**Public Sector Future WWPS Podcast Series**

**Episode 66**

**Olivia Neal [host], Fabio Correa Xavier [guest]**

**Running time: 20:53**

**OLIVIA NEAL:** Hello and welcome to Public Sector Future. This is a show for anyone who cares about using digital approaches in the public sector to deliver better outcomes. I’m your host, Olivia Neal, and together we explore stories from around the world, where public servants have been successful at delivering change. Throughout the series we discuss technology and trends, as well as the cultural aspects of how to make change happen.

I’m joined today from Brazil by Fabio Xavier, the CIO of the Court of Accounts in the State of Sao Paulo. As you’ll hear, the Court of Accounts is responsible for overseeing the spending of public funds in the state of 44 million people and plays a vital role in upholding trust between people and the government. Fabio and his team have been early and enthusiastic adopters of generative AI in supporting the work of their organization.

**FABIO CORREA XAVIER:** Hello, Olivia. And for me, it’s a great, great honor to be here with you in this podcast.

**OLIVIA NEAL:** Well, thank you so much, Fabio, for joining us. We had the pleasure of meeting, you and I, in person for a change in Sao Paulo during Microsoft’s AI tour. And I really enjoyed learning about the work that you and your organization have been doing. And I saw how excited the audience there were by this, and I wanted to have the opportunity to share your story and your work with a wider audience. So I’m really pleased that we have the opportunity to talk today.

And I wonder if you could start by explaining for our audience, who come from all around the world, what your organization do. What’s the role of a Court of Accounts?

**FABIO CORREA XAVIER:** Hello, Olivia. And for me, it’s a great, great honor to be here with you in this podcast. The Court of Accounts of the state of Sao Paulo plays a key role in overseeing public funds in Sao Paulo, the state of Sao Paulo in Brazil. We basically check on everyone who handles public money from government officials to contractors. We make sure that they are using the money properly, following the law, of course, and not wasting public resources. Our job is all all about keeping things transparent and ensuring that public funds are used effectively to benefit everyone.

**OLIVIA NEAL:** That makes sense. And I think what some people may not realize is that when we talk about Sao Paulo, we’re talking about a very large area, a very big population. This isn’t just a small city in a small state. You have a population in the state of Sao Paulo of, I think, 44 million people. So, this is larger than many countries, and so a lot of public money that you’re responsible for.

**FABIO CORREA XAVIER:** Yes, our work is very and really impactful, especially since Sao Paulo is the largest and the richest state in Brazil. We oversee a massive budget, well over $100 billion across thousands of jurisdictions.

From the biggest infrastructure projects to education to health care, we ensure that the money is spent, achieves what it’s supposed to do. By making sure these funds are used efficiently and transparently, we not only improve the service that millions rely on, but also build trust between the public and the government.

**OLIVIA NEAL:** Absolutely. Wow, so $100 billion worth of spending, municipalities, education, health care; This is a very complex system that you are overseeing, a very pivotal role. And I love what you said about the importance of this, the role of the organization and building trust. It’s so important that taxpayers can trust how government is using their money.

And I’m curious; your role as CIO, could you tell me a little bit about what you focus on as the CIO and your team as well? Do you have a large team? How many people are supporting you in this work?

**FABIO CORREA XAVIER:** As the CIO of this TCESP, the Court of Accounts of the State of Sao Paulo, I lead about 100 techie staff, to make sure we are using the latest technologies to enhance our auditing process. We make technology to improve the – our auditing process of the Court of Accounts.

So my team and I are working integrating things like AI to make your audits faster, more accurate and predictive. So it’s all about using tech, not just to keep up with the times, but to actively improve how we oversee and manage the public funds.

**OLIVIA NEAL:** So not just to keep up, but to be active and proactive and engaging.

So, for you, when you started hearing about generative AI, and the types of capabilities that are available, how did this become a priority for you and the organization? Was this something that had broad support, or was it something that you were proposing and building a business case for?

**FABIO CORREA XAVIER:** It’s a very interesting question. We’ve been diving deep, deep in the generative AI with our platform called ANIA. You know ANIA? You had the opportunity to know a little bit about ANIA. ANIA is designed to help us analyze documents, pull out data, and even provide insights that help us to make better decisions.

ANIA has different parts like ANIA.pdf for rendering PDF documents, ANIA.legis for dealing with legal documents, ANIA dados for data analysis and structured data analysis, and ANIA chat for security communications, secure chat with like ChatGPT.

There is also ANIA.sei which integrates our electronic process systems to streamline administrative tasks. It’s the ANIA inside the – our process, electronic process system. All these tools are – are about making our data smarter, faster, and more insightful.

**OLIVIA NEAL:** And so, you’ve grown to a number of different applications of ANIA, a number of different uses of generative AI. How did you identify where you would start, where the benefits might be and get the right structure in place?

**FABIO CORREA XAVIER:** We start with the ANIA PDF. We analyze the options. And we – we think that ANI PDF was the best options to start our generative AI application.

It’s also allowed us to be more proactive in how we advise the entities we audit, prevent issues before they become bigger problems, to act before the problem. So this is the main benefit that we identified to use the generative AI in our jobs here in Brazil.

**OLIVIA NEAL:** So there’s a whole range of benefits there. You talked about improving accuracy, and then the ability to give better advice to prevent issues from happening, so you’re able to really change how the system is working by using data better and more efficiently. So that’s a real strong range of benefits.

And when you were preparing to implement these solutions, was preparing that technological environment a challenge? And particularly thinking about data, how did you go about preparing that environment to start implementing generative AI?

**FABIO CORREA XAVIER:** Well, adopting generative AI marked a significant turning point for our organization, but achieving widespread support through the organization required careful planning and demonstration. Initially, support for Gen AI was not widespread in our organization, of course, so we strategically implement small pilot projects, which is using our ANIA platform. Like I said before, ANIA PDF was the first one. With ANIA PDF, we could show to the employees the benefits of the Generative AI in their jobs.

These early projects not only demonstrated the substantial improvements in our process, but also highlighted the practical benefits and efficiencies Generative AI could bring to our daily operations. The visible success of these pilots projects played a pivotal role in generating enthusiasm and support for all levels of the organization, from top management down to our auditors. So the value of the AI is enhancing our capabilities, and the people can use it every day in their jobs.

**OLIVIA NEAL:** So by having the first pilot, having ANIA PDF, that allowed the top management to see how this could help the organization, and it allowed the auditors, who are working day-in, day-out with these types of tools to see how it could benefit them. And then that gave you the ability to say, we can build on this, we can try other approaches, more tools.

**FABIO CORREA XAVIER:** Yes, that’s it. And after that, we deliver another four or five apps based on ANIA platform. So this first project was very important to make the ANIA grow up like it is today,

**OLIVIA NEAL:** When you started making these tools available, did you have to train teams to develop these and to use these? Did you already have AI experts in your team, or were these skills that you had to work out how to build?

**FABIO CORREA XAVIER:** No, no, we didn’t start with a bunch of AI experts. We didn’t have anyone with these abilities. So we really focused on training all our current team should do these tasks. So we set up a training program that covered the basics of AI, and then got everyone hands-on experience with our Gen AI tools.

We also built a small but mighty team of developers and analysts who were really excited about AI. They were crucial in getting our AI projects off the ground and helping spread that knowledge and enthusiasm throughout the organization. So these people, three or four people were very important to create this culture here in our IT department.

**OLIVIA NEAL:** And it’s a very short space of time that all of this change has happened in that you have been able to build these tools, train people, get the organization to use them. That’s a lot of change within the organization. Have people been excited about this?

**FABIO CORREA XAVIER:** Yes, the people were very happy and excited about this revolution here and our activities using the Generative AI. It was very, very, very exciting. And our team, our staff here in the IT department also after this small group started the project, and other people join this group with this, the same objective, because they were very excited about the results.

And so, just so one year, the first product was delivered one year ago, and now we have six new products available for all employees here in our organization. So it’s a great achievement. I always say it’s this success is because our team is very engaged and very excited about innovation and about AI.

**OLIVIA NEAL:** And they have a leader who allows them to be excited and giving them the vision in you. So I’m sure that must play a big part in it.

**FABIO CORREA XAVIER:** My role is there the easy one, so… laughter.)

**OLIVIA NEAL:** I’m curious as to how you have thought about risk and using Generative AI because often in a public sector environment, people might say, this is too risky, we don’t know how it works, we’re worried about our data, we’re not sure that this is going to be accurate. Did you face questions about risk using generative AI, and how did you think about those?

**FABIO CORREA XAVIER:** Yes, of course, we evaluated the risks, and we took some actions to minimize the risks. Yes, there are problems, but the problems cannot stop you to go forward. We have to identify the problems, identify the risks, and take some actions to treat these risks, to mitigate these risks, to avoid these risks. These cannot be used as some barrier to negate the improvement of the services.

**OLIVIA NEAL:** And I think that there are a lot of people in government organizations who see generative AI and see AI opportunities out there, but they don’t really know how to get started.

You’ve been successful with your team in taking these ideas from just being an idea, being a vision, through to developing the tools, using the new technology, and spreading that use across the organization. What lessons do you have for other people? What advice do you have for other people who want to replicate this type of approach?

**FABIO CORREA XAVIER:** I would say, don’t wait for the perfect moment or the perfect thing. Start with clear, achievable goals, and small projects that can prove what AI can do. Make sure there is plenty of support and training for your staff and you’re really listening to the feedback they give you. Small wins are great for building momentum and show everyone the real-world benefits of bringing AI into government work. So start, that’s my recommendation, start, because the moment is now.

**OLIVIA NEAL:** Fantastic. Yeah, the moment is now. Just start somewhere. Build those small wins. And I love what you said there also about listen to feedback, because you will iterate, you will adapt as you go through this process.

And I’m sure you’re obviously very aware of new technology and new opportunities. Are there other organizations who inspire you? Do you look to other CIOs and say, “Oh, I want to do this?” How do you know where you want to go next?

**FABIO CORREA XAVIER:** Yeah, of course, I look up to the digital ministry initiatives in places like Estonia is very known in the world, Singapore. And I’m also part of a CIO committee, where we swap success stories and ideas with other public institutions, which is incredibly valuable.

To keep my finger on the pulse, I write for publications like *MIT Technology Review Brazil*, and even author books about what’s cutting-edge in tech. Plus, I make sure to connect with the leaders at the major tech events. It’s all about staying connect and inspired by both what’s happening globally and the amazing things other folks are doing in the tech space.

**OLIVIA NEAL:** Absolutely. And so now ANIA has got five or six elements. Where do you go next? What are you excited about working on next with the team?

**FABIO CORREA XAVIER:** We have another four apps planned to be delivered this year. One of them is to make use of the generative AI to read and understand the decisions of our Court of Accounts and analyze these decisions to help our employees and new decisions about the same issue, about the same matter. This is one of our projects for this year.

**OLIVIA NEAL:** That’s great. I think that that’s a really exciting next project as well, and – and a different element of work. Is there anything that I didn’t ask that you would like to share or anything else which you would like to explain?

**FABIO CORREA XAVIER:** I would like to thank you for the opportunity to present the ANIA for the world. And behalf of my team, I would like to thank you, and to say that this work made us proud of our team. So, I’m very proud about my team. I love my job, and when we do things like ANIA, I love more my job. So, it’s the opportunity to make a difference for our world.

And in Court of Accounts, our role is very important for the citizens here in Sao Paulo. It’s to make sure the money is spent by the law. And when you do things like ANIA to help with this mission, I’m very happy, I’m very proud of this work.

**OLIVIA NEAL:** Oh, it’s wonderful to hear. Thank you for sharing your work. And good luck to you and the team for the next stages.

**FABIO CORREA XAVIER:** Thank you, Olivia.

**OLIVIA NEAL**: Thank you to our guest, Fabio Xavier, and thank you to you for joining me today on Public Sector Future. You can visit us at aka.ms/publicsectorfuture to find more insights on using generative AI, and to find all our previous episodes. Please do send us your questions and feedback. You can find me on LinkedIn or email us at ask-ps@microsoft.com. Thank you and see you next time.

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