

Game On!

Backed with Aggressive Project Management Standards, Chile's Government Rises to the Challenge of Building Four New Soccer Stadiums in Less Than a Year



Background

When democracy returned to Chile in 1990, sustained growth and the development of the country demanded the overhaul of a decaying public infrastructure. Chile's Ministry of Public Infrastructure (Ministerio de Obras Publicas, or MOP,) responded by making substantial internal changes, including the adoption of a new model favoring private concessions and a closer working relationship with local city governments, which allowed a major upgrade of Chile's airports, seaports, roads, water systems and public buildings.

Led by President Michelle

Bachelet and backed by the government's goal to attract major sporting events – and improve the country's infrastructure in the process – Chile won the right to host the 2008 Federation Internationale de Football Association (FIFA) Under-20 Women's World Cup. Deemed a “national” project sponsored by the Presidency of the Republic, this initiative had presidential priority, and its results were highly anticipated by Chile's residents.

Challenges

Four cities – Temuco, La Florida, Coquimbo and Chillan – were selected as potential host venues in an open-bid process for FIFA.

There was just one problem; none of the cities had soccer stadiums that complied with FIFA's strict regulations. And they had less than a year to produce them. This involved an unprecedented challenge: building four stadiums, from the ground to the sky, in only nine months' time.

Another challenge: though the return of democracy led to a substantial growth in investment funds and a project portfolio ten times larger than it was before, the quantity of people available to plan and execute these projects did not change. So the MOP now had a far higher number of complex projects with very aggressive deadlines, but very limited experienced and certified project managers with which to accomplish these high-profile projects. The need to strengthen Chile's human capital to improve the efficiency of its projects was paramount.

Solution

Chile's MOP quickly realized that they would not be able to build four stadiums in nine months using the informal, decentralized methods of planning, managing, and executing projects that had used for projects in the past. The associated timelines, costs, and requirements were too complex to use outmoded project management principles and practices. MOP had to modernize

with new techniques and practices. By adopting standards from the Project Management Institute (PMI) the MOB was able to implement the structure it needed.

Kick-Off

MOP traveled far and wide, including to Spain and Mexico, to find new ideas and ways of thinking to maximize the value of its projects and the performance of its teams. On its journey, it met with PMI leaders and learned that the MOP's project management office (PMO), which was already in place, had to be elevated to a strategic role within of the organization, prioritized above operational services and closely aligned with the MOP's strategic goals. In 2006, Victor Orellana, executive secretary of the project management committee for the MOP, attended PMI's global congress in Santiago, Chile. During the three-day event, by learning about PMI's standards, the agency found exactly what it needed to implement at the MOP.

Soon after, it partnered with PMI Santiago de Chile chapter to develop what it called the GIP model, *Gestión Integrada de Proyectos*, or integrated project management. The approach was composed of the following:

- An extensive training program in its project managers;
- The development of standardized project management processes based on A Guide to the Project Management Body of Knowledge (*PMBOK® Guide*);
- A new organizational structure based on flexible project teams, and;
- The implementation of a new information technology platform for centralized coordination and virtual team collaboration.



PMI Standards Provide Game Plan

Based on PMI's standards, the MOP created a compact team with a central point of command and a single project manager. Each potential host city was represented by a satellite team of three people, which supervised the engineering and construction of each stadium. The projects were also supported by staff at the PMO; in total there were 250 workers in each stadium and a total of 1,000 workers for the entire project.

This project marked the first time that the MOP had used formal project management practices as defined by the *PMBOK® Guide*. The MOP used PMI standards as a guide for where to go, where to focus and a management model to follow. PMI's standards enabled the MOP to benchmark its current maturity and sophistication and determine how to improve. Traditionally, the MOP ran their work on the basis of "contract administration," taking charge of each part of the project in separate and success phases; through the incorporation of PMI's standards, the MOP transitioned to a project

management model that integrated the whole set and activities and resources applied to achieve the ultimate goal.

In addition, the MOP followed PMI's standards to align its staff at all levels of the organization, from the president to the last worker in the field, so that all vested parties were working towards a common goal. If even one of the levels was out of alignment, the project would fail. It was critical to have a common vision and understanding of the plan, procedures, and ultimate goals and to act as a single entity. The MOP's alignment model featured a team led by a project manager, a team of multidisciplinary field workers, a collaborative platform for information and communication, and a PMO to provide methodological support and overall coordination.

Game Time

Preliminary architectural research for the project began in August 2007 with an estimated budget of US\$100 million. Older stadiums not meeting the stringent FIFA standards were demolished, bidding processes begun, and



contracts awarded to break ground on the new soccer venues between January and February 2008.

The MOP exercised innovation regarding outsourcing. Instead of outsourcing to only one provider, which was the MOP's typical model, the organization outsourced different pieces of the project to different specialists. This saved money, decreased communication issues, and helped the project move more quickly.

Since a project's success depends in large part on the tools that are available to the team, the MOP implemented collaboration tools, monitoring and controlling tools, communication tools, and supervisory and reporting tools in

each stadium. These technologies included collaborative technology platforms based on Microsoft® SharePoint as well as tools to support online communications, document management tools, and other virtual that were dispersed to the on-site project teams. Virtual interaction was a necessity, since the soccer stadium at the northernmost location was 2,000 km away from the southernmost soccer stadium.

Results

By implementing PMI's state-of-the-art project management standards and cutting-edge technologies, and by completely changing how public works were done, MOP accomplished what nobody in Chile thought was possible: the four stadiums were

finished on time and on budget in late October 2008, with more than enough time to prepare for the FIFA Under-20 Women's World Cup.

Score!

Based on this project, the MOP generated Estate politics, which is a seal of approval from the Chile's government that recognizes critical improvements in supportive infrastructure. In addition, President Michelle Bachelet was so pleased with the project results that she approved a second project, which includes the construction of thirteen additional soccer stadiums in Chile. Today, that project is in its second phase of execution, and the MOP is planning a new phase with a goal to have one soccer stadium that meets FIFA standards in each Chilean city that has more than 200,000 residents – a commitment that requires a total investment of more than \$150 million by 2012. This project also includes the construction of a large number of high-performance sports centers.

Through its relationship with PMI and the PMI Santiago Chile Chapter, the MOP has recognized the value of technical and methodological reference to the management of their projects. The organizations are working together to design a formal plan of cooperation to support post-earthquake reconstruction projects.