

## REGIONAL REPORT – ARGENTINA – JANUARY 2010



## What to Expect in Argentina 2010 for the Project Management Profession?

*By Ana Maria Rodriguez, MSE, PMP  
International Correspondent for PMForum & PM World Today  
Rosario, Argentina*

*With the Cooperation of  
Horacio Astesiano, PMP*

2009 was a difficult year in Argentina, as in most countries of the world. Although forecasts predicted a year ago that the economy will grow 2.6% on 2009, the country ends the year with a low 0.9% growth on its Gross Domestic Product (GDP) according to the Nations' Economic Commission for Latin America and the Caribbean – ECLAC<sup>1</sup>. This was the lower GDP index in the last 6 years of continuous growth<sup>2</sup>. The world economic crisis for sure impacted the country, and controversial measures made this year by the President Ms. Cristina Fernandez against the interests of private companies increased the climate of uncertainty. Private investment in 2009 was almost 10% lower than on 2008. However, unemployment is still under 10%, and there are signs of economical reactivation for next year. Since December, the National Congress has a new composition with a strong presence of parties opposite to the Presidential party. The new congress counts with the support of most investors, expecting for more reasonable measures in favour of investments and incentives to exports.

Economical forecasts for 2010 include a very low growth of Argentina's GDP, but with clear signs of recovery from recession. Some projects that were on hold during 2009 might restart this year. 2009 was a hard year for projects, but a good one for the development of the Project Management Profession. **What could we expect for the Project Management Profession in Argentina 2010?**

---

<sup>1</sup> Preliminary report on 2009 Economies [www.eclac.org](http://www.eclac.org)

<sup>2</sup> 8.7% for 2007 and 6.8% for 2008, also according to ECLAC

## The Project Management Profession in 2009:

During 2009 companies in Argentina made a great effort to avoid downsizing. Projects that were required for business maintenance or to ensure a strategic market growth were developed; important projects launched before the crisis and already on the execution phase were also maintained. Since operations were reduced in most companies, internal resources were assigned to projects. Outsourcing of projects resources was not common this year. Projects being executed on 2009 were closely monitored to avoid over budgets or higher risks than expected; Project Managers had to guarantee certainty on their projects in order to maintain investment level.

The behaviour of the construction industry in 2009 deserves a special analysis: There were very few industrial projects; therefore the heavy-construction industry was seriously affected. However, construction of infrastructure, buildings and hotels maintained an important level of activity. Infrastructure has been supported by the national government this year as political strategy. Construction of buildings and hotels is the result of both a growing demand but also due to the fact that these are some of the few investments that remain trustable in Argentina. Infrastructure projects has shown so far a very low usage of proper Project Management best practices; in the other hand, private investors on construction are demanding more and better information on their projects. This has lead to an increasing interest on constructing firms for the implementation of Project Management tools as a means to better use resources but also offer proper information to investors.

Mr. Osvaldo Ucha, 2009 President of the Buenos Aires Argentina Chapter of PMI synthesises for PMForum the effects of the crisis for the Project Management Profession in Argentina. According to Mr. Ucha, "The crisis increases the need for business efficiency, and Project Management is perceived each time more as a tool for increasing business efficiency. Global business requires Project Management tools; large investment projects in Argentina are part of a global strategy. Organizations have made their structures more flexible and dynamics, and Project Management has been identified as a key element to allow this change. As a result of this entire situation, Project Management visibility has increased. The demand for Project Management in Argentina is growing every day. PMI is perceived as a centre of excellence for Project Management".

As a complement to Mr. Ucha's valuable opinions, two facts should be pointed out: First, training in Project Management was in high demand in 2009. Many professionals decided to take advantage of the fact that work loads were lower this year to get the training and certifications there have postponed in the past; in many cases they decided to be trained not only to be more knowledgeable but also to become more valuable to their organizations.

Second, it is clear that PMI activities were the place many professionals in Argentina chose to get their knowledge. The attendance level of the activities organized by the Buenos Aires Argentina Chapter through all its regional communities was higher than ever. More than 20 activities were developed by the chapter in the cities of Buenos Aires, Mendoza, Córdoba, Rosario and San Juan. The PMI Cono Sur Tour attracted more than 900 professionals in Argentina, counting the events in Mendoza and Buenos Aires. The chapter reached its 400 members milestone on November, showing a growth of more than 20% during 2009<sup>3</sup>

### ¿What to Expect for 2010?:

**Economical forecasts for 2010 are positive.** According to ECLAC again, Argentina's economy will grow 4.0%, expecting a lower growth for it than for countries with stronger economy as Brazil (5.5%), Perú (5.0%) and Chile (4.5%)<sup>4</sup>. Local analysts suggest expecting a growth between 2 and 4%, strongly depending on the level of cereal exports. The automobile industry expects to launch postponed projects, the steel industry is considering the re-start of middle and small projects in mid 2010 (after a 2009 with almost no projects in this industry), the IT industry expects to continue growing.

The following graph shows a possible scenario for Projects in 2010<sup>5</sup>:



Mr. José Esterkin elected president of PMI Buenos Aires Argentina Chapter for 2010 makes a good synthesis of the situation of the Project Management Profession in Argentina, mentioning the four next points that we have perceived in 2009 and will gain strength in 2010:

<sup>3</sup> To learn more about the excellent results of the Buenos Aires Argentina Chapter in 2009 visit [http://www.pmworldtoday.net/regional\\_reports/2009/dec/Argentina.html](http://www.pmworldtoday.net/regional_reports/2009/dec/Argentina.html)

<sup>4</sup> Preliminary report on 2009 Economies [www.eclac.org](http://www.eclac.org)

<sup>5</sup> Artesiano Horacio. Desafíos del PM para el 2010 en Argentina. Presented at the PMI Cono Sur Tour- Buenos Aires, November 9th 2009

1. Significant increase of the awareness of the value of Project Management for business. Large companies and also Small and Medium companies in Argentina understand its value. Unlike some years ago, companies are asking for training citing PMI to professionalize the management of their projects.
2. PMP certification rating  
Major growth of the demand for the Project Management Professional (PMP) certificate, especially in the IT professional services sector responding to requirements of their own customers. There has been also a major growth of the group of professionals who embarks on the PMP certification effort by self-motivation and personal finance.
3. Increase in the creation of Project Management Offices (PMOs)  
Companies are creating organizational areas devoted to projects, in both technical and nontechnical areas. Project Management is changing the structures of large organizations.
4. Government agencies entering the world of Project Management.  
Several ministries and government departments in Argentina are requesting extensive and intensive programs of training in Project Management, which did not happen 3 or 4 years ago.

A growing interest on Project Management is closely related to the growth of PMI in Argentina. More than 20 events have already been scheduled by PMIBA for 2010 in 5 cities of Argentina. PMI Headquarters have recently authorized the creation of a new chapter in Argentina, for the Cuyo region (Cuyo Chapter), a process that will take 2 years. This are all indicators of a great year to come related to PMI´s level of activities in the country.

It is clear than the awareness on Project Management has increased and it is not an unknown topic for most companies. Companies will slowly re-start projects and Project Managers should be ready to face higher level of requests from sponsors<sup>5</sup>. There is a clear need for tighter cost control, risk management, stronger project definition and better management of stakeholders' interests. Outsourcing will be a strong strategy for companies that are not ready to grow this year. Project Managers will have to deal with all this requirements. By the end of 2010 it is expected to have the economy again on track, with projects being launched in most industries, and this will depend on economical and political issues but also in the Project Management maturity level of each company, which will ensure business results. This is the time to use all our knowledge and demonstrate its value for all organizations.

*Special Acknowledgement to Mr. Osvaldo Ucha President 2009 PMI Buenos Aires Chapter and Mr. Jose Esterkin President 2010 PMI Buenos Aires Chapter for their comments and analysis for this regional report.*

## About the Authors

**Ana Maria Rodriguez**

*International Correspondent - Argentina  
Based in Rosario*



**Ms. Ana Maria Rodriguez** is founder and manager of ERA Project Management, offering consulting services to the Engineering and Construction Industry in Rosario, Argentina, and is an adjunct professor of project management at the Universidad Nacional de Rosario. Colombian by birth, Ms. Rodriguez graduated with a Civil Engineering Degree from Pontificia Universidad Javeriana in Bogota and from the University of Texas at Austin, USA with a Masters Degree in Construction Engineering and Project Management (MSE). Ms Rodriguez has implemented Project Management best practices and managed projects both in the government sector and in the engineering and construction private sector. Ms. Rodriguez is a member of the Board of Directors of the Buenos Aires Argentina Chapter of PMI. She is an international correspondent for PMForum and PM World Today in Argentina. Additional information about Ms. Rodriguez can be found at <http://www.pmforum.org/pm%20forum%20team/index.htm>. Ms. Rodriguez welcomes contact at [arodriguezdev@gmail.com](mailto:arodriguezdev@gmail.com) also at [www.eraipm.com.ar](http://www.eraipm.com.ar) .

**Horacio Astesiano***Contributor*

**Mr. Horacio Astesiano** is IT Manager Senior for Argentina and Chile at Hewlett Packard. Mr. Astesiano holds a bachelor degree in systems, and graduate studies both in Project Management and Business Management. Mr. Astesiano has served EDS (now HP) since 1991 at Project Management and Executive positions in Argentina and Chile. Prior to join EDS, he worked for the Inter American Development Bank as a consultant. Mr. Astesiano is an active member of PMI in Argentina, and presented his view on the challenges for the PM Profession in 2010 at the PMI Cono Sur Tour Buenos Aires on last November. The main data of this presentation has been included on this report, the full presentation can be downloaded at [www.pmi.org.ar](http://www.pmi.org.ar) .

Additional information on Mr. Astesiano can be found in <http://ar.linkedin.com/pub/horacio-astesiano/6/686/524> . Horacio Astesiano can be contacted at [horacio.astesiano@hp.com](mailto:horacio.astesiano@hp.com)