

## 1.7: Business Case

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### Copper Mining in Latin America

A U.S. construction company won a contract to design and build the first copper mine in northern Argentina. There was no existing infrastructure for either the mining industry or large construction projects in this part of South America. During the initiation phase of the project, the project manager focused on defining and finding a project leadership team with the knowledge, skills, and experience to manage a large complex project in a remote area of the globe. The project team set up three offices. One was in Chile, where a large mining construction project infrastructure existed. The other two were in Argentina. One was in Buenos Aires to establish relationships and Argentinian expertise, and the second was in Catamarca—the largest town close to the mine site. With offices in place, the project start-up team began developing procedures for getting work done, acquiring the appropriate permits, and developing relationships with Chilean and Argentine partners.

During the planning phase, the project team developed an integrated project schedule that coordinated the activities of the design, procurement, and construction teams. The project controls team also developed a detailed budget that enabled the project team to track project expenditures against the expected expenses. The project design team built on the conceptual design and developed detailed drawings for use by the procurement team. The procurement team used the drawings to begin ordering equipment and materials for the construction team; develop labour projections; refine the construction schedule; and set up the construction site. Although planning is a never-ending process on a project, the planning phase focuses on developing sufficient details to allow various parts of the project team to coordinate their work and allow the project management team to make priority decisions.

The implementation phase represents the work done to meet the requirements of the scope of work and fulfill the charter. During the implementation phase, the project team accomplished the work defined in the plan and made adjustments when the project factors changed. Equipment and materials were delivered to the work site, labour was hired and trained, a construction site was built, and all the construction activities, from the arrival of the first dozer to the installation of the final light switch, were accomplished.

The closeout phase included turning over the newly constructed plant to the operations team of the client. A punch list of a few remaining construction items was developed and those items were completed. The office in Catamarca was closed, the office in Buenos Aires archived all the project documents, and the Chilean office was already working on the next project. The accounting books were reconciled and closed, final reports were written and distributed, and the project manager started on a new project.

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