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# Impact of PMO As Strategic Practice Improving Program, Projects Management Performance (Case Study: UELDP-Applied in Egypt - Construction Sector)

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#### ABSTRACT-

economic changes experienced by countries on economic level have led to imperative work on creating solutions to sustain organizations success in those countries, especially 3<sup>rd</sup> third world countries. has led to the existence of modern methods of management and work in organizations with mandatory application of effective strategic practices and constant link with all levels of leadership in organizations through development of management methods and establishment of Program, projects Management office (PMO) in each organization to use it as an implementation and application tool for organization strategies and programs success.

**PURPOSE** –Aim of paper to logic describe, defining impact of strategic practices, leadership levels with PMO as tactical tool lead, support organizations, achieving required Targets and evaluating level of success through program and projects using top-down analysis to explain program criteria and methodology of organizational leadership levels from strategic level gradually to operational level and logic describe required impact bottom-up analysis and the degree of impact applying strategic practices through PMO tactical role on improvement program and projects management performance.



#### METHODOLOGY -

paper is a logic descriptive study operated in non-contrived setting to describe impact strategic practices through PMO as independent variable on improve programs, projects performance applied in Egypt (construction projects) international corporation program and organizations by using qualitative and quantitative research tools in Egypt. paper logic describing, defining data and history of from accredited source Literature review represented.

#### keywords of paper: Strategic Practices, PMO, Link Strategic Management & PMO.

**الملخص** - أدت التغيرات الاقتصادية التي مرت بها البلدان على المستوى الاقتصادي إلى العمل الحتمي على إيجاد حلول لدعم نجاح المنظمات في تلك البلدان، وخاصة دول العالم الثالث. أدى إلى وجود أساليب حديثة للإدارة والعمل في المنظمات مع التطبيق الإلز امي لممارسات استراتيجية فعالة وربط دائم مع جميع مستويات القيادة في المنظمات من خلال تطوير أساليب الإدارة وإنشاء مكتب إدارة البرامج والمشرو عات (PMO) في كل منظمة لاستخدامها كأداة تنفيذية والتطبيق لنجاح

الغرض - الهدف من الورقة البحثية الوصف المنطقي ، وتحديد تأثير الممارسات الإستراتيجية ، ومستويات القيادة مع مكتب إدارة البرامج والمشروعات (PMO) كأداة تكتيكية ، ودعم المنظمات ، وتحقيق الأهداف المطلوبة وتقييم مستوى النجاح من خلال البرامج والمشاريع باستخدام التحليل من الأعلى إلى الأسفل لشرح معايير البرنامج ومنهجيته من مستويات القيادة التنظيمية من المستوى الاستراتيجي تدريجيًا إلى المستوى التشغيلي والمنطق يصف تحليل التأثير المطلوب من أسفل إلى أعلى ودرجة تأثير تطبيق الممارسات الإستراتيجية من خلال الدور التكتيكي لمكتب إدارة البرامج في برنامج في برنامج تحسين أداء إدارة المشاريع.

المنهجية - الورقة عبارة عن دراسة وصفية منطقية يتم تشغيلها في بيئة غير مفتعلة لوصف الممارسات الاستراتيجية للتأثير من خلال PMO كمتغير مستقل في تحسين البرامج وأداء المشاريع المطبقة في مصر (مشاريع البناء) وبرنامج المؤسسات الدولية والمنظمات باستخدام أدوات البحث الكمية والنوعية مصر. المنطق الورقي الذي يصف ويحدد البيانات والتاريخ من مصدر معتمد يمثل مراجعة الأدب

الكلمات المفتاحية للورقة: الممارسات الإستراتيجية، PMO، ربط الإدارة الإستراتيجية وPMO



#### **<u>1- Introduction</u>**

#### **1.1. Introduction:**

Aim of study to logic describe, defining impact of strategic practices, leadership levels with support of PMO as a tactical tool lead, support organizations, achieving required Targets and evaluating level of success program and projects KPI's that's related to thesis case study hypothesis and how degree impact of applying strategic practices through PMO Tactical role for improvement program and projects performance in international corporation programs and organizations. defines the process of managing the internal and external activities of organizations to obtain the goals over a given period. organizations therefore set up strategies and implement them to ensure a higher productivity and achieving their goals. scientific leaps that occurred in the field of strategic practices management, planning and economic disparities that led many countries to adopt strategic and administrative practices on scientific grounds required the establishment of a culture and foundations for strategic practices and led to the existence of research theories related to these areas and the establishment of scientific and research bodies that set a monument It was appointed by the constant updating of setting the methodologies necessary for sustainable development and reaching the economic development goals, whether for countries or organizations. One of the most important methods and tools used by the current strength is PMO Program, Projects Management office as a mechanism for monitoring, evaluation, control and guidance required for success of programs, projects and achieving stability for the entity of economic organizations in both public and private sectors Since the current strategic vision of the Egypt 2030 aspires to achieve aim to development in all sectors and organizations, the researcher tries to reach with this thesis recommendations necessary to establish a culture and scientific entities to manage programs and projects by using the implementation mechanism represented by PMO Program, Projects Management office and linking them with strategic levels to implement effective strategies achieving short, medium and long term strategic goals.



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over the years, researchers on strategies that Enterprises can adopt to ensure better quantity and quality of their products Scientists have developed many different theories and researcher follow by study case lacking of implement affective strategies in Egyptian construction sector no projects(program) starts on 2016 a program for development local services in upper Egypt starting to be on surface and one the program component to construct development services in many branches, researcher will focus on construction sector in UELDP program for example(water and waste water projects- roads -bridges-box culverts- buildings -bridges extra...), researcher try to investigate the reasons to success and failure during program lifetime. This thesis descripting impact of unprofessional implementation that been taken in the beginning of program through deferent years of the program till establishing PMO to implement professional wise managing for program and both negative and positive impact to program projects performance and the reality of the high link condition between strategic practices with PMO roles and recommendations to establishing PMO as main tool in technical and executional sustainability management.

#### 1.1.1. Thesis Study Case Upper Egypt Local Development Program UELDP

Researcher one of the expert in projects management his mainly works in PMO of thesis study case program and authorized by Program Director officially to include program data in thesis and one of the most important corners of program related program data published to public to make effective social engagement with beneficiaries especially the two governorates QENA and SOHAG citizens Government of Egypt (GoE) launched its Inclusive Economic Development Program for Lagging Regions (IEDLR) to create an environment conducive to improving service delivery and private sector led job creation in Egypt's lagging regions. The objectives of the government program are to promote sustainable local development and create productive employment, in order to reduce poverty in the targeted governorates.

The government program has the following three pillars: -

- improving citizen engagement, transparency, and monitoring and evaluation systems. (i)
- (ii) improving service delivery for citizens through effective local administration.
- (iii) improving competitiveness, infrastructure, and the business environment for private sector growth and job creation.



The World Bank Group-financed Upper Egypt Local Development Program (UELDP) will support and leverage the implementation of the IEDLR, using an integrated approach that brings together regulatory reforms, organizational development (both capacity and system development) and investments. It aims to unlock the potential of Upper Egypt by systemically addressing the key reasons for the limited impact investments have had in the past, namely:

- (i) limited mandates, effectiveness and accountability of local administrations
- (ii) poor investment and business climate. (PROGRAM, 2018)
- (iii) low levels of access and poor quality of infrastructure and services. In accordance with the IEDLR, the main entry point of the UELDP interventions is governorates.

the level of administration where government-to-citizen and government-to-business interactions are most pronounced and need most urgent improvements. The UELDP will be initially launched in two of the most challenged Upper Egypt governorates, Qena and Sohag, and could be rolled out gradually to the rest of Upper Egypt.

The UELDP, which consists of two sub-Programs, will support a more integrated and resultsoriented approach to: -

- improving the business climate and competitiveness anchored at the governorate level (sub-Program 1)

- providing good quality infrastructure and services critical for citizens and businesses in a sustainable manner (sub-Program 2).

These sub-Programs will be complemented by a package of cross-cutting measures that aim to improve citizen and business engagement at the governorate level by strengthening the credibility of sub-national organization, enhancing government accountability and effectiveness, and restoring citizen confidence. (PROGRAM, 2018)

**Subprogram 1** will address key, actionable factors affecting the competitiveness of economic sectors in Upper Egypt, namely poor government to business services, underdeveloped infrastructure, and the combined effect of low demand, coordination failures, and information gaps that inhibit the competitiveness of firms. Activities will be implemented in each of the Program governorates by the relevant implementation entities and will be guided by a public-private dialogue and planning platform, the Local Economic Development Forum in each Program governorate.



**Subprogram 2,** by making additional financing available and channeling it in a specific way, seeks to enable governorates to:

i) improve the planning process to better identify and prioritize citizen and business' needs, and respond to these needs in a coordinated manner.

ii) address critical sustainability challenges.

iii) improve governorate accountability.

iv) expand access to critical infrastructure and services over which they previously had limited influence. A performance grant (PG) was chosen as the mechanism that will be introduced to incentivize the improvement of governorates' performance. Governorates will receive additional financing conditioned upon demonstrated performance in key areas – those that currently constitute binding constraints to improvements in infrastructure and service delivery.

In this way, the PG will increase financing for infrastructure and services to Program governorates in a manner commensurate with their progress. Box 1 provides some lessons from international experiences with PGs.

The Program Development Objective (PDO) is to improve the business environment for private sector development and strengthen local government capacity for quality infrastructure and service delivery in select governorates in Upper Egypt. The Program has four PDO level results indicators, supported by intermediate results in two results areas: (i) improving the business environment and competitiveness and (ii) improving access to quality infrastructure and services, and three cross-cutting intermediate indicators on citizen and business engagement, see below table.

The following key policy shifts are expected from the PG:

•Responsive delivery of public investments with an emphasis on efficiency and accountability.

• Increased decision-making by governorates on how to prioritize investments, allocate, and manage funds (combined with performance requirements and controls), and

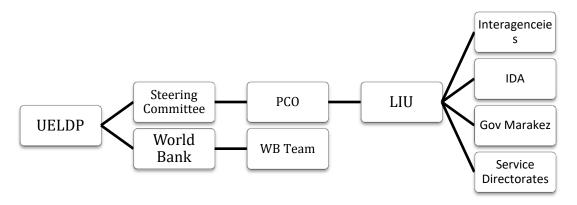
• Greater emphasis on measuring and tracking governorates' performance and evaluating services.

The Program duration is 2016-2023. The total Program expenditure is estimated at US\$ 957

million, of which US 500 million will be provided by World Bank (IBRD/IDA) funding.



Despite increasing per capita amounts in recent years, the share of public investment allocated to Upper Egypt has remained lower, on a population or poverty basis, compared to other parts of the country and transfers have been insufficient to close access and quality gaps in public provision of services and infrastructure. Access to sanitation is extremely low in both governorates. For example, in the 32 poorest villages in Qena, less than 1 percent of households are connected to the public sanitation network. Where substantial gains in access to services and infrastructure were observed, they were typically in main cities and mother villages (not satellite villages where the majority of the poor reside), and they were associated with services for which there was substantial private provision<sup>1</sup>. Quality has remained low and investment in operations and maintenance (O&M) substandard. In the past, O&M have been neglected for most projects, and allocations by the central government for O&M transfers to the governorates were insufficient to maintain investments and offer good quality services. Furthermore, the current fragmented system of infrastructure and service delivery affords governorates a minor role in identifying needs and influencing delivery. Citizen and business engagement in the governorates' planning processes have been limited and the improvement of governorate's responsiveness to citizens has been identified as a key objective.





**OBS For Upper Egypt Local Development Program** 

<sup>&</sup>lt;sup>1</sup> Ghanem, Hafez (2014). Improving Regional and Rural Development for Inclusive Growth in Egypt.



# **1.1.2.** OBS for upper Egypt local development program At the Central level

#### 1.1.2.1.Inter-Ministerial Steering Committee

The Inter-Ministerial Steering Committee (SC) is in charge of providing strategic guidance and oversight to ensure prompt and efficient implementation of the Program. The SC has been established pursuant to Prime Ministerial Decree No. 2540 of 2016.

The SC is chaired by the Minister of Planning, Monitoring and Administrative Reform (MOP), and comprises the Minister of International Cooperation (MOIC), the Minister of Trade and Industry (MTI), the Minister of Local Development (MOLD) and the Minister of Finance (MOF), as well as Governors of Sohag and Qena.

#### **1.1.2.2.Program Coordination Office**

The GoE will establish and maintain, throughout the implementation of the Program, a Program Coordination Office (PCO), within the Ministry of Local Development.

The PCO is responsible for the overall management of the UELDP to a standard that ensures that the Program performs satisfactorily in:

(i) achieving the Program Development Objective

(ii) the achievement of all disbursement linked results that are agreed

(iii) compliance with the principles and procedures described in the Program Operational Manual for Program management, technical standards, financial management, procurement, monitoring and evaluation and environmental and social risk management. (PROGRAM, 2018)

#### PCO functions as the secretariat of the SC and is responsible for:

Overall management, coordination, reporting, monitoring, and evaluation of Program implementation.

Hiring and interfacing with the Independent Verification Agent

Hiring/ selecting and interfacing with the Performance Assessor

Hiring and interfacing with the technical quality auditor

Hiring the Implementation Support Consultants and managing TA deployment to governorates and PCO Coordinating the disbursement of Performance Grants and Competitiveness Grants to governorates with the Ministry of Finance.



Carrying out inter-ministerial and inter-agency coordination on the technical aspects of the performance grant at the central level, playing a leading role in actively monitoring Program's risks and managing mitigation measures.

Provide capacity support and monitor compliance with the financial and procurement measures identified in the Fiduciary System Assessment (FSA) and the Fiduciary Manual. Provide capacity support for and monitor compliance with the environmental and social risk management measures identified in the Environmental Social and Environmental System

Assessment (ESSA) and the Environmental and Social Management System.

Facilitating financial audits for the Program.

Providing logistical and technical support to the Steering Committee.

Disseminating lessons learned to the relevant ministries to support national policy dialogue and decision-making related to the Program.

Securing Participation Agreements between governorates and relevant ministries.

Development, publication, dissemination, training and updating of the POM.

Monitoring and reporting on implementing agencies compliance with the POM.

Preparing a bi-annual Program Report which shall cover one calendar semester and be transmitted to the Bank not later than one month after the end of the period covered.

Create and maintain Monitoring and Information System (MIS) for the Program operations and reporting.

Support for and participation in World Bank implementation support missions.

The PCO will be headed by a PCO Director and will be supported by professional staff comprising the following functions:

1.Deputy Director for Competitiveness

2. Deputy Director for Local Planning and Development

3. Financial Management Specialist

4. Procurement Specialist

5.M&E Specialist

6.Environmental Specialist

7.Resettlement and Citizen Engagement Specialist

8. Capacity Building Specialist



The PCO positions should be filled by secondees from relevant ministries (MTI, MOLD, MOP, MOF), long-standing advisors/consultants or through the recruitment of consultants into the PCO. The level of effort is to be defined based on need (more is expected to be needed during the first years of the Program).

The PCO will be placed within the Ministry of Local Development and will report to the SC. The PCO will act on the recommendations and decisions of the SC.

#### **Local Implementation Unit**

The governorates will each establish and maintain throughout the implementation of the Program a Local Implementation Unit (LIU). The LIUs are responsible for all aspects of Program implementation in the governorate, including financial management, procurement, social/ environmental issues, managing the participatory planning process, delivery of infrastructure and services, the business environment and competitiveness improvement activities, and technical aspects of the Program.

The LIUs take direction from the Economic Council on the plans, funding allocations, and implementation of the Program, and also have reporting lines to the PCO on financial reporting, implementation progress, and coordination on policy and technical issues at the central government level.

# The LIU will be headed by a LIU Director and will be supported by professional staff comprising of:

Private Sector Development Specialist
 Local Development / Investment Planning Specialist
 Financial Management Specialist
 Procurement Specialist
 Infrastructure Specialist / Engineer
 M&E Specialist
 Land Acquisition & Compensation Specialist
 Environmental Specialist
 Citizen Engagement focal point
 IO.ICT Specialist



The LIU Positions should be filled by secondees from the governorate staff or long-standing advisors/consultants. The level of effort is to be defined based on need (more is expected to be needed during the first years of the Program).

#### **Service Providers**

Under the Program, service providers from the private and non-profit sectors (including NGOs, CSOs, etc.) will be contracted by the governorates or through the expanded programs, in accordance with the procurement guidelines provided in the POM to deliver goods and services.

#### World Bank

#### The World Bank team will be responsible for:

(a) reviewing implementation progress and achievement of Program results and DLIs.

(b) mobilizing support for implementation issues as well as organizational capacity building.

(c) monitoring systems performance to ensure their continuing adequacy through Program monitoring reports, audit reports, as well as field visits.

(d) monitoring changes in risks to the Program and compliance with legal agreements and, as needed, the Program Action Plan. (PROGRAM, 2018)

#### 1.1.2.3.Program Start-Up

The following key activities are to be carried out in the Program start-up phase, from preeffectiveness to the three months following effectiveness:

••Establishment of the Program Inter-Ministerial Steering Committee (SC): A SC should be established to provide strategic guidance and oversight to ensure prompt and efficient implementation of the Program no later than one month after effectiveness.

• Identify and appoint PCO Director: A PCO Director should be identified and appointed and a written notification of the nomination, including his/her reporting lines, should be sent to the WB no later than one month after effectiveness.



• Identify and appoint PCO staff: The PCO should be staffed with the 8 positions in accordance with its agreed functional requirements and include inter alia, representatives from the ministries responsible for local development and trade and industry no later than one month after effectiveness.

• Establish and finance the PCO: In addition to the hiring of the PCO staff, establishing the PCO requires that it be financed, sited, and equipped to fulfill its Program management and coordination function.

• Identify and appoint LIU staff: The LIUs should be staffed with the 11 positions in accordance with the agreed functional requirements, no later than one month after effectiveness.

•Establish Economic Council in the Governorates: The Economic Council should be established in the governorates which will be comprised on the Local Executive Council and representatives of key central government entities implicated in the UELDP Program, The Economic Council should be established no later than one month after effectiveness.

• Recruit Independent Verification Agent (IVA). As in other PfoR operations and as per the Legal Agreement, disbursement under the UELDP would be made based on independent verification of the Disbursement Linked Results (DLRs) of this operation. Procurement of the IVA is the responsibility of the PCO and should be completed no later than 3 months after effectiveness.

• Identify and recruit Performance Assessor (PA): As per the Legal Agreement, for Sub-Program Two of the operation (the Performance Grant), the performance of the governorates would need to be assessed by a Performance Assessor (PA) before the IVA can verify independently the results.

• Recruit Implementation Support Consultants: As per the Legal Agreement, the PCO will need to mobilize the implementation support to support the governorates in implementing this complex operation no later than three months after effectiveness.

• Draft and adopt a Program Operational Manual (POM): As per the Legal Agreement, a POM will be developed for this operation. International consultants have been mobilized to support the PCO and LIUs with the development of the POM. The POM should be formally adopted no later than one month after effectiveness.



• Ensure disbursements of grants to governorates: Upon Effectiveness, the SC with support of the PCO will need to be ready to ensure disbursements of performance and competitiveness grants to governorates from the proceeds of the Loan. This will also require agreement between the MoF and SC on how much of the advance will be transferred initially to the governorates. The transfers should be fully additional to the regular annual budget allocations made by the GoE for the Qena Governorate and Sohag Governorate.

• Open Program bank accounts in both governorates to receive the Program grants from MOF: in accordance with Program Action Plan, accounts should be opened to transfer competitiveness and performance grants to governorates.

#### Upper Egypt Local Development Program UELDP Development IMPACT Till 2020

Impact of UELDP were huge regarding the difficulties from change management resistance or other issues will be mentioned in hypnosis also researcher to illustrate importance of case study mentioned impact measurements as follow (Hassan, 2020)

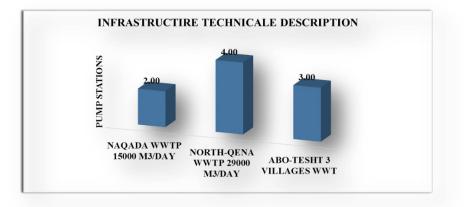
#### **UPPER EGYPT LOCAL DEVLOPMEN PROGRAM UELDP** Impact on **QENA**

5,361.00	Lightning and Electricity			
180,670.00	Support Electricity Units			
90.00	Firefighting Equipment's			
155,200.00	Potable Water Networks/Km			
348,000.00	Local Roads			
4,820.00	Cannel Covering and Pitching			
9.00	Technological Centers			
82.00	Support Local Units			
137.00	Security and Firefighting Projects			
Infrastructure Technical Description				
PUMP STATIONS	infrastructure projects			
3.00	QEFT <b>WWTP</b> 16000 M3/DAY			
2.00	NAQADA WWTP 15000 M3/DAY			
1.00	NORTH-QENA WWTP 29000 M3/DAY			
3.00	ABO-TESHT 3 VILLAGES WWT			
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governorate development impact

Table 1 (Hassan, 2020)





#### Figure 2 (Hassan, 2020)

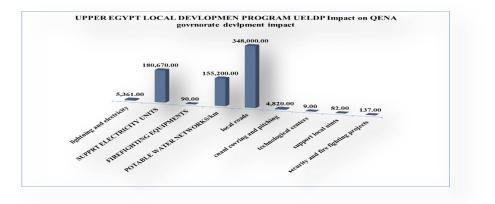


Figure 3 (Hassan, 2020)



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# <u>UPPER EGYPT LOCAL DEVLOPMEN PROGRAM UELDP</u> Impact on SOHAG governorate development impact

development impact				
5,466.00	Lightning and Electricity			
397,370.00	Support Electricity Units			
120.00	Firefighting Equipment's			
76,757.00	Potable Water Networks/Km			
454,705.00	Local Roads			
4,680.00	Cannel Covering and Pitching			
8.00 Technological Centers				
79.00	Support Local Units			
1,237.00	Security and Firefighting Projects			
Infrastructure Technical Description				

PUMP STATIONS	infrastructure projects
2.00	alhagarsa WWTP 25000 m3/day
4.00	abo-aldahab WWTP 6100 m3/day
3.00	AL-GROIZAT WWTP 6300 M3/DAY

Table 2 (Hassan, 2020)

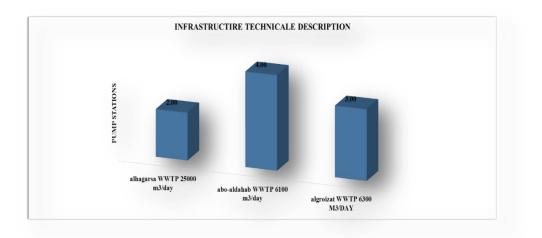


Figure 4







#### **2-Literature Review**

#### 2. <u>2- Introduction:</u>

Researcher logic describing, defining data and history of other researches related to thesis topic from accredited source for PMO contribution to improvement performance of organizations or programs related to organization like Marzieh Babaeianpour-Payam-e Noor University, Tehran, Iran -Shakib Zohrevandi Payam-e Noor University, Tehran, Iran related topic for Using Project Management Office (PMO) To Improve Project Management Abilities, Monique Aubry The Contribution of The Project Management Office to Organisational Performance, other articles and paper published by PMI Literature review represented **keywords of research: Strategic Practices, PMO, Link Strategic Management & PMO**.

#### 2.1. Strategic Management

**Strategy** was created by the Greeks, who endowed the concept with a military connotation. The term derives from the Greek strategos, translated as a general in command of troops or the art of the general or plan to destroy enemies through effective use of resources. This term in itself contained the idea of objectives to be achieved and plans of action to be performed in various scenarios, depending on the enemy's behavior. According to Mintzberg and Quinn, strategy was already considered as an organizational skill at the time of Pericles (450 BC), meaning management skills (administrative, leadership, public speaking, power).



However, it was only after World War II that strategy fully entered into the business world, which has since grown significantly and needed guidance, lines and paths to be followed by their entire structures. This growth increased organizational complexity and, together with the accelerated pace of environmental changes It the Art & science of formulating, implementing, and evaluating, cross-functional decisions that enable an enterprise to achieve its long-term objectives. According to Huskisson (Madhok 2014, 69-76 [Huskisson 1999, 1-16]). (Elshamly, June-2013)

#### Strategic management definition

systemic process identifying internal and external factors of an organization to define better objectives, formulate evaluate and implement strategies to achieve objectives. In the above definition, there are two main key points to take note of which are the competitive advantage and value creation. With respect to the competitive advantage in the market, organizations want to be better off than their competitors in the market are. they try to give reasons to their customers on why they should be preferred than others in the market. organization might do this by differentiating their products. Critical analyses on some of the theories in this research will further explain this idea. Two basic types of competitive advantage such as cost advantage and differentiation advantage are identified. The concept of competitive advantage is what makes an enterprise better than the others in the minds of your customers. (Amedeo 2017, 1-15). (Gustavo, 2015)

#### 2.1.1. Strategic Practices

Researcher in thesis through descripting importance of PMO will deal with strategic practices from perspective of strategic management concepts and methodologies aligned with program period and KPI's related to thesis case study. (Haines, 1995)

#### **Implementing Strategies**

This is an important stage in strategic management process. Well-designed strategies may fail in implementation. Hence, adaptability of strategies and implementation process should be clearly mentioned while formulating strategy. It is the strategist's responsibility to take care of implementing strategies in accordance with the requirements of an enterprise. (PMI, 2018)





#### Figure 6

#### Strategic Management Overview Source (Rougoor Et Al, 1997)

#### **Strategic Planning VS Operational Planning**

Strategic Planning	<b>Operational Planning</b>
Long-term (usually 5-10 years)	Short-term (1 year or less)
Focuses on future achievements and	Achievements or targets annual
conditions	
Weighs a series of alternatives before	Planned activities represent choices already
making fundamental choices made.	alternatives are not considered
Usually integrates several functions	Tend to focus on one unit or related set of
levels, components simultaneously	activities
Integrates strategies for resource	Resources for implementation usually already
mobilization with activities (sustainability	identified
plans)	
Usually requires ratification from	No formal action or ratification required
governing structures	

#### Table 3 (Haines, 1995)



#### 2.2. PMO

Organizations have responded to challenges by developing new, more flexible organisational forms (Pettigrew, 2003), There are already propositions on the table to build new theories of project management (Andersen, 2006, Turner, 2006) Strategic practices deals, mean transfer and implementation of strategic visions, required goals and plans set to sub-strategic levels that form the operational basis for organization to implement strategic visions, plans listed according to their qualities (short term - medium term - long term) and as the researcher in this thesis tries to describe and establish PMO as an strategic tool in Egypt, over last 10 years, the relevance of PMO in organization has grown tremendously because PMOs have increased the project success rates and made project delivery more standardized and predictable. importance of establishing and operating Program Management Office PMO as an important strategic tool through its presence at the tactical level and the link between strategic level and operational level, where the hierarchy of leadership levels and the organizational structure according to size of organization and programs needs a component that can formulate strategic objectives for the operational level with the periodicity of measurement of results achieved and transfer of recommendations required to amend strategic visions and practicing scientific and participatory methods with all levels to achieve effective strategic practice. The very important component at the present time is the program management office. (Haines, 1995)

#### 2.2.1. Program Management Office PMO Definition

**PMO** an organizational structure that standardizes the program-related governance processes and facilitates sharing of resources, methodologies, tools, and techniques. (PMP-PMI-6<sup>TH</sup> edition) (PMI, 2019)

**PMO** in the organization has grown tremendously because PMOs have increased the project success rates and made project delivery more standardized and predictable. PMOs are evolving with time and the PMO maturity level has been increasing. Having said that, organizations are now realizing some of the challenges in the way the PMO were traditionally setup. Before discussing these challenges, let's see the basic difference between the type of PMOs and the level on which these PMOs operate. The word "PMO" is used differently in different contexts. PMO could mean Project Management Office, Program Management Office, and Portfolio Management Office depending on the level of PMO operation. Briefly, here is what different classification of PMOs as controlling size: - (PMI, 2019)



**PMO** are typically setup for large projects where they help the project managers in collecting timesheets, collating status reports and financial data, tracking deliverables, coordinating issues and risks, the complexity of PMOs has already been documented through the description of the variety in both the forms and the functions of PMOs (Hobbs, 2007, Hobbs & Aubry, 2007).

**PMO** are generally setup at Program level where there are several projects running under a program. Program Management Offices support program managers, project managers and project teams. Typical responsibilities of the Program Management Offices include collating project related data from the project teams, ensure process adherence, collating project reports from project managers and creating reports for senior executives/project sponsors, identifying project dependencies and coordination between projects within the program. (Arvind Rathore).

**PMO** Portfolio Management Offices are generally setup at Department/Business unit level to ensure the Department/Business unit projects are aligned to overall enterprise business objectives. They facilitate business prioritization of projects. Benefit realization and value management also form part of Portfolio Management Office responsibilities. The Portfolio Management Offices support the portfolio leaders with portfolio management activities. Not everything is hunky-dory with the way the PMOs operate today. While the department level PMO and Portfolio Management Office operate at a tactical level at best, the Program Management Office and Project Management office often function at operational level. (Arvind Rathore). (PMI, 2019)

#### 2.2.2. PMO Value

Kendrick (2006) discusses the implementation of the PMO as one of the sources of processoriented control in an organization. He goes on to list three basic ways that the PMO office may function, depending on the needs of a particular organization: auditing, enabling or executing on the various project functions. Each function offers a different degree of command and control to the organization, in support of the desired governance foundation. (PMOs are of value because they "provide the structure needed to both standardize project management practices and to facilitate project management, as well as determine methodologies for repeatable processes (Santosus 2007- p. 2).



a recent survey conducted by analysts at CIO.com and the Project Management Institute in which 450 organizations were polled for their use of the PMO function. 67% of the respondents did use a PMO and half of those stated that their project success rates had improved. In the final analysis of the survey, the top two reasons reported for having a PMO were:

- (1) increased project success rates
- (2) the implementation of standardized practices (Misner, 2008)

Perhaps the biggest obstacle facing PMOs is not delivering results, but communicating them upward. Only 15 percent of project managers who report to vice presidents of IT believed their firm recognizes the PMO as delivering significant value, according to The State of the PMO in 2011.iv That number increases slightly, to 22 percent, when respondents report to a CIO. And nearly 70 percent of respondents to the Global State of the PMO Study who said that their PMO's value was questioned said that it was senior management who was skeptical. Those questions often are due to a lack of project management understanding in the upper ranks.

"Why do some organizations see the value of PMOs? This is directly related to the project management maturity of its leaders, not just the size of the organization. (Eric Morfin, PMP, senior director).

"I have worked with large companies with very immature leadership and smaller organizations with very mature leaders," Mr. Morfin says. "If the executive is not mature or familiar with PMOs, at least that person needs to be smart enough to hire the best PMO leader and let him or her establish the processes and culture to make a difference."

Executives must first establish the value of project management in delivering strategic results. With that foundation, they can then spread the word about why the organization needs a PMO. They should secure funding, get buy-in from different departments, and create a value proposition. "That will happen with the executive support," Raed Skaf, PMP, executive manager of PMO and budgeting at Mobily, Riyadh, Saudi Arabia.

Companies that have made the leap are reaping benefits. Organizations with a PMO report significantly more projects coming in on time, on budget and meeting intended goals and business intent compared to those without a PMO, according to PMI's 2011 Pulse of the Profession Survey: - (PMI, 2018)



#### The State of the PMO 2010 says PMOs help: -

- Reduce failed projects
- Deliver projects under budget
- Improve productivity
- Deliver projects ahead of schedule
- Increase cost savings

"Ultimately, the PMO needs to be the driving force shaping the organization's project management culture. It means that the PMO will often be suggesting changes to the overall organizational culture to ensure that the efficiencies keep being delivered. (PMI, 2018)

#### 2.2.3. PMO Types, Methodologies

-**Supportive PMOs** provide a consultative role to projects by supplying templates, best practices, training, access to information and lessons learned from other projects. This type of PMO serves as a project repository. The degree of control provided by the PMO is low.

-Controlling PMOs provide support and require compliance through various means. Compliance may involve adopting project management frameworks or methodologies, using specific templates, forms and tools, or conformance to governance. The degree of control provided by the PMO is moderate.

-Directive PMOs take control of the projects by directly managing the projects. The degree of control provided by the PMO is high. (PMI-PMPBOK)

#### 2.3. Contribution of Project Management Office to Organizational Performance

Quite often over the last decade, the observation has been made that organisations are facing a new context characterized by increased competition, increased rates of product, service and process innovation and an increasing emphasis on time to market. Organisations have responded to these challenges by developing new, more flexible organisational forms (Pettigrew, 2003) in which projects are both more numerous and more strategically important (Jamieson & Morris, 2004). As part of the response to these new challenges and as part of the movement to increase both the number and the strategic importance of projects many organisations have implemented a new organisational entity, the most common name for which is the PMO. The PMO has been addressed extensively in the professional literature (K. J. Crawford, 2002, Englund, Graham, & Dinsmore, 2003, Kendall & Rollins, 2003).



However, there has been very little theoretical or empirical research on the topic. Theorizing project management at the organisational level is also being pursued (see for example: Artto & Wikstrom, 2005, L. Crawford, 2006). However, an integrating link at the organisational level that would group all parts of project management as a true field of organisational management is still missing. We argue that the concept of organisational project management is the missing link (Aubry, Hobbs, & Thuillier, 2007).

The investigation of PMOs is proposed here as a starting point for the development of a theory of organisational project management. Organisation-wide project management activity can be more readily investigated in organisations with PMOs because project activity tends to be concentrated and more visible in these organisations. The complexity of PMOs has already been documented through the description of the variety in both the forms and the functions of PMOs (Hobbs, 2007, Hobbs & Aubry, 2007), so too are the specific organisational project management structures that encompass PMOs. In this perspective, the PMO could be seen as a socially-constructed entity that is part of a complex organisational system. Taking this approach will give a completely new vision of the PMO. Instead of having an ad hoc picture we will follow the evolution of this entity along with the evolution of its parent organisation from an historical co-evolutionary perspective. (Brian Hobbs, 2008)

Van de Ven (2007) proposes the concept of engaged scholarship defined "as a participative form of research for obtaining the different perspectives of key stakeholders (researchers, users, clients, sponsors, and practitioners) in studying complex problems". Inspired by Van de Ven (2007), the methodology proposed here brings together the different points of view of key people involved with PMOs. There is a combination of qualitative and quantitative instruments that permit to uncover some of the essential elements and properties of organisational project management. A true interplay between qualitative and quantitative methods is necessary for the emergence of dense, well-developed, integrated, and comprehensive theory (Strauss & Corbin, 1998, Van de Ven, 2007). Four organisations have participated in the research. All have high levels of product innovation. All have several thousand employees and have highly developed project management methods and practices. (Marzieh Babaeianpour, 2015)



They are from different economic sectors (financial services, telecommunications, and multimedia). The data collection covered the period from before the implementation of the first PMO to end of the study in 2006. It was important to cover a sufficient number of years for the history and the evolution of the PMOs to be revealed. The time period under investigation in each of the four organisations was respectively 12, 10, 8 and 4 years. Each organisation reconfigured its PMOs every two to four years. (Misner, 2008)

This result is in line with the survey results that showed that half of the 500 PMOs were less than two years old. (Hobbs, 2007, Hobbs & Aubry, 2007), The unit of analysis is the organisational transformation around an implementation or a reconfiguration of a PMO. The sample is made up of eleven organisational transformations: four cases of implementing first PMOs and seven cases of reconfiguring existing PMOs. The organisational transformations have been modelled using a framework based on conditions, action/interaction and consequences proposed by Strauss & Corbin (1998). (Brian Hobbs, 2008)

These three elements form a process that repeats itself, consequences becoming the conditions for the next iteration. In this approach, the PMO in one period is seen as a temporary state resulting from previous conditions and generating new consequences. This sequence constitutes the PMO structuring process.

The analysis presented here makes several contributions to the study of organisations and organisational project management. It confirms that the PMO is deeply embedded in its host organisation, and that the two co-evolve. The study also shows that organisational tensions are among the primary drivers behind the implementation and reconfiguration of PMOs.

The playing out of these tensions brings into focus the importance of organisational politics. The analysis shows that PMOs and more generally the structures put in place to manage multiple projects are part of a political system that plays an important role in organisations (Morgan, 1989). In the project management literature, power and politics are often treated with an instrumental approach through risk management and stakeholder management (Magenau & Pinto, 2004). The analysis here shows that power and politics should be examined at the organisational level and integrated into organisational project management. (Misner, 2008)



The PMO is an organisational innovation in the sense that it is a recent and important phenomenon. But if it is an innovation it is unstable and still evolving both in individual organisations and in the population of organisations as a whole. If the institutionalization process is at work, the results are not yet visible. Given the ever-changing nature of organisations, it may take considerable time before a discernable pattern emerges, if it emerges at all. (Marzieh Babaeianpour, 2015)

The PMO's contribution to the organisational performance can be seen as the result of multiple coexisting values within an organisation, as analyzed with the competing values framework. It can explain part of the internal tensions at play along the control and flexibility dimension or along the internal / external focus but at the same time, far from being problematic, these different values participate to the dynamic life of the organisation.

#### 2.3.1. PMO Liabilities

Project Management Institute suggests the range from project management support to the direct management of projects (PMI 2008). APM list the minimum functional of a PMO: administrative support and assistance to project managers, project information management. and assurance of project management processes (APM 2006). Governance and strategic management related liabilities (being mentioned in many literature sources and being an important part of a mature Project Management Office functional) were not included into the framework. This was in order to reduce the research complexity, considering that in the case organization projects are not the main part of the business delivery. (Whitty, 2016)

#### 2.3.2. Value of PMO

Hurt and Thomas (2009) state that effective PMOs can bring value to an organization by addressing specific problems of project management and, when those are resolved, hold value by changing its' goals and objectives, structures and processes. Certain elements should be in place, between them: a long-time idea, sentimental, Confidence, focused and quickly demonstrating value Project Management Office leadership, competent staff and a culture of discipline. Performance is often used as the ultimate dependent variable in the literature on companies. After checking of the contribution of PM to organizational performance and applied competing values framework to PM in order to define the organizational performance in the background of PM and its assessment criteria.



The Project Management Office is an organizational entity Implemented to assist project managers, teams and various management levels on strategic matters but, uncertainty level about its role, implementation, relevance and value for the host companies is still considerable. The present research aimed to identify if and how can PMO bring and hold value, highlighting the specifics of the engineering company. The case study procedure allowed collecting wide data taking into attention organizational environment and project environment, including flow of the events. The drivers of Project Management Office Implementation or re-thinking were found to be the intention to increase project management maturity, the expected value comprises such elements as increase of profits through improved project delivery, strengthening competitive advantage and finding new business opportunities, growing competencies of the Organization and developing personnel.

The methods of Project Management Office implementation were discussed about the type of projects, decision-making authority and Project Management Office personnel. The main ideas drawn from the investigation are assigning different liabilities and level of authority over different types of projects, location of Project Management Offices in the organizational units understanding a need for it, and keeping technology-oriented project managers within their home organizational units. Regarding Project Management Office liabilities, the analysis has demonstrated that project-related competence development and cross-project learning are a potential area of Project Management Office liabilities in all the three projects. The success factors of Project Management Office are addressing specific needs of the company, clear definition and communication of Project Management Office goals, aim, role, authority, and liabilities, gradual development, strong leadership, competent personnel experienced in project management office PMO.

#### 2.4. Literature Review Conclusion

PMO its impact on organizational performance or improving projects performance. and if the researchers 'omission of some of the main points was represented in some simple texts, as the researchers' omission of the importance of change management in shaping the culture of the employees to deal with Program Management Office PMO as a focal point, especially in the Arab countries, we do not have a culture that accepts information dependency or administrative entity within the organization is the main and pivotal carrier of the process of implementing and reviewing organizational strategies and how to train. The selection of individuals qualified to lead the entire Program Management Office PMO as experts is not limited to who will be the first leader of PMO. The administrative performance of PMO as a strategic tool, its effectiveness results from several factors, most important of which is the management and will for structural change of organizations and employees Where and the existence of qualified individuals for this type of managerial and strategic changes.





#### Figure 7

Strategic Management Process Source Strategic Management Theory and Practices by Thomas L. Wheelen

#### **<u>3- Methodology</u>**

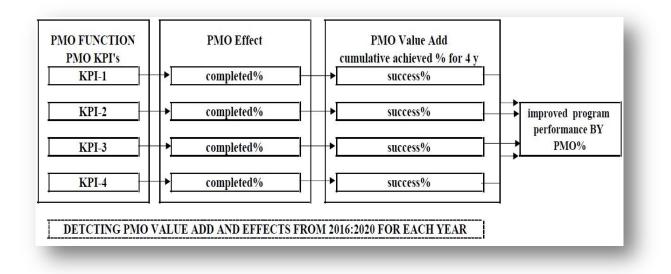
#### 3.1.3- Introduction

Researcher methodology for thesis as logic and academic requirements Whereas, the researcher relied on measurements and data related to the program (thesis study case) and related to the factors of the research study. Part of the program (thesis study case) was taken, which are the construction projects researcher will follow collecting and analysis data according to sectoral type as per strategic plan and CIP plan for those years by assuming related KPI's as it will be logic described during periods 4 years starting by year 2016-2017 as baseline and continue till 2019-2020 as time parameters for measurement and a percentage was taken is the strategic key performance indicators KPI's for measuring strategic level with considering contractual risk management to manage contracts related to projects as measurement key performance indicators on tactical and operational levels according to leadership levels. In the two governorates of the program, which will be evident through the scientific assumptions and overview of the component and structure of program, program management office, and the results achieved. till June 2020 by research assumptions incoming report where the researcher shows the program's maturity period and the development measurements and discuss measurements related to the program's data as a strategic tool by tracking strategic practices that were implemented by program management office PMO in logic description of study case program and points of measurements researcher include in thesis, because program included all types of investments. researcher take construction projects as main points for assumption and measurements with an overview on program structure, nature and strategic role also strategic role of program and PMO (PCO) on other sectors in development, program structure, type will be included in methodology chapter.



#### 3.1.1. <u>Researcher Measurements Methodology</u>

Researcher also program under implementation it take 1<sup>st</sup> half period of program four years for logic description of study case program and points of measurements researcher include in thesis program description, structure, financial allocation and strategic DLI's, because program included all types of investments researcher take construction projects as main points for assumption without neglect the strategic role of program and PMO (PCO) on other sectors in development, according to academic requirements discussion of program structure, type will be included in the end of methodology chapter.



#### Figure 8

Detecting model for PMO effect on ULEDP by researcher

#### 3.1.2. Thesis KPI's Detecting PMO Add-Value Model Definition, Discerption

Logic scientific definition for KPI's: term KPI could have been given from the outset, but this is not as easy a task as one might think, due to the fact that there are so many different variations of the definition of a KPI available in the literature written on this topic. As consultants, we generally prefer a more concrete, rather operational approach, of the different concepts, KPIs they ought to be practical tools rather than discursive ones.



A KPI is a measurement which evaluates how a company executes its strategic vision. The term strategic vision refers to how an interactive1 strategy is integrated into a company's strategy as a whole. It is important that everyone involved in the company strategy agrees on what the strategy represents and how its variations are interpreted.

A KPI, or group of KPIs to be more exact (since a KPI rarely exists alone), form a type of language which can be used, not only to measure the effectiveness of Web projects, but also to state their chances of success. A KPI is a fundamental characteristic, and without any agreement on their meaning, would become a source of chaos rather than a source of focused action. (united nations, 2017)

**Detecting model** for achieved percentage and add value, effects for UELDP by PMO(PCO) for study periods from 2016 till 2020 for each year will be according to **figure no3**. model for detecting PMO effects on UELDP program KPI's definition **as table no2,3**.

Evaluation period	Completed projects %	Finance disbursement %	Variations of projects%	Achieved targeted beneficiaries%
FY	KPI 1	KPI 2	KPI 3	KPI 4
2016-2017	Year Will Not Be Included in Measurements and Will Be Consider as Baseline for Measuring Percentage of Improvements Achieved By PMO			
2017-2018				
2018-2019				
2019-2020				

Table 4

**KPI's types and measurements periods** 



KPI NO.	KPI	Definition		
KPI-1	Completed projects %	Researcher Take Total Planned Projects Number Per Year - Compared to Actual Completed Number of Projects According to Capital Investment Plan (Loan Contribution, Local Contribution) As Per Equation for Completed Projects% $CP\% = \left(\frac{SUM.of\ C.P}{SUM\ of\ P.P}^2\right)$		
KPI-2	Financial Disbursemen t %	Researcher Take Total Planned Projects disbursement value Per Year - Compared to Total actual disbursement Value According to Capital Investment Plan (Loan Contribution, Local Contribution) As Per Equation for Financial Disbursement % $FD\% = (\frac{SUM A. V Disbursed}{SUM P. V Disbursed}^3)$		
KPI-3	Variation in contracts %	Researcher Take of total estimated contracts in each governorate Per Year - Compared to actual contracts projects value at year of 16-17 As Per Equation for Variations <b>in contracts values %</b> $VC\% = (\frac{SUM C. V Projects FY}{SUM p. v Projects FY}^{4})$		
KPI-4	Achieved targeted Beneficiaries %	Researcher Take Actual Number of benefited citizens form projects Per Year - Compared to Total Number of forecasted Beneficiaries as per Capital Investment Plan (Loan Contribution, Local Contribution) As Per Equation for Variations Projects% $TB\% = \frac{SUM A. B}{SUM P. B}^{5}$		
IMPROVED PROGRAM % BY PMO	Add-Value IP%	Researcher Will Compare Each KPI Achieved Value Per Year to Baseline Value Data for Year 2016-2017 And Upon Value Results Will Be Illustrated, findings Will Included as per equation IP% = (KPI'S(1  OR  2  OR  3  OR  4) - (BaselineKPI)/(BaselineKPI)		

Table 5

Logic description for measurements equation by researcher

 <sup>&</sup>lt;sup>2</sup> C.P total no. of Completed Projects – P.P total of Planned Projects
 <sup>3</sup> A.V Actual disbursed Value -P. V Planned Disbursed Value
 <sup>4</sup> C.V actual completed contracts value – P.V planned contracts Value
 <sup>5</sup> A.B actual no. of beneficiaries – P.B planned beneficiaries



#### 3.4. Data

researcher assume inefficiency of PMO role on tactical level of UELDP leadership and by using data to describe impact of delaying in establishing PMO as tool on program, projects management performance regarding thesis measurements by KPI's as it will Statics for the project's component regarding time line figure below

Evaluation	Completed	Finance	Variations of	Achieved targeted
period	projects %	disbursement %	projects%	beneficiaries%
FY	KPI-1	KPI-2	KPI-3	KPI-4
2016-2017	100.00%	100.00%	100.00%	100%
2017-2018	84.94%	85.00%	75.00%	108.00%
2018-2019	89.91%	90.00%	80.00%	117.00%
2019-2020	92.96%	93.00%	90.00%	120.00%

Table 6

		Researcher Will Compare Each KPI Achieved Value Per Year to
IMPROVED	Add-	Baseline Value Data for Year 2016-2017 And Upon Value
PROGRAM	Value	Results Will Be Illustrated, findings Will Included as per
% BY PMO	IP%	equation
		<i>IP</i> % = (KPI'S(1 OR 2 OR 3 <i>OR</i> 4) – (BaselineKPI)/(BaselineKPI)

FY	KPI-1	KPI-2	KPI-3	KPI-4	IP
2016-2017	0.00%	0.00%	0.00%	0.00%	0.00%
2017-2018	84.94%	85.00%	75.00%	108.00%	88.23%
2018-2019	89.91%	90.00%	80.00%	117.00%	94.23%
2019-2020	92.96%	93.00%	90.00%	120.00%	98.99%
<b>Ip For Total Program Periods</b>			70.36%		

Table 7



#### 3.4.1. Findings discussion

The results of the second assumption of indicators are expressive of what has been included in the timeline of the program and the correct handling of the strategic steps since preparing the vision and through the formation of the administrative structure of the program management office and the preparation of plans and selection of experiences that cover all requirements, the formation of the administrative structure of the executive units with the development of plans Under implementation and as there is a good preparation period for building expertise that can be relied upon at the operational level and preparing an operational guide, the result is an improvement in the performance of the program and the project by 70.36% during the three years. For the fiscal years from 2017 to 2020, which will have explained in detail role of program management office to improve project performance and link the leadership levels of the program from the top of the leadership pyramid, represented by the strategic level to the operational level and maximizing the required developmental benefit as its data have been included in Table No. 19: -

For the fiscal year 2016-2017, indicator IP achieved 0.00%, to be approved as a basic measurement line with the investment plan for the two governorates in effect.

**Fiscal year 2017-2018,** indicator **IP achieved 88.23%,** as the formation of the program management office began, as well as the existence of cash transfers related to the loan component with the development of procedural guidelines for implementation and the establishment of the governance required to operate the program.

**Fiscal year 2018-2019** indicator **IP achieved 94.23%** as the fiscal year 18-19 is the beginning of the transformation in the course of administrative improvement of the program. In the previous year, the strategic plans, the operational guide for the program, the formation of the program management office with the appropriate structure of experts and the validity of plans for training Workers in various agencies with the implementation and follow-up of projects.

Fiscal year 2019-2020, indicator IP achieved 98.99% despite a slight improvement in the rate of positive impact of the Program Management Office through its performance as a strategic tool at the tactical level and the link between the strategic and operational levels.



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However, this indicator clearly shows the progressive performance and the effective impact of the PMO and how to establish the evaluation and control system at the tactical and operational levels by activating sectoral performance indicators for the operational level allows shareholders to measure the performance development of the program and projects.

#### **4-** Recommendations and Conclusions

Researcher in this thesis, and through the previous chapters, is attempting to demonstrate the impact and importance of the program management office's interaction with leadership levels, role of the project management office (PMO) in organizations continues to be a topic of great interest to project management practitioners. as organizations mature their project, program, and portfolio management practices to better align work with strategic goals, to support effective stakeholder communication and collaboration, to develop talent, and to place a focus on realizing value from organizational investments through effective benefits realization management.

PMO has many potential roles to play as a contributor to advancing these important topics. yet, for many organizations a struggle exists to define the PMO role, to position the PMO for long-term success, and to leverage the PMO to support achievement of the organization's strategic objectives. while no two PMO are created equal

Role of the PMO is expanding in many organizations and that for many others there is a strong desire to expand the PMO role to be much more strategically focused through expanded scope of responsibility and partnering with business leaders to advance important organizational objectives and improve program management performance, as well as project management, assistance and guidance on performance that achieves the strategic vision of organizations as it was evident through the results of the questionnaire despite the fact that the questionnaire sample was of those working at leadership levels at the public and private sector levels, however, the percentage of those who have a rejection and lack of clarity of vision towards the strategic leadership performance of the organization and also the role of program management office ,the reasons for the success of projects and the chain of command , leadership levels of organization came by 40% of the respondents to the questionnaire, which is a very large percentage given according to the type of respondents , researcher whether he expanded the questionnaire in the administrative levels and sectors, it was expected that the percentage of respondents due to their lack of knowledge of the leadership levels and the strategic vision of the organizations, it is evident that it is not less than 60 to 80%, which clearly demonstrates the weakness of the culture of strategic concept or management principles, the strategy and its priorities or the tools used to achieve the required logical strategic goals and achievements.



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Following recommendations in the logical and scientific considerations of the researcher are among the steps that are beginning towards establishing a culture of program management, as the value and importance of the program management office is found through organizations invest substantial resources, creative time, and energy into developing and designing the right strategy, only to see it unravel in the execution phase. on average, organizations fail to meet 20% of their strategic objectives because of poor implementation, and only 1 in 10 organizations can deliver all of their strategic initiatives successfully.<sup>6</sup>

**Researcher in literature review conclusion** discuss PMO's impact on organizational performance or improving projects performance. represented in some simple texts, as the researchers' omission of the importance of **change management** in shaping the culture of the employees to deal with Program Management Office PMO as a focal point, especially in the Arab countries, we do not have a culture that accepts information dependency or administrative entity within the organization is the main and pivotal carrier of the process of implementing and reviewing organizational strategies and how to train. The selection of individuals qualified to lead the entire Program Management Office PMO as experts is not limited to who will be the first leader of PMO. The administrative performance of PMO as a strategic tool, its effectiveness results from several factors, most important of which is the management and will for structural change of organizations and employees Where and the existence of qualified individuals for this type of managerial and strategic changes.

Researcher through next conclusions tray to setup and establish methodology not for PMO but to connect BMO business management office with program management office, basic features that researcher relied on it in establishing and formulating the program management office as a strategic tool that affects in form and object the performance of programs and projects

Regarding thesis study case conducted in Arab republic of Egypt, because of the economic challenges and economic sustainable development that are parallel to what is being done in the first world countries, the establishment of the strategic vision faces what it is called resistance to change management, which is the result of the cultural and intellectual basis of some leadership levels that most organizations witness and their percentage increases in the public sector (Public sector). (Ghanem, 2014)

<sup>&</sup>lt;sup>6</sup> Survey by The Brightline<sup>™</sup> Initiative.



as one of the most important pillars of the success of strategic application of corporate leadership depends on the support of senior management to implement targets through moral support and interacting with necessary changes in persuading stakeholders at all administrative levels or the beneficiaries of the importance of the strategic role of program tool office and the researcher logic found that the establishment of the program management office through a role and responsibilities are similar in nature to the organizational performance of all types of organizations and differ in the manner of their **implementation according to the type of sector addressed below:** -

SECTOR	% of change management resistance	% need to applicating successful PMO-BMO in Egypt / sector	Definition
Public sector	80%	100%	it is one of the challenges in the way of forming an effective program management office within all the concerned authorities, when establishing a program management office with what constitutes a large proportion of the government sector in Egypt, responsible and influential on it,
Private sector	50%	100%	adoption of the strategic leadership in most of organizations is principle of profitability, bringing in expertise presence of a special regulation that makes resistance to change less than that of the public sector, leadership support for the idea of the program management office increasing the chances of successful implementation and formation of the PMO as a strategic tool and its status as a governance priority within the organization.
Development sector (NGOs)	40%	100%	adopting the strategic leadership for the idea of maximizing service benefit and engaging civil society from those concerned or beneficiaries in the governance of the rules of non-governmental



organizations and maleas resistance to shance
organizations and makes resistance to change
less than that of the government and private
sector and the presence of non-governmental
organizations globally increases the leadership
support for the idea of the PMO and increases
the chances of success the implementation and
formation of the program management office as
a strategic tool, and setting it among the
priorities of governance within the
organizations. the sectors agree, as stated by the
researcher

Table 8 (Hassan, 2020)

#### PMO types comply with sectors criteria in Egypt

Logic researcher findings and results regarding thesis conclusion, through questionnaire and Egyptian locale market thesis applied area that 2nd type will be aligning with public sector where's 3rd type will be aligned with private and NGO's sectors.

Sector	PMO TYPE
Public sector	2 <sup>nd</sup> controlling PMO's
Private sector	3 <sup>rd</sup> directive PMO's

Table 9

# what's the main tasks description of PMO to be effective in any type of Organizations or program?

No.	Main tasks description
1	Governance and standardization of organization strategic vision
2	Strategic vision alignment through organizational leadership levels
3	Formulation and updating strategic plans
4	Resource management
5	Mentioning and coaching
6	Tracking, auditing and reporting to strategic level
7	Demand and value management

Table 10

#### Main tasks of effective PMO by researcher (Hassan, 2020)



Researcher findings to processing for establishing concept, methodology, culture and activating effective practicing strategic tool program management office PMO: -

[1] <u>selecting appropriate team with a variety of experiences between academic and</u> <u>scientific experiences to lay down the general framework for how to establish the</u> <u>administrative and organizational form of the program management office in terms</u> <u>of</u>

- I. merging departments by auditing restructuring OBS organizational breakdown structure level of leadership.
- II. transferring some powers to the program management office
- III. grafting the program management office with local expertise within the organization to achieve an appropriate communication frequency.
- IV. Defining authorities and communications frequencies.

## [2] <u>Addressing, training the three leadership levels (strategic - tactical - executive) in</u> <u>both</u>

- I. from the top of the leadership pyramid and parallel to the base of the leadership pyramid to establish a culture of strategic concepts and strategic tools to achieve vision, goals and strategic plans
- II. establishing role of the program management office while providing the necessary support from strategic leadership level, which in its role leads to a very large weakening of gaps result from resistance to change management.
- [3] <u>setting the administrative framework and governance of the program management</u> <u>office, including roles, responsibilities, tasks and communications frequency</u> <u>according to the required quality, which the researcher believes is through the</u> <u>classification of the three-program management office, as classifications of PMO 's as</u>
  - I. 1<sup>st</sup> supportive PMO's provide a consultative role to projects by supplying templates, best practices, training, access to information and lessons learned from other projects. this type of PMO serves as a project repository. the degree of control provided by the PMO is low.



- II. 2<sup>nd</sup> controlling PMO's provide support and require compliance through various means. compliance may involve adopting project management frameworks or methodologies, using specific templates, forms and tools, or conformance to governance. the degree of control provided by the PMO is moderate.
- III. 3<sup>rd</sup> directive PMO's take control of the projects by directly managing the projects.
  the degree of control provided by the PMO is high. PMI-PMPBOK).

#### [4] work is done through the program management office to

 I. design the required forms for all types of operations on which the program management office is based (cost management - quality - time - communications performance measurement- auditing – financial etc..).

### [5] <u>ensuring that the operational level overlaps to assess the current situation of the</u> <u>organization and measure gaps within</u>

I.strategic vision, strategic plans and performance monitoring and evaluation system with 3 levels of KPI's (strategic – tactical – operational) and if its required sub indicators.

II.communications frequency within the organization

- III.progress and achievements made on (short medium long term).
- IV.Measuring progress and achieved targets on timely basis with plans developed to indicate gaps and updating, modifying plans
- V.Developing operational plan, the strategic vision of the organizations and the measurement will be set periodically to work on updating the strategic plan with the market situation.
- VI.program management office permanently measures interaction between leadership levels
- VII.program management office, measuring and monitoring executive performance in parallel through performance measurement indicators.



## [6] <u>developing required training and capacity building plan after analyzing knowledge</u> and practical gaps to raise the efficiency of workers

- I. permanent updating of modern management methods.
- II. activating the selection of competencies and motivating them to spread the required effect at the operational level.
- III. conducting appropriate measures to show the extent impact of training plan developed periodically to verify its effectiveness.

#### [7] program management office develops operational management plans

- I. risk management plan
- II. costs management plan
- III. quality management plan
- IV. permanent measurement in parallel to the ratios of the achieved organizational goals.
- V. Stakeholders management plan is to ensure the participation of stakeholders and representatives of the beneficiaries in reviewing the results and stating the updating of the strategic objectives.

## [8] <u>Developing plans to insuring effective and updating performance of program</u> <u>management office</u>

- I. developing performance indicators and measuring them internally every year, at least one number / one year
- II. using the available organizational tools, and an evaluation is carried out as a minimum every two years.
- III. measuring gaps to improve the organizational and executive performance of the PMO as one of the strategic organizational tools.

Researcher logic finding by follow above methodology percentage of establishing PMO as strategic tool, practice will improve organizations leading for programs and projects and while establishing sustainable development with PMO concepts of continuous improvement <u>P</u>lan <u>D</u>o <u>Check</u> <u>A</u>ct to be followed and to be main factor in strategic vision and parallel to applications of strategic practices by all of stakeholders involved in any of sectors or organizations



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