

Project Management Update from Santiago



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Processes and Risks

In recent months we have seen our country hit by various disasters: the eruption of a volcano in the south, the forest fires in central and south, and a week ago a flood that devastated northern Chile generating an initial count of over 23 dead and 57 missing persons.

No government can anticipate the occurrence of such disasters. However, the authority is obliged to anticipate their occurrence and minimize their impacts, especially taking into consideration the geographical and geological characteristics of our land.

Project management teaches us that one of the main causes of project failure is lack of planning. What has been the risk response planning for such calamities? Who are the people responsible for monitoring the identified risks?



Another important cause is the lack of processes and procedures. Who evaluates the effectiveness of the risk management process? What preparation and instruction has been provided to inhabitants to address these scenarios?

Chile has a national emergency office, ONEMI, under the ministry of the interior, responsible for coordinating the National System of Civil Protection. Its mission is to

plan, promote, coordinate and implement actions of prevention, response and rehabilitation in situations of collective risk, emergencies, disasters and catastrophes natural or caused by human action.

In light of recent events, it is urgent and necessary for ONEMI to review the planning, analysis and response to risks and processes, procedures and responsibilities for monitoring threats in order to reduce to a minimum loss of life human, animal and plant.

PMI Santiago Chile Chapter

PMI held a meeting with strategic partners.

About 15 representatives of various companies and institutions gathered at the Hotel Novatel, in the metropolitan region, to know the benefits of joining PMI Santiago Chile Chapter. The meeting was attended by the chairman, Hermann Noll with other team members.

The PMI representative explained to strategic partners how to integrate and share experiences in matters of adaptation of standards to the reality of companies and national organizations. Also, they can access a professional network where their project managers can earn and share experiences.



Another benefit is to disseminate their achievements in projects and activities or show presence to support its position in the market. Noll added that "they can spread the support or they can provide support to organizations and professionals in the areas of management and administration of projects, and otherwise to access directly associated with the management and project management market."

On occasion, partnership agreements that aim to take together (PMI and sponsor) in a project of mutual coexistence for the parties are also explained. One of the examples given is related to agreements with universities currently in force, in order to enhance the implementation of graduate courses in project management.

Another of the data provided, as an example, was the formalization of the agreement with the REPs in order to increase the demand for courses and offer specific courses.

The board members were given the opportunity to explain each of the opportunities in which they could participate, how to do it and the value.

PMI Santiago Chile Chapter

PMI began workshop 2015 in Radisson Hotel

Hector Llanos was the speaker of "Contract Management in Project".

On this occasion it was held that the Contract Management in Project Management is a key area for the success of a project, since the results of the projects depend increasingly on the ability to ensure proper and efficient administration of the relationship between the parties. In this context, the main aspects to consider are broadly: the type of contract (risk allocation), its regulation, the rights and obligations of the parties.

Llanos during his presentation generally reviewed the various types of contracts, some types of clauses or relevant terms of the contracts, and some tools applicable to contractual management. He also held that "the purpose of a contract is: establish and regulate the conditions, rights and duties of the parties signing the agreement. Additionally, it is explicitly assigns and distributes a risk".



During the presentation it was explained that within the elements of a contract are usually found: This is an agreement between two or more parties, including the sharing of benefits as a result of the execution of the contract, there must be consent to the rights and obligations that are acquired under the contract, and finally the parties must be legally empowered to make a commitment.

Among the common types of contracts under the scope include: construction, Procurement and Construction, Design, Procurement and Construction (Turnkey), Engineering, Procurement and Construction (EPC), Design, Procurement and Construction Management, Engineering, Procurement and Construction Management (EPCM) and Services (Outsourcing).

The opportunity was also argued that there are different types of contracts under negotiation where possible include: contracts of adhesion and negotiation. Llanos further explained existing selection criteria for the types of contract.

The speaker said that "it is advisable to establish within the contract mechanisms and instances which enable resolving differences within the contract, without the need to get to arbitration or judicial bodies. One way is to define stages or instances of scaling, from executive-level representatives of the parties, until the formation of committees or panels composed of representatives of both parties. This is called amicable settlement of disputes. "

Another point discussed during the workshop was related to the mistakes made in the Contract Management among which are: the inadequate choice of contract depending on the characteristics of the project scope or rigid contractual relationship based on applying the letter of the contract and loss of vision for his spirit upon the interpretation and implementation and lack of registration of contractual events and developments during the implementation progress of reach.

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Jaime Videla, PMP, is the Managing Director for [Videla Montero Consultores](#) a project management consultant firm based in Santiago, Chile. He is also senior partner of [AccuFast! Cubicaciones](#), a company provides material takeoff estimating services and engineering projects in Chile. Mr. Videla has 20+ years of project management experience leading utilities, mining and industrial projects (totaling US\$222 millions) for large multinational companies like Siemens and ABB, or as a consultant for BHP and Anglo American. Jaime is a certified Project Management Professional (PMP®) since 2007, has formal studies in Civil Engineering from Universidad de Chile. He has professional experience working/training in Argentina, Brazil, Chile, Mexico and Germany.

Since 2006 Jaime has been an active member of the Project Management Institute (PMI®), assuming the role of director and vice president of communications and publicity of the [PMI Santiago Chile Chapter](#) in 2010. His areas of activity today include PMO development; contracting, claim, risk and project management services; project management training and coaching. Author of the e-book “Los 7 pasos para salvar un proyecto (The 7 steps to project recovery)”, he also writes about project management themes on [PMOChile](#) blog. In addition, he works as volunteer at Fundación Trascender, an innovative institution that manages a network of volunteer professionals through social projects.

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