



CASE STUDY

SEFAZ Do Ceará achieves 100% digitization of complex litigation process for compliance and efficiency



GOVERNO DO
ESTADO DO CEARÁ

Company:

Secretaria Da Fazenda Do Estado Do Ceará (SEFAZ)

Industry:

Government & Education

Location:

Brazil

Secretaria Da Fazenda Do Estado Do Ceará (SEFAZ), the State Finance Secretariat for the Brazilian State of Ceará, has a highly bureaucratic litigation process. It was burdened by the huge amounts of paper that were generated over the process life cycle, which could take up to five years to complete. This hindered speed, efficiency, visibility and made it hard to ensure proper governance, a key necessity for a legal process.

The entire litigation process has now been digitized, eliminating paper from the process to improve efficiency, visibility and compliance. Now run through Bizagi's low-code process automation platform, the process is integrated with multiple external systems, with the hand off of information between these systems automated to bring transparency and reassurance to the process.

100%
digitized process with no
paper documents

Bizagi presented a way to digitize the whole process, it was previously manual and there was a lot of paper going through the departments, but all the documents are now totally digital."

Carlos Sérgio, Project Director

Objectives

- 🎯 Decrease amount of paperwork produced
- 🎯 Integrate with multiple external systems
- 🎯 Create way to follow process through long life cycle
- 🎯 Ensure compliance
- 🎯 Create standardized way of working

Achievements

- ✅ 100% digitization of process, no paperwork produced
- ✅ Integrated with systems and automatic information sharing
- ✅ Visibility of process end-to-end
- ✅ Processes standardized

Overview

Secretaria Da Fazenda Do Estado Do Ceará (SEFAZ), the State Finance Secretariat for the Brazilian State of Ceará, faced an immense digital transformation across its entire organization. One of the most complex parts of the digitization project was automating its litigation process.

SEFAZ were faced with the immense task of automating the highly bureaucratic process, which can have a life-cycle of up to five years. But with the help of Bizagi's low-code process automation platform, they were able to completely transform the process to provide end-to-end visibility and ensure compliance.

Challenge

A very important part of SEFAZ's operations is its litigation process for administrative taxes. It is a macro process, with three sub-process, which can be thought of in stages in the judgement process:

- **Stage 1:** An organization receives a fine for inconsistencies found during an audit. If they dispute the fine, the process is launched with an appeal. A judge analyses the claim and passes a ruling. If they agree with the ruling, the organization pays the fine and the process ends. But if they dispute the verdict as well, they have another 30 days to submit a response and pass to the next stage.
- **Stage 2:** Then the organization is judged by a jury of multiple fixed counsellors, selected at random. After examining the appeal, the jury declares if they agree with the ruling or not. If the organization is still not satisfied with the result, they can appeal once more.
- **Stage 3:** Similar to stage three, but this time more people judge the appeal. If the organization is still found guilty of inconsistencies, they must pay the fine.

If appeals progress all the way to stage 3, it could take up to five years to complete the process life cycle. During this time, the entire litigation process must integrate with multiple isolated systems and was previously conducted using paper and over email, so there was lots of manual paperwork, further drawing out the process and providing no real traceability, which is an issue with a legal process.

"The life cycle of this process is huge, over five years. They were storing a lot of processes from previous claims, so you can imagine how much paper they had to store. This paperless approach with Bizagi helps them to solve the problem in a digital way."

Carlos Sérgio, Project Director

Solution

They needed to find an agile way to work and accommodate all the cases that went live once they selected a new solution, so Bizagi's low-code platform was ideal for this.

"Legal processes have long life cycles, so we cannot easily change from one version of the process to the other because we increasingly have more cases in production that need to be in the same version."

Carlos Sérgio, Project Director

The team created a script to randomly select the jury group in the second stage of the litigation process. One person is selected to provide the verdict on behalf of the group. This can be submitted through Bizagi, so that all documents relating to the appeal were centrally stored along with the verdict.

Results

The entire process has now been digitized, with the immediate benefit of the elimination of paper from the process, which saves time and money. The standardized processes in Bizagi reduces the chance of human error while providing an automatically tracked and recorded version of events to ensure compliance.

"Bizagi presented a way to digitize the whole process, it was previously manual and there was a lot of paper going through the departments, but all the documents are now totally digital."

Carlos Sérgio, Project Director

Additionally, the process has been integrated with multiple external systems, with hand off of information between these systems automated through Bizagi to bring transparency and reassurance to the process.

The benefits of an agile methodology can be seen in the administrative process within the audit macro process, with Version 1.0 processing an average of 2.5 cases a day, and Version 1.3 processing an impressive 14 cases a day, over five times more.