

Project Management Report from São Paulo



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The Brazilian elections and its reflection on project management

Last month, the second round of the Brazilian presidential election was held and surprisingly the winner was a candidate who only a few years ago *gained notoriety* among the Brazilian population.

This is Jair Messias Bolsonaro, a 64-year-old who was born in Sao Paulo, but whose political base is located in Rio de Janeiro. He is a former military man and has been acting as a federal congressman for the last 24 years, politically projecting himself, strongly advocating the fight against violence and corruption in the country.

His character emerged concomitantly with the impeachment process of former President Dilma Rousseff two years ago and with the progress of the 'Lava Jato Operation' (the translation in English is 'Car Wash Operation').

The government of former President Dilma Rousseff was noted for its extremely low economic growth, increased public deficit, unemployment and many cases of corruption. In Brazil, between 2015 and 2016, the GDP declined by 3.5% respectively.

The Lava Jato Operation began in 2014 and it led to the arrestment of presidents of large Brazilian companies, politicians of many political parties, including former president Luis Ignacio Lula da Silva. The success and magnitude of this operation was compared to the Clean Hands Operation in Italy in the 1970s.

Whoever would be the winner of this year's election would have to face a country with a GDP in 2017 of 1.0% and projection to 2018 of 1.3%, 14 million unemployed citizens, serious problems of infrastructure, lack of internal and external investment (Standard & Poor's, Moody's and Fitch), large-scale violence led by well-organized criminal organizations, etc.

The successful trajectory of Jair Bolsonaro

Given this scenario, Jair Bolsonaro presented himself as a side-runner who strongly represented the right-wing, in a country where the election for president was absolutely polarized between left and right.

A Captain of the Brazilian Army, he began his political trajectory as a city councilor in Rio de Janeiro and was elected federal congressman for six times. Later he became the third most voted congressman in the history of Brazil.

The idea of his candidacy for president began after the election of Dilma Rousseff in 2014 as an expression against the continuity of the left in power. His position, which is clearly adverse to the situation prevailing in the country, resulted in an exponential increase in the numbers of his followers.

His campaign had minimum financial resources, with little support from other politicians and the joining of a small right-wing party (PSL). He used social networks such as Whatsapp and Facebook as the main tool to become known to the population.

During his presidential campaign he suffered an attempt on his life in a city called Juiz de Fora, when he was stabbed by a person in the crowd. Due to this attempt, which almost killed him, his popularity increased even more, and it allowed him to win the first round of the elections. He later won the second round with more than 57 million votes – almost 11 million more votes than his opponent.



Moment of the attack suffered by Jair Bolsonaro Photo: Raysa Leite / AFP

Challenges of the new government

Some people compare Bolsonaro and Donald Trump to each other, and much of this is due to the unpredictability of their respective victories in the elections. However, the realities between Brazil and the United States are very different, such as the

breakdown of the establishment that prevailed in the two countries, the right of the citizens to arm themselves and the exacerbated nationalism. In the early days after winning the election, Bolsonaro has been studying a possible change of the Brazilian Embassy in Israel from Tel Aviv to Jerusalem – just as Trump did this year.

He also appointed important persons as ministers. Going in the opposite direction of the previous governments, which favored politicians as head of the ministries, Bolsonaro's choice to compose their ministries with well-known technicians is evident. One of those chosen ministers was Sérgio Moro, who has been the judge primarily responsible for the convictions in Operation Lava Jato.



Future Minister of Justice Sérgio Moro (Photo: REUTERS)

There are many challenges to be overcome by the new government. In addition to combating corruption, the immigration policy issue and the inadequacy of the energy matrix, the main challenges include:

Reforms in the economy - it is fundamental that the retirement pension reform and the fiscal tax reform be approved. Another important aspect is the need to lower the number of unemployed Brazilians (which totals 12.7 million citizens).

Decrease violence rate - criminality in recent years has reached unbearable levels in the country, with a serious crisis in the prison system and the growth of organized crime.

Infrastructure - the infrastructure in the country in relation to roads, railways, ports, airports, energy, basic sanitation, etc., is far below the needs for sustainable growth in the country.

Opportunities in Project Management

In view of the complex situation presented, many programs and projects are necessary for the country and demand the project management in a wide scope.

As mentioned above, the country's infrastructure urgently needs to become adequate in order to support the demand that economic growth provides. Currently,

the status of the mobility of public transportation and basic sanitation limit the growth of the country.

Housing deficit in Brazil has reached 7,7 million homes and here there are other opportunities for new programs and projects.

The energy matrix in Brazil is totally dependent on the climate and when it is not favorable it is necessary to use thermal plants, which amount to a lot of KW / h value to the users. Diversification of renewable energies such as solar and wind power will be fundamental and require many projects.

The points discussed above refer to projects and programs sponsored by the public sector, but with a more stabilized economy this will allow the increase of the internal revenue and investments coming from abroad for the construction of the new plants, expansion of factories, construction of office buildings, shopping malls, distribution centers, datacenters, etc.

It is good to remember that until this point we have only talked about projects and programs related to engineering and construction, but there are latent demands on IT projects, social projects, educational and many other areas.

In order to get the gears of this country working again, Brazil must have technicians and project managers who are capable. Entities such as PMI and IPMA have been established in Brazil for a long time. Brazil has almost 11,000 PMI members and 18,000 PMPs who are certified, and it is ranked in third place in the world (behind only the United States and Canada). This reflects the level maturity of project management professionals in Brazil. In the case of the companies, the demand for PMP certified professionals and the adoption of day-to-day compliance procedures guarantees an improvement in project governance and consequently a better condition to develop and manage programs and projects that are so necessary for the country's growth.

Even with a troubled political scenario and unsatisfactory general conditions, if the population, businesses and the government work in unison, Brazil has a great chance to fly/soar higher than ever before.

About the Author



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Maurício Lopes, PMP is a Project Management Specialist. He is a PMP certified in 2000. He is a civil engineer with MBA in Project Management. He was one of the founders of the São Paulo PMI Chapter and Financial Director, Administrative Director, member of the Steering Committee from 1998 to 2003. He was vice-coordinator of the Project Management Division of the Engineering Institute of São Paulo from 1998 to 1999. Since 2004 Maurício Lopes has been speaking in project management courses for CPLAN, FATEC, INPG, IETEC and FIA. He has 20 years of experience in project management with main focus in the engineering & construction area.

Currently, Mauricio is associate director of M2L Project Management (www.M2L.com.br), a company specialized in project management consulting and implementation operating in over 40 large engineering & construction projects. Maurício Lopes is author of articles for Revista Grandes Construções, a magazine specialized in engineering & construction, and he has the main characteristics related to project management - lean, practical and systematic ways.

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