



How your PMO can help you overcome your transformation challenges

How to elevate the key functions of your PMO



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There has never been a more important time to recognise the critical role of the Project Management Office (PMO) in the Middle East. The region is in an era of widespread transformation, implementing some of the world's most ambitious mega projects that seek to reimagine commerce and industry. These bold visions have created an increased demand for highly skilled and agile PMOs, which are able to support leaders with their decision making, mitigate risk and realise opportunities.

Yet the unfortunate reality is that the PMO often faces a series of roadblocks 'on the road to success', where business functions fail to recognise the value a mature PMO can bring at a strategic level. A PMO can often be misunderstood, undervalued and unappreciated by the functions it seeks to support and transform. In the Middle East this is of particular significance, PMOs are often mandated but are rarely seen as a strategic asset.

In this time of constant change, accelerated by the COVID-19 pandemic, PMOs have arguably been tested more than ever before in having to adapt to the changing needs of industries and organisations. Our research suggests that project managers have risen to this challenge and adapted well to new ways of working. A PMO which has been able to **establish good governance** has put in place the constructs to allow an organisation to keep moving forward with its projects and programmes even in a remote working world. In doing so, they have demonstrated their value in helping teams to stay aligned and connected, providing senior decision makers with oversight and maintaining efficient delivery. Now more than ever, is a time to recognise the significant impact of a mature PMO.

The roadblocks on the transformation journey

The rapid pace of change in the region can often result in teams forging ahead with projects, without engaging in the wider programme taking place. Our research has highlighted three challenges to transformation that emerge when a PMO is not engaged from the outset:

1 A lack of visibility across the programme

Can leave leadership blind in their decision making. Where the PMO is not engaged, they cannot put in the necessary measurements or conversations to drive change. This damages the value and reputation of the PMO across the organisation.

2 A lack of consistency in approach

Can jeopardise a transformation. Where different approaches are happening in multiple places, it can become hard for a PMO to say 'mission accomplished', with each project not necessarily fulfilling the wider remit at play. This is a challenge shared in other regions, such as North America, where it's recognised even a mature PMO can find it challenging to 'draw a line in the sand' that they have achieved their mandate, given there may be a complex ecosystem of projects, and PMO structures, at work.

3 A lack of project management capability

Deployed across an organisation can aggravate the challenges of visibility and consistency in approach. Without the right talent, who have the knowledge and skill to lead projects, the goals of each individual project can start to unravel – taking the whole programme off course. The PMO can resolve this by building capability within the organisation – but it has to be recognised by stakeholders, that this is something that should be handed to the PMO to deliver.

Establishing good governance as a remedy to the roadblocks

Our research in the Middle East highlights that PMOs are seen as a strategic asset when they are seen to be acting as centres of excellence within an organisation, whether this be an Enterprise Project Management Office (ePMO), transformation office or project management office, they bring a range of benefits to the organisation. While

there is a degree of project management in many roles, the need for specialists has never been more apparent. In times of rapid change, as seen during the COVID-19 pandemic, engaging the PMO throughout the transformation journey establishes the governance needed to provide real time

information, identify and mitigate risks quickly and maintain momentum to drive the project forward.



For senior decision makers if the PMO has the ability to help them make the **right decision at the right time**, then that would encourage them to invest. They need to be able to answer the questions that might be asked, what is the value? How is this linked to other projects? Are we on track?

Strategy and Innovation Leader

Government and Public Sector,
Kingdom of Saudi Arabia

Standardising the language of project management to enable strategic alignment

As project management functions establish themselves, they implement standardised processes and methodologies which lead to greater levels of accountability and clarity across the organisation. **Greater consistency in approach and language has the additional benefit of simplifying the information flow for those providing oversight**, making it easier for departments or project teams to communicate with and understand each other.

In embedding these new practices, project managers must tailor their approach to the organisation and at an individual stakeholder level. Change is often met with resistance, so it's here that the softer skills of the modern project manager, such as effective

communication and strong emotional intelligence, are crucial in building relationships, demonstrating flexibility and influencing the naysayers.

Technology can play a critical role in standardising processes, as well as in increasing efficiencies and information flow to senior decision makers. While needing to be mindful that any tech solutions are fit for purpose for their organisation, ready made technological solutions can help accelerate maturity. For example, implementing dashboards that have built in automation can help free up PMO resources to focus on strategy and execution. This said, the PMO has to be mindful that the tech introduced meets the needs of stakeholders and focuses on simplicity – tech which creates a complex web of processes can diminish adoption.

The right information at the right time

For senior decision makers, the need for real-time information to make the right decisions at the right time has never been more apparent. Projects can easily fly under the radar and start to lose strategic alignment and value, leaving organisations scrambling to fix problems as they arise and losing the big picture view. **PMOs by their nature and mandate, create a framework for reporting that gives decision makers visibility on key information**, track project progress and enable proactive risk mitigation before problems occur.

For delivery teams, it can be easy to develop a narrow focus on the single initiative ahead and become siloed from others in the organisation. Project professionals keep the broader strategic goals and overall alignment of the programme front of mind. Positioned as part of the PMO, they are able to communicate these to others, particularly as priorities shift and new related projects emerge. A dynamic PMO is able to optimise delivery and re-prioritise projects in order to achieve the overall strategic objectives.

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The only control that gives visibility for the PMO is when you link your processes with procurement. We had an agreement with procurement that any project that exceeded 100,000 dollars – they should inform us and we shall see if it is a project or an operational task. By doing this, we ensure that any big projects are monitored and tracked by us [the PMO]. We can then ask them to develop a project plan and implement our methodology, by doing this we have the projects and tasks aligned with our objective.

ePMO Leader

Tourism and Culture Sector, Kingdom of Saudi Arabia

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Different teams are used to managing different projects in different ways, and different people will opt for Agile, or Waterfall, or Hybrid depending on their capability, this creates a gap in capability. The PMO can help bridge this gap, e.g. with training to build capability, especially for those working at the beginning of the project. This means, we then completely hand it onto them to manage going forward.

Digital Leader

Maritime sector, United Arab Emirates

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I would say that having a professional PMO team in place when COVID-19 hit and remote working came in was a huge asset as this team are very comfortable working remotely from their office and our office. It meant we stayed connected, consistency was better and therefore overall productivity was enhanced.

CEO

Events Management Sector, Kingdom of Saudi Arabia

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Successful leaders will go back to emotional leadership and lead as a human. Before COVID-19 everyone was leading from a very technical point of view focused on the quality of work, and forgetting about the human aspect.

Strategy and Innovation Leader

Government and Public Sector, Kingdom of Saudi Arabia

Creating a framework for building capability

A further key benefit which PMOs can bring is in building project management capabilities across the whole organisation. **By instilling these capabilities, there's a natural creation of project management culture – enhancing the way an organisation can think and plan.**

Building capacity and maintaining engagement is an ongoing process, and the level of support offered to different departments will vary depending on need (for example the skills gaps, number and complexity of projects), as well as the capacity of the PMO. To

spread reach, other approaches may be required, such as enriching the influence of the PMO with 'project management champions' across departments, who will promote methodologies and processes, ensure that these are used, and develop the skills of others within their teams.

The majority of large, project driven transformations in the Middle East have taken place in the past five years and professional project management is a relatively new function. Therefore, the maturity of PMOs in the Middle East is

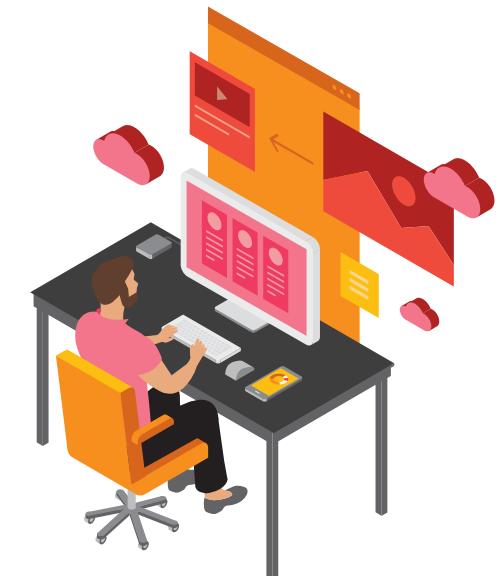
relatively low and there is a need to educate stakeholders about the role itself, and how it can add value. For example, culturally the default position may be to eagerly press ahead with projects, without fully managing the risks involved or involving the PMO. But changing requirements and emerging issues can soon see costs spiralling and deadlines slipping. A PMO led approach will protect stakeholders by having risk management embedded, but this requires a shift in mindsets and a recognition of the value this style of thinking brings to the organisation.

Accelerating PMO maturity through subcontracting

Outside expertise can help accelerate PMO development, by providing project management expertise and knowledge. Subcontracted PMOs in particular, can focus on establishing good governance while the organisation continues on its current trajectory, thus putting in the foundations to allow transformation to occur smoothly. A subcontracted PMO typically has more to prove to the organisation that is investing in its services. To build the long term

reputation and impact of the PMO, it is really important that the subcontractor showcases their ability to bring a 360 degree view, through good governance from start to finish. They can help monitor maturity, and begin embedding project management and PMO practices throughout the organisation. Organisations must be wary of winding up this service without ensuring capacity has been adequately established internally, and ensure that

the fundamentals of project management, both in its hard and soft skills, have been embedded within the organisation. This will ensure the organisation gets demonstrable, long term benefits from the subcontracted PMO.



This report is part two of four from PwC's Middle East transformation and project management research series. Part three in our series explores how to identify and track the most important measures of a PMOs performance.

Does our research resonate?

1

How is your PMO embedded across your organisation?

2

What makes your PMO a strategic asset to your organisation?

3

What encourages your leaders to invest in project management?

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