




A STUDY OF THE PILLARS OF THE CORPORATE INTEGRITY AND COMPLIANCE PROGRAM OF THE BRAZILIAN SUPPORT SERVICE FOR MICRO AND SMALL ENTERPRISES—SEBRAE


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ABSTRACT

Due to the great capillarity of operations throughout the Brazilian territory, the SEBRAE System (Brazilian Service of Support for Micro and Small Enterprises) is seen as fundamental for the growth and development of entrepreneurship and, consequently, for the country's economic growth. The SEBRAE System has been observed by external supervisory bodies for its efficiency to society and for the large volume of financial resources transferred by the federal government, through the contribution of the companies' payroll. In this way, it is believed that it is the right time to confirm the importance of the institution to society and show the supervisory bodies good practices with the implementation of the integrity and compliance program, demonstrating transparency and competence for the correct use of public resources. 12,846/2013, called the Anti-Corruption Law, where companies must comply with the requirements of the law, showing the elaboration and implementation of an integrity and compliance program, with its pillars highlighting its internal guidelines to identify the risks of the business and act preventively to detect and deal with possible deviations. Based on this principle, the issue at hand is how to disseminate the norms, rules and procedures described in the pillars of the integrity and compliance program in the SEBRAE System. Thus, the general objective of this article is to analyze the importance of the pillars of the integrity program of the SEBRAE system in relation to the culture of compliance, compliance with standards, guidelines and laws of the business in which the SEBRAE System operates. The methodology used in this article is an exploratory qualitative research, highlighting the bibliographic research, which had the support of part of the legislation made available by the Brazilian supervisory authorities, specialist books, websites and publications related to compliance, integrity program, SEBRAE.

KEYWORDS: Compliance; Internal Documents; Pillars of Integrity; SEBRAE System.

1. INTRODUCTION

With the purpose of developing and disseminating entrepreneurship in Brazil, the Brazilian Support System for Micro and Small Enterprises (SEBRAE) offers improvements to the business environment for individual micro-entrepreneurs and small businesses. The SEBRAE system has been operating since 1972, strengthening entrepreneurship and acting as the main link between public and private partnerships, stimulating and consolidating the General Law for Micro and Small Enterprises day by day, implementing and supporting development and streamlining policies. Through capacity-building programs, access to credit, markets, and innovation encouragement, entrepreneurs, along with their micro and small businesses, develop business management and sustainability over time. Thus, small businesses become an important driver of economic growth and development.



The topic was chosen due to the lack of studies demonstrating the importance of an Integrity and Compliance Program for the SEBRAE system. This program aims to prevent, detect, and correct non-compliances identified by external regulatory bodies, external audits, or by the organization itself in its pursuit of process improvement. Additionally, the SEBRAE system is a nationwide organization present in twenty-six states and the Federal District, with a significant amount of resources to support micro and small enterprises in various areas such as training, management, business planning, market access, and innovation, among others.

2. THEORETICAL FRAMEWORK

2.1. THE SEBRAE SYSTEM IN BRAZIL

The history of SEBRAE began in 1964 when the current National Bank for Economic and Social Development (BNDES) created the Small and Medium-Sized Enterprise Financing Program (FIPEME) and the current Financier of Studies and Projects (FINEP). Both programs formed the Department of Special Operations of BNDES, aimed at providing managerial support to micro and small businesses. After evaluations were conducted, it was highlighted that poor business management had a direct relationship with high rates of non-compliance with financing contracts with the bank.

The Northeast Development Superintendence (SUDENE) established the Industrial Assistance Centers (NAI) in the states of the region in 1967. These centers provided managerial consulting services to small businesses. The NAIs were the first to carry out the work that is now developed by SEBRAE.

In 1972, the Brazilian Center for Managerial Assistance to Small Enterprises (CEBRAE) was born. CEBRAE, spelled with a “C,” had major institutions on its Deliberative Council: Association of Development Banks (ABDE), Financier of Studies and Projects (FINEP), and the National Bank for Economic Development (BNDE), currently known as the National Bank for Economic and Social Development (BNDES). Initially, the work was carried out by accredited partner entities in various states, such as the Foundation Center for Industrial Development (CEDIN/BA), the Brazilian Institute of Managerial Assistance of Santa Catarina (IBACESC), the Center for Managerial Assistance (CEAG/MG), the Institute of Industrial Development (IDEIS/ES), and the Institute of Development of the State of Guanabara (IDEG). Within two years, by 1974, CEBRAE already had 230 employees and was present in 19 states in Brazil.

Specific programs focusing on small and medium-sized enterprises were implemented in 1977, and by 1979, the institution had already trained 1,200 specialized consultants to work with micro, small, and medium-sized enterprises. Programs such as the National Program for Microenterprise Support (PROMICRO), the National Program for Rural Enterprise Support (PRONAGRO), and the Program for Business Development (PROPEC) were developed in the late 1970s, addressing topics such as technology, credit, and market, respectively. CEBRAE’s political engagement occurred in 1982, with the emergence of associations of entrepreneurs who advocated for the interests of micro and small businesses, demanding greater attention from the government.

During the period from 1985 to 1990, under the governments of Presidents Sarney and Collor, CEBRAE faced turbulence, leading to the weakening of the institution. At that time, CEBRAE became linked to the Ministry of Industry and Commerce (MDIC) instead of the Ministry of Planning, due to the instability of its resources. Approximately 110 technicians left the institution, accounting for 40% of its personnel.

On October 9, 1990, CEBRAE was replaced by SEBRAE, with the “S,” through Decree No. 99,570, which complemented Law No. 8,029, dated April 12. The new SEBRAE became independent from public administration and became a private, non-profit institution sustained by contributions from companies across the country, based on the values of their payrolls. From 1990 to the present day, SEBRAE has grown and operates in all Brazilian states and the Federal District, providing training to entrepreneurs and developing small businesses.

Regarding the Federal Court of Accounts—TCU, the SEBRAE System strictly adheres to Normative Instruction TCU No. 63/2010, Normative Instruction TCU No. 84/20, and Normative Decision TCU—DN No. 187/2020 to present its 2021 Management Report to internal and external control bodies and society. Normative Instruction TCU No. 84/20 establishes norms for the submission and rendering of accounts by administrators and officials of the federal public administration for judgment by the Federal Court of Accounts, in accordance with Article 7 of Law No. 8,443, dated 1992, and revokes Normative Instructions TCU 63 and 72, dated September 1, 2010, and May 15, 2013, respectively. Normative Decision TCU—DN No. 187/2020 relates to the list of accountable units for the year 2020 and provides complementary rules for the management report and other items of account rendering.

2.2. INTERNAL REGULATORY PROCEDURES OF THE SEBRAE SYSTEM

Regarding the rules and procedures related to the area of operation of the SEBRAE System and regulatory bodies, the relevant composition of daily regulatory documents within the organization is described as follows:

Resolutions and Normative Instructions: These are documents that aim to systematize and establish criteria to promote understanding, communication, and the application of disciplinary rules for technical and administrative procedures within the SEBRAE System. Their purpose is to guide SEBRAE System units on specific topics such as travel, supplier registration and payment, partnerships, and reporting to external bodies.

Codes of Ethics: These are guiding norms for the conduct of employees, directors, council members, suppliers, and partners, whether individuals or legal entities, who have direct or indirect economic and financial relationships with the SEBRAE System. Their purpose is to provide guidance on the responsibilities that should be held towards each other, establishing the values and behavioral standards necessary to act on behalf of the SEBRAE System.

Internal Regulations of the Ethics Committee: This document regulates the responsibilities, composition, and functioning of the Ethics Committee of SEBRAE/AM in cases of violations of the Code of Ethics, according to internal institutional documentation from 2017.

SEBRAE Visual Identity Manual: This document aims to establish parameters and rules for the correct use of the logo and its elements, providing guidance and organizing information for its use.

Bidding and Contract Regulations: This instrument contains the fundamental rules that should govern all contracts of the SEBRAE System, whether for works, goods and services, or alienations, which must be preceded by a bidding process. It is an internal institutional document. (National Deliberative Council—CDN No. 391/2021).

Information and Communication Security Policy: The objective of this policy is to establish and regulate the Information and Communication Security Policy of the SEBRAE System. It applies to employees, interns, service providers, contractors, affiliates, accredited individuals, suppliers, clients, apprentices, trainees, or any other individuals who use the Information and Communication Technology assets of all SEBRAE System units.

SEBRAE Data Governance Policy: This policy guides activities related to Data Governance, aligned with the Data Management Policy, corporate strategy, and the Business Model of the SEBRAE System, in situations involving data or metadata acquisition, processing, storage, and provision.

2.3. EXTERNAL REGULATORY PROCEDURES OF THE SEBRAE SYSTEM

Decree No. 8,420, enacted on March 18, 2015, by the Presidency of the Republic, aims to regulate, at the federal level, the objective administrative accountability of legal entities for acts against public administration, whether national or foreign, as provided by Law No. 12,846/2013, in accordance with the regulations of the Federal Court of Accounts—TCU, its Normative Instruction No. 63/2010, Normative Instruction No. 84/2020, and Normative Decision TCU—DN No. 187/2020.



Accounting Manual: This document is used by accounting professionals to guide the classification and recording process of expenses and receipts within a standardized chart of accounts, contributing to the improvement of the quality of accounting information within the SEBRAE System, particularly regarding accounting, managerial, and budgetary processes.

3. COMPLIANCE

“To comply,” as a verb, has become a supporting verb to discuss the topic of conformity, with a direct translation to Portuguese, meaning to do, fulfill, or perform something already determined. In other words, it is the duty of the company and its employees and partners to comply with the rules and social objectives according to the laws (Assi, 2018). Compliance is not only about showing that the organization follows norms, rules, or laws; it is related to identifying and addressing risks and upholding the ethical values that sustain the organization, following the guidelines of stakeholders (Bertoccelli, 2020).

Compliance should be implemented by organizations as a strategic element to identify and address risks that hinder the organization from achieving its objectives, with a direct relationship with the long-term sustainability of the company (Costa, 2012). Risk can be tangible or intangible, representing one or more situations that, when not identified and addressed, cause loss or damage to the company’s assets (Assi, 2021).

According to Rocha (2016, p. 2), “Compliance is conformity with applicable laws, regulations, and policies. It is important for organizations because it can help protect the organization against financial, legal, and reputational risks.” Furthermore, compliance promotes an organizational culture of transparency, accountability, and ethics. By strictly adhering to established norms, the company demonstrates its commitment to solid governance and sustainability practices.

Compliance serves as support for the organization’s governance to ensure that it aligns with its guidelines, internal documents, policies, and procedures that guide its activities and principles and organizational values. When this process is implemented and absorbed throughout the company, it indicates that compliance is consolidated, according to the Code of Best Corporate Governance Practices of the Brazilian Institute of Corporate Governance. The Brazilian Association of International Banks (ABBI) defines compliance as follows: “[...] Compliance is the duty to comply, be in accordance, and enforce internal and external regulations imposed on the institution’s activities.”

4. THE BENEFITS OF A CORPORATE INTEGRITY PROGRAM

“An integrity program should be based on a culture of integrity. This means that all employees of the organization must be committed to integrity and know how to act” (Adepoju, 2019, p. 10). Therefore, the importance of an integrity program being supported by an organizational culture that values ethics, transparency, and compliance with laws and regulations. This perspective is widely accepted and advocated by various experts in business ethics, corporate governance, and compliance. Different authors, researchers, and organizations may have addressed this issue in their works and publications, and the concept of a culture of integrity is an important part of best practices in governance and corporate risk management.

The implementation and effective monitoring of a Corporate Integrity Program provide numerous benefits to the organization and strengthen a culture of compliance, adding value to the organization. For the success of the Corporate Integrity Program, the participation and trust of top management are crucial, whether through setting an example to be followed by all or by actively promoting, disseminating, and incorporating topics such as ethics, risk management, and compliance into the company’s daily operations (Corporate Integrity Program Manual: SEBRAE Compliance System, 2018, p. 14).

Examples of the benefits of an Integrity Program include:

- Clarifying roles and responsibilities regarding different compliance activities.
- Protecting the company from administrative and civil penalties.
- Assisting in anti-corruption controls.
- Strengthening corporate identity by disseminating values, beliefs, and the Code of Ethics, supporting related units.
- Protecting the reputation and image of the company, creating value for stakeholders.
- Increasing visibility and facilitating compliance management by monitoring obligations, enabling proactive actions and contributing to strategies.
- Promoting a culture of compliance.
- Reducing unpredictability by providing governance security.

The benefits of an integrity program are extensive and may vary depending on the specific characteristics of the organization. However, general benefits include mitigating the risk of legal violations, strengthening reputation, increasing efficiency, making more informed decisions, and promoting a positive organizational environment. To achieve these benefits, it is essential that the integrity program be supported and led by top management, promoting a culture of ethics and transparency at all levels of the organization.

5. PILLARS OF INTEGRITY AND COMPLIANCE

In an Integrity and Compliance Program, the pillars should highlight measures that aim to prevent, detect, and respond to the risks to which the organization is exposed.

1st Pillar—Support from Senior Management: The integrity program must receive support from senior management as a “stamp of approval” demonstrating their engagement in implementing and monitoring all the guidelines established in the integrity program. Additionally, it is crucial for senior management to lead by example in matters of integrity and ethical conduct. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 21).

According to Dr. Wagner Giovanini, as cited by Sibile and Serpa, the organization’s top leader should not only declare their enthusiasm for compliance but also incorporate the principles of the program and practice them consistently. The leader should not only serve as an example for others but also genuinely transform the company into an ethical and integral agent. Thus, for SEBRAE System’s leadership, it is essential to disseminate and practice ethical and upright behavior, being recognized by all within the organization as a leader committed to a culture of compliance. The International Federation of Accountants—IFAC (2013) “recommends the commitment of top management to ethical values, integrity, and adherence to the law as one of the fundamental principles of good governance in the public sector.” However, it is also crucial for managers to play an active role as leaders, operating with high standards of integrity and ethical behavior within the organization.

According to Serpa (2016, p. 47), it is necessary for company managers to demonstrate, in their actions and decisions every day, not only their support but also their respect for the compliance program. Managers should proactively promote the compliance program, ensuring that all employees are properly trained and aware of the policies and procedures.

2nd Pillar—Policies and Procedures: The policies and procedures of the SEBRAE System are aligned with its strategic objectives, establishing guidelines to be followed by the organization. The SEBRAE System has established a set of normative instructions, normative manuals, other norms, and documents with the aim of preventing potential deviations and mitigating the main risks associated with its activities. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 31).

Clear and transparent communication about compliance should be continuously reinforced between senior management and employees, highlighting the importance of compliance in the organization’s culture and conduct.



3rd Pillar—Code of Ethics: The code of ethics is a formal document that establishes the expected behavior and conduct for employees, directors, and council members. It is crucial for guiding their actions on behalf of the company when dealing with institutional partners, clients, and society as a whole. The code of ethics is unique for all units of the SEBRAE System, as specified in the Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 35). The code of ethics emphasizes the principles and norms that determine the performance practices of a company and its employees, serving as a guide for those acting on behalf of or in relation to the company.

According to Gilligan and McCarthy (2012, p. 45), “A code of ethics should be clear, concise, and easy to understand. It should be based on the organization’s values and principles and consistent with applicable laws and regulations.” In other words, for a code of ethics to be effective, it is essential to widely communicate it to all employees and receive full support from the organization’s leadership.

4th Pillar—Risk Analysis: Managing is synonymous with managing risks. It involves evaluating the probability and impact of events that can positively or negatively affect the achievement of objectives, according to the Court of Audit in its risk management practices. Risk management is a process of identifying, analyzing, assessing, treating, and monitoring the risks to which the organization is exposed, directly impacting its ability to achieve its objectives. Managing risks helps the organization improve its performance by identifying improvement opportunities, reducing the impact and likelihood of risks, and contributing to a culture of compliance among all involved parties, based on ethical principles, norms, and legislation related to the SEBRAE System’s activities.

The critical transaction matrix or risk matrix exemplifies the risks to which the SEBRAE System is exposed within its field of operation. It also indicates the existing internal controls for the treatment and monitoring of risks. The matrix should undergo an annual review in light of new risk exposure scenarios for the organization. (Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 39).

5th Pillar—Internal Controls: Internal controls are written procedures and evaluation mechanisms that accurately demonstrate the organization’s business and operations. They are crucial in reducing compliance risks and operational risks by outlining how to prevent, treat, and correct undesirable events. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 45). Therefore, internal controls are essential to provide the security and reliability of financial reports and ensure compliance with laws and regulations applicable to the SEBRAE System’s business.

It is worth noting that “internal controls must be regularly monitored and evaluated to ensure that they continue to function effectively” (Sedaghatfar, 2018, p. 6). Regular monitoring and evaluation of internal controls are essential to ensure their ongoing effectiveness.

Senior management plays an important role in this pillar, as it is their responsibility to continue internal processes after analyzing the risk matrix, emphasizing the mitigation and treatment of identified risks (Assi, 2018).

6th Pillar—Action Plans: This pillar pertains to the creation of an action plan to address identified non-conformities, in other words, the response from the SEBRAE System to enhance internal controls and mitigate risks. The compliance area communicates the inconsistency in detail to the responsible unit within the SEBRAE System, which then determines the responsible party for developing the action plan, its stages, and deadlines. The monitoring of action plans will be covered in the monitoring pillar. The compliance area should meet with the managers of the business areas that have presented inconsistencies to jointly define action plans to address those points specified in the Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 56).

According to Sedaghatfar (2018, p. 25), “the action plan should be regularly updated to reflect changes in the organization’s needs.” The action plan needs to undergo regular updates to keep up with changes in the



organization's needs. To ensure effective updates, it is important to involve all relevant stakeholders, such as senior management, employees, and regulators.

7th Pillar—Ombudsman: The ombudsman is one of the communication channels between the SEBRAE System and its target audience, as well as its employees. It serves the purpose of identifying possible violations of the code of ethics or any other internal policies by employees, council members, or any institutional representatives. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 58).

The whistleblowing channel holds strategic importance for governance, as it provides information for monitoring transparency, corruption, and ethical conduct within the organization (Deloitte, 2018, p. 28). The ombudsman channel should be constantly evaluated by senior management as an opportunity to improve standards of conduct and ethical behavior among employees. It is a strategic element for the organizational climate and the employees' daily performance.

According to Gilligan and McCarthy (2012, p. 2), "the ombudsman must be able to investigate and report any concerns regarding compliance with the law, ethics, or the organization's policies and procedures." Thus, the ombudsman plays a role in investigating and impartially reporting any concerns related to compliance with the law, ethics, and the organization's policies and procedures.

8th Pillar—Internal Investigations: The SEBRAE System has internal norms and procedures for handling complaints received by the ombudsman. The internal investigations carried out by the Ethics Committee with complete transparency, understanding of the reported facts, respect for the right to defense, and protection for the whistleblower, as well as the violator's violation of internal regulations and rules, are essential for the credibility of the investigations. Cases involving issues related to the code of ethics are referred to the Ethics Committee. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 59).

Transparency and fairness in the investigation process should ensure protection for all parties involved in the face of illicit acts that violate the code of ethics. According to the Ministry of Transparency and Comptroller General of the Union—CGU, in their Manual for Implementing Integrity Programs, the norms and procedures for reporting violations should be transparent, precisely defining the steps and responsibilities of each party involved. Public officials also need to be aware of the protection measures they are entitled to if they report irregularities (p. 47).

9th Pillar—Due Diligence: This pertains to the pre-contractual evaluation of new suppliers and institutional partners. It involves verifying the commercial history, financial situations, and reputation of the company for fraud or irregularities. This analysis within the SEBRAE System aims to mitigate risks and understand the reputation of potential partners, as established in Law 12,846, the Anti-Corruption Law. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 61).

The fundamental aspect of due diligence processes is conducting a comprehensive assessment of the company's (potential partner's) situation to gain a broader view of its corporate structure, articles of association, economic performance, and identifying possible debts. This information will determine the future business partnership. Therefore, companies that conduct business through partners, representatives, or resellers must adopt a robust due diligence process to gain a comprehensive understanding of the third party's corporate structure, financial situation, and the history of potential agents and other business partners, verifying whether they have a history of unethical business practices or practices that may expose the company to unacceptable or legally risky transactions (Sibille, Serpa, and Faria, 2020, p. 16).

Due diligence should be an ongoing process. As the company evolves, risks also change. It is crucial to regularly review the due diligence program to ensure its ongoing effectiveness. As stated by Thomas (2018, p. 5), "Due

diligence should be performed continuously. As the company changes, risks also change. It is important to regularly review the due diligence program to ensure that it is still functioning effectively.”

10th Pillar—Communication and Training: Senior management, operational and technical employees, and third parties, in other words, everyone involved, must be informed and have knowledge of their role in sustaining the integrity culture promoted by the integrity program. The guidelines of the integrity program must be continuously disseminated through training on topics such as the code of ethics, compliance, integrity, values, internal norms, and risk management. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 63).

The organization should address these topics in specific activities with departments or in meetings with employees and third parties. Additionally, compliance and risk management issues should be part of senior management meetings, supported by reports provided by the compliance, integrity, and fiscal council committees.

The significant challenge lies in educating employees at all levels, from strategic to tactical and operational, to broaden their worldview and meet the organization’s expectations. (...) “The major challenge lies in educating employees at both strategic and tactical and operational levels, allowing them to broaden their worldview, as well as understanding current demands and needs, enabling them to use Information and Communication Technology in the decision-making process” (Kanaane and Ortigoso, 2018, p. 61).

It is important to note that merely publishing codes and procedures is not sufficient to change agents’ behavior and effectively foster a culture of integrity. It is necessary to establish effective communication actions that can reach the agency or entity’s entire target audience with clear and direct messages (Ministry of Transparency and Comptroller General of the Union—CGU, Manual for Implementing Integrity Programs, 2018, p. 47).

11th Pillar—Monitoring: Monitoring involves implementing evaluation processes and indicators that measure the effectiveness and progress of the Corporate Integrity Program. Indicators are essential to monitor and identify irregularities preventively in all relevant areas. Additionally, monitoring should be conducted for action plans related to inconsistencies identified by external audits and oversight bodies. Corporate Integrity Program Manual: SEBRAE Compliance System (2018, p. 18). In this context, monitoring means evaluating, certifying, and reviewing the integrity program’s structure to assess whether it is effectively promoting integrity, transparency, and reducing the risk of non-compliant behaviors that violate formally established integrity standards within the organization. Thus, monitoring can be considered one of the most essential pillars for the effectiveness of an integrity and compliance program in the company’s daily operations, consolidating a culture of integrity among leaders and employees.

“The monitoring also allows the organization to demonstrate to regulators and other stakeholders that it is committed to complying with the law and ethics.” Waas and Walker (2012, p. 115). Monitoring represents one of the most crucial pillars of an integrity program. By diligently monitoring, the organization can promptly identify and address any compliance issues that arise.

The purpose of monitoring is to track the development of the program’s quality over time, ensuring its effective operation. Thus, the monitoring process involves evaluating the adequacy and functioning of the policies and procedures established for prevention, integrity, detection, and combating harmful acts. It considers the collective effectiveness of all components of the integrity program. Integrity Plan—Office of the Comptroller General—CGU (2018, p. 18). Therefore, monitoring can be considered an important pillar for the effectiveness of an integrity and compliance program in the company’s daily operations, consolidating a culture of integrity among leaders and employees. Monitoring is also crucial for effective control measures, evaluation of internal policies and procedures, as well as addressing complaints and investigating ethical violations.



6. THE BRAZILIAN ANTI-CORRUPTION LAW

In 1940, the history of the fight against corruption began as the Brazilian government started drafting decrees and laws focused on combating corruption by enacting the Penal Code and some laws regarding tax evasion, money laundering, and acts of impropriety.

The Brazilian anti-corruption law, Law No. 12,846/2013, sanctioned by President Dilma Rousseff, was developed based on two international regulations: the FCPA (USA) and the UK Bribery Act (United Kingdom). It is worth noting that the Brazilian anti-corruption law mentions the criminal liability of legal entities for committing offenses against the Public Administration. In the case of the UK Bribery Act, it provides for the possibility of criminal liability of legal entities in acts of corruption committed by employees or third parties related to the company.

The Brazilian Anti-Corruption Law emphasizes the division of responsibility for the crime, placing companies in a situation where they must “clean house,” preventing acts of corruption on a day-to-day basis without neglecting them. Corruption has a direct relationship with the lack of credibility of an organization, as a corrupt organization sets aside loyal, ethical, and transparent work.

Compliance is based on compliance with previously defined norms, laws, and regulations for the company’s business and also directly acts in preventing, detecting, and resolving situations of inappropriate conduct highlighted in Brazil’s Anti-Corruption Law.

The Sarbanes-Oxley (SOX) Act was enacted in the USA following the scandal involving Enron, a major energy company, and the auditor Arthur Andersen, which occurred in 2002. The law was sanctioned to bring credibility to the market, as it requires the CEO and the CFO to sign a letter confirming that the company’s controls are effective. As a result, companies started adopting control standards to prevent and deter fraud, guided by internationally recognized institutions such as the American COSO (Committee of Sponsoring Organizations of the Treadway Commission).

7. RESULTS

At the Brazilian Micro and Small Business Support Service (SEBRAE System), as well as in other organizations, indicators for the implementation of internal controls must be created to ensure the prevention of financial and reputational risks. Initially, topics such as ombudsman services and a code of ethics should be included in the in-person integration of new employees, rather than solely relying on remote courses. Therefore, the anti-bribery theme should always be disseminated to service providers. Additionally, it is necessary to provide training to the ethics committee on topics such as workplace harassment and sexual harassment.

8. CONCLUSION

It is crucial that the SEBRAE System aligns with the entire regulatory framework of its activity, demonstrating credibility, transparency, and ethical conduct to its partners, society, and external control agencies such as the Federal Court of Auditors (TCU) and the Office of the Comptroller General (CGU).

The pillars of training and communication, monitoring, and support from top management are the foundation for disseminating a culture of integrity throughout the organization, from administrative to operational levels. Training actions carried out by the SEBRAE Corporate University play an important role in consolidating topics such as the code of ethics, risk management, compliance, and conformity. Monitoring the pillars of the integrity and compliance program of the SEBRAE System is the responsibility of everyone at all organizational levels.

The steps involved in developing the integrity and compliance program, identifying the risks to which the SEBRAE System is exposed, implementing the program, and continuously monitoring the pillars are opportunities for continuous improvement in the management process of the SEBRAE System, aiming to mitigate fraud, reputational risks, inappropriate conduct, and misuse of resources received.



As the integrity and compliance program is a document that is constantly updated, we suggest highlighting in its pillars topics related to environmental, social, and corporate governance (ESG) to assess corporate actions related to social objectives.

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