information about carried out projects, rules and standards currently adopted
- Analysis of the main results achieved to date – examination of formal reports sent by INPI
- Identification of Quality Management activities potentially necessary at INPI 8 processes to be considered.

Concluding we can state:

- Significant advances have been achieved in the last 2 years due to the actions and leadership of CQUAL (Quality Centre = General Coordination for Quality)
- The QMS is at an early stage of maturity (some differences were found between the processes - Patents, Trade marks, Industrial Design, Administrative Support). The average gap to achieve reasonable quality standards when assessed by ISO 9001/15 criteria is greater than 50%
- Significant effort will still be made to ensure adequate assimilation and understanding by organizing the vision of multifunctional processes, risk-based management, customer-centred operations, statistical process control (SPC) and lean thinking
- To date, only compliance risks have been considered as part of the work by INPI to identify and manage risks associated with the various processes Among the 37 risks identified across the organization, only two relate to the operations themselves. The rest are linked to compliance and organisational integrity



## Survey on ISO 9001-15 and other standards applicable to the INPI case

There are various possible definitions of quality, from “conformance to requirements”, “fitness for use” to “users’ satisfaction”. In its fullest form, quality is an entire system of thought. If quality initiatives are supposed to succeed, they must be implemented organisation-wide because all functions are interrelated. A consequence of the need for a company-wide quality initiative is that the formulation of such a strategy must involve all management levels. This new process also changes the nature of the quality professionals needed by organisations. Understanding corporate strategic goals becomes more important than possessing technical expertise, and education of all staff in the organisation becomes necessary. **Figure 1.1.1** shows the seven quality management principles that are part of a **QMS** (quality management system)

Figure 1.1.1

Quality Management Principles (source – ASQ – American Society for Quality)



In order to make an assessment about their **QMS** and to plan their improvement, organisations use conceptual models and standards that establish parameters to be reached in order to have an optimal level of quality in their activities and in their management. ISO 9001:2015 is the most recognized and implemented **QMS** standard in the world and specifies the requirements that organizations can use to develop their own programs. Other standards related to quality management systems include: Baldrige National Quality Program, WIPO Common Quality Framework (specific for IPOs), EFQM (the European Foundation for Quality Management model), the rest of the ISO 9000 series (including ISO 9000 and ISO 9004), the ISO 14000 series (environmental management systems), ISO 19011 (auditing management system), MEG 21 (Fundação Nacional da Qualidade – BR), Carta de Serviços ao Cidadão (Services Quality to Citizens – for public organisations in Brazil), etc.

There is no perfect **QMS** model and each one of them has its advantages and disadvantages. The main reasons for the non-adoption of the models are excessive bureaucracy, the subjectivity in evaluations and high costs of updating. For this preliminary report and after discussions with **INPI**'s project staff, it was agreed that the best approach to evaluate its **QMS** maturity stage is using ISO 9001:15 as a guide for analysis and identification of main gaps to overcome. As the ISO 9001:15 requirements and checkpoints are similar with WIPO Common Quality Framework (PCT – chapter 21) and, in some ways, more demanding, questionnaires and analysis frameworks in this report follows its criteria.

### Analysis of the main results achieved to date

Based on 16 (sixteen) interviews with representatives and highly engaged personnel working as quality management interface into the 8 (eight) macro process, the ISO diagnostic tool can be seen in the **Annex 1 (Excel file)**. The items analysed summarize the current **QMS** performance and answer the question formulated by consultants as a base for investigations:

“Does INPI analyse and evaluate appropriate data and information arising from the monitoring and measurement activities?”<sup>2</sup>:

The analysis for each requirement was summarized in 4 concepts with a corresponding colour, as shown in **Table 1.2.1**:

Table 1.2.1  
Results achieved to date

| Noticed requirement situation   | Notation |
|---|----------|
| <ul style="list-style-type: none"> <li>fully meets the requirement</li> </ul>     |          |
| <ul style="list-style-type: none"> <li>partially meets - more than 50%</li> </ul> |          |
| <ul style="list-style-type: none"> <li>partially meets - less than 50%</li> </ul> |          |
| <ul style="list-style-type: none"> <li>does not meet the requirement</li> </ul>   |          |
| <ul style="list-style-type: none"> <li>not accomplished</li> </ul>                | NA       |

## Summary of results

Apart from the undeniable progress observed in **QMS** implementation in recent years, **INPI** does not analyse and evaluate in-depth the appropriate data and information arising from the monitoring and measurements activities. There is a slight variation between macro processes results, with only International Patents (PCT) appearing to be in a more advanced position. The biggest gaps occur in the effectiveness of actions taken to address risks and opportunities, statistical process control and in the data and information availability to improve **QMS**. **Table 1.2.2** displays the performance results achieved to date for each macro process.

Table 1.2.2 - Performance results achieved to date for each macro process

| Macro Process   | 01              | 02               | 03/ 04         | 05               | 06              | 07             | 08            |
|---|-----------------|------------------|----------------|------------------|-----------------|----------------|---------------|
|   | National Patent | International pa | Trademarks & I | Budget Financial | Information Tec | Infrastructure | Human Resourc |
| <b>Conformity of services</b> – Analyse data of nonconformities encountered, identify the root causes of quality problems or nonconformities and to derive corrective actions and improvements  | Yellow          | Blue             | Green          | Yellow           | Green           | NA             | Red           |
| <b>The extent of customer satisfaction</b> – evaluate continually and systematically whether the INPI delivered service meets the requirements and expectations of its customers throughout its life cycle.   | Red             | Green            | Green          | Red              | Yellow          | NA             | Red           |
| <b>The performance and effectiveness of the QMS</b> – the methods of monitoring, measurement, analysis, and evaluation shall prove the ability of the processes to attain desired results. According to the results of the analysis, resources and activities, the processes should be adjusted in order to meet business objectives. | Yellow          | Yellow           | Yellow         | Yellow           | Red             | NA             | Yellow        |
| <b>The effectiveness of planning and implementing of the QMS</b> – does INPI measure whether the processes, operations, and activities of the QMS are implemented as planned?   | Yellow          | Blue             | Yellow         | Yellow           | Red             | NA             | Yellow        |
| <b>The effectiveness of actions taken to address risks and opportunities</b> – addressing risks refers to the achievement of their goals: mitigate, eliminate, or reduce the risk to an acceptable level. The objective is to create an iterative process of ever improving the controls.   | Red             | Yellow           | Yellow         | Red              | Red             | NA             | Red           |
| <b>The performance of external providers</b> refers to their abilities to deliver services in accordance with predefined requirements   | Yellow          | Green            | Green          | Yellow           | Green           | NA             | Yellow        |

|  |     |       |        |     |        |    |     |
|--|-----|-------|--------|-----|--------|----|-----|
| <p><b>The need for improvements to the QMS – QMS</b> should provide data and information that can lead to improvements, redesign, or reengineering of business activities. The results of the analysis and evaluation will allow the organization to determine whether certain opportunities shall be forwarded to the process of continual improvement.</p> | Red | Green | Green  | Red | Red    | NA | Red |
| <p><b>FINAL SCORE</b></p>  | Red | Green | Yellow | Red | Yellow | NA | Red |

## Examination of formal reports sent by INPI

**INPI** has advanced in its **QMS** since the creation of the quality department CQUAL and the establishment of its quality policy. The initial policy defined the first norms for processes standardization, codification, document hierarchy responsibilities for maintenance and control. The quality policy was published through Normative Instruction No. 111 in November 2019, which began a process of raising awareness around the need to incorporate quality routines throughout the organization. However, while this key step has been taken and recognized by the organization, **INPI's QMS** is still at its beginnings with unbalanced results in terms of documentation and engagement across different macro processes.

In this section, a preliminary analysis of the set of documents that were made available to the project by **INPI** has been conducted (see Annex I, Excel file). The list of documents was analysed considering the requirements of ISO 9001/2015. ISO 9001/2015 system was chosen as the guideline for **QMS** implementation as it is the most adopted and recognized reference in the certification for quality management system. Moreover, the system encompasses all the quality management requirements, including all the ones described in the Patent Cooperation Treaty (PCT, Chapter 21).

Given **INPI** organizational complexity and size, the documentation analysis compared the following macro processes.

- National Patents
- International Patents (PCT/RO/ISA/IPEA)
- Trade marks
- Industrial Design
- Budget, financial and accounting management
- Information Technology
- Logistics & Infrastructure
- Human Resources Management
- IT Services

Given the preliminary status of this diagnosis, to be expanded further at a later stage, only the most commonly used documents were used as references. Documents were analysed and rated with the following the rules:

- Not applied/Non-existing 0%;
- Applied/Not Documented 25%,
- Documented/Not Applied 50%,
- Applied and Documented 75%;
- Applied/Documented and Controlled 100%.

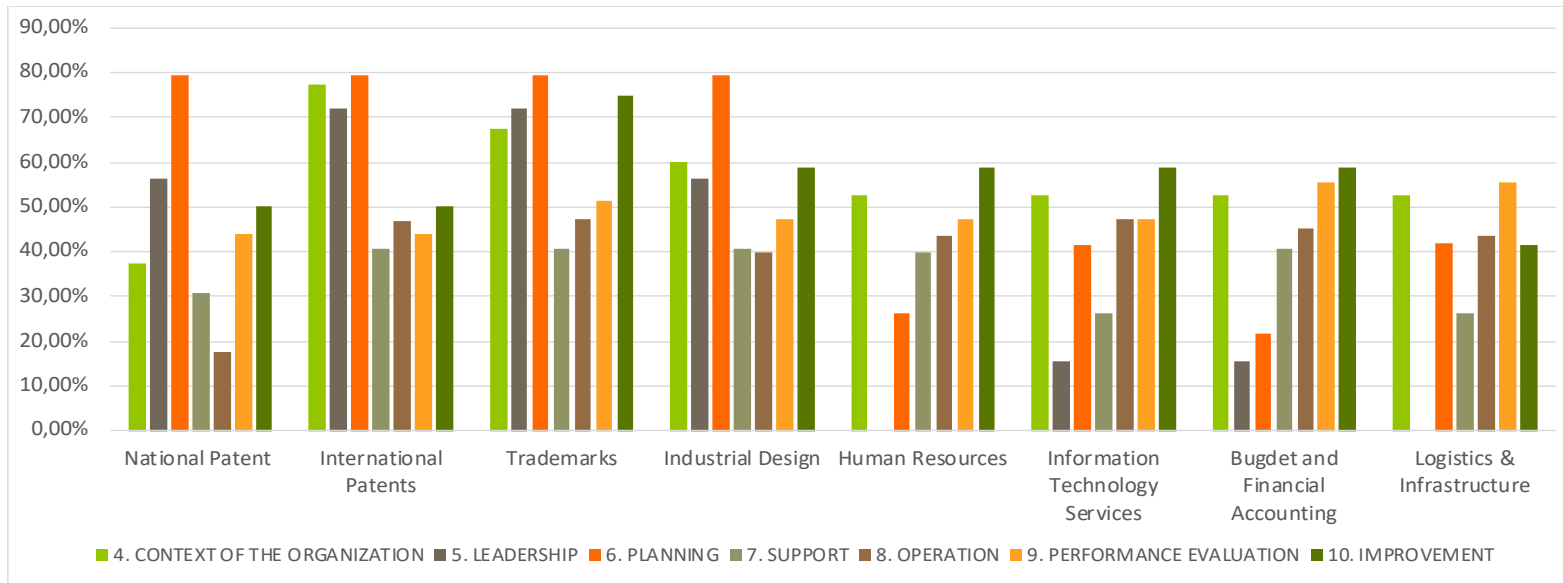
**Table 1.3.1** and **Figure 1.3.1** shows the average score of this preliminary analysis. Areas meet on average about 50% of the mandatory documentation requirements for ISO 9001.

**Table 1.3.1 – Preliminary Analysis of INPI’s QMS implementation process based on main reference documents by macroprocesses**

| Quality Management Principles   | National Patent | International Patent | Trade marks   | Industrial Design | Human Resources | Information Technology | Budget and Finance | Logistics & Infrastructure |
|---------------------------------|-----------------|----------------------|---------------|-------------------|-----------------|------------------------|--------------------|----------------------------|
| 4. CONTEXT OF THE ORGANIZATION  | 37,50%          | 77,50%               | 67,50%        | 60,00%            | 52,50%          | 52,50%                 | 52,50%             | 52,50%                     |
| 5. LEADERSHIP                   | 56,25%          | 71,88%               | 71,88%        | 56,25%            | 0,00%           | 15,63%                 | 15,63%             | 0,00%                      |
| 6. PLANNING                     | 79,55%          | 79,55%               | 79,55%        | 79,55%            | 26,14%          | 41,30%                 | 21,59%             | 42,05%                     |
| 7. SUPPORT                      | 30,95%          | 40,48%               | 40,48%        | 40,48%            | 39,77%          | 26,19%                 | 40,48%             | 26,19%                     |
| 8. OPERATION                    | 17,73%          | 46,80%               | 47,38%        | 40,00%            | 43,60%          | 47,10%                 | 45,16%             | 43,67%                     |
| 9. PERFORMANCE EVALUATION       | 43,92%          | 43,92%               | 51,35%        | 47,30%            | 47,30%          | 47,30%                 | 55,41%             | 55,41%                     |
| 10. IMPROVEMENT                 | 50,00%          | 50,00%               | 75,00%        | 58,82%            | 58,82%          | 58,82%                 | 58,82%             | 41,67%                     |
| <b>QMS IMPLEMENTATION SCORE</b> | <b>47,13%</b>   | <b>52,04%</b>        | <b>54,72%</b> | <b>49,00%</b>     | <b>41,92%</b>   | <b>44,63%</b>          | <b>44,35%</b>      | <b>42,36%</b>              |
| <b>GAP</b>                      | <b>52,87%</b>   | <b>47,96%</b>        | <b>45,28%</b> | <b>51,00%</b>     | <b>58,08%</b>   | <b>55,37%</b>          | <b>55,65%</b>      | <b>57,64%</b>              |

Figure 1.3.1

Implementation Status Graph





Comparing current documents to the ISO 9001/2015 main dimensions, it is possible to highlight some key aspects:

### Context of the Organisation

- INPI publicised the QMS Policy, including guidelines and objectives to be achieved, across the whole organization, which had a positive impact in raising the organization's expectations and ambitions for the topic.
- There had been an effort across the different departments (macroprocesses) to map the relevant stakeholders and processes, which are being updated and refined in this Programme.
- Quality initiatives and processes are dispersed and present different maturity levels across different departments. These are dependent on the effort of a few individuals (focal points) who are working to define quality processes, conformity measures, and manuals.
- However, the scope of the **INPI's QMS** is not yet defined. Many issues remain regarding the very understanding of what quality is, what value is to **INPI's** client as well as what the general and shared purpose/vision of the organization is.

### Leadership

- INPI's top management has understood the importance and need for quality systems and is heavily supportive of these developments, which have been stated in **INPI's** Strategic Plan for 2018-2021.
- Within INPI, there is a highly engaged group of professionals who have shown a great deal of commitment and initiative towards implementation of the QMS.
- **QMS** is not yet a widely diffused practice throughout the organization. The quality department CQUAL provides important support to quality initiatives as well as training and has shown to be committed to understanding the unique needs and challenges of different departments and levels of the organization.
- Individual leaders and heads of departments have conducted initiatives writing norms, procedures, and defining manuals to macroprocesses.
- One drawback of the leadership element is the lack of customer focus. The bureaucratic and governmental nature of **INPI** combined with the absence of potential competition may hinder the development of a customer-centric approach. Thus far, there are few internal processes to measure customer satisfaction.
- As previously mentioned, **INPI** has made public its quality policy and is working towards defining its scope and the organization.

### Planning

- The element "Planning" received the highest score in four macro processes.
- The organisation has quadrennial strategic planning processes with yearly adjustments through action plans.
- International Patents and Trade marks received a slightly higher average score followed by Industrial Design and National patents. International Patents comply also with the Patent Cooperation Agreement which explains a higher level of standardization processes and quality.
- Human Resources, IT Services, Budget and Finance and Logistics & Infrastructure presented the lowest values when compared with the other processes

## Support

- This element is one of the main weaknesses of **INPI's QMS**. The lack of integration between macro processes results in a very uneven adoption of practices and lack of integrated communication to allow similar goal sharing and synergy among end-macro processes and support systems.
- The fact that documents are lacking, however, does not mean that requirements do not exist, but rather they happen informally.

## Operations

- The evaluation of operational quality requirements and performance are directly related to the definition of quality to the customer.
- As **INPI** can be viewed as a services provider of a very particular type, there appears to be a need to further improve the understanding of quality through a customer-centric approach in addition to the legal parameters that **INPI** already complies with.
- Operations are the backbone of both the organisation and its quality systems which must flow properly and be documented as necessary. These processes are currently being mapped by the Processes workstream and major changes in **INPI's** operations are expected to occur as a result of this.

## Performance Evaluation

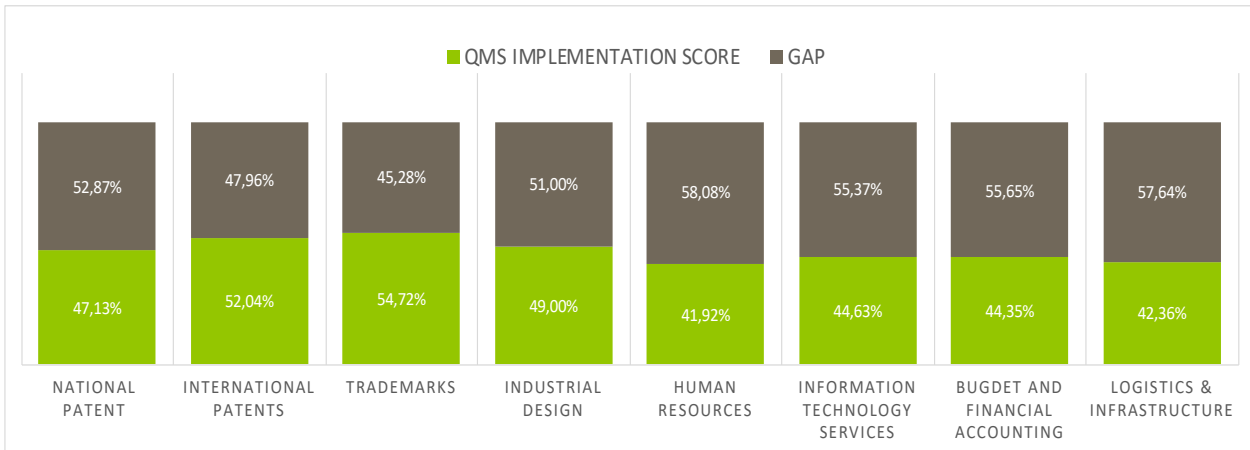
- Macro processes use some basic performance indicators which focus mainly on monitoring IP requests or appeals' processes as well as time taken to respond to requests and conformity among examiners.
- However, the definition of conformity is at its beginnings in all levels of the organisation. In November of 2019, a taskforce produced a significant report to find and define internal controls and conformity parameters based on internal processes and international benchmarking. Thus, internal auditing criteria are also being developed.
- While this quality dimension requires development, it is highly dependent on the procedural standards defined earlier in this report.

## Improvement

- In terms of improvement practices, based solely on documents made available, it is possible to find several documents that constitute continuous revisions based on action plans. Nonetheless, it is not clear if these revisions are based on specific procedures of continuous improvement or sudden adjustments defined by external pressure.
- Given the lack of quality system maturity, this element also requires further development to establish the pursuit of continuous improvement more systematically. It is important to highlight the role of leadership and a clear positive attitude towards change.
- Based on this preliminary evaluation, the preliminary gap related to mandatory and main documents required to meet ISO 9001:2015 standards can be viewed on **Figure 1.3.2**.

**Figure 1.3.2**

**Preliminary/Limited Gap Analysis based on available documents**



## On-going projects, rules and standards currently adopted

Several projects are currently taking place at INPI across all macro processes. Projects cover many quality elements including processes improvements, new standards, communication, and risk management. Below is the list of main categories of documentation and processes that this workstream analysed and which will inform our gap analysis and support development of improved QMS:

### National Patents

- Examination efficiency and quality process
- Review of the examination guidelines and quality evaluation system;
- Backlog reduction Plan;
- Defining standards and guidelines for exams prioritization;
- Workload distribution across examiners;
- Automatization of patent search using CAS;
- WIPO Standards adoption.

### PCT International Applications

#### Risk Management Improvement

- Risk Matrix to the Receiving Office (R00) – Already done;
- Risk Matrix of the ISA and IPEA.

#### Process and Quality improvement

- Defining the procedures to reviewing research reports (“A” Documents Only);
- New system under development to replace SISCAP;
- Definition of procedures to evaluate examination quality for ISA and IPEA sampling inspection;
- RO / ISA / IPEA Work Instructions;
- Preparation of the PCT Research and Examination Guidelines.

#### Communication and Training

- RO / BR Depositor's Guide and RO FAQ;
- Online training for examiners.

### Trade marks

#### Processes and Quality Improvements

- Quality exam review;
- Defining Individual examination assessment considering quality criteria;
- Improvement of the Organizational Performance Assessment process at DIRMA;
- Structuring the Madrid Protocol Operation.
- Communication improvements
- Internal Communication Management;
- Customer relationship management and user-based view;
- Digital-IP: Possible new channels: Phone, WhatsApp, Online service.

### Industrial Design

#### Processes and Quality Improvements

- Defining the Industrial Design Exam Quality Management System;

- WIPO-DAS: official copy provided by a fully online system;
- Developing Industrial Property Automation System (IPAS) for Industrial Design (partnership with WIPO).

## Budget, finance, and accounting management

### Processes and quality improvements

- Risk Management with CQUAL;
- Defining document Standardization System;
- WIPO exchange simplification proposal;
- Adhering to TransformaGov (includes Mais Brazil Network);
- Digital-IP to facilitate **INPI** services to the Internet;
- Review of Normative FT 126.

## Information Technology

### Processes and Quality improvements, including COSIS & COINF

- Risk Management Action Plan;
- Madrid Protocol adoption;
- Acquire and deploy a tool to audit access to servers and files;
- Harmonization of the Distribution of Patent Production by Technological Area.

## Communication improvements

- Defining unified communication procedures;
- Providing support to teleworking environment for all **INPI**;
- Continuous Integration and Delivery Model;
- Support to **INPI** Digital-IP.

## Logistics & Infrastructure

### Processes and quality improvements

- Risk Management Action Plan;
- TransformaGov Program;
- Document Standardization System.

### Communication improvements

- Implementation of the unified communication system (AHAYA) - In progress;
- Implementation of the consultative engineering model - In the planning phase / model by product.

### Infrastructure development

- Improvement of the infrastructure of physical facilities;
- Improvement of the management of property, equipment, and other assets;

- Implementation of SIADS (Warehouse and Heritage System);
- Disposal commission (classification of physical assets).

## Human Resources Management

### Training and Personal Development

- Manager Development Program (PDG);
- Technical Development Program (PDTEC);
- Language Education Program;
- Performance Coaching Program;
- People Development Plan (PDP).

### Communication improvements

- Improvement of the HR page on the intranet;
- Video tutorials available on the intranet.

### Processes and Quality improvements

- Review of the Performance Evaluation System;
- Review of indicators with the General Coordinator and CGRH working group;
- Document standardization system;
- Expansion of the Implementation new management modalities;
- Improvement of the Individual Performance Management Model.

## Quality Management activities potentially necessary for the 8 Macroprocesses

**INPI** has been moving forward with several improvement projects in a relatively ad hoc manner. Several challenges remain in order to fully establish quality management system. In addition to the ones that are currently being conducted, we highlight the following as natural next steps:

### National Patents

- Define the quality objective criteria for examiners
- Improve processes in order to avoid rework done in other international offices
- Need to define more and higher-quality performance indicators
- Improve documentation on procedures
- Need to improve and harmonize procedural standards
- Define a policy for workload distribution.

### PCT International Applications

- Defining parameters and criteria to analyse and revise the quality of the reports issued ISA / IPEA
- Improve performance indicators and automate **INPI** systems to generate statistics in real-time to management processes instead of the current manual system.
- Improve and further integrate ISA / IPEA forms in the XML standard as requested by WIPO

### Trade marks

- Develop quality indicators for trademark technical examination
- Improve customer/user-centric approach to processes
- Create demand forecasting methods that allow the allocation of resources with sufficient time to avoid a new backlog and ensure the continuity of user satisfaction
- There is a need for convergence between the different areas of the **INPI** in order to standardize the management model of the different common processes.
- Improve knowledge management process which is poorly operationalized in IT and impacts the learning curve of the area.

## Industrial Design

- Apply the **QMS** to all processes in the Board
- Modernize merit examination procedures which still depend on old tools and free third-party systems
- Create systems to avoid judicial conflicts of understanding between first and second instance (CGREC) on the application of procedures already supported in the Industrial Design Manual
- Improve communication, standards, and procedures. This must be clear and uniform and depends on a good computerized system
- Improve standardization of technical examination practices
- Need to harmonize legislation with the international practice performed in other IP offices to prevent legal uncertainty
- Enhance the Industrial Design Manual that in its current state does not cover a considerable part of the situations examined.

## Budget, finance and accounting management

- Improve process mapping to identify those that are out of date, those that are missing, those that are truly complete and those that need a greater level of detail (activity level)
- Develop and formalize quality indicators.
- Develop Indicators to point out the assertiveness in the performance of tasks by CGOF staff.

## Information Technology

- Create and institutionalise criteria for prioritizing demands
- Improve standard processes of documentation
- Improve communication of the demands met by IT and the area indicators for the **INPI**
- Develop and communicate plan in IT actions to address other sectors of the **INPI**

## Logistics & Infrastructure

- Develop the compliance standards with the steps that must be followed for contracting
- Improve administrative knowledge of individuals in the requesting areas to gain flexibility in developing Requests for Proposal (RP)
- Create better processes to deal with the large stock of documents to scan
- Develop systems to better manage and preserve documents for long-term access to digital archives
- Develop processes and key performance indicators (KPI).



## Human Resources Management

- Improve communication processes at headquarters and with regional offices
- Evaluate ways to make the Normative framework more flexible. The current format limits the possibilities for changes in the organisation due to rigidities of the career of public servants (inability to relocate civil servants according to skills)

## Quality of findings, roadmap for possible revalidation of findings and next steps

The main objective of this workstream (Quality Management Services) is to deliver a high-level design of future processes to a new or revised **QMS**, designed to meet the agreed standards identified in Benchmarking and in-depth assessment, in order to give the **INPI** the opportunity to become an international reference.

Because of lockdown restrictions and non-face-to-face activities, findings from the initial steps of the Inception phase incorporate some drawbacks from having been conducted exclusively remotely. All interviews, information gathering, and data research tended to incorporate a degree of formality and impersonality. To mitigate this, we brought forward to June and July meetings planned for a later stage, so that we could keep the quality of findings at their highest.

For a quality management system in particular, two of the seven principles that drive a superior performance – relationship management and people engagement – can be fully observed only by an informal and personal contact with leaders and stakeholders.

Although all of the findings and conclusions are solidly based on recorded facts and observations, the results of the personal interviews conducted provided a more organic view, adapting better to the real organizational climate. It is essential that the next steps start with a complementary lens of analysis to the main findings and conclusions from this preliminary phase with in-depth interviews with the Board and Senior Management (about 10 interviews), either remotely or in-person.

The gap analysis and the assessment of the readiness of **INPI** to comply with ISO 9001: 2015 standards, or another best practice to be chosen later, should be conducted based on a survey with a safe (statistically relevant) sample of participants.

The design of future processes for a new or revised **QMS** will include guidelines and recommendations on structure, processes, resources, and roles within revised quality function.

A suggested plan and justification for including the main improvements to be made will be prepared considering the results of the survey, international benchmarking, management goals and expectations and inputs from the redesign of the business processes.

## Acknowledgments

A non-exhaustive list of INPI staff involved in consultations for this workstream can be found below. Alessandro Bunn Bergamaschi, Adriana Figueiredo Cima, Iloana Peyroton da Rocha have attended meetings for all workstreams. We would like to thank you for your inputs and apologize in advance in case a name has been omitted. Most certainly there have been collaborators working hard in the background with their knowledge, and we extend our gratitude to you as well.

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Helena Acacio Santini Pereira  
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Patricia Ferreira de Lima Rocha Fernandes  
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# PROCESS MANAGEMENT

# 03

## Introduction

This report describes the first part of the Process Management workstream of “A Brazilian Intellectual Property Office for the 21st Century” programme. The objective of the project is to design, plan and support the implementation of an improved process management system to plan and execute eight of the macroprocesses that **INPI** uses to deliver and support its core business.

From June to August 2020, **the Consultants** carried out a preliminary diagnosis of the eight macroprocesses within the scope of the Processes Workstream: National Patents; PCT International Applications; Trade Marks; Industrial Design; Human Resources Management; Information and Communication Technology Management; Budget, Financial and Accounting Management; and Logistics and Infrastructure Management. These macroprocesses are classified into two categories: Core Processes, linked to the essence of the organisation's functioning, and Non-core Processes, essential for the effective management of the organisation, being transversal throughout all areas.

- Several different INPI teams, formed by the macroprocesses focal points, participated in workshops to contribute to information gathering. CQUAL provided support and monitoring for the workshops, which contributed to the success of the activities; their insights and contributions allowed for a better understanding of the macroprocesses' context at INPI.
- **Procomex** conducted diagnostic work in three stages: Obtaining and assessing macroprocesses documentation;
- Holding workshops with the macroprocesses' focal points; and
- Preparing the A3.

The engagement of each macroprocess' key players provided access to critical strategic information, building communication bridges, and solid cooperation with **INPI** civil servants. The workshop sessions' aim was to obtain the necessary information for an objective and transparent assessment, translating the current organisational reality into categories that allow for the concise presentation of the macroprocesses milestones.

The study carried out by the Consultants during this first diagnostic phase was aligned with the work developed by the other members of the consortium, since the information collected will serve as input for the development of the Human Resources, IT, Quality and Pricing workstreams. The exchange of information between workstreams is essential for the success of the project, as the work can be clearly followed and supplemented as it is being developed.

The following report presents the information collected during the workshops, structured into categories so as to offer a helicopter view of the macroprocesses. The report was structured as follows: 1) Overview, for each macroprocess, summarising the discussions that resulted in the analysis categories; 2) An A3, for each macroprocess, providing a picture of the current situation, which serves as a basis for the mapping work; and 3) A general conclusion of the study.

This joint activity with **INPI** civil servants can be considered the first significant step involving reflection and self-assessment of the processes, which will eventually lead to transforming the organisation in order to reach **INPI 4.0**.

## Methodology

**Procomex** Institute uses the **Procomex** Process methodology for process redesign. This method for diagnosing processes is helpful in formulating action plans, as it identifies opportunities for improvement and specific solutions in the short, medium and long term, which will serve as a basis for decision-makers. Process mapping allows all involved players to participate together, developing a shared, holistic, and detailed vision of the processes that can inform all other workstreams and objectives of the Programme.

Co-creation is the foundation of the **Procomex's** Process methodology work since all the information supporting the diagnosis and proposals is, in a sense, intellectual property of the professionals who know the organisation best - professionals in charge of the day-to-day execution of the processes that bring **INPI** to life. The methodology enables the collection of information under the guidance of the facilitators, encouraging stakeholders to join the creative process as protagonists of change.

In order to achieve the objectives proposed for this first step of the Inception Phase, Procomex Institute developed a complement to methodology, known as A3, which incorporates elements of Design Thinking and Lean tools. The objective was to systematise and standardise relevant information so as to offer an overview of the macroprocesses, assessing the elements that are required in the mapping phase. At the same time, it was configured as a mechanism to enable communication with the macroprocesses leadership within the organisation, promoting their engagement from the start of the programme.

A3 generates added value to the process diagnosis, as it organises extensive amounts of information into specific categories, defining the context for carrying out the mapping work in a structured way. The categories defined in A3 are:

- Objectives to be achieved with the redesign of processes:
  - Aligned with the main objective as well as the strategic objectives of the macroprocess.
- Stakeholders to be involved in the mapping phase so as to have a complete view of the process:
  - Internal stakeholders of the macroprocess;
  - Stakeholders within the organisation;
  - External stakeholders.
- Self-assessment of the Area Coordination:
  - Challenges: limitations identified prior to analysing the process.
  - Strengths: attributes for leveraging the processes.
- Processes:
  - Core Processes: definition of the macro activities that make up the macroprocesses to be mapped.
  - Non-core Processes: definition of priority processes.
- Institutional Context: environment in which the process takes place.
  - Organisational structure;
  - Systems involved;
  - Revision of processes;
  - Ongoing projects/ high-impact projects.

- Monitoring: Identification of indicators for assessing the impact of implemented changes
  - Existing indicators;
  - Desired indicators.
  
- Gender and Social Inclusion Policies, a premise for the process redesign project.
  
- Transversal aspects of the processes that allow for the identification of intersections between macroprocesses:
  - Macroprocess inputs;
  - Activities carried out in partnerships;
  - Macroprocess outputs.

The development of the A3 complements the Process methodology since it allows for stakeholder engagement, the contextualisation of the process within the organisation, as well as supporting a better understanding of the macroprocess' complexity.

To have a complete view of the macroprocesses during the mapping phase, the focal points identified the relevant stakeholders as listed in **Annex 3**.

# Overview National Patents

The Patents team held six workshops during the months of June and July, totalling 9.5 hours of collaborative work between thirteen participants. The purpose of these meetings was to collect information that will provide a basic, overall understanding of the macroprocess and that will serve as an input for the mapping work.

The participants discussed the **objectives** of the process review, and the expected impact of the project. The group also identified strategic objectives (up to 2021) and DIRPA's main objective to determine if the process-related objectives were aligned with **INPI**'s structure and with the structure of the macroprocess under analysis. Among the listed priorities was the existing process review work carried out by DIRPA; the inclusion of additional stakeholders; the regulatory framework and the need to track the time of each activity. The work developed by DIRPA is not restricted to granting patents; improvements related to office administration tasks were also mentioned as being among the objectives<sup>3</sup>.

The second category discussed was the identification of the **stakeholders** related to patents, which included DIRPA civil servants that conduct part of the Patent Granting Macroprocess, as well as clients, suppliers and collaborators who participate in the process development. Internal focal points were identified on the basis of process development milestones, considering both DIRPA and other areas of coordination and Regional Units. With regard to external players, DIRPA's main clients were considered; more specifically, technological innovation hubs at Universities, law firms with a high number of patent filing requests, and associations. In addition to these major categories, internal work was carried out by some of the participants, to identify other players that would allow for a broader view of possible clients. This work is highly relevant, as different user views will result in more thorough proposed solutions.

The next step was to conduct a self-evaluation activity with the team to identify DIRPA's strengths and main challenges. These are not restricted to the Patent Granting Macroprocess, as they also consider DIRPA's institutional aspects and those of **INPI** as a whole: the **strengths** that distinguish DIRPA and will allow for the leveraging of process changes are tied to the team; more specifically, the team's familiarity with the process and the organisation, as well as the team's engagement. Another strength that was discussed was the proximity to external users. This is a fundamental aspect, since incorporating the external stakeholders' view is one of the process review's main objectives. The previous mapping prepared by DIRPA is yet another strong point, providing a learning process in mapping methodology, in flowchart design and identification of main bottlenecks to the team involved. The institutional/governmental prioritisation of this work was also considered as a strong point, as it allows for easier access to resources, if these come to be necessary.

The team identified 20 items as **challenges** and grouped them under four categories: Information Technology and Communication; Human Resources; Quality; and Structure. A number of aspects are linked to DIRPA's use of human resources in activities with no added value (due to non-intelligent systems, flaws and limitations within systems, administrative activities that are done manually etc). Moreover, the lack of an internal continuous improvement process results in re-work, due to the absence of procedures, standardisation, harmonisation, and consistent internal policies.

The consulting services' objective is to map the Patent Granting Macroprocess. To this end, the main milestones of the referred process were identified in the **process** category of the A3 in the form of a summarised flowchart. These milestones will be the basis for future discussions.

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<sup>3</sup> The DIRPA acronym will be used when considering aspects related to the Directorate, with the exception of the PCT, which will be specifically analysed in another section of this report.

The **institutional context** provides an explanation of the organisational structure within which the Patent Granting Macroprocess is developed at **INPI**. Four Technical Coordination departments report to the Patent Director's Office<sup>4</sup>, and each department has five technical examination sub-departments<sup>5</sup>, totalling 20 departments with 327 civil servants ranging from researchers to technicians. Each department examines a specific category of patent requests; however, this categorisation is based on workflow (as the aim was to standardise the number of demands received by each department) instead of on technical criteria. **INPI's** Regional Units also carry out administrative/formal and technical examination procedures; however, these units are not part of DIRPA's formal structure. Therefore, DIRPA's technical department heads assign the relevant workload to the civil servants at the regional units, as well as establishing goals, etc. To conduct their work, DIRPA's civil servants resort to a number of internal and third-party data systems. Clients of the patent granting process, in turn, use six systems to interact with DIRPA<sup>6</sup>. An important consideration, to better understand the context within which the consulting process is being developed, is that there are 11 ongoing projects, all of which will have a significant impact on the granting of patents. The projects are as follows: Intelligent System for the State Machine ; Allocation of the Examination Workload; Public Search (CAS) Physical Processes Rectification; Examination Guidelines Review; Examination Quality Review System; Plan to Eliminate Backlog; Adherence to WIPO Standards; Searches Outsourcing, Examination Prioritisation Program, and **INPI** Business.

The **monitoring** category was used to discuss DIRPA's desired and existing indicators, which can be found in the A3. Seven desired indicators were identified. This discussion also identified essential information regarding the high number of existing indicators and the need to define those that would be the most representative. The main indicators generated by DIRPA are found in the 2020 Action Plan, in the Backlog Elimination Plan, in the ANVISA Report and in the main internal instructions published in RPI. As there is no determined order of priority, these management indicators vary in importance depending on the context and the object of the examination. In addition, individual performance indicators are also applied to civil servants' productivity, measuring the progress of examination and administrative functions.

**Gender equality and social inclusion policies** are an essential aspect of this project. There are currently no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing number of **INPI** professionals by gender, ethnic background and people with special needs, providing a general view of the area.

The last issue to be addressed in the workshops with DIRPA civil servants were the **transversalities** that exist between the Patent Granting Macroprocess and the other **INPI** macroprocesses. Three categories were created with the purpose of guiding this discussion: 1) processes in other areas that generate input for Patents; 2) processes conducted under partnerships; and 3) outputs generated by Patents that have an impact on other processes. The figure below presents a high-level representation of the transversalities identified by the workshop participants.

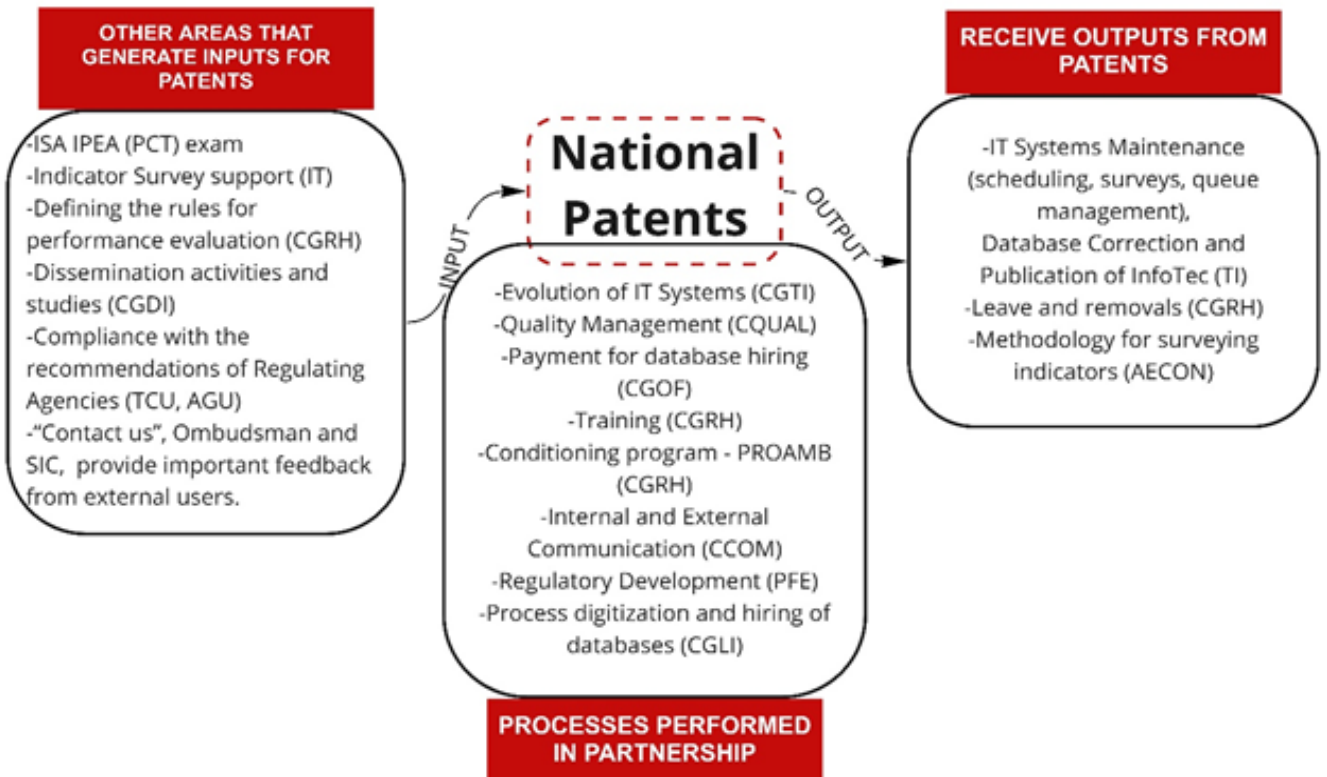
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<sup>4</sup> CGPAT I, CGPAT II, CGPAT III and CGPAT IV

<sup>5</sup> DIPAT I, DIPAT II, DIPAT III, DIPAT IV, DIPAT V, DIPAT VI, DIPAT VII, DIPAT VIII, DIPAT IX, DIPAT X, DIPAT XI, DIPAT XII, DIPAT XIII, DIPAT XIV, DIPAT XV, DIPAT XVI, DIPAT XVII, DIPAT XVIII, DIPATXIX and DIPAT XX

<sup>6</sup> The list of currently existing systems is available in Annex 4.





**PROCESS REVIEW OBJECTIVES**

- Identify holistic solutions that are adherent to the **INPI** reality in order to improve the administrative flow as a whole, eliminating redundancies;
- Validate processes that have already been mapped, adding work, actors and phases not already covered in the previous mapping;
- Incorporate the view of external system users
- Identify internal and external normative aspects in **INPI**, which regulate the activities developed in the process;
- Systematize the continuous improvement process within DIRPA
- Define methodologies in order to measure the ideal time for DIRPA staff members and employees to execute their activities;
- Establish a policy for reviewing and monitoring productivity metrics and indicators.

**STAKEHOLDERS**

**Internal:** The participation of 26 DIRPA staff members, in the following areas, were identified as relevant to the mapping meetings: CGREC, DIRPA, CADPAT, SANOT, SEEXP, SEPAN, SEPEN, CEPIT, DIDOC, DIDOC, DIESP, DISAP, CGPATI, CGPATII, CGPATII/DIBIO, CGPATIII, CGPATIII/DICIV, CGPATIII/DITEL, DIRPA/CGPATIV, CGPCT/DNPCT, CADPAT, CGPCT, CEPIT.  
**External INPI:** Regional units (dissemination actions), PFE and CGTI  
**External:** Technological Innovation Centers/NIT (19), Law firms that worked with **INPI** in 2020 and that have a high number of deposits (5), Associations (3), others (depositors, stakeholders, organizations, businesses, etc.) (24).

**CHALLENGES**

**IT and Communications:** Internal search system is insufficient; Decentralized control system for concession flow; Dispatch scheduling system and petition platform is not intelligent; Lack of system security; Data cleaning failures in databases and processes; Administrative steps performed manually.  
**Human Resources:** Difficulty in carrying out and defining the performance evaluation criteria; Use of DIRPA staff members in the training organization; Lack of policy for valuing staff and teams and lack of motivation for personnel to occupy managerial positions regarding home office.

**Quality:** Lack of documentation and procedures harmonization; lack of a policy regarding equitable distribution of work demands and a policy of customer service; Lack of substantive quality criteria for examination and rework of the examination in relation to what has already been done in other offices.

**Structure:** Inefficient structure (there are areas with overlapping competencies or in inadequate units)

**STRENGTHS**

**HR:** Technical quality of the team and motivated management

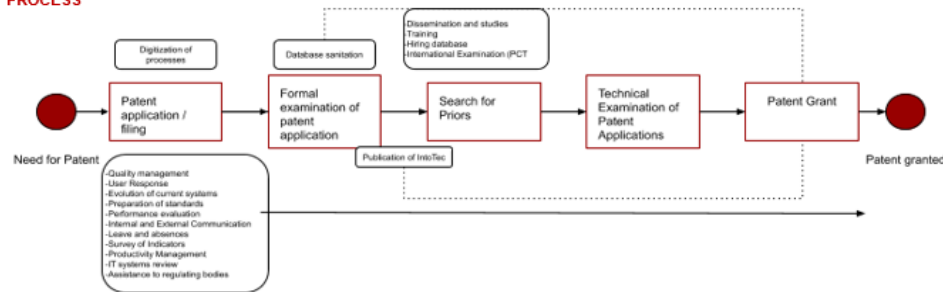
**Institutional context:** Institutional/governmental priority (ease to mobilize resources)

**Relationship with users:** Transparency with internal and external audiences (established and fluid communication channel and training)

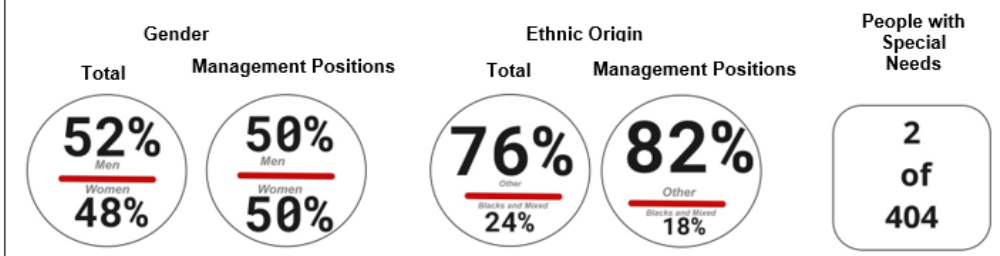
**MONITORING**

| INDIVIDUAL  | MANAGEMENT   | DESIRED   |
|---|--|---|
| <p><b>Examination Activity:</b> Productivity - Registry of working hours.<br/> <b>Administrative activities:</b> Formal examination; Letters patent expedition; Issuance of publication leaflets; winding-up proceedings; Examination of the petition for examination; Annuity control; Examination of the request for priority examination, Contact service; Copy service; Issuance of certificates; Transfer; Withdrawal analysis; Name Change; Percentage of resources reversed.</p> | <p><b>Action Plan 2020:</b><br/>           Patent application; Technical Examination Decision Time for Priority Examination of Patents; Reduction of Patent Application Backlog until 12/31/2016; Technical Examination Decision for Patent Applications; Time for First Technical Examination of Patent Applications; Decision Time for Technical Examination of Patent Applications; Percentage of Patents Granted with Incidence of Sole Paragraph Art. 40 of the LPI; Instruction in Appeal and Administrative Proceeding for Nullity in Patent Proceedings; Instruction Time in Patent Proceedings Appeal; Instruction Time in Administrative Patent Nullity processes.</p> | <p>-Execution time per employees for administrative, formal and examination activities;<br/>           - Examination metric indicator;<br/>           - Examination quality indicator;<br/>           -Indicators for team management (working environment);<br/>           -Transparency indicators (disclosure of indicators);<br/>           -Customer satisfaction and perception of quality;<br/>           -Number of demands outside the concession flow</p> |

**PROCESS**



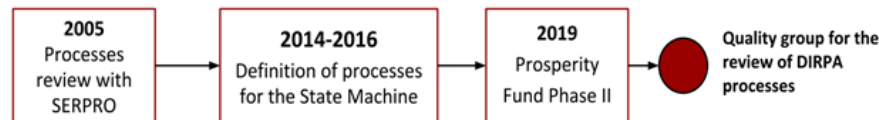
**GENDER AND SOCIAL INCLUSION POLICY**



**INSTITUTIONAL CONTEXT**

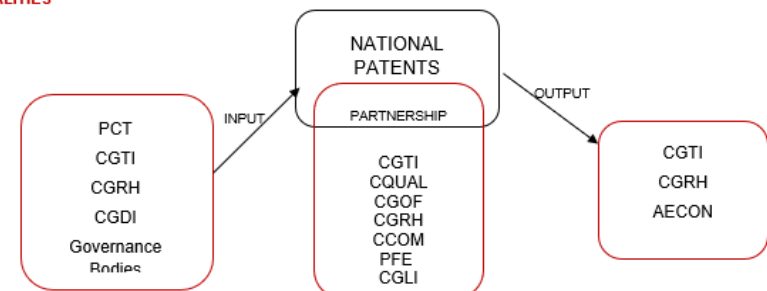
Four Technical Coordination Offices depend on the Directorate, each with five divisions of technical examination, totaling 20 divisions with 327 employees, including researchers and technicians. Currently, the DIRPA organization chart is being revised, considering a circular structure. This review is in the process of evaluation and approval by the Executive Board.

The review of processes within DIRPA has been carried out at different opportunities with different levels of depth:



The DIRPA team has knowledge of BPM methodologies and tools such as the Bizagi system, for mapping processes. There are a number of ongoing projects that will have an impact on DIRPA in terms of processes, automation, indicators and evaluation.

**TRANSVERSALITIES\***



\*Main transversalities identified by the National Patents team who participated in the workshops.

# Overview PCT International Applications

Five workshops were held with six **INPI** civil servants who are part of the PCT International Applications team in June, July and August. The workshops represent a total of 9.5 hours of collaborative work to collect information that will be the basis for the mapping and for general understanding of the Macroprocess' status within the organisation.

The first issues discussed in the meetings were the strategic **objectives** (listed in **INPI** 2018-2021 Strategic Plan), as well as the Macroprocess' main objective. This allowed for the development and definition of the process review objectives and what will be achieved through them, such as the improvements in relation to applicants as well as **INPI's** work in relation to receipt of applications, and its actions as an international authority within the scope of the PCT.

The second item discussed in the meetings was related to internal and external **stakeholders**. In order to conduct an in-depth analysis of the process, the workshop's focal points addressed the need for the participation of six PCT International Applications civil servants and 21 civil servants from 11 other areas within **INPI**. Regarding external stakeholders, workshop participants emphasised the need to incorporate law firms (who receive numerous application filing requests), representatives and applicants, as well as WIPO representatives into the process. The participants also discussed the importance of including external players to avoid having a single view of the process or the bias of a specific sector or player.

Following this, the team conducted a self-evaluation to identify the PCT's<sup>7</sup> strengths, as well as its main challenges. The participants discussed characteristics that positively distinguished the work done by this area; these characteristics were defined as the **strengths** within the organisation. One strength, for example, is the proximity to applicants through structured information, quality surveys, and the possibility of holding on-site meetings and capacity building programs. Additionally, PCT is strengthened through its familiarity with internal processes and adherence to deadlines. However, the PCT team also recognises that there are **challenges** to overcome. For clarity, the participants defined categories in order to better organise the challenges faced by the area: Quality, Capacity Building, Systems and Structure. Some of the bottlenecks listed were related to internal aspects that affect work quality, such as the deficiency in specific skills, the lack of familiarity with systems, or the absence of products evaluation criteria. Administrative tasks that are carried out manually, coupled with the small team size are also a challenge for the PCT.

The consulting services' objective is to map the PCT International Applications Macroprocess. To this end, the main milestones of the referred process were identified in the **process** category of the A3 in the form of a summarised flowchart. These milestones will be the basis for future discussions.

The **institutional context** reflects the main structural milestones of the PCT within **INPI**. The PCT group (or international PCT requests) that is in charge of receiving requests and coordinating activities as an International Authority is composed of 6 civil servants. During the international phase of the PCT, international PCT deposits can be processed on paper or electronically, as established in the Treaty. **DIRPA's** examiners analyse international applications according to technological areas, sent by the heads of the respective divisions. The **DIPCT** group carries out a formal review of the reports issued by the examiners before being forwarded to the applicant and to the International Secretariat (IB). In addition, the **DIPCT** group provides formal and technical support for examiners during the technical examination. It also acts as an intermediary in meetings between the

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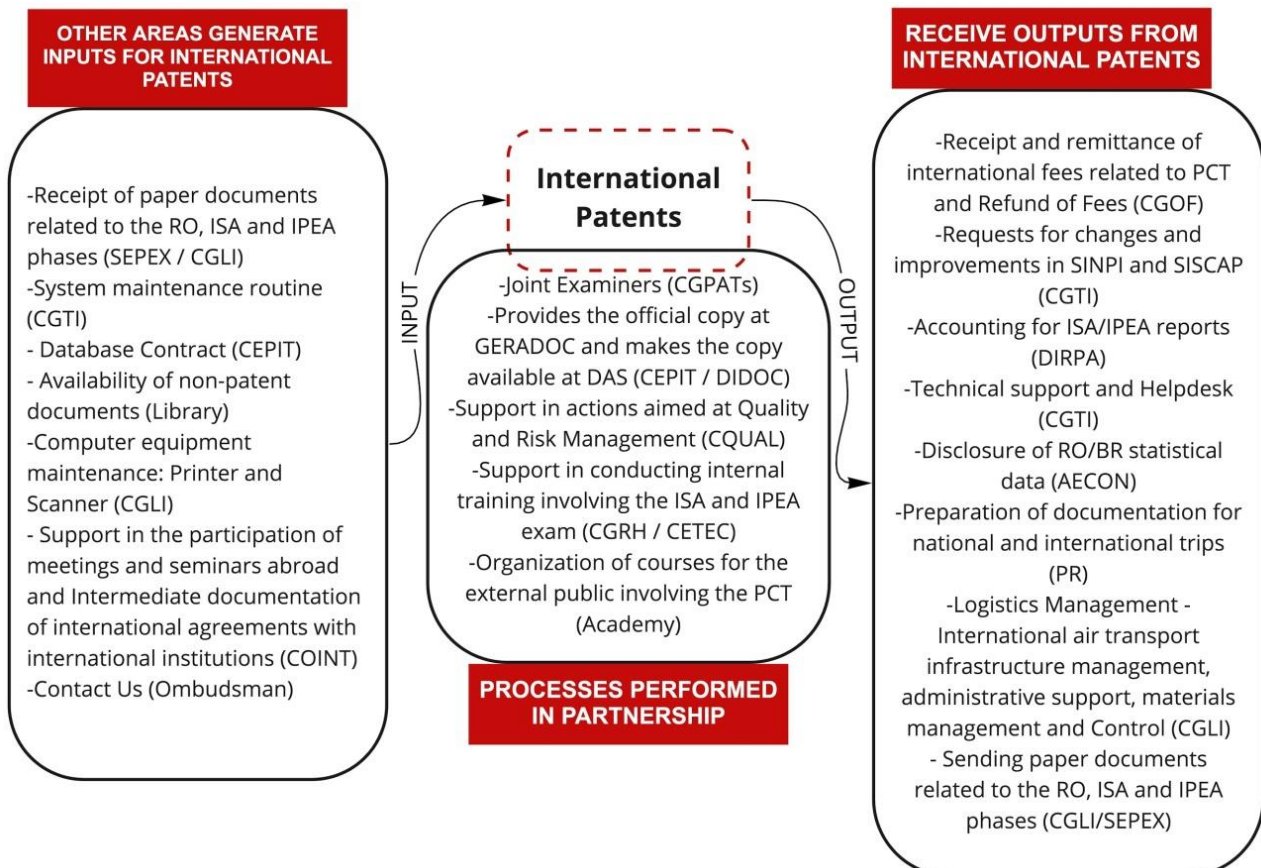
<sup>7</sup> The acronym PCT used in this report refers to the team involved in the International Patent Macroprocess (in the receipt of applications and for actions carried out by **INPI** as an international authority within the scope of the Patent Cooperation Treaty)

examiner and the applicant, when requested, in the IPEA phase. Among the Latin American countries that choose us as the International Authority, Peru and Colombia, are those that stand out for the number of international requests. Many systems are used in PCT activities. These systems can be categorized into: internal systems (SINPI, SISCAP, PAG) used by RO, ISA / IPEA, examiners and external systems (ePCT-OMPI) used by RO, ISA / IPEA. The applicant uses PAG and ePCT-OMPI. Finally, there are currently 10 projects that will have a significant impact on PCT's actions, which must be considered throughout the mapping process.

Information linked to process metrics and PCT's key results can be found in the **monitoring** category of the A3. Time is used as a management indicator to assess the performance of the PCT International Applications Macroprocess. It is important to highlight that the results go beyond the ones defined in the Treaty. In addition, the workshop participants identified three new desired indicators.

**Gender equality and social inclusion policies** are an essential aspect of this project. Currently there are no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing number of **INPI** professionals by gender, ethnic background and people with special needs, providing a general view of the area. Of all the macroprocesses within the scope of this consultancy, the PCT is the only entity where all departments are headed by women.

An important aspect for the mapping exercise is to identify the transversality of the PCT process. An exercise was conducted with the PCT team members to identify, from their perspective: 1) areas that generate input for the PCT, 2) processes carried out in partnership, and 3) which outputs PCT generates for other areas. The result was an initial cross section transversal vision of the organisation, which is reflected as follows:



**PCT INTERNATIONAL APPLICATIONS - PROCESS REVIEW OBJECTIVES**

- Improve service for applicants;
- Ease the process for modifying and updating Treaty amendments (Articles, Rules and Administrative Instructions that can be updated annually);
- Holistic view of RO and ISA information exchange in order to streamline work, avoiding rework;
- Harmonize the activities of the ISA/IPEA examination, facilitating the process for the examiner.

**STAKEHOLDERS**

**Internal:** RO: Cintia Thury/Marcia Timotheo, ISA/IPEA: Gisela Nogueira, Leonardo Gomes de Souza, Jeferson Monteiro Rosa, Elias Damian da Silva Felipe, Economic Affairs Advisory, CEPIT (DIDOC), CGOF/SEARC), CGPATs, CGRH- CETEC, Library, COINT/ DIRM, CQUAL- DIGEQ/DIGER, CGLI- SEPEX, CGTI/COSIS, DIRPA, PR.  
**External:** Law Firms responsible for the highest number of applications in 2020; University Representatives (NITs); National Applicant without a legal representative; Applicant from Peru with legal representative and Applicant from Peru without legal representative;

**STRENGTHS:**

**Structured information for applicants:** FAQ ePCT, RO/BR Depositor's Guide, FAQ RO (in progress), Answers to RO users' main questions in Contact Us.

**Processes:** RO/BR mapping, Satisfaction survey, Documentation of information and dissemination of indicators.

**Training:** DIPCT training for examiners of ISA/IPEA Forms. PCT workshop for applicants.

**Meeting deadlines:** there is no backlog in the international phase of the PCT (RO, ISA and IPEA).

**Quality:** formal review of the reports issued by the examiners. Work focused on the quality area.

**Examiner support:** Intermediation of examiner/applicant meetings during the IPEA phase, for examiner support. Formal and technical support to examiners during the ISA / IPEA exam.

**CHALLENGES**

**Quality:** Lack of parameters/criteria to analyze/revise the quality of the reports issued ISA/IPEA.

**Training:** Non-availability of language courses (English and Spanish) to perform the ISA / IPEA exams. Lack of CGTI training in the systems e-PCT.

**Systems/IT:** Lack of adequate equipment (printer and scanner). Lack of automation to generate statistics on process times, remittances, indicators, among others; The internal system used does not generate reports on the requested demands. Manual calculation of the production control spreadsheet of DIPCT's SRPCT servers. Difficulty in obtaining improvements and updates in SISCAP. Non-availability of ISA/IPEA forms in the XML standard as requested by WIPO.

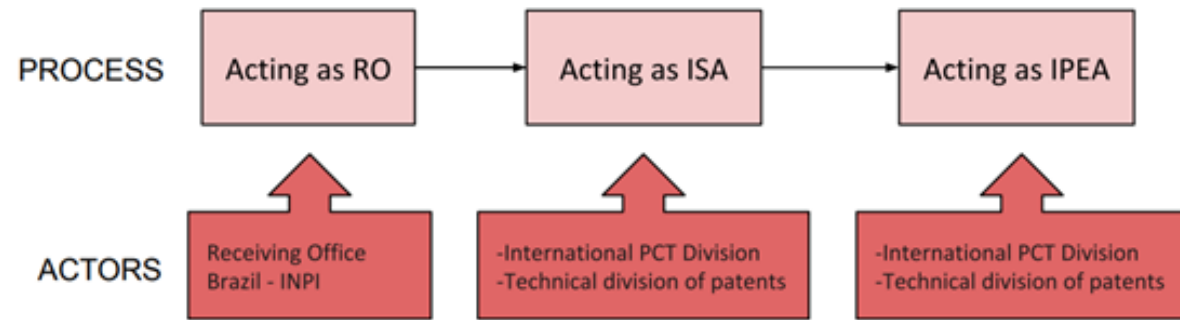
**Systems/Finance:** No alternative means of payment other than GRU (General Automated Protocol).

**Structure:** Difficulty removing and replacing the server (Lack of staff).

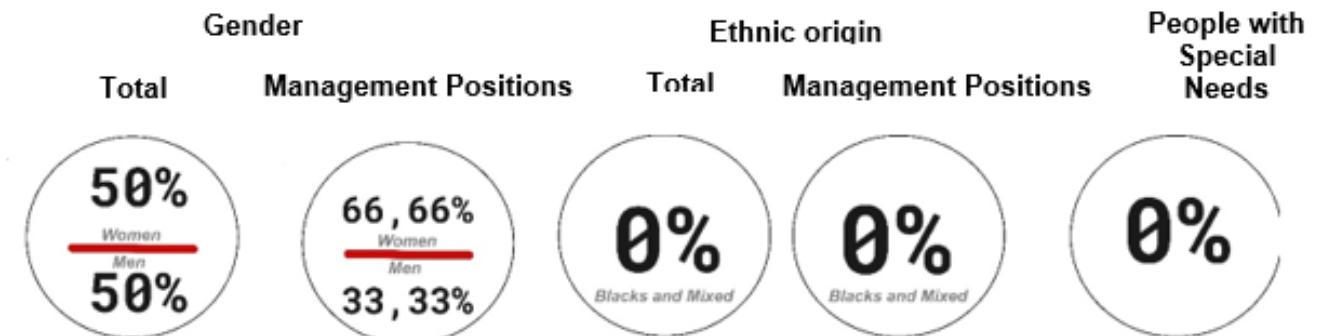
**MONITORING**

| Performance indicators   | Desired indicators  |
|--|---|
| <ul style="list-style-type: none"> <li>- INPI (RO-BR)'s International PCT Deposit Transmission Time;</li> <li>-Time it takes to send the International PCT Search Report (ISR) to INPI (ISABR), counting from the filing date;</li> <li>-Time it takes INPI (ISA-BR) to send the International PCT Search Report (ISR), counting from the date the request was received by INPI (ISA-BR);</li> <li>-Time it takes INPI (IPEA-BR) to send the PCT International Preliminary Examination Report (IPER).</li> </ul> | <ul style="list-style-type: none"> <li>- RO/ISA/IPEA Indicator: Customer service response time in the Contact Us system;</li> <li>- ISA Indicator: Administrative processing time for receipt of the search copy: time between the search copy's release notice and the availability of the order at SISCAP for examination;</li> <li>- IPEA Indicator: Administrative processing time for receipt of the IPEA request: time between the notice in the ePCT or reception by SEPEX and sending the processed order to WIPO.</li> </ul> |

**PROCESS**



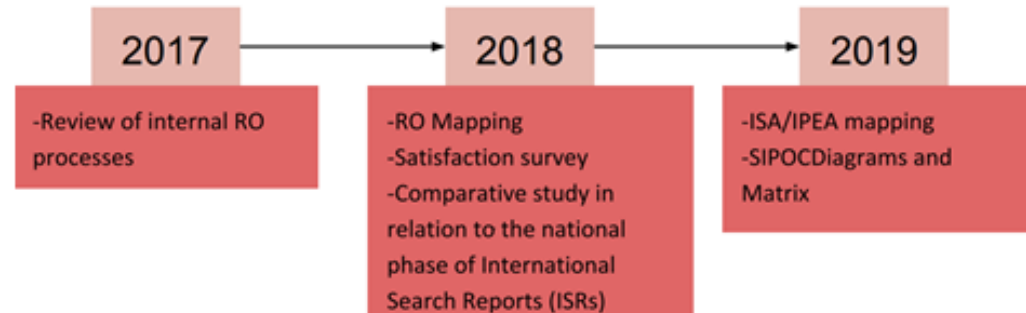
**GENDER AND SOCIAL INCLUSION POLICY**



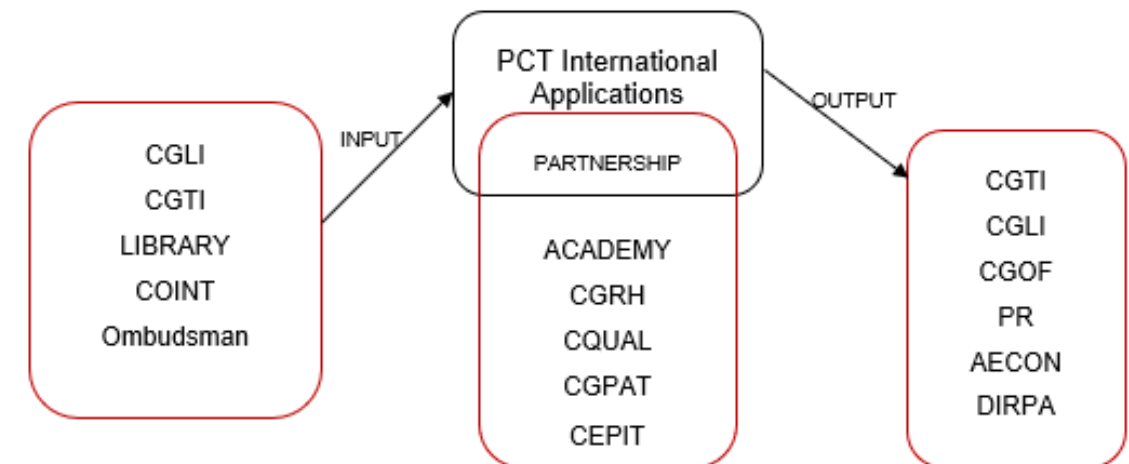
**INSTITUTIONAL CONTEXT**

The process of receiving orders and acting as an international authority within the scope of the PCT is executed within DIRPA structure, with a team of a total of 6 staff. The international phase unfolds in RO that receives the international deposit and the international authority, that acts as an International Searching Authority (ISA) and as an International Preliminary Examination (IPEA). ISA and IPEA orders are distributed according to the technological area, between 20 DIPATs (Technical Division) and DIPCT. All processing with WIPO is carried out via e-PCT, as well as both electronic and paper orders. Paper deposits have decreased in the last time, reaching 3.2% Jul/2020 of the total.

**Process Review:**



**TRANSVERSALITIES\***



\*Main transversalities identified by the PCT International Applications team who participated in the workshops.

## Overview Trade Marks

Six workshops were held in June, July and August with the Trade Marks team. The workshops totalled 12.5 hours of collaborative work to collect information which will be the base for the mapping and for overall understanding of the status of the macroprocess within the organisation. Seventeen civil servants from **INPI** participated in the workshops.

The first topic discussed in the meetings were the **objectives**: both the strategic (listed in the 2019-2021 DIRMA Sector Plan) and the area's core objective served as guides to develop and define the process review goals. The objectives established by the team for the project included: better customer services, management improvements and relationship with other areas' processes.

The second item addressed in the meetings related to Trade Marks **stakeholders**, including DIRMA's civil servants (who conduct part of the process for granting Trade Marks registration), as well as clients, suppliers and collaborators who participate in the development of the process. Internal focal points were identified based on process development milestones, considering both DIRMA and other coordinating entities and Regional Units. External stakeholders included DIRMA's main clients, specifically representatives of small and medium enterprises. Additionally, nine associations that work regularly with **INPI** were identified, along with Public Sector representatives, such as from the Ministry of Economy, Ministry of Foreign Affairs, law firms and types of applicants. Moreover, participants discussed the need to have a variety of external stakeholders: an important aspect, as these varying perspectives from different groups allow for more holistic solutions.

This was followed by a self-assessment of the Trade Marks Registration area, in order to identify its main strengths and challenges. The **strengths** that distinguish this Macroprocess are linked to the level of consolidation of processes and existing systems, which allows for effective improvement. Additionally, the Trade Marks' team has an important level of engagement due to the work environment and the level of intellectual engagement provided by this kind of work. The aspects listed are not restricted to the Granting of Trade Marks Registration Macroprocess as they are considered institutional aspects of DIRMA and **INPI** as a whole.

The team identified 25 **challenges** that they grouped under seven categories: Management, Processes, Structure, DIRMA's Organisational Structure, Legal Aspects, Systems, and Human Resources. Many of the aspects mentioned by the team are linked to the lack of standardisation and the absence of estimates (projections) regarding demands. Furthermore, DIRMA's organisational structure was not originally projected to conduct all its existing functions (especially administrative and managerial functions), which increased significantly with the incorporation of ID and GI processes and from adherence to international treaties. This lack of planning leads to bottlenecks.

The consulting services' objective is to map the Granting of Trade Marks Registration Macroprocess. To this end, the main milestones of the referred process were identified in the **process** category of the A3 in the form of a summarised flowchart. These milestones will be the basis for future discussions.

The **institutional context** section provides background information regarding the context in which the Granting of Trade Marks Registration Macroprocess is developed within **INPI**. DIRMA is composed of seven Coordination Units with 12 divisions, three services, two sections and 121 examiners working on the granting of Trade Marks registrations, Industrial Designs and

Geographical Indications. The Macroprocess for the Granting of Trade Marks Registration involves three General Coordination Offices, and four Coordination Support Offices. Applications for Trade Marks registration are received through two different systems: the national system and the international system (referred to as the Madrid System, which is the result of adherence to the Madrid Agreement). Receipt and examinations of applications via the national system is limited to the Brazilian territory. In the case of applications via the Madrid Agreement, **INPI** acts as the office of origin and as the designated office. As the office of origin, **INPI** is responsible for receiving international applications in English or Spanish, which may designate any of the other member countries of the Agreement<sup>8</sup>; furthermore, **INPI** is responsible for the Examination of Certification, for correcting irregularities informed by WIPO, and for monitoring dependence in relation to applications and basic registrations of the national system during the first five years of the request. As a designated office, **INPI** is responsible for publishing the examination of the demand in the RPI. In addition to following national procedures, the demand abides to the definitions of the Agreement.

Different systems are used by users and by civil servants – who work with the national system or with the Madrid Protocol<sup>9</sup> in order to develop DIRMA's internal processes. Finally, to complement the context within which this process is developed, it is important to mention that the 2021 DIRMA Plan contains nine projects which will have a significant impact on the granting of Trade Marks: 1) Improvement of the integration among DIRMA civil servants; 2) Review of the quality of the examination; 3) Relationship with the client; 4) Individual evaluation of the examination considering quality criteria; 5) Internal communications management; 6) Sector system for process management; 7) Consolidation of the sector planning project; 8) Improvement of the organisational performance evaluation process and 9) Management of internal selection, mobility and individual performance. In addition, there are three programs at DIRMA that drive structural changes in the work carried out by the civil servants: structuring of the Madrid Protocol operations, migration to the co-ownership system and migration to the multiclass system under the national system.

The **monitoring** category in the A3 was used to discuss existing and desired indicators. This discussion brought valuable information on the need to define representative indicators that contemplate the entire Macroprocess, including the Appeal Board. In regard to performance indicators established in the 2020 Action Plan, the target of the decisions depends directly on the demands. At the moment, the number of demands has dropped as a result of the pandemic, which in turn impacts the number of decisions. Furthermore, the number of decisions will depend on the installed operating capacity. Additional measures can be implemented to increase productivity (such as expanding remote work and remote/on-site work systems). Moreover, individual indicators linked to civil servants' productivity are generated for examination and office administration activities. The Trade Marks team also identified two desired indicators linked to quality and processing time for each stage.

**Gender equality and social inclusion policies** are an essential aspect of this project. Currently there are no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing

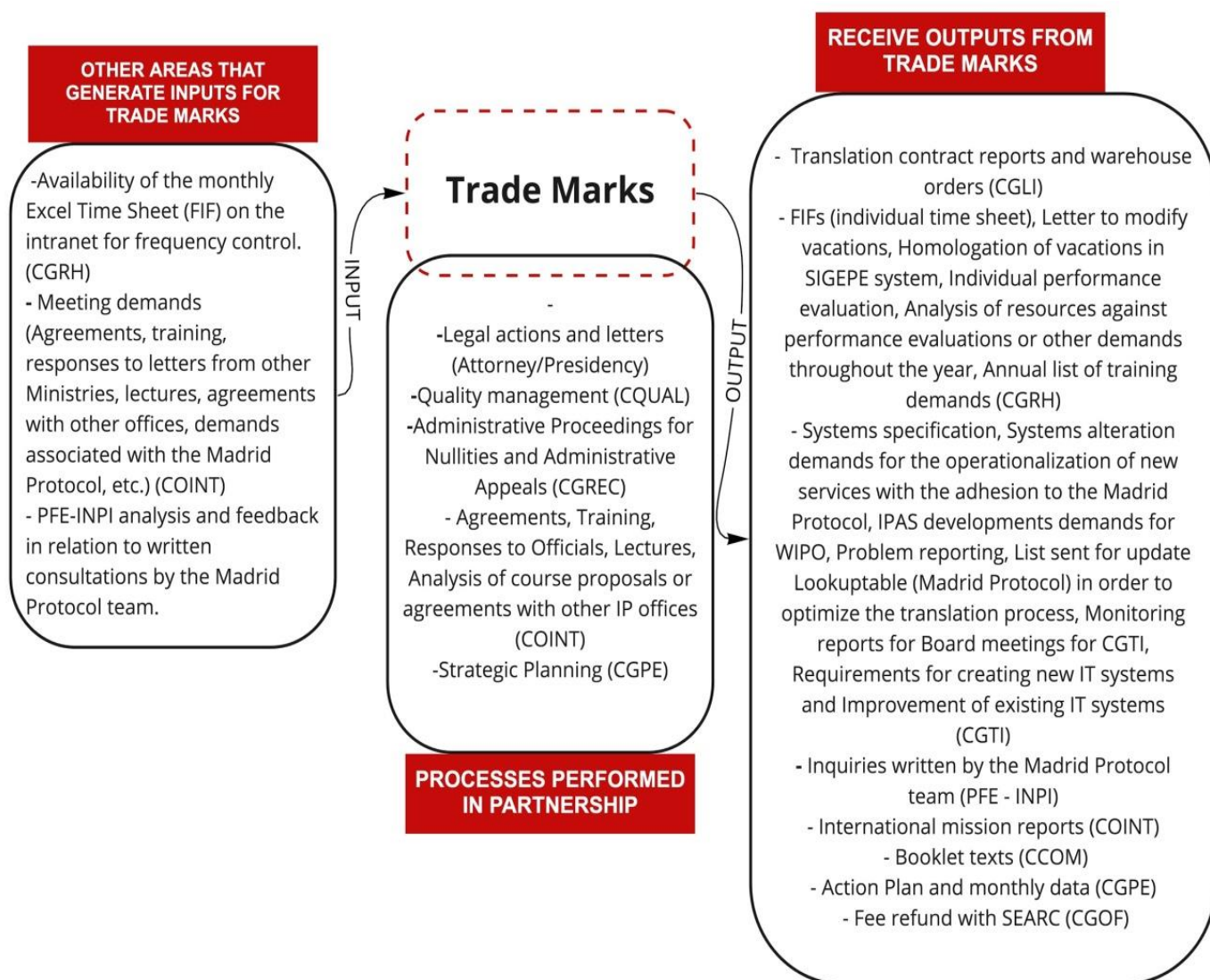
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<sup>8</sup> Currently 121 countries

<sup>9</sup> A list of the existing systems is found in **Annex 4**

number of **INPI** professionals by gender, ethnic background and people with special needs, providing a general view of the area.

The last item discussed by Trade Marks civil servants was the **transversality** that exists with other areas within **INPI**. Three categories were created to guide the discussion: 1) processes in other areas that generate input for Trade Marks; 2) processes carried out in partnership; 3) outputs generated by Trade Marks that impact other areas. The figure below generally presents the transversalities identified by the workshop participants





**TRADE MARKS - PROCESS REVIEW OBJECTIVES**

- Improve the effectiveness/efficiency of management processes;
- Expand the indicators for measuring and assessing the process;
- Restructure services focused on customers;
- Improve the interface/relationship with the management and support processes (delivery of products in time/form).

**STAKEHOLDERS**

**Internal:** representatives of the following areas: Madrid Protocol, Formal Examination of the Trade mark Application (National) DIFOR, Substantive Examination of the Trade mark Application, SAGED, COGED, Analysis of petitions, Contact Us Consultancy, Issuance of a simple/official/authenticated copy, Classification Commission, SEREM, COGEF, Trade mark Concession, Trade mark and Industrial Design Manuals and Procedures, CGREC Resources, Legal Actions (DIRMA) COGIR, Forfeiture Process, CODEX (Archive-SEARQ/digitization), PFE, regional dissemination units.  
**External:** SEBRAE, Associations (9), Ministry of Economy, CADE, MRE, Judiciary, Lawyers familiar with the Trade Mark and Industrial Design Process, Claimants (Association with a non-economic purpose, Cooperative, Small Business, Educational and Research Institution, Individual Microentrepreneur - MEI, Microenterprise, Public Agency, Individual, Legal Entity, Society with non-economic intent).

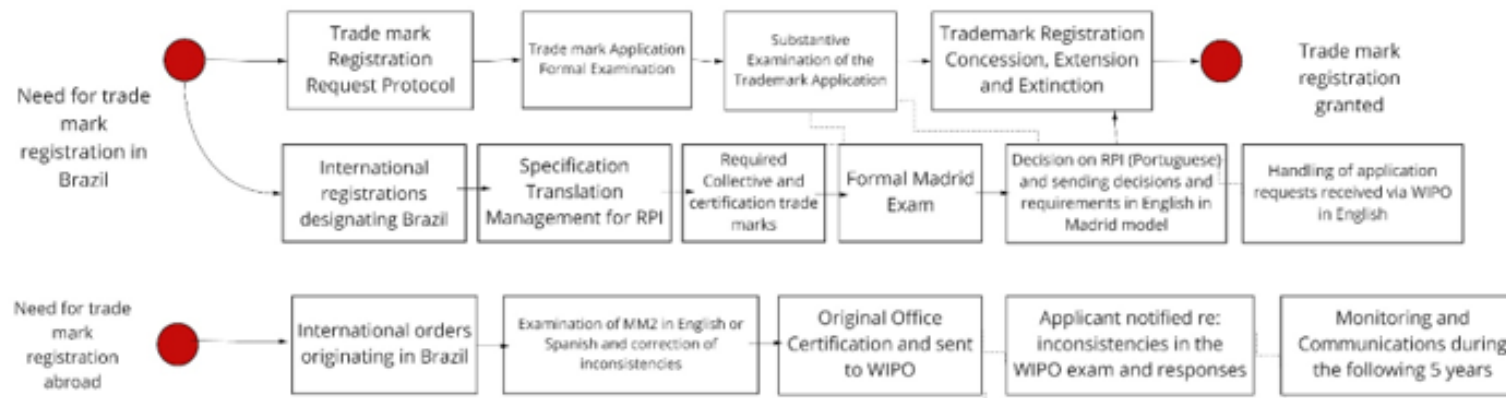
**STRENGTHS**

**Knowledge management:** Mature process focused on improvement (preparation of the Trade Marks Manual, MarcasDoc, PROAMB and at the end of the backlog).  
**Team:** Diversity in the academic background and experiences of the examination technical staff for the exam. Team engaged with the Institute and the public service. Good working environment that retains much of the team in the exam activity.  
**Attractiveness:** Intellectually captivating nature of the Trade Marks examination activity. Participation of civil servants in the elaboration of the DIRMA 2021 Sectorial Plan. Success of the Remote Work program (increased productivity and improved quality of life). INPI Academy generates studies directly related to DIRMA's mission allowing greater engagement.  
**Systems:** Consolidated IT systems (eMarcas, IPAS, MarcasDoc, MarcasData).  
**Management:** Lack of information on users' perceived needs and values; Absence of demand predictability methods.  
**Processes:** Common management processes between INPI's various areas lack information and convergence; Lack of prioritization and shortage of investment in management and support processes; Lack of integration between the examination phase and appeal and opposition resulting, in some cases, in the deviation of technical understanding, which generates legal uncertainty and affects the user's perception of the quality of the set of trade Trade Marks.  
**Organizational structure:** Lack of standardization in receiving demands; Career is not adapted to INPI's reality; Inexistence of a policy for the provision of human resources according to demand.  
**DIRMA organizational structure:** The structure does not meet the needs of the performed processes; Lack of a model for moving staff according to their profiles in order to satisfy the demand for employees.  
**Legal Aspects:** LPI was designed for a paper-based process that does not meet the current needs of the process; Centralization, in the figure of the president, for the definition of Administrative Resources and Nullities.  
**Systems:** Lack of IT resources to meet DIRMA's needs and lack of training in the IT area to take part in the developments of IPAS, already approved by WIPO.  
**HR:** Lack of structure to prevent the departure of staff to other government agencies or to the private sector. Divergence in the evaluation of GDAC&T personnel.

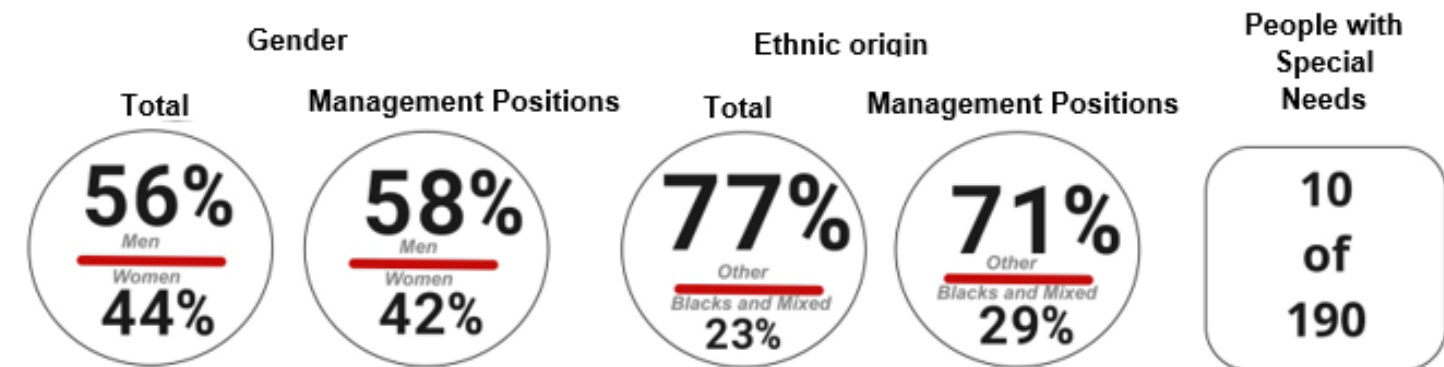
**MONITORING**

| Performance indicators   | Desired indicators   |
|--|--|
| - Technical Examination Decision for Trade Mark Orders;<br>-Time of First Technical Examination for an Opposed Trade Mark Registration Request;<br>-Time of First Technical Examination for non-opposed Trade Mark Registration Request;<br>-Decision Time for Technical Examination of Opposed Trade Mark Registration Request;<br>-Decision Time for Technical Examination of non-opposed Trade Mark Registration Request;<br>-Technical Advice for Appeal to Trade Marks refusal and invalidation request for Trade Marks' registrations;<br>-Backlog of technical opinion on appeals;<br>-Backlog of technical opinion on invalidation requests. | -Quality indicator for Dirma's Trade Marks' technical examination, scheduled for 2021;<br>-Processing time indicators for each step. Within the Trade Marks Macroprocess (Ex.: formal exam, transfer exam, exam of PANs retired or not, exam of resources retired or not, among others). |

**PROCESS**



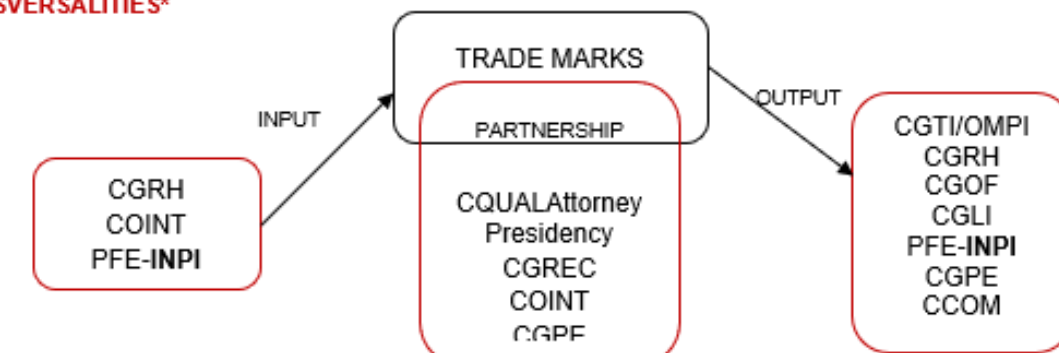
**GENDER AND SOCIAL INCLUSION POLICY**



**INSTITUTIONAL CONTEXT**

DIRMA has 3 general coordinations and 4 support coordinations involved in Trade Marks. There are specific teams for the following areas: Collective Trade Marks; Certification; Three-elemental; High Renown. There are two more divisions, one for Geographical Indications and one for Industrial Design, which also analyze Trade Marks. In total there are 121 examiners for products and services' Trade Marks. The teams are made up of technicians and technologists. The technologists work in the 10 registration exam divisions (CGMAR I and II, CGMID and COGEF), divisions of COGIR (Lawsuits, Trade Marks Manual), CGMID (Lawsuits) and COGEF; technicians in support services for Trade Marks examination (work in different sectors at DIRMA).  
 In 2019, the SIPOC Diagrams and Matrix were prepared for the Trade Mark processes, identifying level 2 processes, their inputs, suppliers, products and customers. The Trade Marks order flowchart was made according to the legal stages.  
 To eliminate the backlog, it was necessary to implement a series of measures, through the review of internal processes, such as: Knowledge management (Trade Marks Manual, CPAPD, COPEX, SEGEC), IPAS System and improvement (customizations and automations), remote work, individual performance management (registry of working hours and MarcasData) and hiring examiners.

**TRANSVERSALITIES\***



\*Main transversalities identified by the Trade Marks team who participated in the workshops.

# Overview Industrial Design

Five workshops were held with the Industrial Design team during the months of June, July and August, totalling 11.5 hours of collaborative efforts with sixteen **INPI** civil servants to collect the information required for mapping and assessing the Macroprocess within the organisation.

The first points discussed in the meetings were the **objectives**. A clear definition of both strategic objective (until 2021) and the area's core objective was used to develop and set the goals for the process review: improving internal processes for greater effectiveness/efficiency; better customer service; compliance with the Hague Agreement and improving the relationship with managerial and non-core processes. From the structural point of view, an additional process review objective was to analyse the organisational structure and further streamline top management.

The participants then analysed the Industrial Design **stakeholders** (internal and external to **INPI**). The focal points of the workshops pointed out the need to include 14 representatives from **INPI** and Regional Units for a more comprehensive and detailed view of the process<sup>10</sup>. As in the case of Trade Marks registration, external stakeholders representing small and medium enterprises were asked to join the process. The participants identified nine associations that work on a regular basis with **INPI**, as well as representatives from the Public Sector, such as the Ministry of Economy, Ministry of Foreign Affairs, law firms and diverse types of clients/applicants. Moreover, participants discussed the need to have a variety of external stakeholders: an important aspect, as these varying perspectives allow for more holistic solutions.

Following this was a self-assessment of the area, in which participants identified the area's **strengths**. The end of the technical exam backlog is a strength with regard to the area's current situation, which makes it possible to focus on implementing improvements. For example, with the advances in knowledge management, the area published the first edition of the ID Procedures Manual in 2019. Another strength highlighted during the workshops is the expertise of the ID team in its internal processes as well as **INPI** processes, including the legal aspects. Participants also pointed out the team's creative ability to develop solutions with scarce resources.

The Industrial Design team believes there are relevant **challenges**<sup>11</sup> to overcome, which were grouped in categories: ID Organisational Structure, DIRMA Organisational Structure, Legal Aspects and Examination Procedures, Relationship with Users, IT, Management and Processes. The key challenges reside in the existing organisational structure and systems<sup>12</sup>. The incorporation of ID in DIRMA replicates the structure of Trade Marks on a smaller scale. The reduced staff and non-automated processes lead to overlapping functions and impact the ability to respond effectively. In addition, the existing systems do not consider ID particularities, are not really integrated or automated, and lack unified management. The area relies on Excel spreadsheets and Word documents to compile and organise information, with obvious deficiencies in terms of viewing the latest version and having efficient search tools. The consulting services' objective is to map the Industrial Design Macroprocess. To this end, the main milestones of the referred process were

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<sup>10</sup> The internal players identified are part of DIRMA, but many of those involved in the Industrial Design macroprocess will also be part of the Trade Mark macroprocess.

<sup>11</sup> Since both Industrial Design and Trade Marks go through DIRMA, many challenges are shared by the teams. This underscores the need to have a clear picture of both macroprocesses to find common solutions.

<sup>12</sup> These challenges illustrate the situation at Industrial Design. More than 20 aspects were mentioned during the workshops.

identified in the **process** category of the A3 in the form of a summarised flowchart. These milestones will be the basis for future discussions.

The **institutional context** section of the A3 outlines the basic Industrial Design structure. The Industrial Design Registration Macroprocess has been conducted within DIRMA since 2016. The technical evaluation is carried out by a team of six people allocated to DITEC IX, a division of CGMID. Administrative support is provided by six people allocated to DIADI. DIRMA management has strived to adapt and integrate ID into its organisational structure. As an example, the ID Manual was prepared along the lines of the Trade Marks Manual, and the DI-CPAPD was structured following that of the Trade Marks CPAPD. Members of the team must use multiple systems in their activities - some of these are internal and others external.<sup>13</sup> Ongoing improvements to the ID process include: development of the SIPOC matrix, designing flowcharts to connect with the IPAS system, and team training activities. Workshop participants named five projects currently under study they believe can impact the Macroprocess: Online Process View (Digital PI), App for users to monitor process status (including notifications), the second edition of the Manual of Industrial Designs (this second edition updates and addresses procedures that were missing in the first edition), Semi-Presential Work Program and Adhesion to The Hague Protocol. There are also four additional ongoing projects: Novo Imagens, Remote Work Program, ID Evaluation Quality Management System and State Machine (which controls PAG demands).

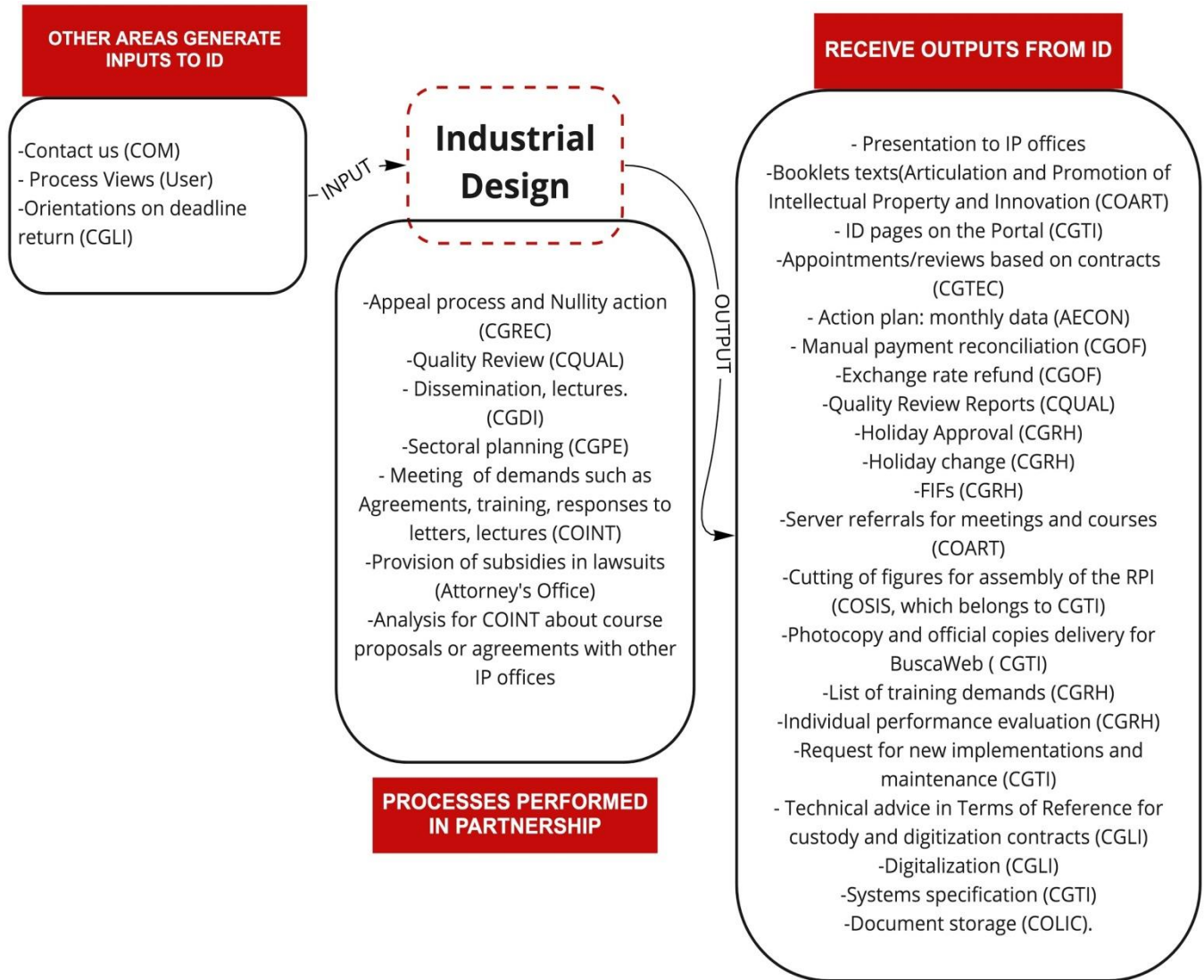
Both existing and desired indicators used to monitor key results in granting the Industrial Design registration were listed in the **monitoring** section of the A3. In the Plan of Action, performance indicators refer to the quantity of activities and the amount of time spent to execute them. There are also other managerial and individual indicators. As desired indicators, the team mentioned complementary indicators related to quality, participation in dissemination activities and demand projection, among others.

**Gender equality and social inclusion policies** are an essential aspect of this project. Currently there are no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing number of **INPI** professionals by gender, ethnic background and people with special needs, providing a general view of the area.

A relevant aspect for the mapping work is the identification of the **transversalities** of the ID process. An exercise was carried out with the members of the ID team to identify their perception of: 1) areas that generate input for ID, 2) areas that carry out processes in partnership, and 3) areas for which ID generates outputs. The resulting transversalities of the organisation are shown below:

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<sup>13</sup> The list of systems used can be found in **Annex 4**.



**INDUSTRIAL DESIGN PROCESS REVIEW OBJECTIVES**

- Identify points for process improvement;
- Improve the effectiveness / efficiency of management processes;
- Expand the indicators for measuring and evaluating processes;
- Restructure customer-focused services;
- Make the processes compatible with the needs of the Hague Agreement;
- Improve the interface/relationship with the management and support processes (delivery of products in time/form);
- Decrease the separation between Trade Marks and Industrial Design, equalizing the weight of both and making the board more unified;
- Ensure human resources, information technology, etc.;
- Align the organizational structure to the best process development.

**STAKEHOLDERS**

**Internal:** The participation of 12 Industrial Design staff, in the following areas, were identified as relevant to the mapping meetings: DIADI, DITEC IX, SIGED, CORED, DAREC, SEGEC, CGMID, CODEX, COGEF, Attorney, CGTI, Regional units (dissemination actions)  
**External:** SEBRAE, Associations (9), Ministry of Economy, CADE, MRE, Judiciary, Lawyers familiar with the Trade Mark and Industrial Design Process, Claimants (Association with non-economic intent, Cooperative, Small Business, Educational and research institution, Individual Microentrepreneur - MEI, Public Agency Microenterprise, Individual, Legal Entity, Society with non-economic intent).

**STRENGTHS**

**Short-term:** End of the technical exam backlog (opportunity to implement improvements); Focus on the user. DIRMA Management's commitment to improving Industrial Design processes; Support from other **INPI** areas (eg CQUAL); Benchmarking and supporting IP partner offices  
**Team:** Team formed by employees with great knowledge of internal processes and **INPI**, as well as legal aspects; Team engagement in DIRMA; Appreciation of the work done by the staff; Creative capacity to build solutions with scarce resources;  
**Knowledge Management:** Publication of the 1st edition of the Industrial Design Procedures Manual in 2019; Implementation of a Quality Review system for the Industrial Design exam. Team engaged with the **INPI** and the public service. Good organizational climate that retains much of the team in the exam activity.  
**Systems:** electronic petitioning system exists and works perfectly; all orders are already placed electronically.

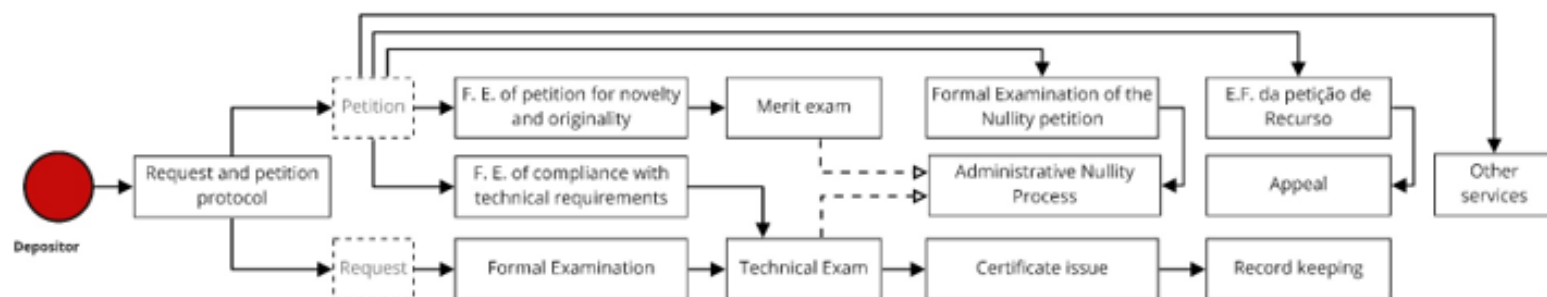
**CHALLENGES**

**INPI Organizational Structure:** Lack of standardization in receiving demands; Reduced team and resource allocation concentrated on priority projects, to the detriment of others (review of Industrial Design procedures); Administrative decisions do not consider the impact on Industrial Design. Ex.: CEDIN.  
**DIRMA Organizational Structure:** Incorporation of Industrial Design into DIRMA resulted in a replica of the Trade Mark structure, overloading the leadership and area of coordination; Accumulation of functions in those responsible for the technical and formal examination of Industrial Design; Industrial Design administrative practices differ from those already established in DIRMA.  
**Legal Aspects and Examination Procedures:** Lack of development of the preparation of the Industrial Design work instruction, Legislation makes it difficult to update the administrative process; Industrial Design manual does not cover a considerable part of the exam situations; Legislation without harmonization with the practice performed in other IP offices creates legal uncertainty for the user; Backlog in merit exam slowly reducing.  
**Relationship with the user:** lack of an automated alerts system and channels to contact users. Few universal access activities for the dissemination of knowledge (restricted to interested parties with the possibility of face-to-face participation in RJ); Absence of institutional communication channels with industry sectors that register Industrial Design of their products; System for communicating requirements is limited.  
**Information Technology Management:** Low allocation of IT resources considering the Industrial Design demands; Absence of an automated search service for designs; Systems originated from patents, without considering Industrial Design particularities; Low integration and automation, without unified management.  
**Management:** No methods to predict demand, which would optimize the allocation of resources; Lack of convergence in common processes between areas.  
**Processes:** Lack of investment in management and support processes. Lack of integration between the examination phase and appeal and opposition phase regarding technical and control matters.

**MONITORING**

| Existing indicators  | Desired indicators   |
|--|--|
| <p><b>Performance indicators</b><br/>                     -Industrial Design Orders.<br/> <b>Request examination (Examination Phase):</b><br/>                     - Technical Examination Decision for Industrial Design Registration Applications;<br/>                     - Time of Industrial Design Registration Orders' First Technical Examination;<br/>                     - Decision Time for the Technical Examination of Industrial Design Registration Orders.<br/> <b>Examination of appeals and nullities (Appeal and opposition)</b><br/>                     -Appeal process and Nullity action in Industrial designs and other registrations;<br/>                     - Appeal process time for Industrial design and other registrations;<br/>                     - Nullity actions time for Industrial designs and other registrations;<br/> <b>Other indicators</b><br/>                     - Technical Exam Compliance (Quality Management System);<br/>                     - Individual scoring goal;<br/>                     - Merit exams requested x performed and exam time. Monitoring: CGMID;<br/>                     - Number of technical requirements and rejections;<br/>                     - Number of consultations, response time and "Contact Us" user satisfaction.</p> | <p>- Amount of assistance provided in lawsuits. Monitoring: CGMID;<br/>                     - Decisions reversed by the appeal and opposition phase (CGMID);<br/>                     - Nullity Propositions in the 1st Exam (CGMID);<br/>                     - Participation in dissemination activities/events;<br/>                     - Institutional method for predicting demand;<br/>                     - Quality indicator for the Industrial Design technical exam, expected in 2021.</p> |

**PROCESS**



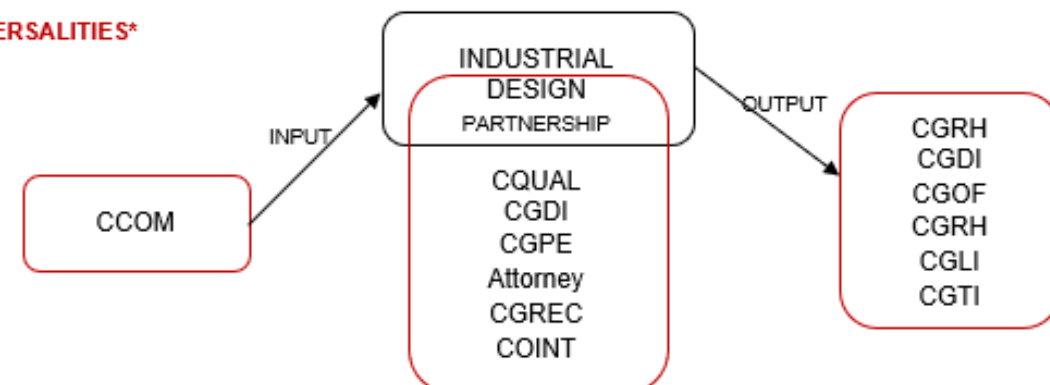
**GENDER AND SOCIAL INCLUSION POLICY**



**INSTITUTIONAL CONTEXT**

Industrial Design's organizational structure replicates DIRMA's structure on a small scale, this as a consequence of the juxtaposition of the sectors to DIRMA's structure. With the specificity of processing (mainly due to the absence of systems), the solution was to bring the administrative and technical areas in the same arrangement as the now extinct Directorate (DICIG). The technical exam has a team of 6 people allocated to DITEC IX, a division of CGMID and the administrative support consists of 6 people allocated to DIADI.  
 In terms of process review, there are flowcharts developed in Industrial Design in the Process Management Working Group at DIRMA. A process review initiative was recently carried out following the BPMN logic with the Industrial Design flow to be coupled with that of IPAS, this work was focused on a workflow for systems and not on the process mapping view. Currently Industrial Design has a flowchart of the process sequence within the Trade Marks Directorate and a SIPOC Matrix (developed with CQUAL). There are Industrial Design staff that have carried out internal and external training on processes.

**TRANSVERSALITIES\***



\*Main transversalities identified by the Industrial Design team who participated in the workshops.

# Overview Human Resources Management

Eight workshops were held during June, July and August, with the CGRH team, totalling 16 hours of collaborative work to collect the information needed for mapping the Human Resources Management Macroprocess within the organisation. A total of 37<sup>14</sup> civil servants participated in the workshops.

The team's **objectives** for the process review were discussed during the meetings. This information will help guide the process mapping phase and the definition of a redesign that can best meet the initial vision identified by the Macroprocess' focal points. The defined objectives considered the goals established in the Strategic Plan and the main objective of the Macroprocess itself, since this process review should basically contribute to better results and add value based on the current reality of the organisation. The desired objectives for this project can be grouped as follows: to enhance the activities carried out by the area (training, communication with clients, internal controls and goal setting); to achieve greater transparency in decision-making processes; and to develop systems that help in the execution of the activities.

The discussion about **stakeholders** in the Human Resources Macroprocess began with identifying focal points within CGRH. The organisational structure of the coordination unit helped define the 14 civil servants who should participate in the mapping meetings. Additional internal stakeholders were identified at **INPI**. Regarding control and evaluation, the areas pertaining to Audit, Internal Affairs, Attorney's Office and Ombudsman were identified as stakeholders. While the area's strategic definitions are conducted by CGPE, the Presidency and CQUAL. Finally, participants stated that all non-core and core areas are clients serviced by CGRH. The Human Resource Macroprocess engages the entire organisation. The way to represent this process will be to map the information flow about human resources through the organisation. The following were named as external stakeholders: General Controllorship of the Union; Audit Court; the Ministry of Economy and the National School of Public Administration (ENAP).

After self-assessing CGRH's **strengths** and **challenges**, the team defined the existing organisational environment, as well as the service provided to users as characteristics that positively differentiate the work of the area and the team within the organisation. The current context of remote work has made it possible to provide services to a larger number of civil servants. Furthermore, communication improved with the implementation of a new system (AVAYA). In terms of challenges, the team identified 24 aspects grouped into seven categories: Institutional context, Communication, Indicators, Regional Units, Training, Careers and Processes. In relation to the services provided by CGRH, one of the main bottlenecks identified is the inadequacy of the indicators and metrics used to evaluate public employees and activities. Internally, the work developed by the coordination staff is negatively impacted by regulatory restrictions that hinder innovation, as well as the extensive time taken by manual work due to the lack of automation and standardisation of processes and procedures. In addition, considering that CGRH services are provided to all civil servants, including those who are not based in Rio de Janeiro, the team identified challenges related to communication, qualification, training and replication of quality-of-life policies in Regional Units.

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<sup>14</sup> The large number of people involved in the meetings of the Human Resources Management Macroprocess is due to the prioritisation meetings, in which civil servants from the core areas participated.

The discussion of **processes** sought to identify the Human Resources Management Macroprocess support services that have the greatest impact within **INPI**. The list of priorities considered those that were brought up by the area coordination itself and by the core areas. Macroprocess mapping will focus on the main reason for the area's existence within the organisation. Human Resources Management Macroprocess should not be confused with CGRH's organisational structure. All managers in the organisation are responsible for the human resource function and process.

The **institutional context** explains the structure in which the Human Resources Management Macroprocess is conducted within **INPI**. The Organisational Structure of the General Coordination of Human Resources is defined by Decree No. 8854/2016 and by Ordinance MDIC No. 11/2017. Currently, CGRH has 14 heads, 36 administrative public employees and 18 employees from the Operational Health Division. The CGRH team is made up of civil servants from different areas of expertise hired through different public service recruitment processes (2004 to 2013), allowing for the team to exchange experiences and get up to date on current trends. One key milestone within the CGRH was the creation of the **INPI** Careers and Job Positions Plan (Law No. 11.355 / 2006), aligning the staff with the **INPI** mission, improving the sense of belonging and enhancing the employees through professional recognition. There are two key areas within the coordination unit: one deals with administrative tasks (personnel management) and the other focuses on human capital (training, occupational health, employee performance). Workshop participants found that the two areas carry out 180 processes altogether to support **INPI** in Human Resources Management. These processes were revised for greater efficiency as established in the 2016 Decree, following the PDCA cycle. The result of this review was the creation of the List of Services (Carta de Serviços) containing a step-by-step description for some processes. The implementation of the SEI triggered a review of the processes for digital migration using electronic forms. These two milestones were presented as examples of internal process reviews conducted by CGRH, which addressed specific situations, but had no set methodology and no plan for continuous improvement. In 2019, the SIPOC Matrix was developed through a joint process review effort with CQUAL, identifying sub-processes within CGRH.

Finally, civil servants use 17 different government systems, out of which four are used by **INPI** employees to interact with CGRH and two other internal systems<sup>15</sup>. There are currently 19 ongoing projects that can impact the Macroprocess, which are organised in three groups: those established in the Action Plan (12), Internal Projects (6) and External Projects (1)<sup>16</sup>.

The **monitoring** category within the A3 was used to discuss the existing and desired CGRH indicators. Workshop participants listed a series of indicators according to their units within CGRH: CETEC (8), SEAGO (10), SECAD (8), DIPAG (1), DIREF (3), SEGOV (1) and DISAO (4). Regarding desired indicators, participants listed two for the services provided to **INPI** employees and five for the work developed by CGRH employees. The indicators are listed in the monitoring section of the Human Resources Management category of the A3.

**Gender equality and social inclusion policies** are an essential aspect of this project. Currently there are no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. CGRH shared updated statistics of all the areas within the scope of the studied macroprocesses, addressing aspects such as gender, ethnic background and people with special needs, allowing for a general view of each area's standing. Data referring to CGRH is available in the A3.

A relevant aspect for the mapping work is the identification of **transversalities** between the Human Resources Management Macroprocess and other **INPI** areas. An exercise was conducted with the

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<sup>15</sup> The list of systems used can be found in **Annex 4**.

<sup>16</sup> The list of projects can be found in **Annex 5**.

members of the CGRH team to identify their perception of the areas that: 1) generate input for Human Resources, 2) carry out processes in partnership, and 3) cases where Human Resources generate outputs for other areas. The result was a general transversal vision of the organisation, as follows:



**HUMAN RESOURCES PROCESS REVIEW OBJECTIVES**

- Improve the planning and execution of the training processes: performance evaluation, hiring process and evaluation of the impact of training on work development.
- Review and standardize the use of goals and competencies in a way that considers both productivity and quality, allowing for the creation of indicators for HR areas
- Provide transparency for HR processes: Disseminate existing criteria, create criteria for processes, improve criteria for processes and Identify and present decision-making bodies that are not in HR governance
- Improve communication with HR employees in decision-making processes and bodies: Intensify and diversify communication channels and Identify didactic and practical (non-bureaucratic) forms of communication.
- Improve internal control mechanisms
- Identify possibilities for process automation
- Integrate the processes of the areas the division encompasses in a system, in order to have integrated controls and exchange of information

**STAKEHOLDERS**

**Internal CGRH:** representatives of the following areas: CGRH, COARH, DIPAG, DIREF, SERAP, SEARH, COADE, DISAO, SECAD, CETEC, SEADE, SEGOV, SEAGO  
**Internal INPI:** Internal Affairs, Ombudsman, Attorney, Audit, CGPE, Presidency Office, CQUAL, Clients: core and non-core macroprocesses,  
**External:** CGU, TCU, Ministry of Economy, ENAP

**STRENGTHS**

**Customer service:** New scenario (remote work/telecommuting) allows employees greater access through online training; Most forms are electronic; HR services receive high praise from users through the ombudsman.

**Normative Framework:** Possibility of changing INPI's internal regulations; Procedural instruction of processes from HR

**Communication:** New unified communication system.

**Team:** Good working environment; Good relationship with users; Experienced team with a history of working together; Resilience; Motivated team with a sense of belonging.

**CHALLENGES**

**Institutional Context:** Progressive reduction of people in the teams; Normative framework limits the possibilities for innovation.

**Communication:** Deficient communication process at headquarters and with regional offices; Lack of a collaborative work platform.

**Indicators:** Performance indicators are not described at a level that allows the CGRH to make an assessment; Performance assessment is not structured, preventing effective planning; Use of manual internal controls (excel spreadsheets) generating rework; Lack of an integrated control platform. There is no elementing of the workforce to support the request for public selection exams; Lack of a more efficient organization of HR's man/hour in order to focus on core activities. Lack of provided services evaluation indicator.

**Regional Units:** Difficulty in replicating quality of life policies for regional units; Capacity building and training carried out in person, making access for the regional offices difficult.

**Training:** Lack of training budget.

**Career:** The performance evaluation for promotions takes the employee's academic record more into account than their performance; Rigidity of the civil servants' career, making it difficult to relocate according to their competencies; Difficulty in capturing employees with specific capabilities; Lack of an efficient performance evaluation process; Difficulty retaining HR staff.

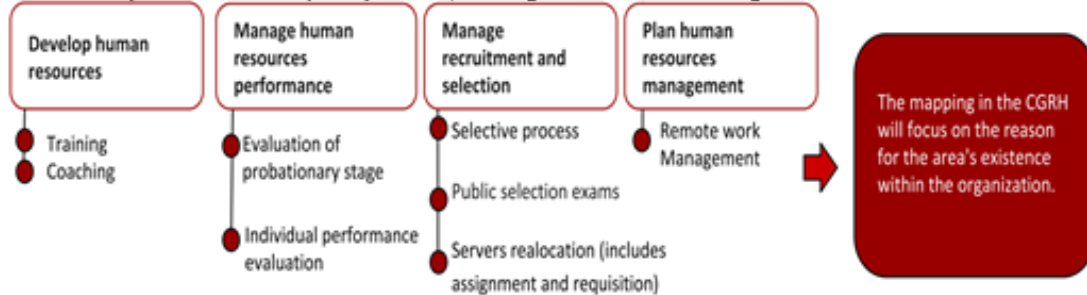
**Processes:** At SEI, the processes were migrated to digital format without reviewing, digitizing the existing bureaucracy; Electronic forms require manual work for processing ex: verification of information and approval; The generational diversity of HR clients requires different treatment, making it impossible to standardize initiatives. Ex process automation; The lack of standardization of processes/procedures hinders the transfer of knowledge to the new staff/managers

**MONITORING**

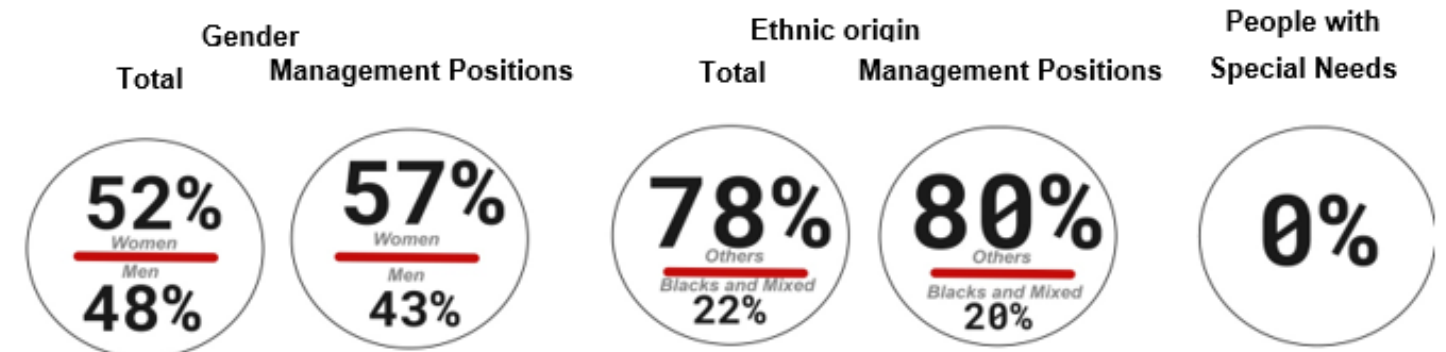
| Existing indicators  | Desired indicators  |
|--|---|
| <p><b>CETEC:</b> Servers trained according to registrations filed; Registrations generating cost for INPI; Average training cost per staff; Investment in training in relation to investment in development per staff member Relationship between training hours for non-graduating employees and training hours for trained employees; Training index of non-graduating staff; Relationship between internal, external and distance training; LOA compliance with training expenses.</p> <p><b>SEAGO:</b> Compliance of LOA with personnel expenses; Percentage of employees in permanent allowance; Rate of filling vacancies by public selection exams; Occupancy rate authorized; Cost of payroll / INPI's budget; Cost of the personnel sheet / INPI's revenue; Agency revenue per employee; Evolution of the increase in the value of remunerations in relation to the increase in the agency's revenue; Return on investments; Quantitative number of staff at INPI.</p> <p><b>SECAD:</b> New employees satisfaction index through PROINS; Removal time counting from moment of request; Servers' average performance index; Removal process time; Duration of the probationary stage; Compliance index of progression and promotion processes; Compliance index of performance evaluation processes; Compliance index of remuneration processes by title.</p> <p><b>DISAO:</b> Rate of service related to health and quality of life; Server's average time away due to health reasons; Remote employees' index; Average cost of employees' leave due to health reasons in relation to the total payroll.</p> <p><b>SEGOV:</b> Rate of compliance with Audit requirements.</p> <p><b>DIREF:</b> General turnover (evasion rate); Manager turnover index; Absenteeism Index.</p> <p><b>DIPAG:</b> percentage reimbursed to the treasury in relation to total ongoing reimbursement processes.</p> | <ul style="list-style-type: none"> <li>- Average process time (extracted from SEI);</li> <li>- Productivity/effectiveness index: (example from SECAD: removal publication date published in the personnel bulletin; deliver date of the removal request);</li> <li>- Operational improvement index (SECAD example: (Number of financial settlement processes/Number of progression and promotion processes);</li> <li>- Quality perception index: (Index of INPI's employees' satisfaction with HR assistance;)</li> <li>- Need for an indicator that measures the impact of training on the work taking place at INPI units;</li> <li>- Compliance index along with regulating agencies: (Number of audit requirements met on time/Total audit requirements);</li> <li>- Indicator that measures the quality of work, which can be balanced with the time taken to execute;</li> <li>- Lack of an indicator that measures the quality of services provided by HR for other staff.</li> </ul> |

**PROCESS**

CGRH in its SIPOC matrix defined 53 sub-processes developed by the areas. In order to define those processes with the greatest impact in the area, they were prioritized based on two views: 1) Area's internally priorities, 2) Priorities according to CGRH's vision in order for the core areas to achieve INPI 4.0. Subsequently, an exercise was carried out with the core and non-core areas to arrive at the priorities for the sub processes developed by CGRH, which generated the following result:



**GENDER AND SOCIAL INCLUSION POLICY**



**INSTITUTIONAL CONTEXT**

The Organizational structure of the General Coordination of Human Resources is defined by Decree 8854/2016 and Ordinance MDIC No. 11/2017. Within the area there are two major divisions: a classic HR (personnel management) and one focused on human capital (training, occupational health, performance of the employee). Regarding the elementing of the area, CGRH has 14 titular heads, 36 administrative staff and 18 employees from the Operational Health Division. HR division requires the execution of 53 sub-processes, identified in the SIPOC matrix (developed with CQUAL in 2019).

In 2016, a review of the internal processes of the CGRH was carried out based on the change of legislation following the PDCA cycle, some of the documents generated were the Service Charter, step-by-step of some processes, and mappings.

In operational terms, CGRH processes have changed with the implementation of the Electronic Information System, the creation and use of electronic forms, and with remote communication. CGRH created flowcharts of the internal processes, however, these were developed in response to specific needs at varying moments, without a standard methodology and not all are up to date. For the management of human resources are used government systems (external to the INPI).

**TRANSVERSALITIES\***



\*Main transversalities identified by the CGRH team who participated in the workshops.

# Overview Information and Communication Technology Management

A total of 29<sup>17</sup> civil servants participated in six workshops, held during June, July and August with the CGTI team, totalling 12 hours of collaborative work to collect the information needed for mapping and for a general overview of the Information Communication Technology Management Macroprocess within the organisation.

The team's process review **objectives**, discussed during the meetings, will guide the process mapping phase and the definition of a redesign that best meets the initial vision identified by participants and by the focal points of the Macroprocess. These objectives were guided by the strategic objectives<sup>18</sup> and CGTI's core objective, aligning both with **INPI**'s structure as well as the Macroprocess under study. Four objectives were identified: achieving an efficient and effective process for planning and executing demands; improving communication of services provided; identifying metrics to show the value of IT deliveries; and contributing to the redesign of IT processes for **INPI** as a whole.

The **stakeholders** of the Information and Communication Technology Management Macroprocess were identified considering the processes developed by the CGTI: ICT Solution Management, ICT Solution Monitoring and ICT Support, which involve the focal points of COINF, COSIS and representatives of three outsourced companies (ConnectCom, Interop and Calma); Information Security Management, which involves the focal points of COINF, DISEG and the outsourced company ConnectCom; and, finally, Contract Management and Supervision and ICT Governance, which involves the focal points of CGTI, COINF and COSIS. The same reasoning was used to identify both internal **INPI** stakeholders and external stakeholders. Since the Information and Communication Technology Management Macroprocess supports all operations within **INPI**, all **INPI** areas are consequently stakeholders, as they are serviced by this Coordination Unit. This Macroprocess reaches and encompasses all areas since it involves the pervasive flow of information and data in **INPI** systems and hardware. External stakeholders include suppliers, regulating agencies, entities and communities for the exchange of good practices.

This was followed by a self-assessment where the team was asked to identify CGTI strengths and key challenges. **Strengths** were grouped into two categories: Team and Management. The first category includes the positive traits of the area coordination staff, the work environment, and the relationship with users. **Challenges** were grouped into six categories: Hiring, Institutional Context, Process Structure, Communication, Resources and Systems. The main bottlenecks faced by coordination unit staff were listed as: constant changes in actions, priorities and budget within **INPI**; lack of institutional criteria to identify priorities; poor communication with users; and undocumented processes. Additionally, the General Coordinator is overburdened with operational issues, impeding the strategic articulation of activities that could allow for an improvement in the Macroprocess.

The discussion of **processes** sought to identify the services provided by the Information and Communication Technology Management Macroprocess that have the greatest impact within **INPI**. The list of priorities was based on those brought up both by the Coordination Unit itself and by the core areas. Macroprocess mapping will focus on the main reason for the area's existence within the organisation.

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<sup>17</sup>The large number of people involved in the meetings of the Information and Communication Technology Management Macroprocess is due to the prioritisation meetings that included civil servants from the core areas.

<sup>18</sup>Identified in the Strategic IT Plan (PETI) 2016-2019

The **institutional context** addresses the structure in which the ICT Management Macroprocess is developed within **INPI**. CGTI's structure is defined in Article 21 of the Internal Regulations. Two Coordination Units (COSIS and COINF) and two Divisions (DIAPE and DISTI) depend on the General Coordination. COSIS, formed by 12 civil servants and 11 employees, is responsible for developing and maintaining information systems, managing demands and controlling the software engineering process. COINF, with 10 civil servants and 45 employees, is responsible for projects related to information technology infrastructure, information security, risk management, and data network support and administration. As for Divisions, DISTI (two civil servants): prepares the budget proposal for IT resources and monitors their execution; assists in the preparation of hiring documents; contributes to the preparation of IT management and audit reports; and follows up on the IT acquisition plan. DIAPE (three civil servants) is responsible for special projects: R&D, cooperation agreements and specific projects delegated by CGTI for monitoring. Together with CQUAL, the team has carried out training activities and reviewed processes. In 2019, the SIPOC Matrix was finalised and the team participated in the training activities on process management and on the use of the Bizagi software. Through a Lean methodology mapping, COSIS described internal processes, which it updates onto a document as new bottlenecks are identified, yet this is currently a descriptive document and not a flowchart. In terms of systems, COSIS is responsible for maintaining approximately 70 internal systems used at **INPI**. When asked about tools used internally, participants identified 12 systems<sup>19</sup>. Finally, the team identified 58 projects that impact CGTI: 21 at COINF, 26 at COSIS and 11 shared projects<sup>20</sup>.

The **monitoring** section of the A3 lists existing and desired indicators for evaluating the processes developed at CGTI. Two of the existing indicators need improvement according to participants: availability of internal services and availability of external services, as well as the portal. Eight new desired indicators were identified.

**Gender equality and social inclusion policies** are an essential aspect of this project. Currently there are no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing number of **INPI** professionals by gender, ethnic background and people with special needs, providing a general view of the area.

A relevant aspect for the mapping work is the identification of **transversalities** between the Information and Communication Technology Management Macroprocess and other **INPI** areas. To this end, an exercise was conducted with the members of the team involved in the workshops to identify their perception of the: 1) areas that generate input for CGTI 2) have processes in partnership, and 3) cases where CGTI generates outputs for other areas. Below are the key points considered by CGTI.

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<sup>19</sup> The list of systems used can be found in Annex 4.

<sup>20</sup> See Annex 5 for details of the projects.

**INFORMATION TECHNOLOGIES PROCESS REVIEW OBJECTIVES**

- Establish an efficient and effective process for planning and executing IT demands, including defining criteria that prioritize demands;
- Improve the communication of services provided by IT to INPI;
- Create a metric that shows the value of IT deliveries in relation to strategic planning;
- Contribute to the redesign of IT processes, for INPI as a whole.

**STAKEHOLDERS**

**Internal CGTI:** representatives of the following areas: Area of Coordination -CGTI, COINF, COSIS, DISEG; Outsourced: ConnectCom, Interop, Calma.  
**Internal INPI:** DIRMA, DIRPA, CGTEC, CQUAL, DIRAD, CGDI, CGREC, Audit, CCOM, COINT, AECOM, Presidency, CGPE, CGTEC, Ombudsman, Industrial Design, Internal Affairs, COLIC/CGLI, DIORC/CGOF, COLIC/DICAD -CGLI, SELIF/DIPEF, DIRAD, CGDI.  
**External:** Supplier (ConnectCom, Interop and Calma); SISP; WIPO; Brazilian Agency for Industrial Development; European Patent Office, CTIRGOV - Incident handling committee, DSIC- Department of Communication and Information Security, Good practices exchange community, Security solution providers, GCU, TCU .

**STRENGTHS**

**Team:** Resilient, committed and highly qualified; Good working environment; Good relationship with users.  
**Management:** Efficiency in contract management; Defined change management process (documented process - step by step known to the entire team); Scheduled maintenance calendar (communication); Well-defined software development process; High availability of the physical infrastructure environment and communication links.

**CHALLENGES**

**Hiring:** Changes in the IT budget get in the way of strategic hiring planning; Need to administratively inspect what is outside the scope of IT in contracts (technical aspects); Small team to prepare/manage/inspect contracts.  
**Institutional Context:** Institutional criteria for prioritizing demands; The institution lacks a strategic IT vision.  
**Process Structuring:** Lack of well-defined and documented processes; Area activities/services poorly documented or outdated; Constant changes in actions, priorities and budget.  
**Communication:** INPI's lack of knowledge about the IT area; No communication plan with other INPI sectors regarding IT actions; Lack of knowledge about contract terms and the complexity of the terms of reference; Users unfamiliar with the catalog of services provided by IT; No strategic internal communication plan.  
**Resources:** General Coordinator overloaded with operational issues, preventing their dedication to strategic activities, institutional articulation, etc .; Lack of human resources for research and development, to meet the large volume and diversity of demands and to strategically think about demanded solutions; Lack of an employee responsible for institutional coordination with other INPI areas.  
**Systems:** It is not possible to deploy continuous delivery on Client/Server (Delphi) systems; Lack of automated deployment of continuous delivery across all IT deliveries.

**MONITORING**

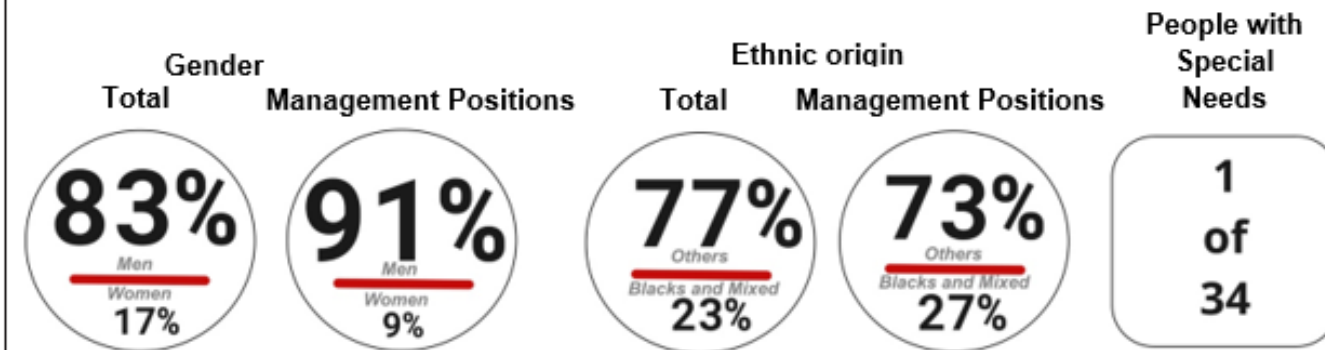
| Existing Indicators   | Desired Indicators  |
|---|---|
| <ul style="list-style-type: none"> <li>• Holding information security events;</li> <li>• Execution of the IT projects listed in the PDTI;</li> <li>• Budget execution;</li> <li>• Demands requested/carried out;</li> <li>• Helpdesk user satisfaction index.</li> </ul> <p><b>Indicators to be Improved:</b></p> <ul style="list-style-type: none"> <li>• Availability of internal services;</li> <li>• Availability of external services and portal.</li> </ul> | <ul style="list-style-type: none"> <li>• Average time between external services unavailability;</li> <li>• Average time to prepare contract devices;</li> <li>• Number of solutions implemented with failure;</li> <li>• IT users satisfaction index;</li> <li>• Number of unplanned demands executed;</li> <li>• Adherence of developed systems to established standards;</li> <li>• Average delivery time for corrective demands;</li> <li>• Demands made on time.</li> </ul> |

**PROCESS**

CGTI, in its SIPOC matrix, defined 31 products generated by IT through specific processes. In order to define those processes with the greatest impact in IT, they were prioritized based on two views: 1) Internal IT priorities, 2) Priorities according to CGTI's vision in order for the core areas to achieve INPI 4.0. Subsequently, an exercise was carried out with the core and non-core areas to arrive at the priorities regarding products delivered by CGTI in these areas, which generated the following result:



**GENDER AND SOCIAL INCLUSION POLICY**

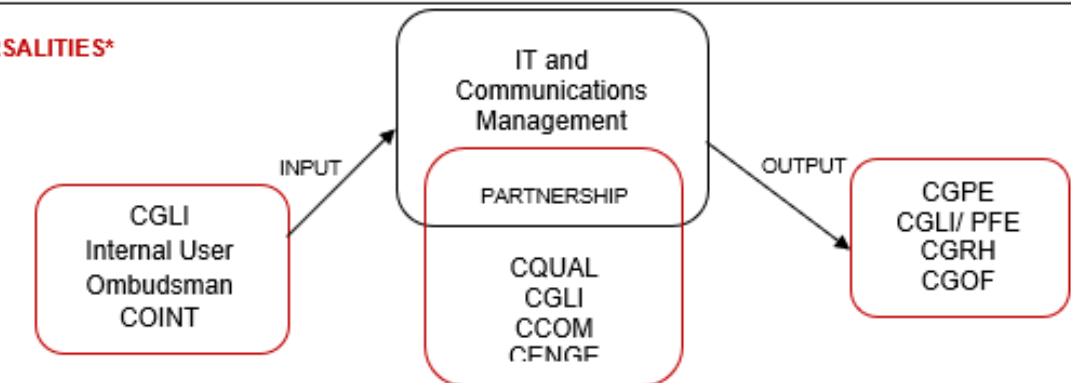


**INSTITUTIONAL CONTEXT**

Articles 21, 22 and 26 of the INPI's Internal Regulations contain the definition of CGTI's organizational structure. CGTI is divided into 2 areas of coordination: COSIS responsible for the development and maintenance of information systems, demand management and control of the software engineering process; and COINF responsible for projects related to information technology infrastructure, information security, risk management, administration and data network support. There are two more divisions, DIAPE (responsible for special projects) and DISTI (Information Technology Management Support Division). Regarding the process review, in 2019 the CGTI Diagrams and SIPOC Matrix were elaborated, identifying level 2 AS IS processes, inputs, suppliers, products and customers. In turn, standard operating procedures (SOP) were developed and revised and user manuals were created. COSIS carried out a mapping work with Lean concepts, generating a flowchart of the process that has been updated continuously. Currently, this document has been migrated to a text descriptive version of the process, considered more practical in COSIS' view. This document is updated when bottlenecks are identified. In operational terms, the following processes have changed:



**TRANSVERSALITIES\***



\*Main transversalities identified by the CGTI team who participated in the workshops.

# Overview Budget, Financial and Accounting Management

Six workshops were held during June, July and August with the Budget, Financial and Accounting Management team, totalling 13.5 hours of collaborative work to collect information needed for mapping activities and for a general overview of the Macroprocess within the organisation. Twenty-eight INPI civil servants participated in the workshops.<sup>21</sup>

The meeting started with a reflective exercise to agree the expected impact of the project, in which the participants discussed the process review objectives. In order to ensure alignment with the INPI structure and the Macroprocess under study, the objectives were based on the INPI 2018-2021 Strategic Plan and on the area's main objective. The team's desired objectives address processes both at administrative and operational levels, aiming to optimise activities, ensure timely delivery and define useful indicators.

The Budget, Financial and Accounting Management Macroprocess stakeholders were identified in terms of internal Coordination Unit staff, other internal INPI areas and also external parties. In order to thoroughly analyse the process, the focal points pointed out the need to include 20 representatives from General Coordination, DIORC, DIPEF, DICON, SEARC and SELIF. While all areas within INPI are considered stakeholders serviced by this Coordination Unit, CGOF highlighted 13 areas as being the most relevant to its processes. This Macroprocess reaches across all areas since it involves the flow of financial information involving distinct parts of the organisation. External stakeholders are customers and suppliers of CGOF processes. These include the Ministry of Economy and its Secretariats, such as the Federal Budget Secretariat and the National Treasury Secretariat, among other public sector entities.

Following this, the team was asked to self-assess and identify the Budget, Financial and Accounting Management organisation's strengths and main challenges. The strengths that can help CGOF leverage process changes are the team's extensive knowledge and technical experience, as well as their proactivity in the incorporation of new projects and processes, such as the implementation of remote work in the area. The team identified 19 challenges grouped into five categories: Tools, Process Review, Human Resources, Systems and Indicators. Many of the aspects mentioned have to do with the lack of specific process and framework definitions (pricing and cost, among others). The bottlenecks are related to the reduced workforce allocated to the Coordination Unit - some areas within CGOF currently have no civil servants at all. Another aspect emphasised by the team was the lack of system automation, leading to greater risks for the organisation and lower productivity caused by manual processes.

The discussion of processes sought to identify the support services provided by the Budget, Financial and Accounting Management Macroprocess that have the greatest impact within INPI. The list of priorities was based on aspects brought up both by the Area Coordination itself and by the core area. Macroprocess mapping will focus on the main reason for the area's existence within the organisation. The institutional context reflects the CGOF structure within INPI. The Coordination is comprised of 3 divisions: Budget, Finance and Accounting. Each division provides a service: Cost Analysis, Financial Analysis and Collection. There are currently no civil servants allocated to Cost Analysis or Administrative Support. In December 2019, CGOF civil servants joined the Remote Work Program, with the condition that those who chose to work remotely would have to deliver 30% more work. A preliminary assessment was carried out to define and list the activities conducted by each

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<sup>21</sup> The large number of people involved in the Budget, Financial and Accounting Management macroprocess meetings is due to the prioritisation meetings that included civil servants from the core areas.

division, attributing a specific score to each in order to measure the productivity of CGOF employees within the monthly production calculation. CGOF mentioned the use of 18 different systems<sup>22</sup> in their activities. It should be noted that Excel is the tool used daily to record and monitor the services provided. Participants pointed out nine ongoing projects at CGOF that can impact the Macroprocess.<sup>23</sup>

Information on existing metrics defined the current monitoring of key results in the Budget, Financial and Accounting Management Macroprocess. In the monitoring category of the A3, both existing and desired indicators were listed. There are 13 indicators for CGOF processes, and they result from non-automated work. Regarding desired indicators, the team suggested complementary metrics on assertiveness in carrying out tasks and the time spent on the execution of processes.

Gender equality and social inclusion policies are an essential aspect of this project. Currently there are no explicit definitions of such policies in INPI. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing number of INPI professionals by gender, ethnic background and people with special needs, providing a general view of the area.

A relevant aspect for the mapping work is the identification of transversalities. To this end, an exercise was carried out with the team to identify their perception of the areas that: 1) generate input for Budget, Financial and Accounting Management, 2) carry out processes in partnership, and 3) cases where Budget, Financial and Accounting Management generates outputs for other areas. The result generally portrays the organization's transversalities, as follows:

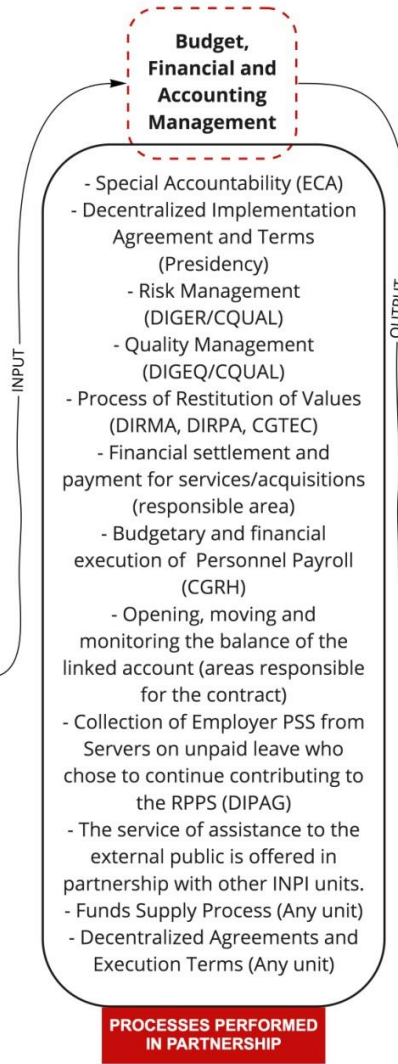
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<sup>22</sup> The list of systems used can be found in **Annex 4**.

<sup>23</sup> The list of ongoing projects used can be found in **Annex 5**.

**OTHER AREAS GENERATE INPUTS FOR CGOF**

- CGLI:
  - Record of contract renegotiation
  - Contractual fine due and not paid
- INPI real estate financing agreement and CEF (Caixa Econômica Federal)
  - Asset movement report
- Reception of Diário Oficial publication on the contract signed for the Contracts Register
- Custody and registration of contractual security/Warantee Insurance (Contract Inspector)
  - Warehouse movement report
  - Contractual fine applied
- Donation of movable and immovable property
  - Hiring Demand for INPI (interested area)
  - Budget receipt for new hires (requesting unit)
- Registering the guarantee bond for guarantee contracts
  - CGRH:
    - Allowance Payment
    - Payment of Funeral Aid
    - Salary from previous years
- Exceptional payments outside the FOPAG process (Contract Inspectors)
- Record of contract guarantee write-offs (Contract Inspectors)
  - Attorney:
    - INPI's Active Debt Situation
  - Fine/debit of Special Accountability Process
    - PCT - WIPO:
      - Exchange rates
    - Any Macroprocesses:
      - User registration at SIAFI
      - SIAFI password update
      - Payment Regularizations
  - Payment of national and international per diem.
  - Inserting the budget ceiling for travel expenses
    - Demands information from the Audit
  - Core collection units generate inputs for the INPI Revenue projection process



**RECEIVE OUTPUTS FROM CGOF**

- CGRH
  - Need for training
  - Reports on remote work servers
  - Annual performance evaluation of servers
- HR regularizations in the SIAFI system
  - CGTI
    - System improvements in PDTIC
    - Trade marks WIPO
  - Exchange of values received in the Madrid Protocol.
    - PCT - WIPO
- Exchange of values received in the PCT
  - Attorney
    - Update of lawsuit values
    - Core Areas
- Importing data into the PAG system about what was paid
  - Check for inconsistency in payments
    - INPI
      - The Budget preparation and management process feeds the Planning Process with respect to Expenditure.
      - Availability of budget information for the INPI Action Plan

**FINANCE, BUDGET, ACCOUNTING PROCESS REVIEW OBJECTIVES**

- Identify and build relevant indicators for CGOF processes;
- Diminish the time for the execution of processes within CGOF;
- Structure other areas' demands to CGOF, aiming towards standardization;
- Ensure each CGOF area complies with deadlines by optimizing control processes;
- Improve pricing table flowchart, standardize and structure the alteration of the table that is presented to the ministry further on;
- Identify the points of improvement that allow for the optimization of processes and increase their efficiency.

**STRENGTHS**

**Team:** Servers with significant technical knowledge and extensive experience in the development of their activities, as well as commitment to the organization; Servers from different areas of knowledge, with experience in other areas of INPI, allowing a holistic view.

**Processes:** Process mapping allowed CGOF to establish remote work.

**Projects:** CGOF was proactive in incorporating the administrative vision in new INPI projects and processes. Ex: Madrid Agreement.

**Good practice:** Workshop with contract inspectors, implemented in 2019.

**CHALLENGES**

**Tools:** There is a deficit in the cost calculation methodology and pricing model, with no technical criteria, generating rework.

**Review of processes:** Lack of definition of specific processes (budget reprogramming and refund of fees, among others); Lack of mapping to identify outdated processes and those that need a greater level of detail, identifying activities that add value.

**Human Resources:** Reduced team; Absence of staff member in SEADM and in the cost unit; Team with several operational functions, making management time difficult; Need to improve communication with other units; Lack of experience of contract inspectors, generating rework.

**Systems:** Lack of support in the acquisition / development of software; PDTIC prioritizes the core areas, leaving aside the non-core areas; SEI has no bus, preventing access to documents outside the INPI network; CGOF areas use excel spreadsheets and not an automated system, generating risks of error and drop in productivity; There are active processes on paper that have not been digitized (e.g. renegotiation of contracts).

**Indicators:** The indicators used are for production and are not formalized; Lack of quality indicators by other INPI areas.

**STAKEHOLDERS**

**Internal:** representatives of the following areas: General management, DIORC, DIPEF, DICON, SEARC, SELIF.

**Internal INPI:** representatives of the following areas: Presidency/Office, DIRMA, DIRPA, CGTEC, CQUAL, CGLI, CGRH, CGTI, CCOM, Ombudsman, Contract inspectors, CGTEC, CGREC.

**External:** Ministry of Economy / Federal Budget Secretariat (SOF), National Treasury Secretariat, TCU, Restitution of Values to Clients (USP, Dannemann- Roberto Da Silveira Torres Junior Office.), Banco do Brasil, INSS.

**MONITORING**

**Existing Indicators**

**External Public Services:** Percentage of responses within the deadline; User approval (percentage) for the responses provided (quarterly).

**Restitution of values:** Percentage of increase/decrease in cases received, paid and dismissed; Financial execution monitoring (Registration of the Limit of Payments and pending payments effectively executed).

**Process of Tracking Pending Payments:** Registration of the enrolled versus executed value.

**Payment process:** fraction of payments made in the month that met the expected timing; Registration of the fraction of payments, by category, that did not meet the payment deadlines and that did not meet the chronological order of payments; Number of cases returned to the areas.

**Payment Process (settlement phase)/Non-formalized indicators:** Dwell time in the settlement unit (SELIF); Time spent with the staff member in charge of settling the process; Percentage of returns to contract inspectors; Number of processes executed.

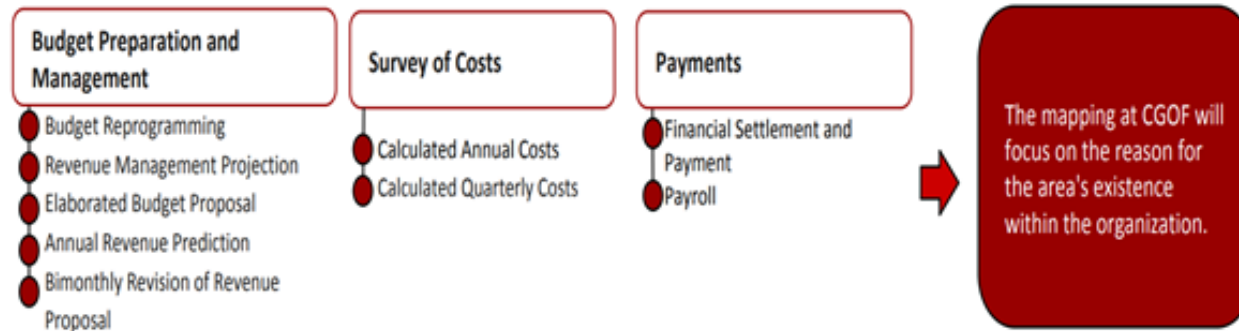
**Common:** number of activities performed by each employee; Performance evaluation.

**Desired Indicators**

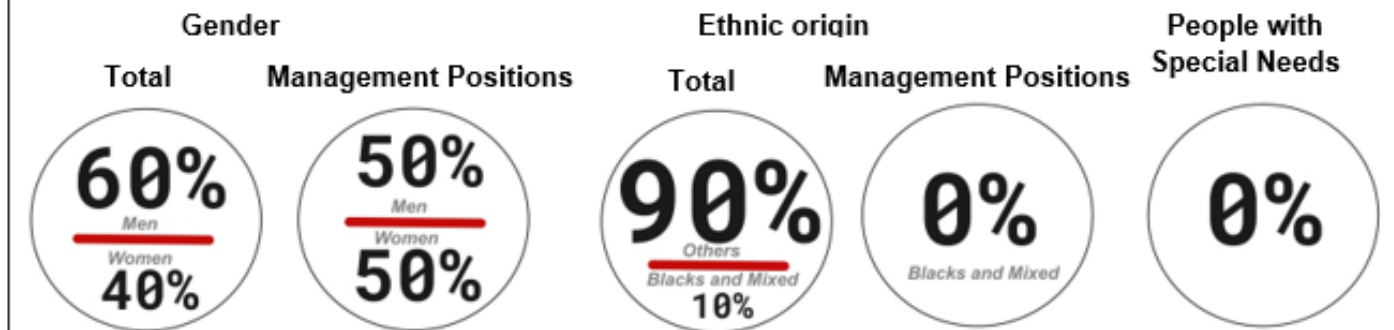
- Indicator that points to 'employees' assertiveness in their performance of tasks;
- Indicators that measure the processes dwell time in the units;
- Indicator that measures the response time once a CGOF unit requests information.

**PROCESS**

CGOF in its SIPOC matrix defined 27 products generated by the area through specific processes. In order to define those processes with the greatest impact in the area, they were prioritized based on two views: 1) Internal priorities of the area, 2) Priorities according to CGOF's vision in order for the final areas to achieve INPI 4.0. Subsequently, an exercise was carried out with the finalistic and support areas to arrive at the priorities regarding products delivered by CGOF in these areas, which generated the following result:

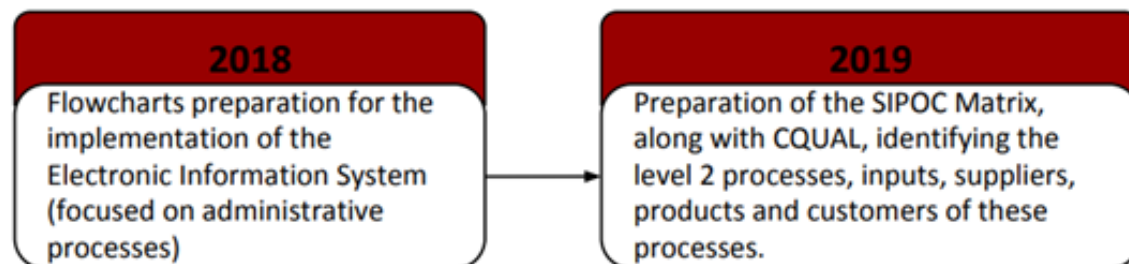


**GENDER AND SOCIAL INCLUSION POLICY**

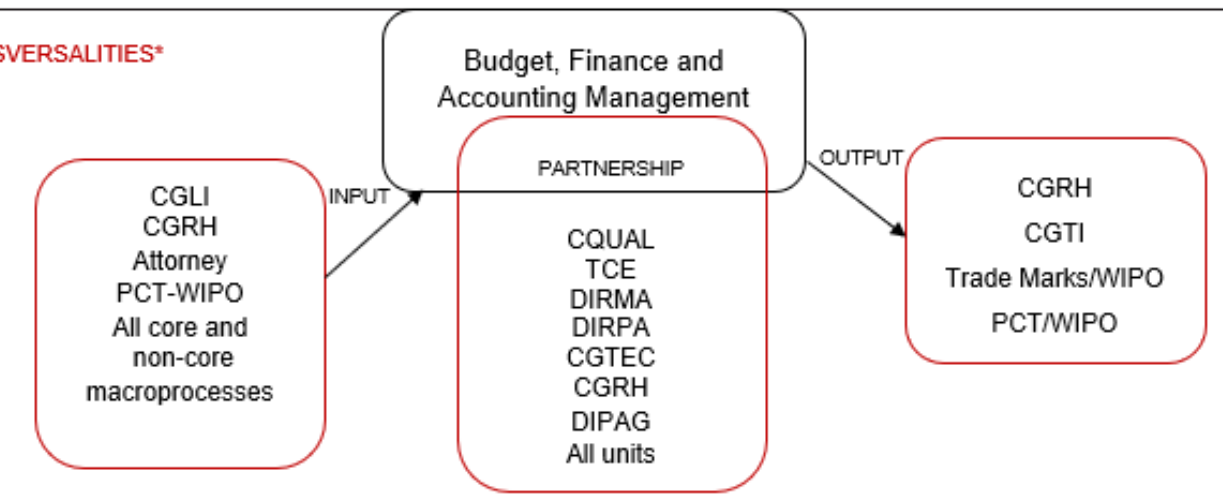


**INSTITUTIONAL CONTEXT**

The organizational structure is defined by Decree and by the Internal Regulation which is defined by an Ordinance MDIC No. 11/2017. CGOF has a team of 20 staff members in total. It consists of 3 divisions: Budget, Finance and Accounting. Each division has 1 service: Cost Analysis Service, Financial Analysis Service and Collection Service. Currently, the Cost Analysis Service and the Administrative Support Section have no staff allocated. Of the CGOF personnel, 6 joined the Remote Work Program in December 2019. Regarding process review, the milestones within CGOF are as follows:



**TRANSVERSALITIES\***



\*Main transversalities identified by the CGOF team who participated in the workshops.



# Overview Logistics and Infrastructure Management

Six workshops were held during June, July and August with the Logistics and Infrastructure Management team, totalling 14 hours of collaborative work to collect information needed for mapping activities and for a general overview of the Macroprocess within the organisation. Forty-one **INPI** civil servants participated in the workshops.<sup>24</sup>

In a reflective exercise to elicit the expected impact of the project, the participants first discussed the **objectives** to be achieved with the review of the processes. In order to ensure alignment with the **INPI** structure and the Macroprocess under study, the objectives were based on the 2020 **INPI** Plan of Action and on the area's core objective. The desired objectives pointed out by workshop participants fell into six categories: Planning, Processing Capacity, Communication, Integration, Indicators and Processes. Process transparency and improved internal and external communication were emphasised as desired outcomes, so that the organisation understands the operational capacity of the area and demands are compatible with timely delivery.

The second point discussed pertained to the identification of the Macroprocess' **stakeholders**: those internal to CGLI, from other internal **INPI** areas and also external parties. Since **INPI**'s functioning depends on the Logistics and Infrastructure Management Macroprocess' contracts administration, all areas within **INPI** constitute stakeholders that are serviced by this area of coordination. In order to conduct an in-depth analysis of the process, the focal points involved in the workshops pointed out the need to involve 23 civil servants working in the following areas: General Coordination, COLIC, COPEM, CENGE, SAPRA, SERPA, SESUP, DILOG, SEPEX, DIGED, SARGE and DIGED (these areas are all internal to CGLI). The focal points identified representatives from 15 areas within **INPI** as priorities. As for external stakeholders, CGLI identified their service providers and pointed that there are currently 179 administrative support hired employees.

This discussion was followed by a self-assessment where the team was asked to identify CGLI strengths and key challenges. As **strengths**, the team identified the area's strong suits within the organisation: the team's extensive knowledge and technical expertise, as well as the employees' commitment and sense of belonging, which motivates them to overcome the area's difficulties. In terms of **challenges**, the team identified 26 aspects grouped into six categories: Planning, Regulations, Systems, Indicators, Processes and Organisational Structure. Many aspects are related to the lack of adequate planning for receiving demands, which often leads to rework in contracting services. Bottlenecks refer to the lack of a study of the area's capacity. Without this study, adequately trained staff cannot be assigned to CGLI and its subordinate areas. The team also mentioned the lack of system automation, leading to the need to perform manual processes, thus impacting productivity.

A discussion regarding **processes** sought to identify support services provided by the CGLI Macroprocess that have the greatest impact within **INPI**. The list of priorities was guided by aspects addressed by the Area Coordination itself and by the core areas. The Macroprocess mapping will focus on the main reason for the area's existence within the organisation.

The **institutional context** reflects the basic structural milestones of the Macroprocess within **INPI**. CGLI is composed of three areas of coordination: COLIC, CENGE and COPEM; six divisions: DIGED, DIPRA, DILOG, DICAD, DIEDI, DINST; six Services: SAESA, SEPEX, SARGE, SERPRA, SESUP, SAPRA and two sections: SETEL and SEREP. In total, CGLI has 47 civil servants and 27

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<sup>24</sup> The large number of people involved in the meetings of the Logistics and Infrastructure Management macroprocess is due to the prioritisation meetings that included core areas' civil servants.

outsourced employees. It is important to note that since 2017 the number of civil servants allotted to CGLI has been reduced. This coordination is responsible for managing a substantial number of support services, such as security, cleaning, supplies, warehouse and estate, among others. At the same time, the engineering area is responsible for hiring and overseeing the maintenance of **INPI** properties through outsourced services. Another relevant aspect of the institutional context are the systems used. They were classified into three categories: Federal Government systems, **INPI** Systems and Systems and Tools Belonging to Companies Hired by **INPI**.<sup>25</sup> There are currently 12 projects that can impact the Macroprocess - some are internal to the Coordination Unit and others external<sup>26</sup>.

In the **monitoring** category of the A3, both existing and desired indicators were listed. There are currently 15 indicators to measure CGLI processes, most of which are released monthly. The desired additional indicators are related to quality, efficiency and productivity in process execution.

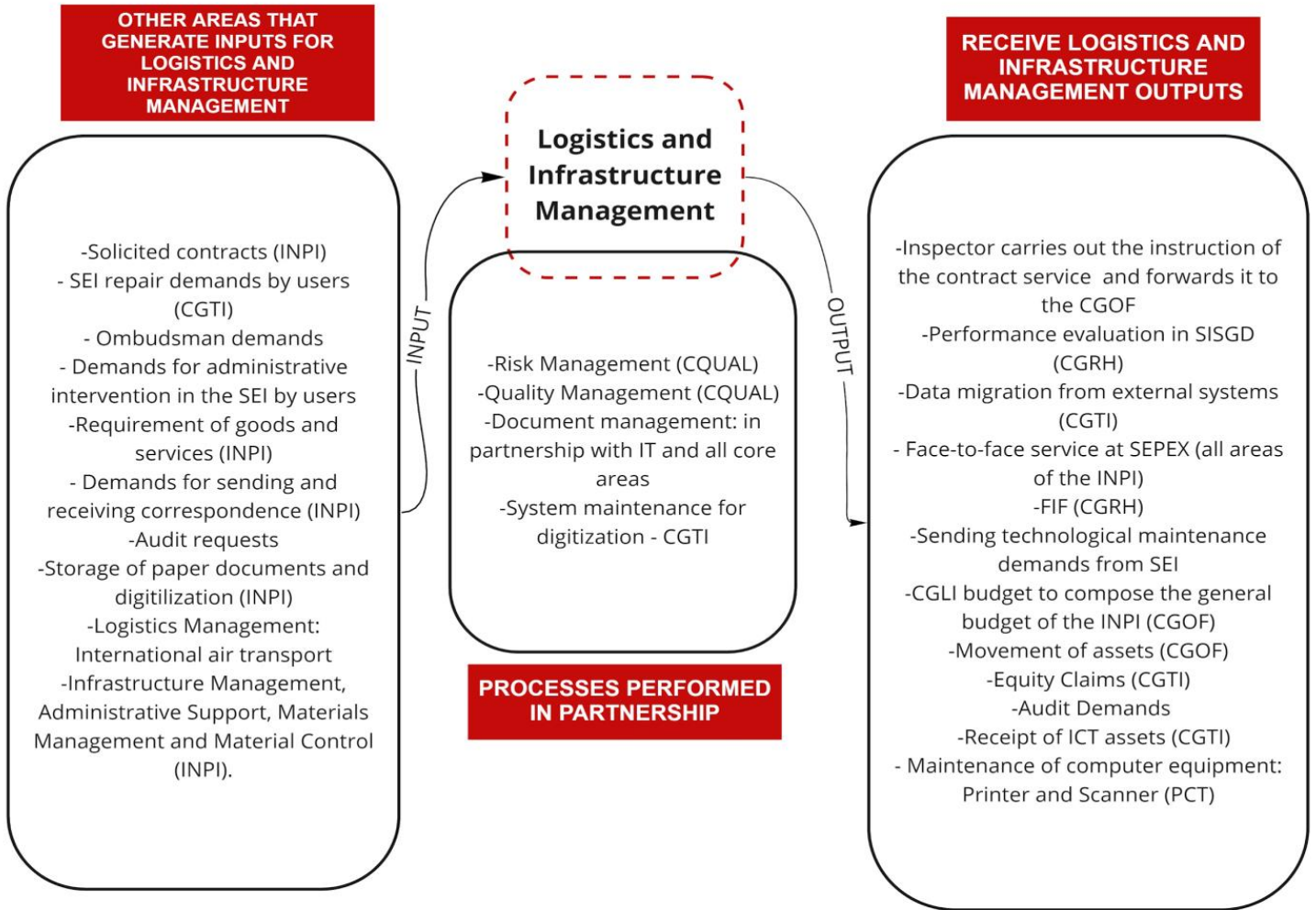
**Gender equality and social inclusion policies** are an essential aspect of this project. Currently there are no explicit definitions of such policies in **INPI**. The institution abides by the Federal Government public service hiring rules. Updated statistics were collected to inform the existing number of **INPI** professionals by gender, ethnic background and people with special needs, providing a general view of the area.

A relevant aspect for the mapping work is the identification of **transversalities**. To this end, an exercise was carried out with the members of the team involved in the workshops to identify their perception of the areas that 1) generate input for CGLI, 2) have processes in partnership, and 3) cases where CGLI generates outputs for other areas. Since the maintenance and provision of goods is carried out through contracts, the participating team listed all areas of **INPI** as clients. Below are the main points considered by CGLI:

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<sup>25</sup> The list of systems used can be found in **Annex 4**.

<sup>26</sup> The list of ongoing projects can be found in **Annex 5**.



**LOGISTICS AND INFRASTRUCTURE PROCESS REVIEW OBJECTIVES**

- **Planning:** Distribute deadlines of the demands homogeneously throughout the budget execution year; Optimization of deadline enforcement both in the view of customers and for the internal workforce.
- **Processing capacity:** Identify the internal processing capacity of CGLI areas; Structure INPI's demands according to CGLI's capacity; Make stakeholders aware of CGLI's operational capacity in the provision of services.
- **Communication:** Improve the communication and organization of the stages of the process in the contracting area to meet deadlines efficiently; Improve internal and external communication; To make transparent the processes in order to: Assist in ensuring administrative and legal compliance of the procurement and contracting processes; assist requesting areas, managers and contract inspectors in their activities; assist decision makers in matters related to acquisition and contracting; assist the performance of activities required by Internal Regulation.
- **Integration:** Encourage efficiency in the integration and interaction of plans with other INPI areas.
- **Indicators:** Propose and identify indicators to measure the process efficiency.
- **Processes:** Identify possibilities for automation within the process; Identify the need for resources and skills to carry out each step of the process; Improve distribution of workload; Optimization of processes to increase the efficiency of budget use.

**STAKEHOLDERS**

**Internal CGLI:** representatives of the following areas Area of Coordination - CGLI, COLIC, COPEM, CENGE, SAPRA, SERPA, SESUP, DILOG, SEPEX, DIGED, SARGE and DIGED

**Internal INPI:** representatives of the following areas: CGOF, DIRAD, Presidency, CGTI, CGDI, CGPE, PFE, DIRPA, DIRMA, Regional Units, Ombudsman, AECOM, CCOM, CQUAL, any requesting area, CGTEC, PFE, Ombudsman, "Contact Us" Focal Points.

**External:**

- Logistics Management: National Press; Banco Do Brasil S.A; Caixa Econômica Federal S.A; Jsm Soluções Logística e Transportes Eireli; Cooperativa de Trabalho de Táxi Carioca Ltda - Cooparioca; Voetur Passagens Aéreas.
- Infrastructure Management: 28 outsourced companies; Administrative Support (under contract) 179 employees.
- Document management: National Archives/MJSP; post offices; Industrial Property System External users; Jsm e Transportes Eireli.
- Customer Service Management: Industrial Property System Users.

**STRENGTHS**

- Technical capacity, experience, commitment and sense of belonging of the staff members (integrated team) that work in the process;
- Willingness to make a difference and innovate;
- Good physical structure and easy access;
- Different areas that seek to overcome obstacles together.

**CHALLENGES**

**Planning:** Lack of organization when physically moving within headquarters and regional offices; Failure to comply with the annual contracting plan, with non-feasible dates; Budget availability without planning generates rework in the definition of the Terms of Reference and in the contracting of services; Instability in hiring demand and standardization of documents for contract control.

**Regulations:** Adaptation to the continuous external and internal regulatory changes affecting the procedures for acquisitions and contracting; Lack of more modern management and contracting processes within existing regulations.

**Systems:** Lack of a document management system and computerized and automated solutions to increase productivity and eliminate repetitive activities and tasks; Lack of a structured remote service.

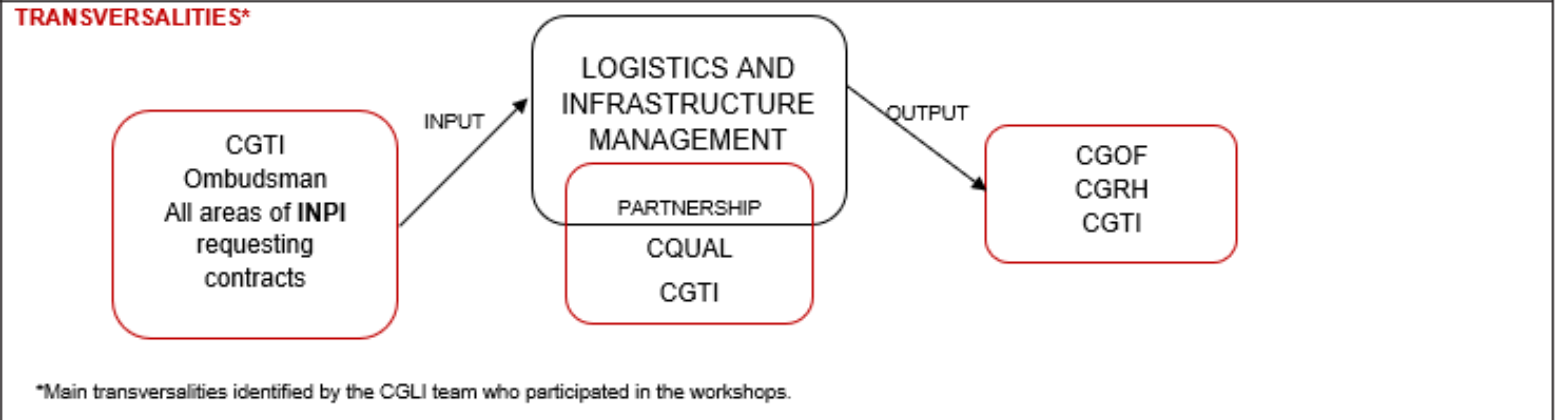
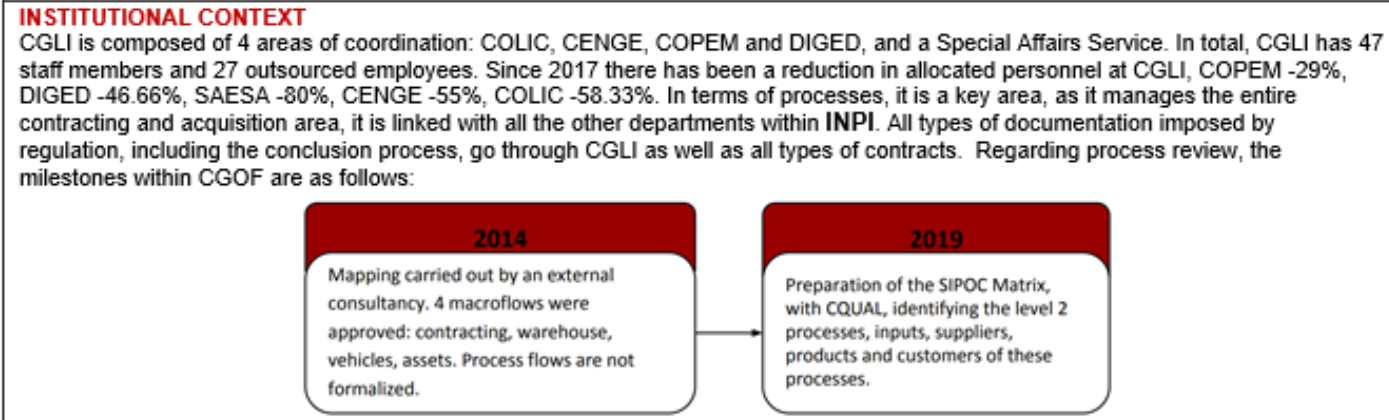
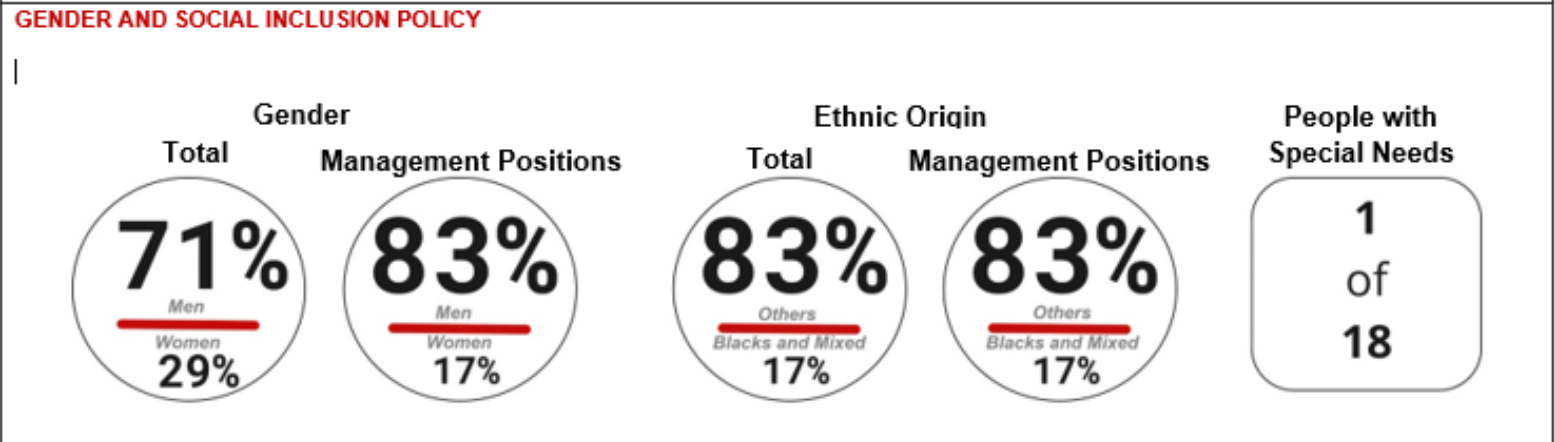
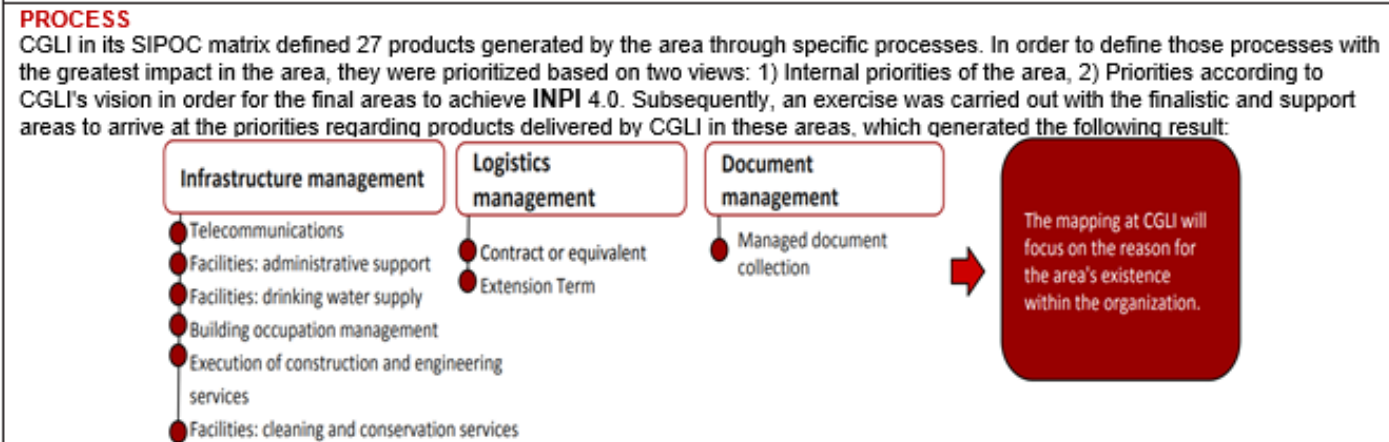
**Indicators:** there is no monitoring of key performance indicators (KPI); Indicators are not automated.

**Processes:** Lack of knowledge/compliance with the steps that must be followed for hiring; Lack of administrative knowledge of people from the requesting areas to act in the preparation of the Terms of Reference.

**Organizational structure:** Lack of human resources and a workforce study; Lack of an adequate level of specialization and division of processes; Small teams to prepare and analyze the TRs considering the active regulations; Physical documentation sector is not centralized (segmented process).

**MONITORING**

| Existing Indicators  | Desired Indicators  |
|--|---|
| <ul style="list-style-type: none"> <li>- Service Management (semi-annual report): Number of telephonic assistances; Service execution index; External user service index; Time to respond to requests;</li> <li>- Materials and supplies management (monthly report/SEI): deadline and quality in supply; Time to meet internal demands; Minimum stock; Monthly Warehouse Report.</li> <li>- Wealth management (monthly report/SEI): Federal Government indicators: area occupied by civil servants (annual); Monthly assets report.</li> <li>- Logistics management (SEI/disclosure in the management report): Deadline and quality indicators provided for in the contracts (monthly); Annual survey of user service satisfaction; Time for hiring (Yearly).</li> <li>- Document management (collected monthly and published in the unified, semi-annual and annual report): Number of files received and Number of files unarchived for the non-core activities; Number of classified documents - non-core activities; Number of boxes stored; Number of boxes eliminated; Number of documents in special support stored; Number of documents in special support eliminated; Number of unarchived documents - core activities; Number of new boxes stored; Number of boxes reviewed.</li> <li>Others: Performance goals assessment system.</li> </ul> | <ul style="list-style-type: none"> <li>- Productivity indicators;</li> <li>- Process efficiency indicators;</li> <li>- Average time to perform an activity indicator;</li> <li>- Process quality indicators;</li> <li>- Control cost indicator (Ex.: contract management).</li> </ul> |



## Conclusions

After 47 virtual workshops, totalling 98 hours of work and involving the participation of 83 **INPI** civil servants, it was possible to gather key information for understanding the eight macroprocesses and the context in which they take place. In addition to serving as a basis for the development of the mapping work, this information allowed for observations that go beyond a specific macroprocess and offer an opportunity to reflect on the reality of **INPI** as a whole.

Some of these observations are as follows:

- ▣ **INPI** is strictly divided into departments, favouring the structure view above the process view. This makes it difficult to track how the processes permeate and affect various structures within the organisation, making it challenging to cross-examine them. As a result, most professionals allocated in a specific area are unaware of the activities processes developed by another area. In the non-core macroprocesses, there were professionals who knew the processes of other areas because they had worked in different departments throughout their careers at **INPI**. It is clear that their knowledge did not come from internal communication nor the transversality of the processes.
- ▣ There is little transparency in the processes due both to the lack of documentation, as well as to the lack of knowledge of departments outside those in which the processes take place within each area. This situation impacts internal communication among professionals in the same area, as well as between other **INPI** departments. An example of this is that the request/demand from the core areas for the services of the non-core areas is not properly structured.
- ▣ All areas showed a keen sense of belonging to the institution; however, no initiatives encouraging inter-departmental interaction were observed. The comments made by all participants in the priority definition meetings confirm this observation – they emphasised the importance and, at the same time, the lack of this type of activity at **INPI**.
- ▣ All the areas involved mentioned several initiatives to identify processes which were not continued/updated. Due to the lack of a culture of continuous improvement, the analysis was outdated. It is worth noting that these initiatives were developed in response to different contexts, needs and demands, without structure and standardisation. This scenario has been changing since 2019, when CQUAL started reviewing the processes with the areas in a coordinated way and developed a training program for civil servants.
- ▣ Despite having participated in numerous process review initiatives that have not had the expected results, the civil servants see this project as a way to definitively implement continuous improvement within the organisation and solve existing challenges. This vision was clear in the engagement of focal points with the proposed activities and in their openness to self-assessment and identification of challenges.

- ▣ Although they are aware that the development of their activities is essential for effective management of the organisation, the civil servants from non-core areas consider that these macroprocesses are undervalued in comparison to the core processes. This has an impact, for example, on the availability of resources and the urgency in meeting the demands of each department.
  
- ▣ In the workshops that were held for the A3s, initiatives addressing the gender and social inclusion theme were not identified within the organisation.

An important conclusion of the diagnostic stage of the programme, built from early meetings with INPI and increased understanding about the complexities of the organisation by Consultants, relates to the level of detail required by INPI for the “To Be” mapping of each Macroprocess. Rather than the high-level design of future process originally reflected in the SoR, the team ascertained that a much more granular level of detail is needed to deliver real impact to INPI, and to deliver the ambitious aims of the programme. This will require additional efforts in this workstream on the part of both the consultants and INPI<sup>27</sup>.

Our early findings have found that processes at INPI are transversal and do not necessarily match with the current organizational structure. In fact, they encompass multiple departments. This means that intra-departmental efforts of mappings and identification of solutions will potentially be incomplete, siloed, and will also have a significantly lower chance of successful implementation if the scope is to be circumscribed to the terms of the current contract.

In order to adapt to the remote work situation, consultants developed a methodology that incorporates real-time collaboration, because the common software for notation of business process only allows for use of single users or small teams, not permitting simultaneous inputs from large groups. In fact, the activities for this workstream would have entailed:

- a) in-person workshop for discussion with large groups, with processes being mapped on walls, in collaboration with all of those present,
- b) after the sessions, inputs would then be transferred to BPMN by the consulting team, considering its single-user environment, thus resulting in a product in BPMN, ready for distribution.

Instead, what has been adopted involves the addition of a digital whiteboard that imitates insofar as possible the work environment and collaboration of an in-person workshop. The mapping exercise generated in this tool, in the many weeks of gathering inputs and proposing solutions, must be transferred to BPMN, the industry standard of processes notation – in this case, a software called Bizagi. This adaptation to virtual real-time collaboration through an online tool called Miro was necessary to protect the quality of the deliverables in this workstream, which would have been

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<sup>27</sup> Previous exercises of processes mappings within INPI have been considered only partially successful. As an example of the effort involved, previous work of mapping Patents by previous consulting efforts in 2019 took nearly two months, involving in-person workshops for two weeks; and the result nonetheless fell short of INPI's expectations. This was a stand-alone effort that considered that the macroprocesses were mostly contained within departments.

otherwise compromised if conducted remotely through the back and forth needed in a non-collaborative or user-friendly software.

The study, informed by nearly 100 hours of meetings with INPI's professionals, highlighted that INPI currently faces a series of challenges in terms of processes, which generate rework, communication failure, and loss of efficiency.

The review of processes and the implementation of a continuous improvement culture, to avoid wasting resources or using them in a way that does not add any value, will bring significant gains to the organisation. This diagnosis is the first step towards the mapping phase, aiming at the modernisation of the institution to reach INPI 4.0.

## Acknowledgments

A non-exhaustive list of INPI staff involved in consultations for this workstream can be found below. Alessandro Bunn Bergamaschi, Adriana Figueiredo Cima, Iloana Peyroton da Rocha have attended meetings for all workstreams. We would like to thank you for your inputs and apologize in advance in case a name has been omitted. Most certainly there have been collaborators working hard in the background with their knowledge, and we extend our gratitude to you as well.

|                          |                       |                     |
|--------------------------|-----------------------|---------------------|
| Alexandre Ciâncio        | Helena Santini        | Ruy Cardoso         |
| Alexandre Dantas         | Henrique Schenttino   | Rodolfo Machado     |
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| Andrea Collaço           | Katia Lima            | Sheila Ghert        |
| Bruno Dutton             | Leonardo Sciamarella  | Schmuell Cantanhede |
| Cades Gomes              | Leila Campos          | Thais Ferreira      |
| Caique Pereira           | Ligia Miranda         | Thiago Bastos       |
| Caroline Foroni          | Luciano Lessa         | Ubiraci Singulani   |
| Catia Regina             | Luis Gustavo Vieira   | Vinicius Camara     |
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| Cintia Thury             | Marcia Leal           | Vitor Gama          |
| Cristiane Maia           | Marcia Timotheo       | Wallace de Ferreira |
| Daniel Mosqueira         | Marcio Cruz           |                     |
| Daniele Samary           | Marcos Duarte         |                     |
| Danielle Silva           | Marcos Valle Freitas  |                     |
| Debora Botner Libman     | Marcus Vieira         |                     |
| Diogo Medeiros           | Maria Eugenia Galloti |                     |
| Ederson Alves            | Marcelo Pereira       |                     |
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| Elton Paiva              | Nathalia Ribeiro      |                     |
| Erick Delvizio           | Patricia Camargo      |                     |
| Evandro Arenari Oliveira | Patricia Fernandes    |                     |
| Fabio Fassini            | Patricia Soares       |                     |
| Fernando Pinheiros       | Pedro Alvisi          |                     |
| Flávio Alcântara         | Priscila Abreu        |                     |
| Flavio Santos            | Radja Fjardo          |                     |
| Gabriel Moreno           | Rafael Moreira        |                     |
| Gilberto Lima            | Rafael Teixeira       |                     |
| Gisela Nogueira          | Roberta Cardoso       |                     |



SERVICE PRICING

04

# Introduction

The objective of the Service Pricing workstream is to understand the current practices and frameworks used by the organization to estimate the cost and define the price for all the services it provides to the Brazilian society. The aim of the deliverables is to arrive at a rationale for pricing that incorporates best knowledge about costs, international benchmarking on pricing, and political sensitivities to be assessed in collaboration with the Ministry of Economy.

As per the workplan approved for the first 3 months of the project, the Service Pricing workstream has successfully completed all activities defined under “Milestone 2.8: Preliminary Diagnostic Report”:

- Desktop research on financial, income generation and legal boundaries for pricing policy defined for the national public sector.
- Identify and analyse existing methodology for costing INPI's services.

The workstream focused initially on the **costing system** employed by **INPI**, which was found to have been well formulated, on a Total Absorption basis, with a final output that is adequate. However, the methodology, developed by INPI itself in 2019, stops one step before the expected end-numbers: it shows the costs directly incurred by the Earning Centres as well as those transferred from Administrative and Support Cost Centres. However, it does not go as far as the final product/service level.

Based on the information and data supplied by **INPI**, a conceptual model was developed in order to illustrate the procedure whereby the total costs incurred by the Earning Centres may be reduced to their corresponding average unit costs incurred for each product/service.

Regarding the **pricing process** currently used by **INPI**, it was reported to be empirical – fees are set by adjusting past fees to compensate for currency devaluation and/or by informal comparison with fees charged in other countries.

According to **INPI** Chairman, Prof. Claudio Villar Furtado, for 2019, the organisation generated an excess in the order of R\$150.000.000,00 (approx. US\$30,000,000.00).<sup>28</sup>

In order to clarify the current situation, a list of enquiries was prepared and share with **INPI** executives. For better understanding, the following terms are used throughout the report:

**Responsibility Centres** – Organisational subdivisions, within **INPI**, charged with certain tasks

**Cost Centres** – Subdivisions charged with administrative or technical support tasks in benefit of other Responsibility Centres

**Earning Centres** – Subdivisions charged with relating to customers/clients in order to place products/services and collecting the corresponding fees

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<sup>28</sup> The funds collected daily from the autarchy are used to pay the expenses of the INPI and the balance, calculated daily, which is not used is applied to the Single Treasury Account (CUT)

**Dates** – An alpha-numerical notation was adopted for all dates, formatted as DDmmmYYYY; in Portuguese usage, the normal numerical notation is DDMMYYYY, while in English it is MMDDYYYY. It is justifiable to adopt this unusual notation in order to prevent possible misunderstandings.

## Scope and Challenges

This work under this workstream was undertaken based on the following verbatim excerpt from the Programme’s Statement of Requirements.

### **Pricing**

Service Pricing Policy: Design, plan and support the implementation of an improved pricing policy for the c.310 services **INPI** provides to manage IP rights in Brazil, including the underpinning service cost model. Previous reviews of **INPI**’s pricing policy have been based, up to this moment, solely on inflationary adjustments. The fees charged by **INPI** do not consider international benchmarking and/or social and economic analysis. Latest revisions of services’ costs have not addressed these aspects or, if they have, only dealt with them in a superficial way. The delivery partner will conduct the revision process combining three factors that currently are not taking into consideration: • Cost of each service • International benchmarking (in order to know how much other IP Offices around the world are charging) • Social economic analysis of the Brazilian reality; Ensuring revised cost structures and pricing policy align to the Madrid protocol is critical to successful delivery.

Further information on **INPI**’s existing service cost model can be found in Annex 7. Please note, Annex 7 has undergone a non-official translation and should be used for reference only.

## Methodology and Main Findings

### Costing System

Following the guidelines contained in the above excerpt (“*underpinning service cost model*”) **INPI** was asked to provide a full description of the costing system employed, if any. Such a description was promptly supplied: “**INPI** Annual Costing Methodology”, produced in 2018 (in Portuguese).

On appraising the description, it was found to be very well formulated: it is a “Total Cost Absorption System”, involving reasonable “Cost Drivers” – all costs are concentrated, directly or indirectly, on the “Earning Centres”. Having been satisfied with the conceptual model, **INPI** professionals were asked to supply the end-results of the system based on the model. Again, **INPI** promptly supplied a “Report on Costs – 2019” (also in Portuguese). In checking the “Report” against the “Methodology”, it was found that the concepts proposed were, indeed, followed in the costing system.

The next step was to inquire whether the Overall Total Costs indicated were in keeping with the expenditures entered in the General Accounts reported to the government. **INPI** professionals stated that all expenditures made by **INPI** are only accepted, and registered, if they are adequately documented in the government reporting system, and if the figures presented in both systems check out perfectly.

Subsequently, an inquiry was made as to whether figures on “Production” were obtainable. Aware of the fact that any given request for services might require considerable time (months or years) to be

processed, it was carefully clarified that such figures would have to focus on Requests Under Way within each year and Requests Delivered each year, for each service.

The **INPI** team reported that such figures are, in fact, available and reasonably easy to recover.

Based on the information received, a “Conceptual Model” was developed (Annex 6) for a Costing System designed to illustrate the procedures to be incorporated into the existing system so as to provide final figures on the Average Unit Costs for each end-product offered by **INPI**. The model is complemented by a set of “Explanations and Comments” (Annex 7).

The procedure devised in order to produce the average unit costs is straight forward, as presented below (using fictional figures):

**A** – Annual Costs – \$1,000,000.00 (provided by the “Report on Costs”)

**B** – Requests Under Way – 2,500 (to be provided by internal sources)

**C** – Average cost per Request – \$400.00 (= **A / B**)

**D** – Requests Delivered – 520 (to be provided by internal sources)

**E** – Average Time required per Request – 4.81 years (= **B / D**)

**F** – Average Cost per Request Delivered – \$1,923.08 (= **C x E**)

With the use of such a procedure, it would be possible to determine, in the near future, the Average Unit Cost for each service. However, the resulting figures would be virtually useless because the current focus of the costing system takes into account only general “families” of services, such as “Patents”, for instance, disregarding the obvious fact that such groupings often involve more than one type of activity, such as “Request Receivals”, “Preliminary Analyses”, “Detailed Analyses”, “Conclusion and Delivery” and so forth; depending on the complexity of such activities, there may be significant variations in the costs of individual requests, from one case to another.

In conducting the tasks described above, certain improvements were identified that should be adopted in the system, e.g. the fact that, in most cases Occupancy Costs are considered to be the Depreciation of the facilities used – it would be better to adopt “Attributed Rentals”, based on the market value of the facilities involved, subject to the interest rate on Government Bonds. Part of the facilities used by **INPI** are, in fact, rented – in these cases, the Rentals Paid Out are adequate figures. Naturally, the adoption of such “Attributed” figures would require careful control – they would have to be discounted in reconciling the reported costs with those entered in the formal accounting ledgers. Costs referring to Equipment are subject to similar adjustments.

The main challenge in this sphere is to produce information on subdividing the end-products currently considered (the “families” mentioned above) into their corresponding components so that costs may be reported on the individual services offered by **INPI** – in this respect, that information to be provided by the workstream focusing on “Processes Management” will be used by the Service Pricing workstream. In a meeting with the **INPI** professionals, held on 31 Aug 2020, it was agreed that one of the subdivisions

within the organisation (PCT – Patent Cooperation Treaty, included in the Patents division, was chosen) would be used as a “pilot” to test the feasibility of adopting the suggested costing model.

## Pricing Policies

For any organisation which proposes to charge for the products and/or services it offers, the availability of an adequate costing procedure is a cornerstone in setting prices/fees, which may be expected to:

- Recover the costs incurred, with a view to assuring upkeep;
- Generate excesses over the costs incurred, to allow for expansion or improvement;
- Be comparable to prices/fees in other countries;
- Be attractive to its customers or clients;
- Allow for subventions granted to certain customers or clients;
- Other considerations, or
- Any combination of the above.

As mentioned in the Introduction, it was reported that **INPI** does not follow any formally stipulated guidelines in setting its fees – past fees are periodically adjusted in accordance with local currency devaluation and/or by informal comparisons with fees charged elsewhere.

In order to prepare suggestions as to possible guidelines, **INPI** professionals involved in this workstream were supplied a list of initial questions:

- a) Is price-setting a purely internal decision, or does it involve other parties?
- b) If it depends on others, to what extent can **INPI** exert any influence?
- c) Is there any internal or external directive to favour certain sectors (e.g.: economic sectors or geographic areas, financial or physical elements of client-organisations, etc.) with lower fees?
- d) Should fees be limited to covering costs, or may they generate “gains”?
- e) If such “gains” are allowed, are they used to finance expansions or improvements within **INPI**, or must they be transferred to other organisms?
- f) It was reported that, at least for last year (2019), **INPI** transferred its “gains” to the Federal Treasury. Is this mandatory?
- g) If **INPI** needs funds to finance expansions or improvements, where do such funds come from? By what means?

In addition, it is believed that information to be provided by International Benchmarking will be useful to the Service Pricing workstream, by identifying different strategies that global IP offices apply regarding pricing.

## Next Steps

In checking **INPI**'s service fees schedule (for Patents as an example), it was found that, among the broad range of services offered, there seem to be some overlaps or redundancies – two or more services may be essentially the same, though directed toward different services. If this is confirmed, the first task in this area will be to reduce the list of services to a more tractable number (as small as conveniently possible) – this “compacted” list would then become the focus for the purposes of costing.

Given a “compacted” list of services, it will then be necessary to ascertain the availability of data on volumes for each of the listed services, and to recover such data.

The next step will be to adjust the Conceptual Costing Model to the actual range of services offered by **INPI** and include the real figures for costs incurred. To this end, the “pilot” experiment, mentioned above, is expected to provide useful feed-back. The aim is to arrive at a rationale for pricing that that incorporates the best knowledge about costs, international benchmarking on pricings, and political sensitivities to be assessed in collaboration with the Ministry of Economy.

## Acknowledgments

A non-exhaustive list of INPI staff involved in consultations for the Pricing workstream can be found below. Alessandro Bunn Bergamaschi, Adriana Figueiredo Cima, Iloana Peyroton da Rocha have attended meetings for all workstreams. We would like to thank you all for your inputs, and apologize in advance in case a name has been omitted. Most certainly there have been collaborators working hard in the background with their knowledge, and we extend our gratitude to you as well.

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IT SERVICES

05



# Introduction

The Prosperity Fund Statement of Requirements (SOR), from the Foreign & Commonwealth Development Office (FCDO), set the following scope for the Information Technology (IT) Workstream of the Global Trade Programme "A Brazilian Intellectual Property Office for the 21st Century":

Design, plan and support the implementation of an improved IT service. The overall improvement of IP services depends on better IT services to support examiners do analysis more efficiently. Specifically, this will cover:

- IT Infrastructure, software, services, data and people structure <sup>[1]</sup><sub>[SEP]</sub>
- IT policies, processes and procedures <sup>[1]</sup><sub>[SEP]</sub>

The deliverables planned for the IT Workstream, per the first milestone (M2.4), were related to a best practice benchmarking exercise, more specifically to a "survey on comparable, effective IT services and processes, to establish best practice, based on a review of global practices". In this sense, this IT Workstream Preliminary Diagnostic Report (PDR) presents the activities carried out and the preliminary findings from July to September 2020.

In the first 3 months of activities, the main outcomes of the IT workstream were the preparation of IT questions for a general international benchmarking questionnaire sent to 3 international IP Offices; the preparation of a specific IT benchmarking questionnaire composed of 115 questions<sup>29</sup>, in Portuguese and English, to be responded to by IT representatives from these same international IP Offices; and an analysis of answers to the IT questions of the general international benchmarking questionnaire.

## IT Workstream Activities

With the aim of modernising processes and increasing **INPI**'s efficiency, the activities to be conducted within the IT Workstream were conceived with the purpose of further improving the current IT Services provided to the organization. Nevertheless, it is important to highlight that the concept of IT Services must go further than the IP context:

- "An IT service is made up of a combination of information technology, people and processes."  
(ITIL v.3 Glossary, Axelos, 2012, <https://www.axelos.com/glossaries-of-terms>);
- "The day-to-day provision to customers of IT infrastructure and applications and support for their use—e.g., service desk, equipment supply and moves, and security authorizations."  
(COBIT 5 Glossary, ISACA, 2015, <https://www.isaca.org/resources/glossary>);
- "A service based on the use of information technology."  
(ITIL 4 Glossary, Axelos, 2019, <https://www.axelos.com/glossaries-of-terms>).

As described above, various sources define IT Services without mentioning the type of business they support. This observation is one of the main reasons why IT best practices guidance has been developed, disseminated and adopted worldwide by different type of organisations, from governments

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<sup>29</sup> Please see IT Annex

to private companies. This is the case of ITIL (in the past referred as the Information Technology Infrastructure Library); of the International Standard ISO/IEC 20000, that in a general overview offers guidance on IT Service Management (ITSM); and of COBIT (in the past referred to as the Control Objectives for Information and Related Technologies), which has its main focus on IT Governance aspects.

The improvement of IT Services is being guided by the Information Technology Infrastructure Library (ITIL) framework, as proposed in Palladium's bid and agreed with INPI's IT department, given that its best practices focus specifically on IT Services Management, and not only on its Governance. Thus, all the IT activities conducted so far were developed under the ITIL best practices perspective, which does not exclude other guidelines, such as COBIT and ISO, from being adopted alongside ITIL in the future if INPI chooses to, is required to, or believes it can add value to its IT services.

The first activity carried out by the IT Workstream was thorough research about how ITIL guidance is currently being adopted by leading organizations. Since its launch in the 1980s, the guidance evolved from version 1 to 4, and is now expected to transition from version 3, last updated in 2011, to version 4, launched in the beginning of 2019. Although many best practices concepts were kept the same from ITIL v3 to ITIL v4, their structure and approach has changed significantly. ITIL v3 has a more structured view of the IT Services Lifecycle, whereas ITIL 4 aims to promote flexibility through agile methodological concepts. The research indicated that the ITIL 4 approach is still in transition in many organisations, especially due to its recent launch.

The results of this research culminated in a lecture to **INPI's** IT team on July 16<sup>th</sup>, in which most of INPI's IT Department was present – namely, Celso Tchao, Daniel Mosqueira and Marcus Vieira, and some technical experts.

Here, the IT Workstream presented, among other topics, the main concepts related to IT services, best practices frameworks and guidance, and both teams had the opportunity to discuss and align expectations for the next steps (see Annex 8 for the lecture's content). The consulting team also had the opportunity to clarify aspects of joint adoption of Cobit and versions of ITIL. It was agreed that the development of a more robust diagnostic of INPI's current status on IT services, the inputs from global IP offices and the needs of the organization, as identified in the other workstreams, would inform which versions of ITIL would be adopted and whether Cobit, an aspect raised by INPI in an earlier meeting in June, should be considered for simultaneous implementation.

Consequently, having defined that the benchmarking exercise should examine not only how IP Offices adopts ITIL in practice, but also the transition from an ITIL version to another, the IT Workstream supported the development of the International Benchmarking Questionnaire, specifically the section related to IT. The questionnaire content was based on ITIL v3, ITIL 4, ISO/IEC 20000 and some components of COBIT, given that INPI's team mentioned their interest in this specific guideline as complementary to the ITIL framework. The benchmarking questionnaire preparation and outcomes are described in detail in the next section, and are the result of the following activities:

- Meetings with INPI's IT team, in which each question has been discussed and validated;
- Preparation of the questionnaire in both languages, Portuguese and English;
- Questionnaire made available as Microsoft Word files and also as forms from Google Forms platform.

## Benchmarking exercise: preparation of the questionnaires

After the validation of the above-mentioned questionnaires with INPI, the benchmarking exercise was conducted in two different steps. First, as a section of the full international benchmarking questionnaire, that included questions from all workstreams; and second, as an IT-specific benchmarking questionnaire, that included a broader set of IT-specific questions. In relation to the full international benchmarking questionnaire, the IT questions were developed to understand IT Services from a strategic perspective. In other words, the purpose was to understand if the selected international IP Offices were aligned with best practices concepts and guidance, which frameworks were adopted, versions, etc. To do so, the IT Workstream prepared the following questions:

Which frameworks are used for IT Service Management (ITSM) at your IPO? Please, specify the framework version and/or update year.

ITIL. Version \_\_\_\_

ISO/IEC \_\_ (specify standard). Is the organization certified under this standard?

Yes ( ) Since: \_\_\_\_ No ( )

Other. Title \_\_\_\_ Version \_\_\_\_

The organization does not use ITSM frameworks.

If it is needed for a better comprehension of your answers, please insert a comment:

Which frameworks are used for IT Governance at your IPO? Please, specify the framework version and/or update year. <sup>30</sup>

ITIL. Version \_\_\_\_

COBIT. Version \_\_\_\_

ISO/IEC \_\_ (specify standard).

Is the organization certified under this standard? Yes ( ) Since: \_\_\_\_ No ( )

Other. Title \_\_\_\_ Version \_\_\_\_

The organization does not use IT Governance frameworks.

If it is needed for a better comprehension of your answers, please insert a comment

Does your IPO have an IT Services Catalogue? If yes, please specify the IT Services below with a small description of its purpose<sup>31</sup>.

Yes. If yes, please indicate the services and their purpose.

IT Service 1: \_\_\_\_\_ Purpose: \_\_\_\_\_

<sup>30</sup> Although both questions have different scopes (ITSM and IT Governance), ITIL, ISO and COBIT were included intentionally as that the purpose was to know, firstly, if the ITSM and IT Governance concepts were clear for each IP Office; and, secondly, how ITSM and IT Governance were implemented, without inducing its answers through suggesting what could be ideal.

<sup>31</sup> The aim of this question was to understand technically the IT Services Catalogue, which is one ITSM best practice concept.

IT Service 2: \_\_\_\_\_ Purpose: \_\_\_\_\_  
IT Service 3: \_\_\_\_\_ Purpose: \_\_\_\_\_  
IT Service 4: \_\_\_\_\_ Purpose: \_\_\_\_\_  
 No. If it is needed for a better comprehension of your answers, please insert a comment:

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Is the provision of IT Services at your IPO based on agile methodologies<sup>32</sup>? If yes, please specify which methodologies and corresponding tools.

Yes:  
Methodology 1: \_\_\_\_\_ Tools: \_\_\_\_\_  
Methodology 2: \_\_\_\_\_ Tools: \_\_\_\_\_  
Methodology 3: \_\_\_\_\_ Tools: \_\_\_\_\_  
Methodology 4: \_\_\_\_\_ Tools: \_\_\_\_\_  
Methodology 5: \_\_\_\_\_ Tools: \_\_\_\_\_  
Methodology ...: \_\_\_\_\_ Tools: \_\_\_\_\_

No, our IPO does not use any agile methodology.  
Please, detail below, in case of answering "yes", why the agile methodologies specified have been chosen; and in case of answering "no", why the organization does not use any agile methodology.

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Does your IPO have routines (process, practices, activities, etc.) aiming the continual improvement of IT Services and Technologies? If yes, please specify below how often these are made, the model used guiding improvements<sup>33</sup> and any corresponding tools.

Yes. How often: \_\_\_\_\_ Framework: \_\_\_\_\_ Tools: \_\_\_\_\_  
Please detail below how the organizations goes about continually improving its IT Services and Technologies

The organisation does not have continual improvement routines for IT Services.

If it is needed for a better comprehension of your answers, please insert a comment

TABLE 1: IT SPECIFIC BENCHMARKING QUESTIONS

In relation to the IT-specific benchmarking questionnaire, the content of the questions was based on ITIL v3 and ITIL 4 books, processes and practices. In numbers, this represents 5 books and 24 processes from ITIL v3, 5 books and 34 practices from ITIL 4, some aspects from COBIT and ISO 20.000-1 (International Organization for Standardization), and also some aspects of INPI's IT team

<sup>32</sup> Agile methodologies are highly recommended in ITIL 4, which is why this topic was selected. The "why" question, asked at the comments field, was suggested by the UK IPO team.

<sup>33</sup> IT Services continual improvement practices and processes are highly recommended by ITIL guidance, which is why this subject was selected

interest. The result was a 115 questions questionnaire, available in Portuguese and English, as Microsoft word files (see IT Annex for English) and also in the Google Forms links below:

### English Version

Thematic Block 1 – Strategy Overview: <https://forms.gle/CaGVr8ZEUfapbYvc6>

Thematic Block 2 – Understanding the IT Services and its Management:

<https://forms.gle/DWRcjsxA454aEyGz5>

Thematic Block 3 – Operation and Development: <https://forms.gle/s3KDJPwaUZ48ANGVA>

Thematic Block 4 – IT Department Day-to-Day: <https://forms.gle/PKm7Ld6JXhaDscHt7>

Thematic Block 5 – Security: <https://forms.gle/t5UDCfVpyDBSNXyQ8>

### Portuguese Version

Bloco Temático 1 - Panorama Estratégico: <https://forms.gle/zNENhdPhR2pGAdKk6>

Bloco Temático 2 - Entendendo os Serviços de TI e sua Gestão:

<https://forms.gle/rGSNY3yatCVmjpk16>

Bloco Temático 3 - Desenvolvimento e Operação: <https://forms.gle/ZAeuZNYx7nBhwi579>

Bloco Temático 4 - Dia-a-Dia do Departamento de TI: <https://forms.gle/ByuqycRPJcS8XvW9>

Bloco Temático 5 – Segurança: <https://forms.gle/XiThrHaUc3Df3qQz6>

Despite the considerable number of questions, the IT specific benchmarking questionnaire structure has some particular characteristics to ease its answering process, detailed below:

- The questionnaire is divided into Thematic Blocks and Sections, so it does not have to be answered in full at one time;
- Each Thematic Block can be answered separately, by different people from the IP Office IT's team, without compromising its quality and result. To do so, the questionnaire presents an identification area in the beginning of each Thematic Block;
- All the questions have its crucial points highlighted by key expressions, eg. "by who", "how often", etc., which acts like a script to help in the answering process;
- The questions were written with the smallest number of technical terms possible;
- All the questions offer a quick checkbox for negative answers and also a comments field in case this is necessary;
- The entire questionnaire follows the same structure and has repeat text equally positioned to facilitate its identification;
- All the questionnaire sections begin with an abstract, which briefly mentions the subject and purpose of the questions.

### IT Benchmarking exercise: preliminary findings

Although both questionnaires have been approved by INPI, only the full benchmarking questionnaire was delivered to and responded by the international IP Offices at the time of submission of this report. This is because the specific benchmarking questionnaire will be sent on October 2020, after identification of IT focal points by each IP Office. Hence, regarding the preliminary findings of the IT Workstream, this PDR will focus on the analysis of answers received from the IP Offices of United Kingdom (UK IPO), Australia (IP Australia) and Korea (KIPO), as those three IP Offices has responded

prior to the submission of this report in October. The answers to the IT specific benchmarking questionnaire, and its corresponding analysis, will be included in future deliverables from the IT Workstream.

As described below, some IT related questions have been reviewed and others included in the definitive version of the full benchmarking questionnaire by the Benchmarking Workstream, responsible for the whole questionnaire. In this sense, the IT questions from the full benchmarking questionnaire are presented below with the corresponding answers from UK IPO, IP Australia and KIPO, followed at the end by an analysis that consolidates the preliminary findings from the IT Workstream.

| <b>Q1: Which practices and/or processes are used for IT Service Management (ITSM) at your IPO? Please provide details including the framework version and/or update year::</b>  |  |  |
|---|--|--|
| <b>UK IPO</b>   | <b>KIPO</b>  | <b>Australia IP</b>  |
| We are using ITIL as our framework and are currently transition from v3 to v4.  | KIPO has operated ITSM based on ISO20000 (version 2011), and from 2019, ISO20000 has been internalized and managed as our own standard process.  | IP Australia currently uses LanDesk as its ITSM tool for 1 <sup>st</sup> level support of IT related enquires. LanDesk was last updated in 2016 and is ITILv3 compliant (third version of Information Technology Infrastructure Library). Investigation in underway on other products to replace the aging LanDesk service management tool as its corporate ITSM and will be look at implementing a new solution by the end of 2021. |
| <b>Q2: Which frameworks are used at your IPO for IT Governance? Please provide details including the framework version and/or update year::</b>   |  |  |
| <b>UK IPO</b>   | <b>KIPO</b>  | <b>Australia IP</b>  |
| We are using ITIL as our framework and are currently transition from v3 to v4.  | KIPO carries out the planning, development and operation of IT through the Government-wide Enterprise-Architecture Portal (GEAP). And the IT service development is conducted by the use of e-government frameworks. | IP Australia uses the ITIL v3, a globally recognised collection of best practices for managing information technology.   |
| <b>Q3: Which IT services does your IPO provide? Please provide details of these services.</b>   |  |  |
| <b>UK IPO</b>   | <b>KIPO</b>  | <b>Australia IP</b>  |
| All IT Services are provided by internal teams from Level 1 help desk through to delivering new services for our transformation programme. From a business services perspective we deliver separate services to our internal and external customers from Trade Marks, Industrial Designs, | Not available to public  | IP Australia provides externally facing IT Services including transactional (filing, payment, correspondence etc.) as well as data exchange and register search systems/platforms.   |

|   |  |  |
|---|--|--|
| and Patents, and are working on delivering new unified services for all IP rights. We have other internal services such as finance and HR that we deliver as well as smaller external services such as those for Copyright. |  |  |
|---|--|--|

**Q4: Is the provision of IT Services at your IPO based on agile methodologies? If yes, please specify which methodologies and corresponding tools:.**

| UK IPO   | KIPO                    | Australia IP  |
|--|-------------------------|---|
| Yes, we primarily use Scrum as our Agile methodology and are likely to start to introduce Kanban as we mature our Agile practices. We are also looking at how the Agile methodologies fit into broader organisational governance using other frameworks like SAFe and PRINCE2 Agile. | Not available to public | Yes, we have introduced agile methodologies since 2019 to develop systems that are equipped with new technologies such as AI and big data.. |

**Q5: Does your IPO have routines (process, practices, activities, etc.) focused on continual improvement of IT Services and Technologies? If yes, please provide details of the routines used:..**

| UK IPO   | KIPO   | Australia IP  |
|--|--|---|
| The organisation has a dedicated team that focuses on Lean Six Sigma practices to improve processes across the organisation. Within IT we have CI teams that work from a backlog in an agile way and provide improvements to services for both internal and external customers. We are currently working on automation for technology build, test and deployment to improve our ability to delivery continuous improvement at a higher pace. | Small-scale IT service improvements are made by the IT service management department as they continuously 1 and reviews internal and external opinions about the services we provide.<br><br>When it comes to large-scale IT service improvements, KIPO establishes the Information Strategy Plan (ISP) in every 3 or 5 years and then develops the Information System Master Plan (ISMP) for each sub-development project defined under the ISP. Large-scale IT service improvements are made in accordance with those plans. | IP Australia practices DevOps, SecOps and agile project / program management with MVP releases followed by continual improvement. |

**Q6: Does your IPO plan to improve its IT systems in the next 5 years? If yes, please provide details:**

| UK IPO  | KIPO   | Australia IP  |
|---|--|---|
| Yes, we have a significant transformation programme | KIPO established the latest Information Strategy Plan in | IP Australia has a portfolio of projects that is reviewed every 12 months in alignment with our Corporate |

|  |   |   |
|--|---|---|
| <p>underway to replace our core business operational systems with new low-code solutions. This will create a unified platform for Patents, Trade Marks, and Designs, and introduce new digital services for our customers.</p> | <p>2018 and is implementing the projects that are to advance and upgrade our patent administration system ("KIPOnet") from 2019 through 2021. Within the next five years, a new improvement plan will be established and implemented.</p> | <p>Strategy (link to our corporate plan - <a href="https://www.ipaustralia.gov.au/ip-australia-corporate-plan-2017-2021">https://www.ipaustralia.gov.au/ip-australia-corporate-plan-2017-2021</a>). These projects include modernising our existing Information and Communication Technologies (ICT) systems and building new ICT capabilities for the public. Currently, there are four major ICT projects in progress that will deliver capabilities including:</p> <ul style="list-style-type: none"> <li>• new transactional digital services for our customers including a refreshed public application portal and new web services/ Application Programming Interfaces (APIs) to encourage industry participation in unique customer service offerings</li> <li>• modernised patents case management system (following delivery of the trade marks and designs equivalent in 2018) providing enhanced search/exam tools with a focus on automating repetitive and formulaic tasks via robotic process automation and decision support with machine learning</li> <li>• cloud-based business intelligence and analytics data platform, security upgrades and patching for all ICT systems</li> </ul> |
|--|---|---|

**Q7: Is your IPO considering the use of artificial intelligence-based systems (e.g. machine learning, deep learning, etc.) to assess patents, trade marks or design right applications? Please select all that apply.**

|   | UK                                  | KIPO                                | AUS                                 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Initial assessment  |                                     |                                     | <input checked="" type="checkbox"/> |
| Assessment of image files for suitability (e.g. comparing images of registered trade marks against images provided by an applicant in a trade mark application) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Patent prior art search   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assessment of patents meeting formality requirements (e.g. formatting, headings etc.)   |                                     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assessment of inventive step  |                                     |                                     |                                     |
| Assessment of sufficiency of disclosure   |                                     |                                     |                                     |

**Q8: What are the technical steps your IPO is taking to make information available to the public related to IP rights (e.g. details of individual applications, granted rights, imagery, legal status)?**

| UK IPO   | KIPO | Australia IP  |
|--|------|---|
| For all IP rights, our register is published to online and we have | N/A. | IP Australia has public registry search services available for all IP Rights. Our |



|  |  |  |
|--|--|--|
| <p>options for the public to subscribe to updates to the register.</p> |  | <p>Australian Trade Mark Search (ATMS) and Australian Designs Search (ADS) services were recently updated to provide a more modern experience and use artificial intelligence capabilities such as computer vision to compare and search images. Our Australian Patent Search (AusPAT) service will be updated in the coming years.</p> <p>IP Australia also provides bulk datasets comprising over 100 years of information on IP rights applications in Australia. These datasets are available from our IP Data Platform, IP Government Open Data (IPGOD) and IP Government Open Live Data (IPGOLD) websites.</p> |
|--|--|--|

**Q9: Which technical approaches or solutions (e.g. related to information security or cyber-security) are used by your IPO to ensure client confidentiality in working from home environments? Please provide details**

| UK IPO     | KIPO  | Australia IP  |
|------------|---|---|
| <p>N/A</p> | <ul style="list-style-type: none"> <li>• All staff who work from home must agree and conform to all the following requirements.</li> <li>• Use the Government Virtual Private Network (GVPN) to access the government administrative systems and the work computer at the KIPO premise.</li> <li>• Use the Government Public Key Infrastructure (GPKI) and other authentication ways (e.g. mobile phone authentication) to log onto the GVPN service</li> <li>• Taking a screenshot or printing documents with home computer is not allowed and deactivated.</li> <li>• All the access to confidential data made by working from home staff are recorded to be monitored by administrators.</li> <li>• Pledge to abide by all data security guidelines such as the 'Work Management Guidelines for Public Servants in Tackling COVID-19' and 'National Data Security Guidelines.</li> <li>• Get training about data security</li> </ul> | <p>IP Australia uses both Citrix and a VPN (virtual private network) solution with remote users being prompted for a multi-factor authentication (MFA) token in order to authenticate individual user identity and ensure confidentiality in working from home set-ups.</p> |

| Q10: How is your IPO using information technology to facilitate quicker patent examinations?  |  |  |
|---|--|--|
| UK IPO  | KIPO   | Australia IP   |
| <p>We are working on process improvement to streamline the business processes around patent examination. In line with this, we are looking to offer more digital services to help correct issues up front before submission. Finally, we are planning to introduce AI technologies to help with various aspects of the examination process including prior art search and allocation of patents to examination teams.</p> | <p>KIPO examiners use the patent administration information system ("KIPOnet") developed and operated by KIPO to do the prior art search (patent documents and non-patent literatures), review the applications to see if there are any errors and defects in claims, and write notifications and written opinion.</p> | <p>IP Australia has a dedicated team performing research and development on emerging technologies to support examination processing<sup>34</sup>. Examples of technologies under development which aim to support patent examination include:</p> <ul style="list-style-type: none"> <li>• Patent Auto Classification – we use machine learning models to automatically classify International Patent Classification (IPC) and Cooperative Patent Classification (CPC), sort and allocate Patent applications to examiners</li> <li>• Preliminary Automated Search – we use machine learning to automatically search and present prior art ranked by their semantic similarity to the patent application under review.</li> <li>• Family Member Analysis</li> <li>• Federated Search</li> <li>• Outcomes based Directions</li> </ul> |

**TABLE 2: RESPONSES RECEIVED FROM INTERNATIONAL IP OFFICES**

The answers provided by the UK IPO, IP Australia and KIPO confirmed the general principles of activities that are being conducted by the IT Workstream together with INPI. This conclusion came from the observation that, regarding future plans for improvement of INPI's IT Services, the three IP Offices seem to be driven by a best practices approach, aiming at innovation, continual improvement and agile performances, all associated with a strong strategic alignment.

Regarding ITSM, both UK IPO and IP Australia mentioned the ITIL guidance in their answers. The UK IPO observed that they are currently in transition from ITIL v3 to ITIL 4; and IP Australia mentioned that they use an ITSM tool that is ITIL v3 compliant (LanDesk), but are looking for an updated solution to be implemented by the end of 2021. KIPO mentioned that their ITSM practices are based on ISO/IEC 20000 and that, through that guidance, they standardized their processes back in 2019.

<sup>34</sup> It should be noted that while IP Australia is exploring technologies to improve examination efficiency, IP Australia's primary focus is on improving quality.

It was observed that best practices guide the ITSM in the three IP Offices consulted. The answers related to ITSM from UK IPO and IP Australia also have another aspect in common: both IP Offices mentioned their ITIL v3 adoption and their transition to an upgraded version. This suggests that they have already identified the need to have ITSM guidance aligned with the changes brought by the 4th Industrial Revolution, especially technology innovation and agile methodologies, which are concepts that are part of the ITIL 4 framework.

These three IP Offices currently work based on agile methodologies, focusing on innovation and well-established continual improvement routines. These results are a clear indication that better IP Services are being provided through an agile performance approach, aligned with technological evolution and are continually reviewed to ensure even greater efficiency.

With regard to agile methodologies, UK IPO highlighted Scrum and the likely adoption of Kanban; IP Australia mentioned DevOps, SecOps and JIRA; and KIPO mentioned that they introduced agile methodologies in 2019 to develop systems integrated with Artificial Intelligence (AI) and Big Data.

With regard to innovation, the three IP Offices indicated that they are considering the adoption of new technologies such as artificial intelligence-based systems for initial assessment (IP Australia, KIPO); for the assessment of image files for suitability (UK IPO, IP Australia, KIPO); for patent prior art search (UK IPO, IP Australia, KIPO) and for the assessment of patents meeting legal requirements (IP Australia, KIPO).

In the area of continual improvement routines and plans for improving IT systems in the next 5 years, the answers from the three IP Offices were also similar. All of them mentioned the existence of processes focused on continual improvement, as well as routines to promote regular reviews of their plans for IT systems improvement. The UK IPO affirmed that, on top of having implemented routines and methodologies focused on continual improvement, they will soon have initiatives aimed at delivering improvement at an even higher pace.

The analysis of the answers from the three IP Offices reveals that they are currently working on system improvement projects focused on digital services, integrated platforms and provision of better IP services for their customers. IP Australia also mentioned one important aspect: the practice of reviewing its IT portfolio of projects in alignment with their corporate strategy.

More than just a support function, technology plays an important strategic role in organisations by helping them achieve their corporate goals more efficiently, and this seems to also be the case for these IP Offices. Best practices' frameworks, including ITIL, highlight the need to establish a clear alignment between corporate strategy and IT strategy, aiming at improved outcomes and effectiveness.

The answer from IP Australia stating that their IT portfolio of projects is reviewed every 12 months, in alignment with their corporate strategy, confirms the strategic role that the IT Services plays in this IP Office. This interpretation can also be extended to the decision from the KIPO to list their IT services as public information.

In summary, the answers from UK IPO, IP Australia and KIPO indicate a movement towards implementation of best practices, agile methodologies, innovation, and the continual improvement which are cornerstones for ITIL, in particular ITIL 4. The answers also demonstrate that these concepts are applicable to public services and are possible to implement in practice, notably when based on best practices, proven methodologies and guided by a well-planned implementation process.

## Remote work and the IT Workstream

All IT activities were carried out remotely due to the social distancing imposed by the coronavirus pandemic. As the work required predominantly internal activities, such as research, studies and

preparation of questionnaires, meetings to discuss objectives and ensure alignment were successfully held remotely and the results were not compromised, achieving a high degree of quality.

## Acknowledgments

A non-exhaustive list of INPI staff involved in consultations for the IT workstream can be found below. Alessandro Bunn Bergamaschi, Adriana Figueiredo Cima, Iloana Peyroton da Rocha, Leopoldo Nascimento Coutinho have attended meetings for all workstreams. We would like to thank you for your inputs, and apologize in advance in case a name has been omitted. Most certainly there have been collaborators working hard in the background with their knowledge, and we extend our gratitude to you as well.

Celso Tchao  
Daniel Mosqueira  
Dirceu Teruya  
Marcus Vieira

HR SERVICES

06

# Introduction

This report covers the activities associated with the **INPI's HR service**, including identification and preliminary analysis of information<sup>35</sup> related to the institution's workforce, career and organizational structure,. In accordance with the developed Work Plan, the following activities are covered in this workstream:

- Data gathering of institutional information about the workforce (applicable legislation, headings, formal positions, statutes and regulations applicable to the **INPI**);
- Data gathering of institutional information about the workforce (additional data required, such as workforce profile, remuneration composition; exact position within the organizational structure, and duties);
- Formal identification of institutional practices related to performance evaluation and career plans;
- Identification and analysis of the state of the art of civil servants in **INPI** careers, perceived remuneration advantages and metrics of evaluation and development in careers;
- Identification of the organizational structure, as well as the distribution of the workforce and the duties of each unit;
- Identification of structural positions (management, leadership and advisory positions), their duties, remuneration and their relationship with the organizational structure;
- Data gathering and systematization of attendance data.

All data acquired and reflected in this Preliminary Diagnostic refers to the formal data received by INPI until late July. Eventual changes in the staff data – transfer, exit, retirement, etc – will be considered in the next deliverables to this workstream.

The report divided into three central sections. The **first Chapter**, referring to the Job and Career Plan, covers the identification of formal data related to the job board; career composition; functional evolution and performance evaluation; and remuneration items. Furthermore, it enters into the systematization and preliminary analysis of hard data, exploring the state of the art of the workforce (number of positions and occupational types), positioning in careers, profile of employees, and remuneration in the face of payroll data and current legal basis.

The **second Chapter** addresses information regarding the organizational structure and structural positions (management, leadership and advisory positions - fundamentally linked to the organizational structure). Following the same methodological scope, it addresses the gathering of formal data for the creation, extinction and transformation of organizational units; identification of the structure, as well as the distribution of workforce according to the actual stocking data; the characterization of managerial positions (quantitative, typology, attributions and profile); the identification of remuneration items due to civil servants invested in commissioned positions or designated according to **INPI's** trust, in view of the current legislation and the payroll data and, finally, the identification of attendance data.

The third Chapter indicates the subsequent steps for this workstream, considering findings from the analysis of formal data in those early months.

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<sup>35</sup> Data collection for this workstream, as well as in all of this document, is in full compliance with the GDPR and personal data protection legislation in Brazil.

## Positions and Careers Plan

This Chapter comprises the data gathering, identification and preliminary analysis of information and data referring to the position and careers of **INPI** permanent employees. It is divided into the following sections: normative history, position chart analysis and career analysis.

### Normative History

This section addresses the set of main normative acts (laws, decrees, normative instructions, ordinances, notices, among others) that govern the **INPI**'s staff, careers and functioning. It involved data gathering and identification of the main normative acts related to **INPI**'s staff, careers and functioning, segmented by the sections:

- **Primary Normative Acts:** Main laws related to the regulation of the legal regime, creation, extinction and transformation of permanent positions, careers and remuneration of **INPI** employees;
- **Secondary Normative Acts:** Legislation of reference to the main categories related to the functioning of **INPI**, divided into:
  - **Disciplinary Regime:** rules that regulate matters related to (i) vacation; (ii) staff development actions; (iii) aid; (iv) assignment and requisition; (v) journey; (vi) removal; (vii) licenses; (viii) filling positions; (ix) management programs;
  - **Bonuses:** rules that regulate criteria and procedures related to the granting of Qualification Bonus and Titles' Compensation;
  - **Performance Evaluation and Probationary Stage:** rules that regulate criteria and procedures related to the career and performance of **INPI** employees, as well as the payment of the Performance Bonus for the Science and Technology Activity - GDACT, and the Performance Bonus for the Industrial Property – GDAPI and Probationary Stage Assessments;
- **Tender notices:** history of notices that establish the opening of vacancies for effective positions at **INPI**.

A 'summary table' is used for each thematic category, addressing the norm, disposition and subject, as shown in **Table 5.1.1.1**

**Table 5.1.1.1**  
**Primary / Secondary Normative Acts**

| Primary/ Secondary Normative Acts   |                  |  |
|---|------------------|--|
| Standard  | Provision        | Subject  |
| Normative Act, number and year (Law, Complementary Law, Resolution, Normative Instruction, Ordinance ...) | Formal provision | Details / summary of subjects relevant to the project object |



The detailed data gathering of the reference legislation allows the environment and knowledge of the **INPI**'s institutional practices, as well as the understanding of the main historical changes related to the workforce, career development, remuneration policy, among other human resource management categories.

### Position Chart Analysis

In this stage, cross-checking of formal and factual information regarding **INPI**'s workforce structure is conducted. It includes the collection of data related to the position structure, composition of the workforce, planned and filled positions, profile and general duties.

Firstly, the composition of the position board in accordance with current legislation and the dynamics of creations, extinctions and transformations over the last few years is identified, as exemplified in **Table 5.1.2.1**, below:

**Table 5.1.2.1**  
**Transformation of INPI Positions**

| Law no. 8,691 / 93               | Transformation Law n. 11,355 / 06                                      |
|----------------------------------|--|
| Researcher                       | Researcher in Industrial Property                                      |
| Technologist                     | Technologist in Industrial Property                                    |
| Technician                       | Technician in Industrial Property                                      |
| Science and Technology Analyst   | Industrial Property Planning, Management and Infrastructure Analyst    |
| Science and Technology Assistant | Industrial Property Planning, Management and Infrastructure Technician |
| _                                | Senior Industrial Property Specialist                                  |

From the formal data gathered, it is possible to extract and identify the types of positions created, the number of vacancies, entry requirements and main changes in the dynamics of the composition of the workforce (such as, for example, the flexibility of entry requirements that are no longer strictly assigned to training areas, and come to understand a multifactorial structure – areas of knowledge linked to different formations).

It is also at this point that the formal and current data relating to **INPI**'s position chart are cross-checked. The history of vacancies created at **INPI** is systematized, from the call for tenders in 1998, to the most recent call in 2014. Please find below description of roles and positions and their respective approved leaves.

**Table 5.1.2.2  
Expected and Provided Leaves**

| Position   | Expected<br>1* | Expected<br>2** | Expected<br>Total | Provided<br>Total | Effective<br>*** | DA<br>S   | FP<br>E         | FG<br>R   |
|--|----------------|-----------------|-------------------|-------------------|------------------|-----------|-----------------|-----------|
| Industrial Property Researcher   | 370            | 287             | 657               | 427               | 377              | 3         | 44              | 3         |
| Industrial Property Technologist   | 119            | 57              | 176               | 179               | 153              | 2         | 23              | 1         |
| Technologist   |                |                 |                   | 5                 | 5                |           |                 |           |
| Industrial Property Planning,<br>Management and Infrastructure<br>Analyst    | 108            | 133             | 241               | 125               | 83               | 3         | 33              | 6         |
| Industrial Property Planning,<br>Management and Infrastructure<br>Technician | 33             | 45              | 78                | 77                | 51               |           | 19              | 7         |
| Science And Technology Assistant   |                |                 |                   | 1                 | 1                |           |                 |           |
| Industrial Property Technician   | 94             | 42              | 136               | 152               | 122              | 1         | 22              | 7         |
| Technician   |                |                 |                   | 5                 | 4                |           | 1               |           |
| Senior specialist  | 30             | 14              | 44                | 5                 | 4                |           | 1               |           |
| S / cargo – linked to Public<br>Administration                               | –              | –               | –                 | 17                | 7                | 7         | 3               |           |
| S / position- no link to Public<br>Administration                            |                |                 |                   | 5                 |                  | 5         |                 |           |
| 1 Unidentified (retired)   |                |                 |                   | 1                 |                  |           |                 |           |
| <b>Total</b>   | <b>754</b>     | <b>578</b>      | <b>1332</b>       | <b>999</b>        | <b>807</b>       | <b>21</b> | <b>14<br/>6</b> | <b>24</b> |

□ (\*) Before law n. 11.355/06

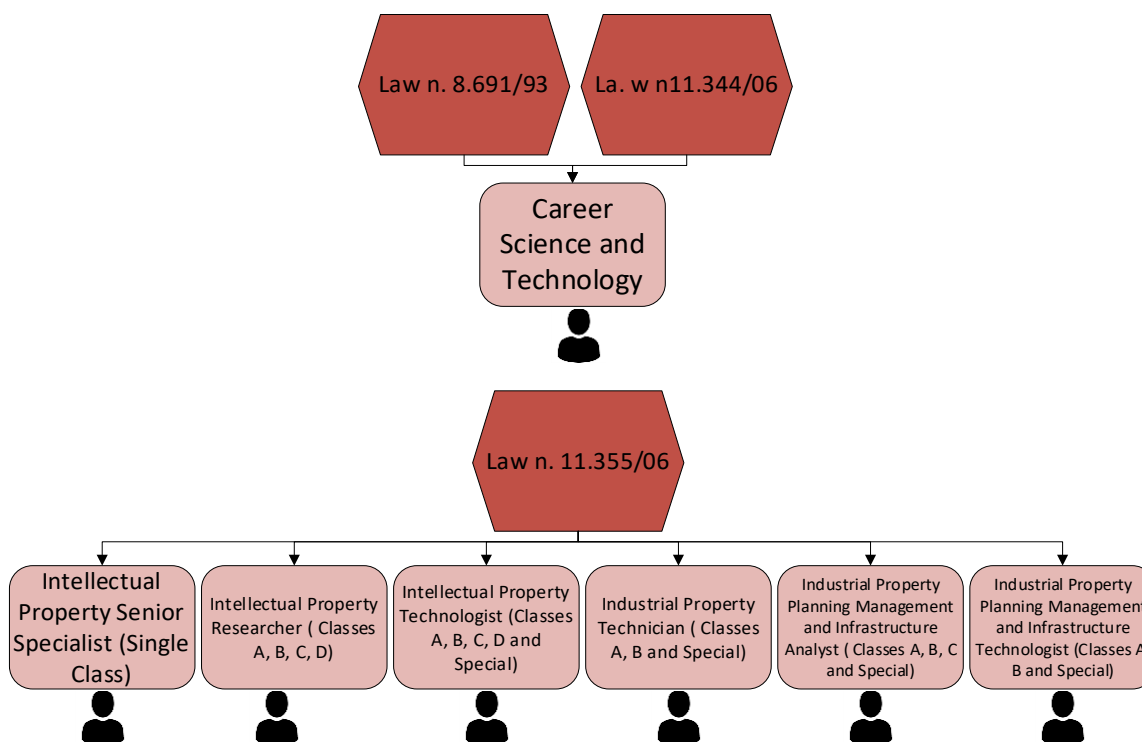
□ (\*\*) After law n. 11.355/06

□ (\*\*\*) In effectives, all (i) permanent assets, (ii) assigned, (iii) requisitioned, (iv) decentralized career exercise, and (v) exerc. 7th art.93 8.112, who do not have a structural position.

Currently, **INPI's** staff is composed of two specific segments: (i) Science and Technology Career, created by Law no. 8,691 / 93 and; (ii) **INPI** specific careers, created by Law no. 11.355 / 06.

It is worth noting at this stage that the analysis of the position chart made it possible to identify different class and pattern structures in each career, as shown in **Figure 5.1.2.1**.

**Figure 5.1.2.1**  
**INPI Career Structure**

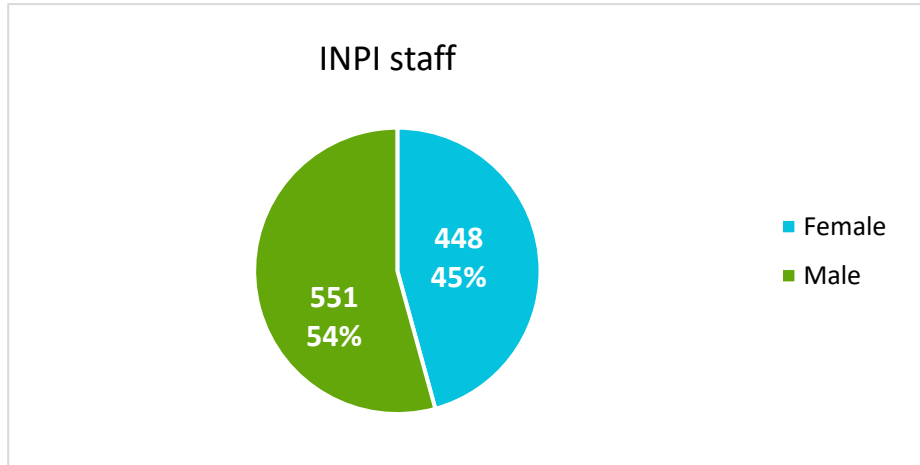


Regarding the profile data, the research was divided into two thematic parts: first, the identification of general profile data comprises the gathering of data on education, age group and length of service. The second part advances on the identification of data that deals with the policy of inclusion and institutional diversity, addressing gender indicators, as exemplified in **Table 5.1.2.3** below:

**Table 5.1.2.3**  
**Distribution of Personnel by Gender**

| Gender      | Quantitative | %    |
|-------------|--------------|------|
| Female      | 448          | 45%  |
| Male        | 551          | 55%  |
| Grand total | 999          | 100% |

**Figure 5.1.2.2**  
**Distribution of Personnel by Gender**



### Career Analysis

In this topic, the structures of the Careers of **INPI**'s personnel are addressed, comprising, briefly, (i) career structure - positions of each career, requirements, classes and standards; (ii) metrics of functional evolution; (iii) performance evaluation dynamics and (iv) state of the art of employees in **INPI** careers, or actual positioning of employees in their careers.

Regarding the career structure, its formal configurations are identified, as well as types of positions that make up each career, standards, classes and requirements, as shown in the example in **Table 5.1.3.1** below:

**Table 5.1.3.1**  
**Example INPI Careers - Law no. 11.355 / 06**

| POSITION OF SENIOR SPECIALIST IN INTELLECTUAL PROPERTY |  |                   |         |   |
|--|--|-------------------|---------|---|
| LEVEL  | POSITION                                   | CLASS             | PATTERN | Requirements  |
| UPPER LEVEL  | SENIOR SPECIALIST IN INTELLECTUAL PROPERTY | SENIOR SPECIALIST | I       | Single Position Single Class - Admission to the title of Doctor, with experience in proven relevant activities, for at least 10 (ten) years after obtaining the title, in the area established for the competition, and other requirements established in the notice. |

In Functional Evolution, the development metrics of **INPI** personnel are identified, that is, the modalities and dynamics of evolution.

- In summary, the career development of **INPI** employees occurs through functional progression and promotion, which are (cf. art.17 IN n. 54/16):
- Functional Progression: moving the employee from one standard to another immediately higher within the same job class and;
- Promotion: transfer of the employee from the last pattern of a class to the initial pattern of the class immediately above the position.
- The development in Science and Technology Careers occurs through functional progression and promotion, under the terms of art. 4, § 1 of Provisional Measure no. 2,229-43 / 01, Law no. 8,691 / 93 and Resolution no. 3/94 of the CPC (cf. art 1 of IN n. 55/16).<sup>36</sup>
- **Table 5.1.3.2** illustrates, for example, the table of functional evolution of the Industrial Property Research career.

**Table 5.1.3.2**

**Career Example - Industrial Property Research**

| BASIC VALUE |         |                                   |
|-------------|---------|-----------------------------------|
| CLASS       | PATTERN | Financial effects from 01/01/2017 |
| SPECIAL (S) | III     | R\$ 8.712,75                      |
|             | II      | R\$ 8.409,26                      |
|             | I       | R\$ 8.117,79                      |
| C           | III     | R\$ 7.679,51                      |
|             | II      | R\$ 7.413,04                      |
|             | I       | R\$ 7.155,05                      |
| B           | III     | R\$ 6.807,09                      |
|             | II      | R\$ 6.572,41                      |
|             | I       | R\$ 6.344,92                      |
| A           | III     | R\$ 6.002,92                      |
|             | II      | R\$ 5.797,00                      |
|             | I       | R\$ 5.597,02                      |

Source: Payroll Data **INPI**

<sup>36</sup> "Art. 1 ° Establish the specific criteria and procedures for the assessment of individual performance for the purpose of paying the Performance Bonus for Science and Technology Activity - GDACT, and for the purpose of developing the employees of the National Institute of Industrial Property - **INPI** occupying effective positions that are members of the Career Plan for the Science and Technology area, through functional progression and promotion defined in Paragraph 1, of article 4, of Provisional Measure nº 2.229-43 / 2001, Law nº 8.691 / 93 and Resolution nº 3/94 of the CPC. "

For the Performance Evaluation System, there are three points that drew the most attention in this stage of gathering information:

- ▣ The first concerns the objective of the tool, which is used not only for career development purposes, but also for the purpose of acquiring the Performance Bonus for the Industrial Property – GDAPI (or GDACT for the Science and Technology area).
- ▣ The GDAPI is granted to the occupants of higher and intermediate positions in the Career and Positions Plan of **INPI**, due to the achievement of individual performance goals and the achievement of institutional performance goals, when exercising the activities inherent to their duties in **INPI** (cf. art. 100 Law No. 11.355 / 06), and today it is received by the vast majority of the institution's employees.
- ▣ The second point concerns the complexity of the assessment tool, which is comprised, as already discussed, of institutional goals and individual goals, with individual ones being segmented into technical and socio-behavioral elements. **Figure 5.1.3.1** illustrates the example of a skills hiring form:

**Figure 5.1.3.1**  
**Skills Hiring Form**

| <b>Socio Behavioral and Technical Skills Hiring Form for Individual Performance Evaluation</b> |  |                          |
|--|--|--------------------------|
| Server Name _____ Registration _____   |  |                          |
| Role _____ Class _____ Pattern _____   |  |                          |
| Capacity _____   |  |                          |
| <b>Individual Performance Evaluation</b>   |  |                          |
| <b>Hiring Social Behavioral Skills</b>   |  |                          |
| <b>(Hire at least 5 skills)</b>  |  |                          |
| <b>Skills</b>  | <b>Skills Indicators</b>   | <b>Contracted Skills</b> |
| <b>Communication</b>   | Conveys ideas, concepts, opinions clearly and consistently.<br>It manifests itself as formal and objective orally and / or in writing.<br>Make sure that the message transmitted by the recipient has been understood.   |                          |
| <b>Interpersonal Relationship</b>  | Cooperates and respects the group he works with, showing himself courteous and impartial in his attitudes and decisions, observing mutual respect, trust, differences, empathy, values, culture, beliefs as a form of human interaction.<br>Behaves in order to ensure good contact with individuals in the professional environment;<br>It relates to the work environment in order to lead to a better level of team productivity. |                          |

- ▣ The third point concerns not only the complexity of the assessment tool, but also its completeness - since the instrument addresses not only the assessment metrics and scoring scales, but also establishes the appeal procedure.

- ▣ These points will be better detailed in the next phase of the project, in view of some statements made by managers about the need to improve this tool.

**Figure 5.1.3.2**

**Reconsideration and Appeal Request**

- **Reconsideration Request:** within 30 days from the date of assessment, addressed to the appraiser (must be validated by the General Coordinator or manager and the top manager of the administrative unit);
- **Appeal:** within 30 days from the acknowledgment of the rejection of the reconsideration request, addressed to the **INPI** Careers and Positions Committee.

The data gathering exercise aims to identify not only the amount spent on a global scale or by remuneration, but also to make it possible to assess possible inconsistencies (formal and real) or, still, ineffective management practices.

- ▣ One of the points made for likely future discussions and proposals is linked to the payment of **GDAPI** (bonus paid through the use of the performance evaluation tool) and which today reaches 98% of the staff of **INPI**, as shown in **Table 5.1.4.1**.

**Table 5.1.4.1**

**Summary of Bonuses per Type**

| INPI BONUSES                    | TOTAL (R\$)          | %      | # STAFF    | %      |
|---------------------------------|----------------------|--------|------------|--------|
| GDAPI - LAW 11.355/06 AT        | 3.538.672,08         | 28,83% | 942        | 98,02% |
| RT - INPI LAW 11.355/06 AT      | 1.415.766,06         | 11,53% | 715        | 74,40% |
| GQ - INPI - LAW 11.355/06 AT    | 601.912,35           | 4,90%  | 225        | 23,41% |
| GQ - C&T - LAW 11.907/09 AT     | 19.441,02            | 0,16%  | 6          | 0,62%  |
| GDACT - MP 2.229-43/01 AT       | 18.315,68            | 0,15%  | 11         | 1,14%  |
| GRAT. DESEMP. FUNCAO-GADF LD.13 | 8.051,04             | 0,07%  | 24         | 2,50%  |
| RT - C&T LAW 11.907/09 AT       | 7.338,01             | 0,06%  | 5          | 0,52%  |
| GSISTE - AFF LAW N° 11.356/06   | 3.158,00             | 0,03%  | 1          | 0,10%  |
| <b>TOTAL REMUNERATION</b>       | <b>12.273.968,18</b> |        | <b>961</b> |        |

Note:961 EFFECTIVE STAFF WITH REMUNERATION (778 + 183 in Mgmt roles)

Another point that has an impact on the analysis of remuneration advantages concerns the formal review or adjustment of the installments. This item identifies the legislative roll that governs each advantage, as well as the basis for calculating each installment (when appropriate). **Table 5.1.4.2** illustrates the synthesis methodology for this data gathering.

**Table 5.1.4.2**  
**Legislative Analysis Remuneration Advantages**

| DESCRIPTI<br>ON  | Origin (Federal Law / Collective Agreement / Convention / Judicial Decision / Legal Opinion / Administrative Decision)   | CALCULATION FORM   |  |
|--|--|--|--|
|  |  | Calculation Basis  | %  |
| Payment Type   | Identify model Law No. / Collective Agreement No. and Year / Judicial Process / No. Administrative process   | Identify what makes up the calculation of the remuneration advantage | Identify the applicable percentage. Nominal Values without percentage, identify as N.A. (not applicable)                         |
| Base Salary Received   | Art. 99, item alinea a and item II alinea a of Law no. 11.355 / 2006 and art. 40 of Law no. 8,112, 1990  | Expressly defined by law   | fixed amount provided by law   |
| Time Based Payment (annual and five-year period)                                       | original wording of art. 67 of Law no. 8,112, 1990 and art. 67 of Law no. 8,112, 1990 as amended by Law no. 9,527 / 97 and revoked by Provisional Measure no. 2225-45 / 2001 respected the situations constituted up to 03/08/99 | basic salary   | 1% for each year of effective exercise or 5% for every 5 years of effective exercise, depending on the season (see legislation). |
| Remuneration for the exercise of management, leadership and advisory function (Fifths) | original wording of art.62 of Law no. 8,112, 1990 and arts. 3rd, 7th, 8th and 11th of Law n° 8911/94.  | Expressly defined by law   | fixed amount provided by law   |



|   |  |   |  |
|---|--|---|--|
| Indemnity payment and Unsound conditions  | no   | non-existing  | non-existing   |
| Remuneration for the exercise of position in commission (DAS)                             | arts.1 and 2 of Law no. 11,526 / 2007 and Annex 11, b  | Expressly defined by law  | fixed amount provided by law   |
| Remuneration for the exercise of the commissioned function of the executive branch (FCPE) | arts. 2nd, 3rd and 4th of Law no. 13,346 / 2016  | Expressly defined by law  | fixed amount provided by law   |
| FG Free Bonus   | arts. 9, 10, 11 and 12 of Law no. 3,780 / 60 and art.2 of Law no. 8,911 / 94   | Expressly defined by law  | fixed amount provided by law   |
| Additional for night work   | no   | not in the <b>INPI</b>  | not in the <b>INPI</b>   |
| Titling remuneration  | art. 99, item I, paragraph c and art.105 of Law no. 11,355 / 2006  | Expressly defined by law  | fixed amount provided by law   |
| Qualification/ Education bonus  | art.99, item II point c and art.105-B of Law no. 11.355 / 2006 and Decree no. 7,922 / 2013   | Expressly defined by law  | fixed amount provided by law   |
| Performance Bonus for the Industrial Property - GDAPI                                     | art. 99, item I, item b, item II, item b and articles 100 to 100-G of Law no. 11,355 / 2006, as well as Normative Instruction <b>INPI</b> 54/2016. | index defined by law, multiplied by the value of the points (performance evaluation score) - evaluation cycle from January to December          | index defined by law, multiplied by the value of the points (performance evaluation score) |
| Personal Advantage (VPNI)   | Art. 147, Paragraph 2 of Law 11.355 / 06   | Remuneration difference calculated based on the expected remuneration for the initial standard of the initial Class of the respective position. | NA   |

|   |   |   |   |
|---|---|---|---|
| EC 41/03 S<br>Permanence<br>Allowance             | Art. 40, § 19 of the Federal Constitution                                     | Up to the amount of the social security contribution  | NA  |
| GDACT - MP<br>2.229-43 / 01<br>AT                 | Art.19 of Provisional Measure no. 2229-43 / 01 and art. 16 of Law 11,094 / 05 | Applies to retirements and pensions granted or instituted up to 06/29/2007, in the amount corresponding to 50% of the maximum percentage applied to the standard of the class in which the staff member that originated them was positioned | 50% of the maximum percentage applied to the class standard in which the staff member would be positioned |
| Gratification for Job Performance - GADF<br>LD.13 | Art. 14 of Delegated Law no. 13/92  | Defined by law  | Defined by law  |
| GSISTE -<br>AFF LAW N.<br>11.356 / 06             | Art. 15 of Law 11.356 / 06  | Annex VII of Law 11.356 / 06  | NA  |
| Reduced Day Incentive                             | Art. 16 of Provisional Measure no. 2,174-28 / 01                              | The provisions of item I of the sole paragraph of art. 13, and the granting of a credit line, until July 31, 2000, limited to R \$ 10,000.00.   | NA  |

## Organizational Structure and Structural Positions

This Chapter comprises the data gathering, identification and preliminary analysis of information and data regarding the organizational structure and structural positions (management, leadership and advisory positions). It is divided into five central sections:

- Normative History: addresses the set of main normative acts (laws, decrees, normative instructions, ordinances, among others) that govern the organizational structure and structural positions of **INPI**. It also includes the recent regulatory frameworks that regulate organizational efficiency measures associated with direct, autarchic and foundational federal public administration, and which directly impact the new **INPI** institutional goals and guidelines;
- Organizational Structure and Workforce Distribution Analysis: addresses the organizational structure of **INPI** and the distribution of the workforce in view of its organizational structure;
- Duties Organizational Structure: comprises the identification of the general duties of each unit of the institution, divided between (i) direct and immediate assistance bodies of the president; (ii) sectional departments and; (iii) specific bodies;
- Table Structural Positions Chart Analysis: comprises the statement of structural positions (its formal and real organization, quantitative, attributions, profile and remuneration);

- Attendance Data: includes the identification and systematization of attendance data, according to the database provided by the **INPI** itself, which covers the period from 1/1 2018 to 12/31 2019.

## Regulatory Chronology

### Methodology

This section relates to the data gathering of normative acts related to the **INPI**'s organizational structure, as well as its structural positions (commissioned positions and trust functions), divided into the following sections:

**Primary Normative Acts:** Main laws related to the creation and transformation of the organizational structure, as well as structural positions of the **INPI**;

**Secondary Normative Acts:** Legislation of reference affects the regulation of the **INPI**'s regulatory structure and the statement of structural positions.

'Summary table' is used, as presented in the item corresponding to the Positions and Careers Plan, for each thematic category, addressing the norm, disposition and subject, as shown in **Table 5.2.1.1**.

**Table 5.2.1.1**

### Normative Historical Methodology

| Primary / Secondary Normative Acts  |                    |  |
|---|--------------------|--|
| Standard  | Disposition        | Subject  |
| Normative Act, number and year (Law, Complementary Law, Decree, Normative Instruction, Ordinance ...) | Formal Disposition | Details / summary of subjects relevant to the project object |

The detailed data gathering of the reference legislation reveals the historical trajectory of the autarchy and its main organizational changes, as well the characteristic changes of the managerial roles (its structure, hierarchy, attributions and quantitative), which invariably impact on the objectives, priorities and institutional goals.

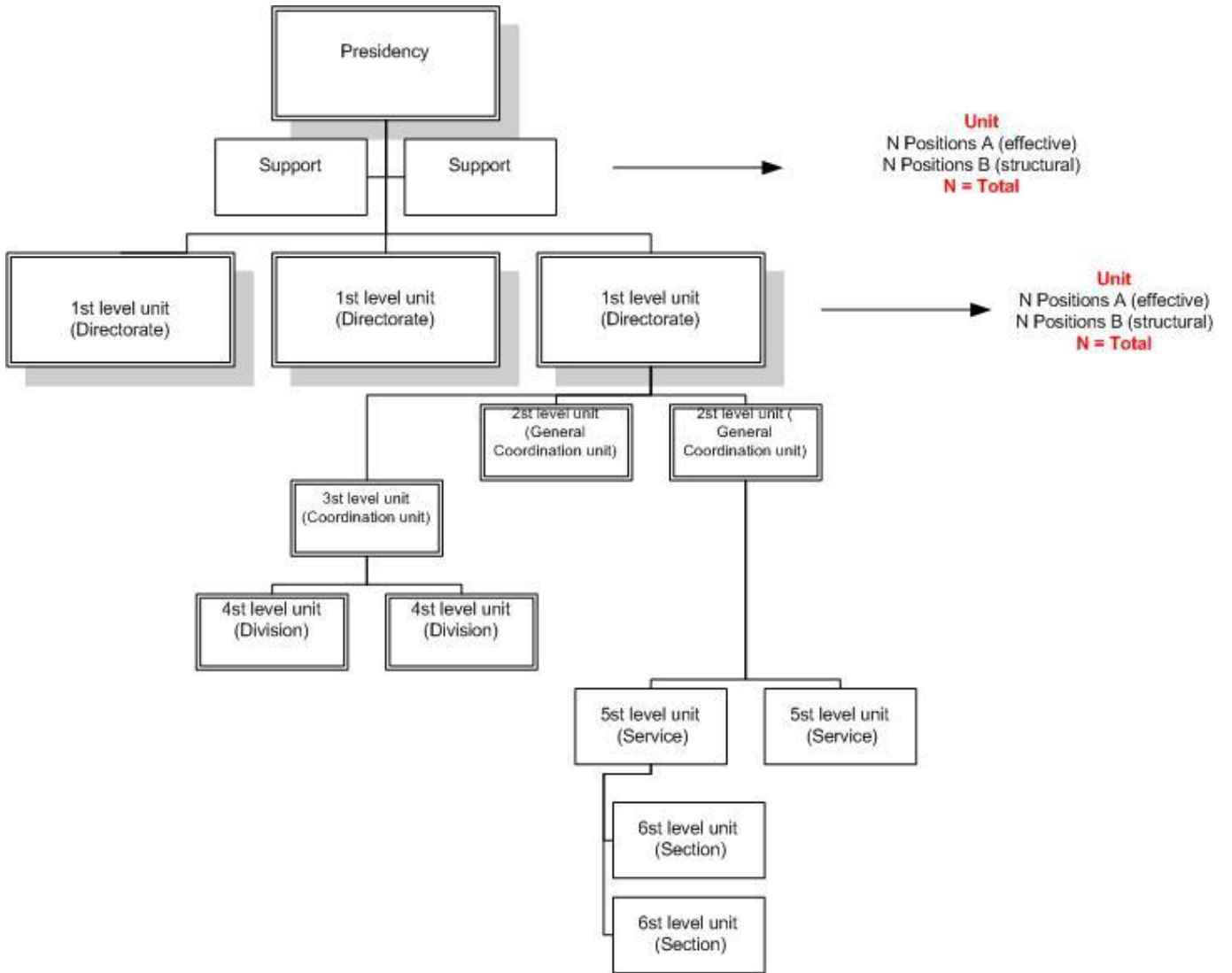
### Analysis Organizational Structure and Workforce Distribution

This topic addresses the organizational structure of **INPI** and the distribution of the workforce in view of its organizational structure. **INPI**'s organizational structure is set out in Decree no. 8,854 / 16, and the details of its units are contained in its recent formal presentation, established in Ordinance no. 11/2017. The organization of the workforce, broken down by structure, is presented in accordance with the data extracted from the database provided by the **INPI** itself.

### Methodology

Firstly, the administrative organization, by section, and the list of servants in each unit are presented. For effective civil servants, the original position is indicated and the quantitative one, per position, allocated in each structure. By contrast, civil servants occupying structural positions are identified by their position of leadership, direction or advisory, and their original position is also indicated, in parentheses, if they have an effective link with the autarchy. **Figure 5.2.2.1** illustrates the adopted methodology.

**Figure 5.2.2.1**  
**Methodology – Workforce Distribution**



The second part translates the positions identified in the structure into a summary table, as shown in **Table 5.2.2.1**.

Table 5.2.2.1  
Methodology – Workforce Distribution Summary Table

| Organizational Unit     |                      |                     |                                  |               |                    |
|-------------------------|----------------------|---------------------|----------------------------------|---------------|--------------------|
| POSITION                | Functional situation | FUNCTION            | FUNCTION NAME                    | Final Unit    | Total              |
| Position Identification | Link Identification  | Structural Position | Structural position nomenclature | Location Unit | Final Quantitative |
| <b>TOTAL</b>            |                      |                     |                                  |               | <b>Total</b>       |

## Organizational Structure Assignments

The attributes of **INPI's** Organizational Structure are contained in Ordinance n. 11/17. This topic presents the organizational assignments, per unit, according to the organization set out in Decree no. 8,854 / 16, which structures the **INPI** bodies in:

- Direct and immediate assistance to the President:
  - Cabinet; and
  - Executive Board;
  
- Sectional Departments:
  - Ombudsman;
  - Specialized Federal Attorney's Office;
  - Internal Audit;
  - Internal Affairs; and
  - Management Directory; and
  
- Specific individual departments:
  - Directorate of Patents, Computer Programs and Topographies of Integrated Circuits;
  - Directorate of Brands, Industrial Designs and Geographical Indications;
  - General Coordination of Technology Contracts;
  - General Coordination of Appeals and Administrative Proceedings for Nullity; and
  - General Coordination of Dissemination for Innovation.

**Table 5.2.3.1** illustrates, by way of example, the methodology adopted for the attributes of the Cabinet unit.

**Table 5.2.3.1**  
**Attributions – Cabinet to the Chairman**

| Position | Unit          | Assignments  |
|----------|---------------|--|
| 1        | Cabinet – GAB | <p>I - assist the President of <b>INPI</b> in his political and social representation; II - take care of public relations and preparation and dispatch</p> <p>the office of the Presidency; III - monitor the processing of legal acts of interest to the <b>INPI</b>; IV - provide assistance to consultations and requirements of the Ministry of Industry, Foreign Trade and Services; V plan, coordinate and execute the activities that assist the institutional performance of <b>INPI</b>, at the</p> |

|  |  |
|--|--|
|  | <p>international level, in conjunction with the Ministry of Industry, Foreign Trade and Services; VI plan, coordinate and execute the <b>INPI's</b> social communication policy, in line with the communication guidelines of the Presidency of the Republic and the Ministry of Industry, Foreign Trade and Services; VII - provide for the official publication and dissemination of matters related to <b>INPI's</b> area of activity; VIII - foster and articulate the dialogue between the different segments of civil society and the <b>INPI</b>, including through articulation with their institutional representations; and IX - exercise other powers that are assigned to him by the President of <b>INPI</b>.</p> |
|--|--|

### Structural Positions Framework Analysis

In this stage, as was done for the permanent positions, the crossing of formal and real data for the structural positions of the **INPI** is carried out, comprising (i) the demonstrative framework of structural positions foreseen and provided; (ii) profile; (iii) attributions and; (iv) remuneration items.

## Statement of Structural Positions

First, the history of the composition of the structural positions in accordance with the legislation is identified. **Table 5.2.4.1** illustrates this statement:

**Table 5.2.4.1**  
**Forecast - Structural Positions**

| EXPECTED            |          |      |                     |          |      |                      |          |      |                      |            |      |                      |          |      |
|---------------------|----------|------|---------------------|----------|------|----------------------|----------|------|----------------------|------------|------|----------------------|----------|------|
| Decree n° 5.147/04  |          |      | Decree n° 7.356/10  |          |      | Decree n° 8.686/2016 |          |      | Decree n° 8.854/2016 |            |      | Ordinance n° 11/2017 |          |      |
| STRUCTURAL POSITION | TIPOLOGY | JOBS | STRUCTURAL POSITION | TIPOLOGY | JOBS | STRUCTURAL POSITION  | TIPOLOGY | JOBS | STRUCTURAL POSITION  | TIPOLOGY   | JOBS | STRUCTURAL POSITION  | TIPOLOGY | JOBS |
| President           | 101.6    | 1    | President           | 101.6    | 1    | President            | 101.6    | 1    | President            | 101.6      | 1    | President            | 101.6    | 1    |
| Vice-President      | 101.5    | 1    | Vice-President      | 101.5    | 1    | Vice-President       | 101.5    | 1    | Vice-President       | 102.4      | 2    | Vice-President       | 102.4    | 2    |
| Advisor             | 102.4    | 2    | Advisor             | 102.4    | 4    | Advisor              | 102.4    | 2    | Advisor              | 102.2      | 9    | Assistant            | 102.2    | 9    |
| Assistant           | 102.1    | 3    | Assistant           | 102.2    | 8    | Assistant            | 102.2    | 9    | Assistant            | DAS 101.4  | 1    | Boss                 | 101.4    | 1    |
| Chief               | 101.4    | 2    | Boss                | 101.4    | 2    | Chief                | 101.4    | 1    | Boss                 | FCPE 101.1 | 28   | Boss                 | FCPE-1   | 27   |
| Chief               | 101.1    | 10   | Boss                | FCINPI-1 | 28   | Chief                | FCINPI-1 | 28   | Boss                 | FCPE 101.2 | 83   | Boss                 | FCPE-2   | 84   |
| Chief               | 101.2    | 29   | Boss                | FCINPI-2 | 83   | Chief                | FCINPI-2 | 83   | Boss                 | FCPE 101.4 | 1    | Boss                 | FCPE-3   | 1    |
| General Coordinator | 101.4    | 12   | Boss                | FCINPI-3 | 6    | Chief                | FCINPI-3 | 7    | Boss                 | FG-1       | 28   | Boss                 | FCPE-4   | 1    |
| Coordinator         | 101.3    | 11   | Boss                | FCINPI-4 | 2    | Chief                | FCINPI-4 | 2    | General Coordinator  | DAS 101.4  | 4    | Boss                 | FG-1     | 28   |
| Ombudsman           | 101.4    | 1    | Boss                | FG-1     | 40   | Chief                | FG-1     | 40   | General Coordinator  | FCPE 101.4 | 17   | General Coordinator  | 101.4    | 4    |

|                     |       |     |                     |           |     |                     |          |     |                  |            |     |                     |        |     |
|---------------------|-------|-----|---------------------|-----------|-----|---------------------|----------|-----|------------------|------------|-----|---------------------|--------|-----|
| Chief Prosecutor    | 101.4 | 1   | General Coordinator | 101.4     | 7   | General Coordinator | 101.4    | 7   | Coordinator      | FCPE 101.3 | 23  | General Coordinator | FCPE-4 | 17  |
| Chief Auditor       | 101.4 | 1   | General Coordinator | FCINP I-4 | 12  | General Coordinator | FCINPI-4 | 12  | Ombudsman        | DAS 101.4  | 1   | Coordinator         | FCPE-3 | 22  |
| Director            | 101.5 | 5   | Coordinator         | FCINP I-3 | 17  | Coordinator         | FCINPI-3 | 16  | Chief Prosecutor | DAS 101.5  | 1   | Ombudsman           | 101.4  | 1   |
| Technical Assistant | 102.1 | 7   | Ombudsman           | 101.4     | 1   | Ombudsman           | 101.4    | 1   | Chief Auditor    | DAS 101.4  | 1   | Chief Prosecutor    | 101.5  | 1   |
|                     | FG-1  | 40  | Chief Prosecutor    | 101.4     | 1   | Chief Prosecutor    | 101.4    | 1   | Corregidorr      | DAS 101.4  | 1   | Chief Auditor       | 101.4  | 1   |
|                     |       |     | Chief Auditor       | 101.4     | 1   | Chief Auditor       | 101.4    | 1   | Director         | 101.5      | 4   | Corregidorr         | 101.4  | 1   |
|                     |       |     | Corregidorr         | 101.4     | 1   | Corregidorr         | 101.4    | 1   |                  |            |     | Director            | 101.5  | 4   |
|                     |       |     | Director            | 101.5     | 5   | Director            | 101.5    | 4   |                  |            |     |                     |        |     |
|                     |       |     | Technical Assistant | 102.2     | 1   |                     |          |     |                  |            |     |                     |        |     |
|                     | TOTAL | 126 |                     | TOTAL     | 221 |                     | TOTAL    | 217 |                  | TOTAL      | 205 |                     | TOTAL  | 205 |

Source: FGV Projetos

Subsequently, the current list of positions and vacancies foreseen and currently provided at the **INPI** is systematized, as shown in **Table 5.2.4.2**.

**Table 5. 2.4.2**



### Forecasted and Provided - Structural Positions

| FORECASTED           |              |            | Provided            |              |            |
|----------------------|--------------|------------|---------------------|--------------|------------|
| ORDINANCE n° 11/2017 |              |            |                     |              |            |
| STRUCTURAL POSITION  | TIPOLOGY     | JOBS       | STRUCTURAL POSITION | TIPOLOGY     | JOBS       |
| President            | 101.6        | 1          | President           | DAS-6        | 1          |
| Advisor              | 102.4        | 2          | Advisor             | DAS-4        | 1          |
| Assistant            | 102.2        | 9          | Assistant           | DAS-2        | 6          |
| Chief                | 101.4        | 1          | Assistant           | DAS-4        | 1          |
| Chief                | FCPE-2       | 84         | Division Chief      | FPE-1012     | 81         |
| Chief                | FCPE-3       | 1          |                     |              |            |
| Chief                | FCPE-1       | 27         | Service Chief       | FPE-1011     | 26         |
| Chief                | FCPE-4       | 1          | Cabinet Chief       | DAS-4        | 1          |
| Chief                | FG-1         | 28         | Section Chief       | FGR-0001     | 24         |
| General Coordinator  | 101.4        | 4          | General Coordinator | DAS-4        | 4          |
| General Coordinator  | FCPE-4       | 17         | General Coordinator | FPE-1014     | 17         |
| Coordinator          | FCPE-3       | 22         | Coordinator         | FPE-1013     | 23         |
| Ombudsman            | 101.4        | 1          | Onbudsman           | DAS-4        | 1          |
| Chief Prosecutor     | 101.5        | 1          | Prosecutor          | DAS-5        | 1          |
| Chief Auditor        | 101.4        | 1          | Auditor             | DAS-4        | 1          |
| Corregidor           | 101.4        | 1          | Corregidor          | DAS-4        | 1          |
| Director             | 101.5        | 4          | Director            | DAS-5        | 3          |
|                      | <b>TOTAL</b> | <b>205</b> |                     | <b>TOTAL</b> | <b>192</b> |

FGV's Own elaboration

Profile

Regarding the profile data, following the same scope of the Positions and Careers Plan, the study is divided into two thematic parts. The identification of general profile data comprises the gathering of information on education, age group and length of service. The second section advances in the identification of data that concerns the policy of inclusion and institutional diversity, addressing gender indicators. **Table 5.2.4.3** illustrates the distribution of structural posts, by gender, at **INPI**.

**Table 5.2.4.3**  
**Distribution of Structural Positions by Position and Gender**

| Structural Positions | Gender    |            | Grand Total |
|----------------------|-----------|------------|-------------|
|                      | Female    | Male       |             |
| Advisor              | 0         | 1          | 1           |
| Assistant            | 4         | 3          | 7           |
| Controller           | 0         | 1          | 1           |
| Division Chief       | 34        | 47         | 81          |
| Chief of Staff       | 1         | 0          | 1           |
| Head of Section      | 11        | 14         | 25          |
| Service Chief        | 12        | 14         | 26          |
| Coordinator          | 8         | 14         | 22          |
| General Coordinator  | 7         | 14         | 21          |
| Internal Affairs     | 1         | 0          | 1           |
| Director             | 1         | 2          | 3           |
| Ombudsman            | 0         | 1          | 1           |
| President            | 0         | 1          | 1           |
| Attorney             | 0         | 1          | 1           |
| <b>Grand Total</b>   | <b>79</b> | <b>113</b> | <b>192</b>  |

## Competencies

A significant part of this data gathering is the identification of the formal attributions of each structural position. The competencies of the **INPI**'s structural positions are regulated in Ordinance No. 11/17. **Table 5.2.4.4**, for example, systematizes the duties of the positions of President, Executive Director and Director of Administration.

Table 5.2.4.4  
Example Structural Positions Assignments

| Role                       | Competencies  |
|----------------------------|---|
| Chairman                   | I - order any types of expenditure; II - represent the <b>INPI</b> in or out of court; III-approve budgetary programming, for referral to Departments competent bodies; IV - appoint and dismiss civil servants, providing effective positions, commissioned positions, commissioned functions and paid functions, under the terms of the legislation in force; V - sent accounts to the Federal Court of Auditors; VI - represent the <b>INPI</b> in national and international forums; VII - to pronounce on the convenience of signing, ratifying and denouncing conventions, treaties, covenants and agreements on industrial property; VIII-submit the Table of Fees for Services provided by <b>INPI</b> , related to industrial property, for approval by the Ministry of Industry, Foreign Trade and Services; IX - establish the values referring to the computer program registration services of the Remuneration Table for the services provided by <b>INPI</b> , in accordance with the legislation in force; X - decide on resources and administrative processes that change decisions primarily taken by the <b>INPI</b> Directors, in accordance with the legislation in force; XI - ensure the <b>INPI</b> 's internal and external credibility; and XII-perform the other administrative acts necessary for the functioning of <b>INPI</b> . |
| Executive Director         | I - order any types of regular expenses; II-coordinate, consolidate and submit to the <b>INPI</b> President the global action plan of the municipality, in line with the guidelines of the Ministry of Industry, Foreign Trade and Services; III - supervise and coordinate the projects and activities of the bodies that are part of the Municipality's Regulatory Structure; IV - supervise and coordinate the articulation between the bodies of <b>INPI</b> with the central bodies of the systems related to the area of competence of the Executive Board; V - replace the President of <b>INPI</b> in his absence and impediments; and VI - perform other duties assigned to him by the President of <b>INPI</b> .  |
| Director of Administration | I - order any types of regular expenses; II-authorize the exemptions and the unenforceability of bidding for contracting works, services and purchases whose estimated values are higher than 10% (ten percent) of the values established for the Invitation modality, and submit to the President for ratification; III-ratify the exemptions and bidding requirements not provided for in item II; IV - to authorize and approve the bids for the acquisition of material and the execution of works and services in the Price Taking modality and in the Auction and Auction modalities, whose estimated values correspond to those of the Price Taking modality; V - enter into and terminate the contracts, the addendum contractual terms of extension, additions, deletions, renegotiation handbooks,  |

readjustments or contractual balance whose contracted values correspond to the Price Taking modality; VI - to authorize and grant adhesions to the price registration minutes whose estimated values correspond to the Price Taking modality; VII - sign the price registration minutes, the amounts of which

## Remuneration Items

Regarding the remuneration items, (i) the remuneration of the employees invested in commissioned positions and designated in trust / bonus functions is carried out; (ii) the identification of amounts due for each structural job category and; (iii) the identification of bonuses and other funds.

**Table 5.2.4.5** summarizes the values practiced by each category of structural position, while **Table 5.2.4.6** illustrates the remuneration averages.

**Table 5.2.4.5**  
**Structural Positions Values**

| Structural Positions | Initials | FPE Value   | FGR Value  | DAS Value    | DAS Value (Permanent) | Quantitative |
|----------------------|----------|-------------|------------|--------------|-----------------------|--------------|
| Advisor              | DAS-4    | R\$ -       | R\$ -      | R\$10.373,30 | R\$ -                 | 1            |
| Assistant            | DAS-2    | R\$ -       | R\$ -      | R\$ -        | R\$ 2.064,45          | 6            |
|                      | DAS-4    | R\$ -       | R\$ -      | R\$10.373,30 | R\$ -                 | 1            |
| Controller           | DAS-4    | R\$ -       | R\$ -      | R\$ -        | R\$ 6.223,98          | 1            |
| Division boss        | FPE-1012 | R\$2.064,44 | R\$ -      | R\$ -        | R\$ -                 | 81           |
| Chief of Staff       | DAS-4    | R\$ -       | R\$ -      | R\$10.373,30 | R\$ -                 | 1            |
| Head of Section      | FGR-0001 | R\$ -       | R\$ 202,09 | R\$ -        | R\$ -                 | 24           |
|                      | (vazio)  | (vazio)     | R\$ -      | R\$ -        | R\$ -                 | 1            |
| Service Chief        | FPE-1011 | R\$1.620,89 | R\$ -      | R\$ -        | R\$ -                 | 26           |
| Coordinator          | FPE-1013 | R\$3.411,34 | R\$ -      | R\$ -        | R\$ -                 | 22           |
| General Coordinator  | DAS-4    | R\$ -       | R\$ -      | R\$ -        | R\$ 6.223,98          | 4            |
|                      | FPE-1014 | R\$6.223,99 | R\$ -      | R\$ -        | R\$ -                 | 17           |

|                    |       |       |       |              |              |            |
|--------------------|-------|-------|-------|--------------|--------------|------------|
| Internal Affairs   | DAS-4 | R\$ - | R\$ - | R\$ -        | R\$ 6.223,98 | 1          |
| Director           | DAS-5 | R\$ - | R\$ - | R\$13.623,39 | R\$ -        | 1          |
|                    |       |       | R\$ - | R\$ -        | R\$ 8.174,03 | 2          |
| Ombudsman          | DAS-4 | R\$ - | R\$ - | R\$ -        | R\$ 6.223,98 | 1          |
| President          | DAS-6 | R\$ - | R\$ - | R\$16.944,90 | R\$ -        | 1          |
| Attorney           | DAS-5 | R\$ - | R\$ - | R\$ -        | R\$ 8.174,03 | 1          |
| <b>Grand Total</b> |       |       |       |              |              | <b>192</b> |

**Table 5.2.4.6  
Remuneration Averages**

| Structural Position | Position  | Permanent Monthly Remuneration | Quantitative  | Total         | Remuneration Average |
|---------------------|---|--------------------------------|---------------|---------------|----------------------|
| Advisor             | No Effective Position - No Bond with Public Administration      | R\$ 10.373,30                  | 1             | R\$ 10.373,30 | R\$ 10.373,30        |
| Assistant           | Plan Gest Inf Est Pro Analyst                                   | R\$ 13.785,16                  | 1             | R\$ 13.785,16 | R\$ 13.626,01        |
|                     | Industrial Property Research                                    | R\$ 15.906,14                  | 1             | R\$ 15.906,14 |                      |
|                     |   | R\$ 19.646,87                  | 1             | R\$ 19.646,87 |                      |
|                     | No Effective Position - No Bond with Public Administration      | R\$ 10.373,30                  | 1             | R\$ 10.373,30 |                      |
|                     | Tech in Industrial Property                                     | R\$ 10.372,62                  | 1             | R\$ 10.372,62 |                      |
|                     | Technologist in Industrial Property                             | R\$ 11.512,82                  | 1             | R\$ 11.512,82 |                      |
| R\$ 13.785,16       |   | 1                              | R\$ 13.785,16 |               |                      |
| Controller          | No Effective Position at INPI - With Public Administration Bond | R\$ 6.223,98                   | 1             | R\$ 6.223,98  | R\$ 6.223,98         |
| Division Chief      | Plan Gest Inf Est Pro Analyst                                   | R\$ 11.748,44                  | 1             | R\$ 11.748,44 | R\$ 14.715,38        |

|  |   |                  |    |                |
|--|---|------------------|----|----------------|
|  |   | R\$<br>12.534,25 | 8  | R\$ 100.274,00 |
|  |   | R\$<br>13.167,73 | 2  | R\$ 26.335,46  |
|  |   | R\$<br>13.785,15 | 3  | R\$ 41.355,45  |
|  |   | R\$<br>13.837,10 | 2  | R\$ 27.674,20  |
|  |   | R\$<br>14.327,12 | 1  | R\$ 14.327,12  |
|  |   | R\$<br>14.539,83 | 1  | R\$ 14.539,83  |
|  |   | R\$<br>15.478,49 | 1  | R\$ 15.478,49  |
|  |   | R\$<br>15.906,13 | 3  | R\$ 47.718,39  |
|  |   | R\$<br>17.631,05 | 1  | R\$ 17.631,05  |
|  |   | R\$<br>20.235,53 | 1  | R\$ 20.235,53  |
|  | Senior Industrial<br>Property Specialist<br>Industrial Property<br>Researcher | R\$<br>22.507,51 | 1  | R\$ 22.507,51  |
|  | Industrial Property<br>Researcher   | R\$<br>14.539,83 | 1  | R\$ 14.539,83  |
|  |   | R\$<br>15.478,49 | 2  | R\$ 30.956,98  |
|  |   | R\$<br>15.906,13 | 2  | R\$ 31.812,26  |
|  |   | R\$<br>17.631,05 | 1  | R\$ 17.631,05  |
|  |   | R\$<br>17.809,49 | 1  | R\$ 17.809,49  |
|  |   | R\$<br>19.646,86 | 2  | R\$ 39.293,72  |
|  |   | R\$<br>20.235,53 | 18 | R\$ 364.239,54 |
|  |   | R\$<br>21.747,58 | 1  | R\$ 21.747,58  |
|  | No Effective<br>Position at INPI -<br>Linked to Public<br>Administration      | R\$<br>2.064,44  | 1  | R\$ 2.064,44   |

|               |   |  |               |               |  |               |               |
|---------------|---|--|---------------|---------------|--|---------------|---------------|
|               | Industrial Property Technician  | R\$ 8.477,58   | 2             | R\$ 16.955,16 |  |               |               |
|               |   | R\$ 10.372,61  | 5             | R\$ 51.863,05 |  |               |               |
|               |   | R\$ 12.399,57  | 1             | R\$ 12.399,57 |  |               |               |
|               | Industrial Property Infrastructure Planning and Management Technician | R\$ 6.258,70   | 1             | R\$ 6.258,70  |  |               |               |
|               |   | R\$ 8.477,58   | 3             | R\$ 25.432,74 |  |               |               |
|               |   | R\$ 9.368,36   | 1             | R\$ 9.368,36  |  |               |               |
|               |   | R\$ 10.104,98  | 1             | R\$ 10.104,98 |  |               |               |
|               | Industrial Property Technologist                                      | R\$ 11.512,81  | 2             | R\$ 23.025,62 |  |               |               |
|               |   | R\$ 13.785,15  | 2             | R\$ 27.570,30 |  |               |               |
|               |   | R\$ 13.837,10  | 1             | R\$ 13.837,10 |  |               |               |
|               |   | R\$ 14.327,12  | 1             | R\$ 14.327,12 |  |               |               |
|               |   | R\$ 15.126,46  | 1             | R\$ 15.126,46 |  |               |               |
|               |   | R\$ 15.906,13  | 1             | R\$ 15.906,13 |  |               |               |
|               |   | R\$ 16.764,18  | 2             | R\$ 33.528,36 |  |               |               |
|               |   | R\$ 17.143,70  | 1             | R\$ 17.143,70 |  |               |               |
|               |   | R\$ 18.809,12  | 1             | R\$ 18.809,12 |  |               |               |
|               |   | R\$ 20.235,53  | 1             | R\$ 20.235,53 |  |               |               |
|               | Cabinet Chief   | No Effective Position - No Bond with Public Administration         | R\$ 10.373,30 | 1             |  | R\$ 10.373,30 | R\$ 10.373,30 |
|               | Section Chief   | Industrial Property Infrastructure Planning and Management Analyst | R\$ 10.684,48 | 1             |  | R\$ 10.684,48 | R\$ 10.723,71 |
| R\$ 11.007,36 |   |  | 2             | R\$ 22.014,72 |  |               |               |
| R\$ 11.640,84 |   |  | 1             | R\$ 11.640,84 |  |               |               |

|               |   |               |   |               |               |
|---------------|---|---------------|---|---------------|---------------|
|               |   | R\$ 12.310,21 | 1 | R\$ 12.310,21 |               |
|               |   | R\$ 14.379,24 | 1 | R\$ 14.379,24 |               |
|               | Industrial Property Researcher  | R\$ 18.708,64 | 2 | R\$ 37.417,28 |               |
|               |   | R\$ 19.007,78 | 1 | R\$ 19.007,78 |               |
|               | Industrial Property Technician  | R\$ 6.757,39  | 1 | R\$ 6.757,39  |               |
|               |   | R\$ 6.950,69  | 2 | R\$ 13.901,38 |               |
|               |   | R\$ 8.578,09  | 1 | R\$ 8.578,09  |               |
|               |   | R\$ 8.845,72  | 3 | R\$ 26.537,16 |               |
|               | Industrial Property Infrastructure Planning and Management Technician | R\$ 6.553,73  | 1 | R\$ 6.553,73  |               |
|               |   | R\$ 6.938,27  | 1 | R\$ 6.938,27  |               |
|               |   | R\$ 6.950,69  | 1 | R\$ 6.950,69  |               |
|               |   | R\$ 7.841,47  | 1 | R\$ 7.841,47  |               |
|               |   | R\$ 8.578,09  | 1 | R\$ 8.578,09  |               |
|               |   | R\$ 9.562,82  | 1 | R\$ 9.562,82  |               |
|               |   | R\$ 10.335,00 | 1 | R\$ 10.335,00 |               |
|               | Industrial Property Technologist                                      | R\$ 18.119,97 | 1 | R\$ 18.119,97 |               |
|               | (Empty)   | (Empty)       | 1 |               |               |
| Service Chief | Industrial Property Infrastructure Planning and Management Analyst    | R\$ 12.050,84 | 1 | R\$ 12.050,84 | R\$ 10.855,79 |
|               |   | R\$ 12.090,70 | 1 | R\$ 12.090,70 |               |
|               |   | R\$ 19.203,31 | 1 | R\$ 19.203,31 |               |
|               | Industrial Property Researcher  | R\$ 21.334,66 | 1 | R\$ 21.334,66 |               |
|               | Industrial Property Technician  | R\$ 7.637,07  | 1 | R\$ 7.637,07  |               |



|             |   |               |   |               |               |
|-------------|---|---------------|---|---------------|---------------|
|             |   | R\$ 7.840,73  | 1 | R\$ 7.840,73  |               |
|             |   | R\$ 8.034,03  | 2 | R\$ 16.068,06 |               |
|             |   | R\$ 9.923,57  | 1 | R\$ 9.923,57  |               |
|             |   | R\$ 9.929,06  | 5 | R\$ 49.645,30 |               |
|             |   | R\$ 11.960,53 | 1 | R\$ 11.960,53 |               |
|             | Industrial Property Infrastructure Planning and Management Technician | R\$ 8.025,33  | 1 | R\$ 8.025,33  |               |
|             |   | R\$ 8.034,03  | 3 | R\$ 24.102,09 |               |
|             |   | R\$ 8.907,50  | 1 | R\$ 8.907,50  |               |
|             |   | R\$ 8.924,81  | 1 | R\$ 8.924,81  |               |
|             |   | R\$ 9.661,43  | 3 | R\$ 28.984,29 |               |
|             | Technician  | R\$ 10.347,45 | 1 | R\$ 10.347,45 |               |
|             | Industrial Property Technologist                                      | R\$ 9.448,37  | 1 | R\$ 9.448,37  |               |
| Coordinator | Industrial Property Infrastructure Planning and Management Analyst    | R\$ 13.881,15 | 2 | R\$ 27.762,30 | R\$ 16.339,92 |
|             |   | R\$ 15.886,73 | 1 | R\$ 15.886,73 |               |
|             |   | R\$ 16.944,02 | 1 | R\$ 16.944,02 |               |
|             | Industrial Property Researcher  | R\$ 14.514,63 | 2 | R\$ 29.029,26 |               |
|             |   | R\$ 17.253,03 | 1 | R\$ 17.253,03 |               |
|             |   | R\$ 20.429,55 | 1 | R\$ 20.429,55 |               |
|             |   | R\$ 21.582,43 | 2 | R\$ 43.164,86 |               |
|             |   | R\$ 22.693,60 | 1 | R\$ 22.693,60 |               |
|             | Industrial Property Technician  | R\$ 9.824,48  | 1 | R\$ 9.824,48  |               |
|             |   | R\$ 11.719,51 | 1 | R\$ 11.719,51 |               |

|                                  |   |               |               |                |               |
|----------------------------------|---|---------------|---------------|----------------|---------------|
|                                  |   | R\$ 13.436,86 | 1             | R\$ 13.436,86  |               |
|                                  | Industrial Property Infrastructure Management Technician              | R\$ 9.815,78  | 1             | R\$ 9.815,78   |               |
|                                  |   | R\$ 11.451,88 | 2             | R\$ 22.903,76  |               |
|                                  | Technologist in Industrial Property                                   | R\$ 18.025,13 | 1             | R\$ 18.025,13  |               |
|                                  |   | R\$ 18.977,95 | 1             | R\$ 18.977,95  |               |
|                                  |   | R\$ 21.582,43 | 2             | R\$ 43.164,86  |               |
|                                  |   | R\$ 22.218,25 | 1             | R\$ 22.218,25  |               |
| General Coordinator              | Industrial Property Infrastructure Planning and Management Analyst    | R\$ 17.944,69 | 1             | R\$ 17.944,69  | R\$ 18.288,60 |
|                                  |   | R\$ 18.699,38 | 1             | R\$ 18.699,38  |               |
|                                  |   | R\$ 20.837,78 | 1             | R\$ 20.837,78  |               |
|                                  | Industrial Property Researcher  | R\$ 21.790,60 | 1             | R\$ 21.790,60  |               |
|                                  |   | R\$ 23.806,41 | 1             | R\$ 23.806,41  |               |
|                                  |   | R\$ 24.395,08 | 5             | R\$ 121.975,40 |               |
|                                  |   | R\$ 24.795,72 | 1             | R\$ 24.795,72  |               |
|                                  | No Effective Position at INPI - With Link to Public Administration    | R\$ 6.223,98  | 3             | R\$ 18.671,94  |               |
|                                  |   | R\$ 6.223,99  | 2             | R\$ 12.447,98  |               |
|                                  | Industrial Property Infrastructure Planning and Management Technician | R\$ 15.010,22 | 1             | R\$ 15.010,22  |               |
| Industrial Property Technologist | R\$ 21.790,60   | 4             | R\$ 87.162,40 |                |               |
| Internal Affairs                 | No Effective Position at INPI - With Link to Public Administration    | R\$ 6.223,98  | 1             | R\$ 6.223,98   | R\$ 6.223,98  |
| Director                         | Industrial Property Researcher  | R\$ 26.345,12 | 1             | R\$ 26.345,12  | R\$ 17.967,25 |

|             |  |               |     |                  |               |
|-------------|--|---------------|-----|------------------|---------------|
|             | No Effective Position at INPI - With Link to Public Administration   | R\$ 8.174,03  | 1   | R\$ 8.174,03     |               |
|             | No Effective Position - No Link with Public Administration           | R\$ 13.623,39 | 1   | R\$ 13.623,39    |               |
| Onbudsman   | Industrial Property Infrastructure Management Planning Analyst       | R\$ 16.370,91 | 1   | R\$ 16.370,91    |               |
| President   | No Effective Position - No Bond with Public Administration           | R\$ 16.944,90 | 1   | R\$ 16.944,90    |               |
| Attorney    | No Effective Position at INPI - With Link with Public Administration | R\$ 8.174,03  | 1   | R\$ 8.174,03     | R\$ 8.174,03  |
| Grand Total |  |               | 192 | R\$ 2.721.017,04 | R\$ 11.990,44 |

## Attendance Data

In this subitem, attendance data are presented, according to the database provided by **INPI** itself, which covers the period from 1/1/2018 to 12/31 2019. In this preliminary data gathering exercise the data are presented in two ways.

The first consists of a descriptive presentation, by type of institute, with reference legislation, form and length of concession, frequency (number of times the institute appears) and observations (general descriptions of the institute's practice or its control - appointed by the institution itself) included. **Table 5.2.5.1** addresses the descriptive methodology used in this step.

Table 5.2.5.1

Description of Absenteeism Events

| Attendance Data |   |  |  |  |   |  |
|-----------------|---|--|--|--|---|--|
| Category        | Typology  | Specific Legislation (Regulatory Norm)                                     | Concession Form / Reason   | Concession Time  | Quantity.   | Note   |
| Nomenclature    | Specification (e.g. maternity leave; unjustified absence) | Regulatory Standard / Document (Personnel Regulation, Internal Regulation) |  | Valid for categories that have a certain concession time or are differentiated by the time count. It does not apply to occasional counting categories (unjustified absences, for example). | Number of repetitions of the institute in frequency control, regardless of the number of employees who have been absent, on leave, on absence, etc. | Observations on the understanding of the institute, its practice or form of control.   |
| Dismissal       | Leave to participate in a training course                 | Art. 20, §§ 4 and 5, of Law 8112/1990 and art. 14 of Law 9624/1998.        | The civil servant who is approved in another competition in another body will be able to participate in a training course (when it is one of the phases of that competition) |  | 152   | The license term coincides with the duration of the training course, the employee is responsible for sending supporting documents. |

|         |                   |                                       |  |  |     |  |
|---------|-------------------|---------------------------------------|--|--|-----|--|
| Absence | Unjustified leave | Art. 44, item I, of Law No. 8112/1990 | Absence not justified by the employee to the |  | 822 | Management must make it clear that the occurrence is |
|---------|-------------------|---------------------------------------|--|--|-----|--|

|                  |   |  | immediate superior   |                                 |  | an unjustified fault, so that it is possible to register in the SIAPENET system and, consequently, generate financial effects.  |
|------------------|---|--|--|---------------------------------|--|---|
| Category         | Type  | Specific Legislation (Regulatory Norm) | Concession Form / Reason   | Concession Time                 | Quantity.  | Note  |
| Leave concession | Benefit resulting from ex-officio removal or assignment to another point in the national territory. | Art. 18 of Law No. 8112/1990           | The civil servant who must exercise in another municipality due to having been removed, redistributed, requisitioned, assigned or put into provisional exercise will have at least ten and, at most, thirty days, counted from the publication of the act, for the resumption of the effective performance of the duties of the position, including within that period the time required to travel to the new headquarters | 10 to 30 days (can be declined) | não há campo para lançamento nos sistemas existentes | When removal or assignment occurs (from another body to the INPI) the staff member has the right to resume work from 10 to 30 days, counting from the publication of the act. Currently, the presentation date is agreed between the employee and the immediate manager, and the DIREF should be sought only if the employee does not resume work within 30 days. |

|         |   |                                 |   |   |      |  |
|---------|---|---------------------------------|---|---|------|--|
| License | Due to illness in the family                | 83 of Law No. 8112/1990         | Leave may be granted to the staff member due to illness of the spouse or partner, the parents, the children, the stepfather or stepmother and stepson, or dependent who lives at his / her expense and appears in his / her functional settlement, upon proof by official medical expert. | up to 60 days (with remuneration). Afterwards, it can be granted for another 90 days (without remuneration) all within the interval of 12 months. | 3058 | Control by DISAO, by receiving a medical report / report or SIASS report, as appropriate.  |
| License | Due to the removal of the spouse or partner | Article 84 of Law No. 8112/1990 | A license may be granted to the servant to accompany a spouse or partner who has been moved to another point in the national territory, abroad or to exercise an elective mandate from the Executive and Legislative Powers   | indefinite period   | 1926 | 1) When the spouse is in the private sector, the leave is granted without remuneration.<br>2) When the spouse or partner is also a public servant, civil or military, of any of the Powers of the Union, of the States, of the Federal District and of the Municipalities, there may be a provisional exercise in a body or entity of the Federal Administration, whether direct, autarchic or |

|         |                        |  |   |                         |        |  |
|---------|------------------------|--|---|-------------------------|--------|--|
|         |                        |  |   |                         |        | foundational, provided that for the exercise of activity compatible with your position   |
| License | For political activity | Art. 86 of Law No. 8112/1990 and Complementary Law 64/1990 | From the choice in a party convention up to 10 days after the elections   | See "observation" field | 100    | Between the choice in a party convention and the registration of the candidacy, the provisions of Complementary Law 64/1990 prevail (see art. 1, item II, item "I"), which provides for the maintenance of remuneration. From the registration of the candidacy, until the 10th day of the election, the remuneration is maintained for a maximum of 3 months. |
| License | Training               | Article 87 of Law No. 8112/1990                            | After each five-year period of effective exercise, the employee may, in the interest of the Administration, leave the exercise of the effective position, with the respective remuneration, for up to three | up to 3 months          | 3 1977 | Decided by the President of <b>INPI</b> , through Ordinance published in the Personnel Bulletin, through an SEI administrative process initiated at CETEC.   |

|         |                             |   |  |                             |      |   |
|---------|-----------------------------|---|--|-----------------------------|------|---|
|         |                             |   | months, to participate in a professional training course.  |                             |      |   |
| License | Premium license             | Art. 87 da Law 8112 15/10/1996, se art. 7º Law 9527/1997)       | After each uninterrupted five-year term, employer is entitled to three months of leave, as an attendance award, with the remuneration of the effective position  | Up to 3 months              | 2250 | Start of process at SERAP, following the request of the employee stating the acknowledgment and agreement of the immediate superior.                  |
| License | To address private concerns | Art. 91 da Law 8112/1990, Instrução Normativa INPI nº 114/2019. | At the discretion of the Administration, the employee in office may be granted, as long as it is not in a probationary stage, licenses to deal with private matters for a period of up to three consecutive years, without remuneration. | Request for private reasons | 8393 | Start at DIREF. Opening of the SEI process, with the request of the staff member, stating the acknowledgment and agreement of the immediate superior. |



|         |   |   |  |                                     |      |  |
|---------|---|---|--|-------------------------------------|------|--|
| Leave   | Summon from regional electoral department (T.R.E) | Art. 93 da Law 8112/1990 and Law 6999/1982        | At the request of T.R.E. during the period determined in Resolution, in the year of elections  | Defined in Resolution of the T.R.E. | 923  | T.R.E. Office requests a staff member, necessarily of medium level, that is not in probationary stage, nor responds to PAD. Concession by the President through Ordinance published in the DOU (official gazette). |
| Leave   | Studies abroad                                    | Art. 95 da Law 8112/1990                          | Study abroad, with authorization from the INPI administration, preceded by an authorization order from the Ministry of Economy (published in the DOU). | Up to 4 years                       | 4544 | The request can come from the employee or from a specific educational institution. Administrative proceedings are opened. Concession by the President.   |
| Absence | Blood donation                                    | Art. 97, inciso I, da Law 8112/1990               | Effective blood donation by the employee   |                                     | 131  | Presentation of proof of actual blood donation to DISAO.   |
| Absence | Wedding   | Art. 97, inciso III, alínea "a", da Law 8112/1990 | from the date of the civil marriage or the declaratory deed of stable union  | 8 days                              | 176  | Completion of application available at SIGEPE  |
| Absence | Death in the family                               | Art. 97, inciso III, alínea "b", da Law 8112/1990 | from the date of the death of a family member, as informed in the death certificate.   | 8 days                              | 368  | Completion of application available at SIGEPE  |

|         |                                       |  |   |  |       |  |
|---------|---------------------------------------|--|---|--|-------|--|
| Leave   | Jury duty                             | Art. 102, inciso VI, da Law 8112/1990                                    | Summoning by the judiciary to participate in the jury's court for a certain period. |  | 19    | Sending proof of summons and participation to the immediate superior and DIREF   |
| License | Licence due to labor-related accident | Arts. 102, inciso VIII, alínea "d" e arts. 211 a 214, also Law 8112/1990 | In-service accident (including commuting)   |  | 165   | Opening of the SEI process, with the request of the employee stating the acknowledgment and agreement of the immediate superior. |
| Penalty | Suspension                            | Art. 127, inciso II, da Law 8112/1990                                    | Penalty decided through disciplinary administrative process.                        | up to 90 days                            | 51    | Decision in disciplinary administrative process, sent to DIREF only for launch in the SIAPENET system                            |
| License | Maternity leave                       | Art. 207 da law 8112/1990 and Decree 6690/2008                           | Due to the birth of a child   | 120 days, extendable for another 60 days | 5621  | Filling out the form and forwarding it to DISAO  |
| License | Paternity leave                       | Art. 208 da Law 8112/1990 and Decree 8737/2016                           | Due to the birth of a child   | 5 days, extendable for another 15 days   | 625   | Completion of application available at SIGEPE  |
| License | Treat own health                      | Arts. 203 and beyond Law nº 8112/1990 and Decree 7003/2009               | Granted to the employee for the treatment of their own health                       |  | 20766 | Control by DISAO, by receiving a medical report / report or SIASS report, as appropriate.  |

Source: data on staff attendance from INPI, July/2020

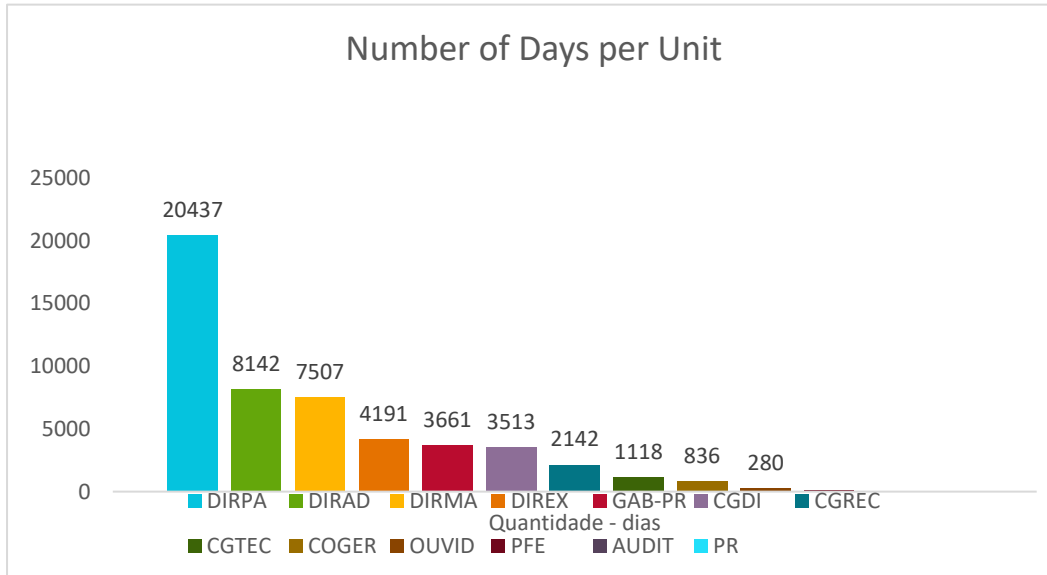
The second part deals with the systematization of attendance data, identifying the most recurrent types of categories and the units with the highest and lowest absenteeism, as shown in the Chart and Figure below.

**Table 5.2.5.2**  
**Distribution of Absenteeism Days per Unit**

| Units              | Quantity in days |
|--------------------|------------------|
| DIRPA              | 20437            |
| DIRAD              | 8142             |
| DIRMA              | 7507             |
| DIREX              | 4191             |
| GAB-PR             | 3661             |
| CGDI               | 3513             |
| CGREC              | 2142             |
| CGTEC              | 1118             |
| COGER              | 836              |
| OUVID              | 280              |
| PFE                | 119              |
| AUDIT              | 70               |
| PR                 | 21               |
| <b>Grand Total</b> | <b>52037</b>     |

Source: FGV Projetos

**Figure 5.2.5.1**  
**Distribution of Absenteeism Days per Unit**



Source: FGV Projetos

## Findings, validation, and next steps

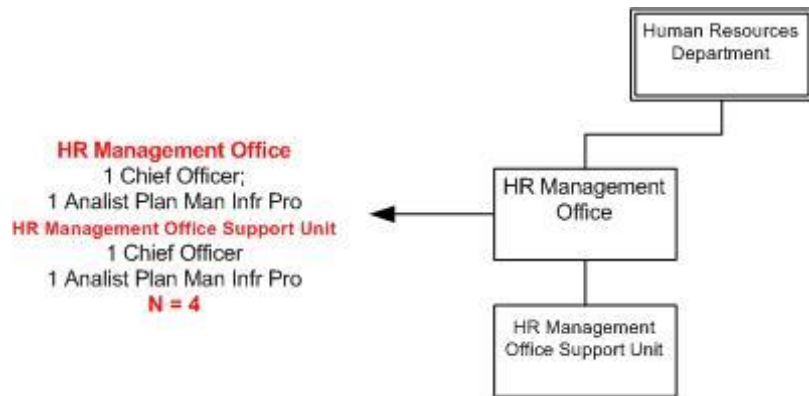
HR's workstream has 3 main goals:

1. Identify roadblocks in terms of:
  - a. Career incentives
  - b. Overall employment costs and
  - c. Performance drivers;
2. Analyse and evaluate **INPI's** organizational structure in accordance with
  - a. **INPI's** employees number (quantifiable data);
  - b. Mission, strategic planning and macro-processes (qualitative approach) and
  - c. Guidelines and best practices regarding structure design;
3. Design job structures which allows
  - a. Quantification (which means number of placements per job, per structure);
  - b. Job rotation (mobility and flexibility against stratification and bureaucracy) and
  - c. Ongoing qualification and workforce performance improvement.

One of the key conclusions is that **the organizational structure** that requires improvement and possible streamlining in terms of size and/or suitability to unit status; potential examples can be found in the following charts:

Figure 5.3.1

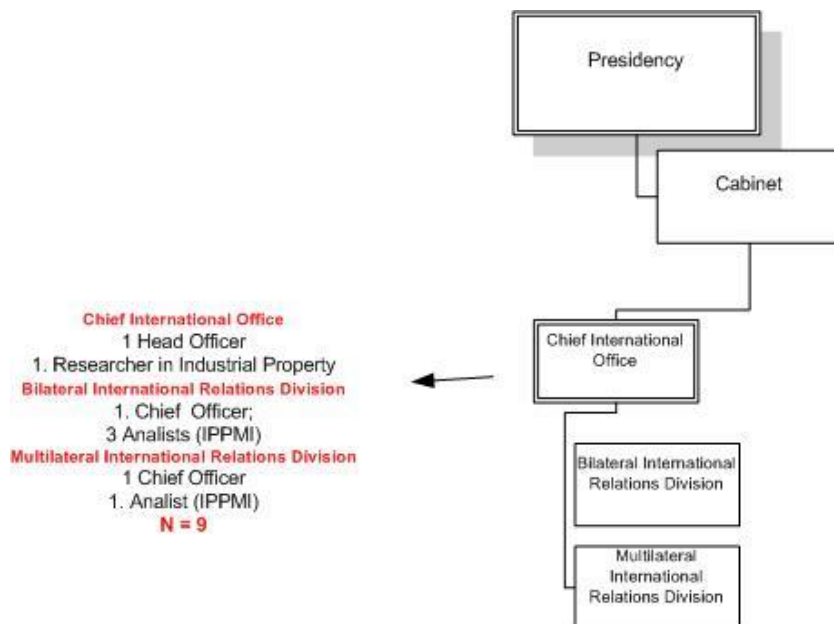
Human Resources Management Office



Source: FGV Projetos

Figure 5.3.2

Chief International Relations Office



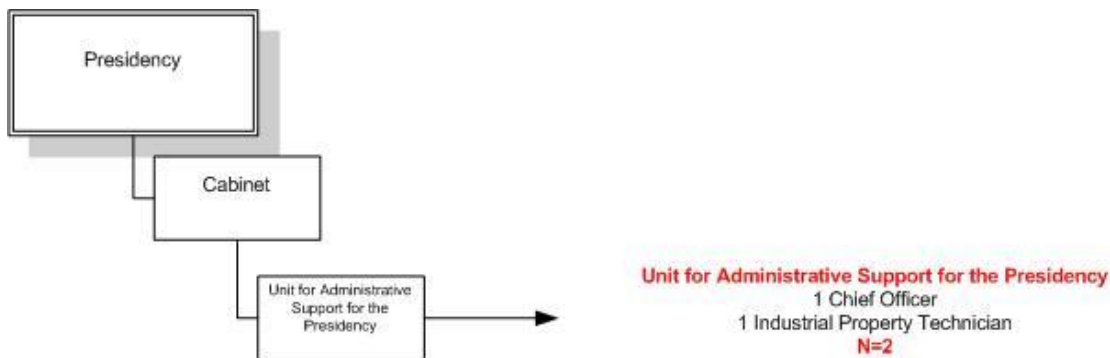
Source: FGV Projetos

Both HR Management Office and Chief International Office show, at first glance, a difficult to justify leadership to employee *ratio* (1 per 1 or 1 per 3 employees). Formal role analysis, nonetheless, reveals that those units perform competencies that are typical/quintessential to advisory units, which

suggest that those units themselves might be adequate, but as an advisory units, with no hierarchy between employees.

Another finding, that must lead to further investigation, is the **misplacement** of employees in roles that are not aligned to their job description. This is undesirable in that it does not provide for a discernible career path and does not allow for adequate subsequent request for provision of new roles. One example is in the case of the technician working at the Unit for Administrative Support for the Presidency. The formal job description reads as the following: “technical support regarding intellectual and industrial property.” The unit for Administrative Support, however, has a more typical administrative role, aimed at docket, documents and the President’s agenda management, with no adherence to the core – technical – goals of INPI.

**Figure 5.3.3**  
**Tentative Example of Job Misalignment**



Source: FGV Projetos

With regard to career benefits or linked payment bonus, INPI has a well-developed evaluation system, aimed at improving its process’ and employees’ daily performance, such as the Performance Bonus for Industrial Property – GDAPI. However, it is noteworthy that almost 100% of employees benefit from it, demonstrating that either there is no grading curve in terms of performance evaluation or that the performance bonus was turned into a different type of bonus, irrespective of the actual performance. There are many strategies available to differentiate and reward performance and those will be discussed with the organization as next steps to this workstream.

**Table 5.3.1**  
**Universal Performance Bonus**

| INPI Bonuses          | TOTAL (R\$)  | %      | # STAFF | %      |
|-----------------------|--------------|--------|---------|--------|
| GDAPI - LAW 11.355/06 | 3.538.672,08 | 28,83% | 942     | 98,02% |

Source: FGV Projetos

GDAPI's example highlights the need to further investigate career placement, evaluation procedures and performance assessment bias. For instance, assessment forms reveal the absence of feedback either from the evaluator or from the employee. There is a space for comments to be filled by the evaluator on institutional goals, but no space for comments for feedbacks from the employee.

A key finding is, therefore, that **career benefits** fail to incentivise performance because they are universally given (Table 5.3.1). It is necessary to investigate recommendations regarding career placement, evaluation procedures and performance assessment bias, as well as the improvements required in terms of career and performance evaluation procedures. These could potentially be informed by examples elicited from the International Benchmarking analysis and other federal institutions with similar staff structure.

The inferences and tentative findings exemplified above, derived from formal data, some of which is presented in the body of this report, will be complemented with practices and pieces of evidence from organizational culture. While the literature on organizational design provides many possible shapes for an organization, with well-known advantages and disadvantages, the consulting team aims to identify which possible scenarios target the main challenges of INPI and are more in line with current management practices for governmental institutions. Hence, the next step in this workstream is the validation of formal data through semi-structured and in-depth interviews, with focus groups and INPI's managerial staff, scheduled for October and November. In-depth interviews will be held with specific INPI managers, in order to improve the perception not only of HR function but of organizational redesign.

## Acknowledgments

A non-exhaustive list of INPI staff involved in consultations for the Human Resources workstream can be found below. Alessandro Bunn Bergamaschi, Adriana Figueiredo Cima, Iloana Peyroton da Rocha, Leopoldo Nascimento Coutinho have attended meetings for all workstreams. We would like to thank you for your inputs, and apologize in advance in case a name has been omitted. Most certainly there have been collaborators working hard in the background with their knowledge, and we extend our gratitude to you as well.

Adriana Maciel Vandystadt Bellon  
Elton Paiva Junior  
Fabio Dantas Fassini  
Pedro Areas Burlandy  
Rafael de Sousa Moreira  
Sandra Cerqueira



CONCLUSION

07

## CONCLUSION

This report describes activities for the early months of the Inception Phase, within a programme that is due to last three years. It outlines the activities undertaken by each of the workstreams and the initial findings, recommendations, and next steps. The report concluded that in all workstreams, adaptation to the remote working situation was successful, with no negative impact on the quality of work delivered by the technical teams, especially as time went by and all parties grew used to the “new normal,” while consultants worked proactively to mitigate any sort of loss of quality. It has been found that the high-quality results were achieved in large part to the commitment and dedication shown by INPI counterparts.

The report found that in four of the five workstreams, there were no major adjustments needed to the workplan, with only the Processes workstream requiring an adjustment to Inception Phase activities. This diagnostic phase also deepened understanding about at which points workstreams will intersect and inform one other, considering their distinct stages and level of maturity of discoveries. The aim is to aggregate that mutual knowledge to develop a set of goals for workstreams themselves, but also as a coherent unit for the organization, recognizing the interdependencies and transversal aspects of challenges and potential solutions.

By the end of Inception Phase, Palladium will have developed a strong set of recommendations, co-created with INPI, which will then need to be implemented, mainly by the organization itself. Palladium will continue to provide support in monitoring, evaluation, reporting and learning (MREL), aimed at supporting the organization to achieve its objectives, both technical or strategic, with a consequent positive impact on the wider business community in Brazil. Those MREL exercises will be conducted in the months of October and November 2020, with the permanent input of INPI’s key staff, so that the goals to be achieved in the next three years can be inspired by and inspire strategic planning efforts for the organization, which will ensure the long-term sustainability of the goals of the programme. We also aim to incorporate Gender Equality and Social Inclusion goals in order to mainstream these inside the organization and, which will help to work towards building INPI for the 21<sup>st</sup> century, or INPI 4.0.

The next months will be extremely intense, with Palladium working to harness the knowledge and enthusiasm of INPI staff and funnel it into actionable items, quick wins, intermediate steps and a strong set of performance indicators for the Programme. This guarantees that the Programme’s transformational impact will be felt during its lifetime and enhanced in the next decades.

We would like to extend our gratitude to Chairman Claudio Vilar Furtado, whose enthusiastic support and participation has been an asset to this Programme so far. We also thank the Directors Liane Elizabete Caldeira Lage, Julio César Castelo Branco Reis Moreira and Andre Luiz Balloussier Âncora da Luz, for making their staff available and for their strategic direction.

Once more we thank INPI staff, and in particular Alessandro Bunn Bergamaschi, Adriana Figueiredo Cima, Iloana Peyroton da Rocha and Leopoldo Nascimento Coutinho for their tireless efforts. We would also like to reiterate our gratitude to all the INPI staff that attended meetings for workstreams, for GESI interviews, who provided Palladium with documentation, even those who worked in the background who we may not have heard about. Your efforts are deeply appreciated, and Palladium

is endeavouring to respond in the best way possible to your trust, dedication and arduous work. Although the ambitions of the programme demand that we are move forward at a quick pace, we should not forget that transformation takes time and organization-wide commitment, struggles and adaptation. Palladium looks forward to the next stage of incentivizing, problem solving problems, formation of recommendations and delivering support to INPI in a spirit of partnership and co-creation.