



# The Journey to Project Management Office Maturity in the Middle East

The beating heart of transformation

# Introduction

**As transformation accelerates in the Middle East, regional leaders are pushing the boundaries of technological possibility and human imagination to pursue audacious ambitious goals and create knowledge-based and sustainable economies.** Saudi Arabia's Vision 2030 will bring to life NEOM, including the reimagined industrial city Oxagon, while the UAE's Vision 2071 aims to make the UAE at the centre of the world stage by leveraging advanced technology, reforms in education and space exploration. PwC's 26th Annual CEO survey found that 61% of CEOs in the Middle East believe that economic growth will improve in 2023, compared with more than half in all other regions that predict a decline<sup>1</sup>.

As organisations adapt and evolve with this transformation, **Project Management Offices (PMOs) must evolve to support digitisation, localisation, national capability development, and ESG reform within business entities to support national vision strategies and deliver value-based outcomes.**

Rapid technological advancements in the region have impacted the economy, with countries like the UAE and Saudi Arabia adopting AI for a more prosperous and robust future. In fact, PwC's report on "The Potential impact of AI in the Middle East"

states that the likely impact of AI for the Middle East would be \$320 billion by 2030, roughly representing two percent of the global total<sup>2</sup>.

**In the Middle East, 66% of CEOs believe technology disruptors will impact their profitability over the next ten years<sup>3</sup>,** - In response, many organisations have been doubling down on digital transformation efforts, and two-thirds of CEOs are re-evaluating ongoing projects and major initiatives, or planning to do so over the next 12 months. In an increasingly volatile global market, PMOs can be critical in helping stakeholders prioritise and re-evaluate initiatives and programmes and future-proof capability and resourcing efficiencies.

As previous research<sup>4</sup> by PwC and the Project Management Institute (PMI) has shown, the business case for investing in PMO maturity is evident. Organisations with advanced PMOs achieve better business outcomes than organisations with less mature PMOs, including revenue growth, customer satisfaction and ESG metrics. Therefore, accelerating the maturity of their PMOs needs to be a priority for organisations that want to improve outcomes and deliver greater value from projects.

<sup>1</sup> <https://www.pwc.com/m1/en/ceosurvey/2023/pwc-26th-ceo-survey-middle-east-findings.pdf>

<sup>2</sup> <https://www.pwc.com/m1/en/publications/potential-impact-artificial-intelligence-middle-east.html>

<sup>3</sup> <https://www.pwc.com/m1/en/ceosurvey/2023/pwc-26th-ceo-survey-middle-east-findings.pdf>

<sup>4</sup> <https://www.pmi.org/learning/thought-leadership/pmo-maturity>



PMO Maturity has multiple critical dimensions, ranging from governance to stakeholder engagement to human resources. This report examines the current state of **PMO maturity** in the Middle East, focusing particularly on the 'softer' side of project management and how PMOs can accelerate their impact by focusing on better communication, collaboration and development in the following areas:



01

### People, culture and skills

Developing highly skilled and motivated project teams



02

### Stakeholder engagement


Forming effective partnerships



03

### Strengthening leadership support for the PMO

Empower PMOs to better support decision making



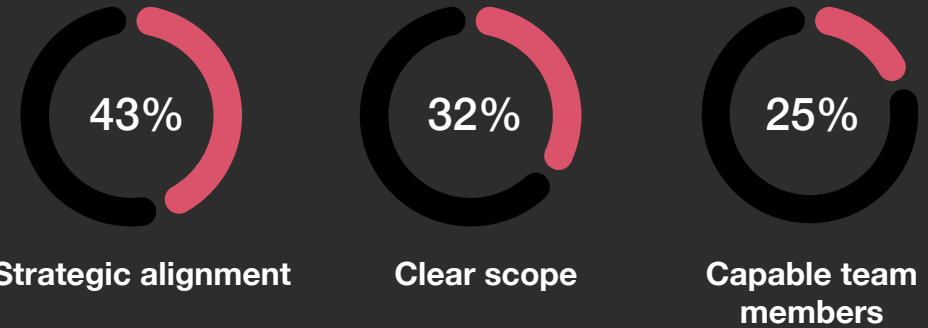
# 01 People, culture and skills

Developing highly skilled and motivated project teams

Developing an effective project management culture, not only in the PMO but also across the wider organisation, is a key enabler for the success of the PMO function. In the Middle East, one-quarter of organisations think the capabilities of team members are the main contributing reason to project success (Figure 1). PMOs can support more value-driven and resilient cultures, which maintain a focus on the critical organisational outcomes they want to achieve from project delivery.

However, PwC and PMI's global research has shown that a focus on developing a positive PMO culture and working environment is losing priority across Middle East organisations. Only 3 in 10 organisations in the Middle East are promoting a positive work and team culture to help attract and retain project management staff (Figure 2) and 48% of organisations are not conducting team building and soft skills development activities<sup>5</sup>. In contrast, organisations with market-leading PMO maturity (the Top Ten Percent, as highlighted in Figure 3), regularly conduct these activities to improve team performance, ensure high productivity, work quality and good morale<sup>6</sup>.

**Figure 1** Main reasons for project success



Source: GCC PMO Maturity Assessment Tool

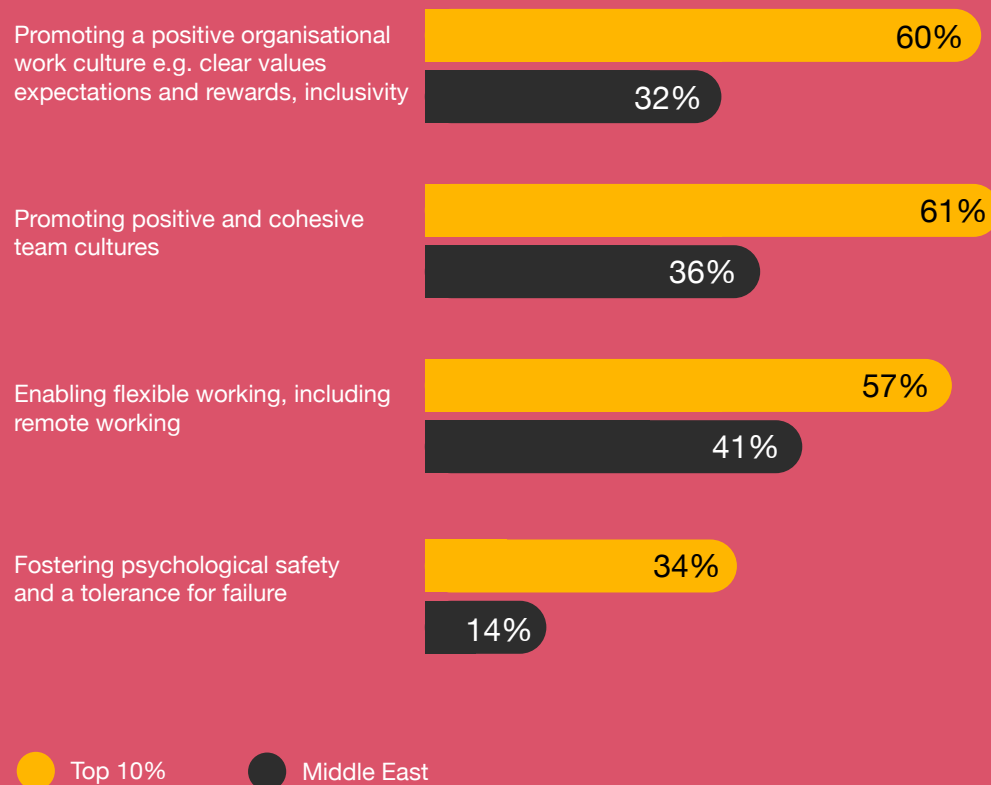
<sup>5</sup>PwC and PMI Global Survey on Project Management and Transformation 2021

<sup>6</sup>PwC and PMI Global Survey on Project Management and Transformation 2021



**Figure 2**





**Initiatives used to attract, develop and retain talent in Middle East organisations and The Top Ten Percent organisations (a global cohort of organisations with advanced PMO maturity)**



Source: PwC and PMI Global Survey on Project Management and Transformation 2021

**Figure 3**

**Proportion of C-Suite saying their organisation performed much better in 2020 than in 2019 in key metrics (Global Top 10 Percent C-Suite vs Middle East C-Suite)**

Metric	Global Top 10 Percent C-Suite (n=73)	Middle East C-Suite (n=209)
 Revenue Growth	38%	15%
 Customer Acquisition	41%	14%
 Customer Satisfaction	45%	18%
 ESG Metrics	27%	10%

Source: PMI and PwC. 2021. PMI and PwC Global Survey on Transformation and Project Management 2021

Good team capacity is also essential to a positive work environment, enabling teams to handle workloads without impacting quality and avoid team burnout for extended periods. A careful study that combines projects and operational PMO activities to balance the load is required. PwC's analysis has shown that many organisations in the region have inadequate processes in place to:

01. Estimate resources' workload based on project complexity and resources' capability
02. Conduct regular reviews of resources and update processes in response to feedback
03. Source and hire project professionals based on expected pipelines



Having a more enlightened perspective on talent management, similar to the approach taken by the most mature PMOs (the Top Ten Percent, as highlighted in Figure 2), can help create a positive work environment that attracts top talent and young professionals, and once again demonstrate the PMO's value to the organisation. It can also significantly help retain top talent - job dissatisfaction is higher across the Middle East than global averages; 30% (vs. 19%) say they are 'extremely likely' or 'very likely' to look for a new job within the next year<sup>7</sup>.

Only

# 30%

**of PMOs in the Middle East are regularly conducting team building and soft skills development activities for team members**

Source: GCC PMO Maturity Assessment Tool

<sup>7</sup> <https://www.pwc.com/m1/en/ceosurvey/2023/pwc-26th-ceo-survey-middle-east-findings.pdf>





Many organisations in the Middle East need to develop clear strategies to upskill project professionals and support their career aspirations within the organisation. PwC and PMI's global survey found that half of the organisations in the Middle East believe project management training is given low priority or not offered at all. The region needs more focus on developing project management skills and capabilities, especially personal and collaborative skills. PwC's report "[Who is the Modern Project Manager](https://www.pwc.com/m1/en/blogs/pdf/who-is-the-modern-project-manager.pdf)" explains why these interpersonal skills are crucial for the modern project manager to succeed and influence outcomes in their organisation<sup>8</sup>.

**With their base of expertise and a broad view across a project portfolio, PMOs have a critical role in developing talent and must ensure that processes are in place to:**



Assess the skills sets of PMO staff and project professionals



Conduct activities that aim to improve team performance, ensure high work quality, productivity and high morale



Develop and shorten feedback processes to identify skill gaps and encourage continuous improvement

<sup>8</sup> <https://www.pwc.com/m1/en/blogs/pdf/who-is-the-modern-project-manager.pdf>

02

## Stakeholder engagement

Forming effective partnerships

People deliver projects, and PMOs are vital in helping a wide range of stakeholders work together in synergy, contributing to the same goals and objectives.. Often with a broad view across the project portfolio, PMOs are well placed to use their influence to align teams to the overall objectives and maximise the value delivered, aligning with the organisation's strategic goals. But to do so, PMOs must ensure the needs of the teams and its stakeholders are embedded into the PMO's processes at every stage.

# 94%

**of the most mature PMOs globally are constantly aligning initiatives and KPIs to the wider organisation's critical strategic goals (compared to just 39% of Middle East PMOs)**

Source: PwC and PMI Global Survey on Transformation and Project Management 2021

This stakeholder engagement is vital in the PMO maturity journey. Only through frequent and effective communication can the PMO understand its impact and ensure that processes are continually adapted to meet the needs of the people it serves. . Needs can vary depending on the stakeholder and PMOs will need to collaborate with each group to tailor how they communicate and encourage engagement with their processes, depending on each stakeholder's unique circumstances and needs.

# 37%

**of organisations in the Middle East are not identifying or aligned with key stakeholders to support PMO aspirations**

Source: GCC PMO Maturity Assessment Tool





But although organisations in the Middle East believe that strategic alignment is one of the main reasons for project success which entails close engagement with stakeholders (Figure 1)<sup>9</sup>, any are struggling to develop effective two-way communication with stakeholders. And worryingly, three-quarters of PMOs are not implementing stakeholder feedback to improve its impact. PwC's research in the region demonstrates that an absence of stakeholder engagement can exacerbate a lack of organisational understanding of the purpose of the PMO and what it is there to support, a barrier that 58% of organisations currently experience.

## Figure 4 Tailoring PMO communications for the audience

**PMOs need to tailor the way they communicate to the unique circumstances and needs of the teams they support and encourage engagement with their processes. Has your PMO considered how to collaborate effectively with these stakeholders?**



Project sponsor



Project team and project managers



Product owner and product managers



The customers/end users



C-suite/senior leadership



Project steering committee



Strategy working groups



Regulatory authorities/auditors



Suppliers and vendors

Source: PwC and PMI Global Survey on Project Management and Transformation 2021

PMOs that effectively engage with stakeholders and project teams can help develop a clear understanding of how the PMO can support better project delivery. Strategic alignment and a clear scope are considered by many organisations to be the main reasons for project success (Figure 1). Through stakeholder collaboration, PMOs can collate feedback and help support the development of clearer project scopes and business cases, aligned with the overall organisational strategy. These feedback loops should be consistent and frequent to help maintain alignment of project goals with the organisations and minimise scope creep, which does not add value.

**44%** of PMOs are not aligning initiatives and business cases with the organisation's overall business strategy

Source: GCC PMO Maturity Assessment Tool



03

## Strengthening leadership support of the PMO

Empower PMOs to better support decision making



C-suite support is a hallmark of the most mature PMOs globally. Strong links between the PMO and senior leadership are mutually beneficial, empowering the PMO and maintaining its alignment with the organisation's strategic objectives, while improving the leadership's ability to make evidence-based and data-driven decisions.

Without this mandate from the C-suite, PMOs can struggle to have their desired impact. Around 67% of Middle East organisations surveyed by PwC see a need for more leadership support as one of the main obstacles to an effective PMO, with 40% choosing this as the number one obstacle<sup>10</sup>.

Assessing PMO maturity and measuring progress against this benchmark is an essential step in fostering this support from leadership. Measuring the PMO's impact on value delivered through projects as it seeks to improve its support, helps create a strong business case for continued investment into the PMO. Conducting awareness sessions to enhance perceptions of the PMO across the organisation can also help encourage leadership to buy in.

<sup>10</sup> PwC Middle East PMO Maturity Tool



# Call to action

As we navigate the challenges of a region primed for transformation, it is crucial to unlock the value of the PMO and drive it toward a more supportive and strategic role. Highly skilled project managers can be key advisors to organisations in the Middle East, faced with the challenge of developing a positive work culture, skills shortages, and the need for greater stakeholder alignment.

Understanding your PMO maturity levels is vital to maximising the PMO's impact. Here are some steps your organisation should consider to accelerate their maturity journey and improve project and business outcomes:

- 01** Begin your transformation journey by assessing the maturity level of your organisation's PMOs and creating a benchmark to measure performance.
- 02** Identify the PMO's areas of strengths and weaknesses, and use this insight to develop an effective levelling-up strategy.
- 03** Consider how to communicate effectively with stakeholders and create productive partnerships.
- 04** Invest in project talent to improve capabilities and elevate approaches to talent to create more positive cultures and enhance soft skills.

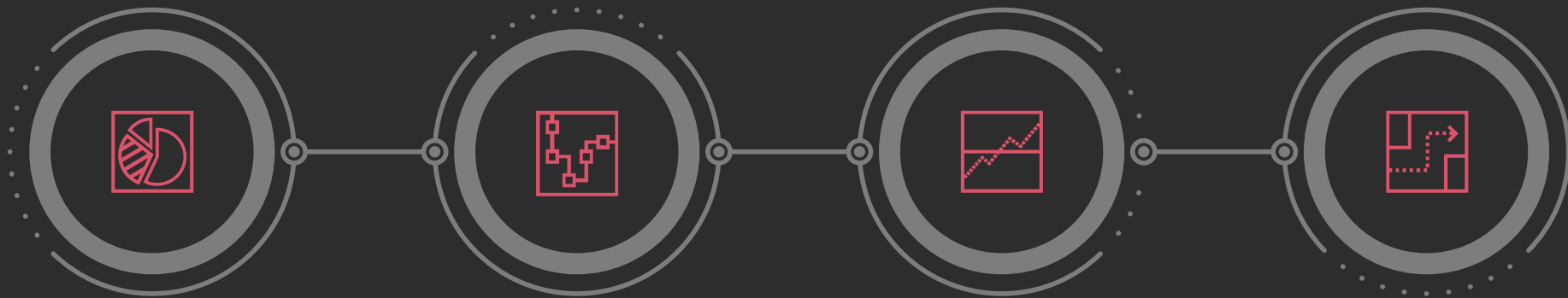


As the region continues to transform at pace, organisations need to be able to adapt and evolve, while also proactively preparing for the future. The PMO can help to catalyse this change, making sure it delivers value-centred outcomes efficiently and effectively. By increasing the PMO's maturity, both the function itself and the organisation as a whole can help to ensure that they are future-ready.

## Begin your PMO maturity journey: Assess current maturity levels

Organisations need to understand how their PMO is currently supporting project delivery and its strategic objectives to accelerate PMO maturity. Maturity assessments can effectively evaluate the current PMO maturity levels and identify key areas of improvement. PMOs that are key enablers of successful project delivery and business outcomes are more mature, whereas PMOs with a less specific impact are considered relatively less mature.

### The benefits of assessing PMO maturity:



#### Identify areas of weakness and strength:

- Identify areas of low performance that present the biggest risk to ongoing project delivery and working conditions. These areas can be prioritised for improvements and support.
- Understand which PMO practices are most effective. These success stories can be shared with the rest of the organisation to help inspire other teams and functions to meet the same standard.

#### Create a benchmark of performance and measure progress over time:

- Develop a clear understanding of your current capabilities and compare maturity levels against peers and industry best practices; and
- Use benchmarks to measure progress over time to quantify the impact of changes and improvements. This will help develop a robust case study to justify continued investment into the PMO from the organisation.

#### Improve organisational governance and decision making:

- Provide senior decision-makers with valuable insight into the data collected by the PMO and how it can be used to drive evidence-based decision making.

#### Increase organisational alignment:

- Understand how the PMO fits into current governance structures and ways this can be better streamlined; and
- Encourage greater engagement with senior decision-makers and improve strategic alignment between the PMO and organisation objectives.



The target of your PMO maturity journey is to develop and realise an indispensable function - a strategic enabler supporting successful projects and the organisation's overall strategy.

## How you can quickly measure your PMO Maturity

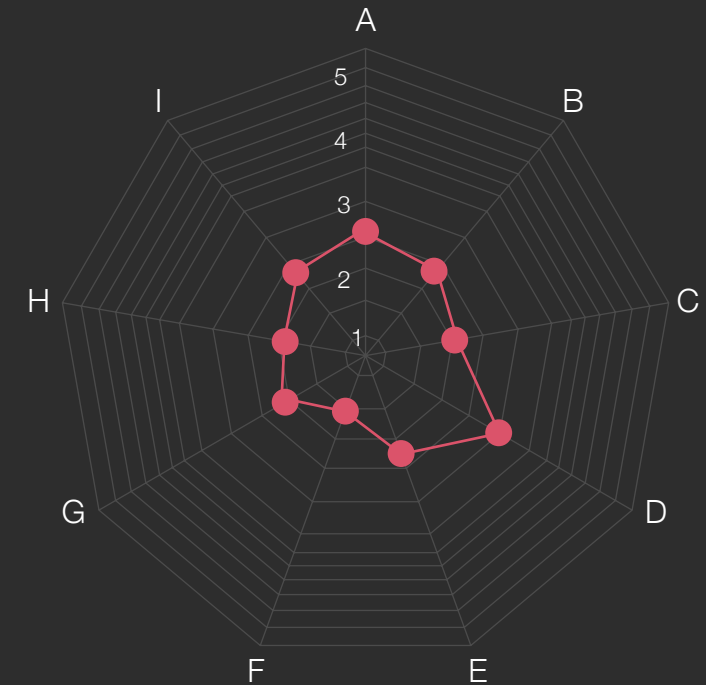
PwC Middle East have developed a tool to help organisations better understand the level of their PMO Practices in the GCC ( Gulf Cooperation Council). Through an online assessment and using best-in-class specific assessment criteria - you will instantly receive a complimentary report which provides:

**01** PMO Maturity score

**02** Insights and specific assessment criteria

**03** Recommended actions to improve maturity levels

## Result summary



A : Governance	2.61
B : Strategic focus	2.36
C : Stakeholders engagement	2.06
D : Human resources	2.98
E : Methodology	2.26
F : Tools and systems	1.57
G : Quality management	2.08
H : Knowledge management	1.92
I : Value creation	2.31

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GCC PMO Maturity  
Assessment tool

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