Project Management Technology Quotient (PMTQ) status in the Middle East 2019

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Executive
Summary

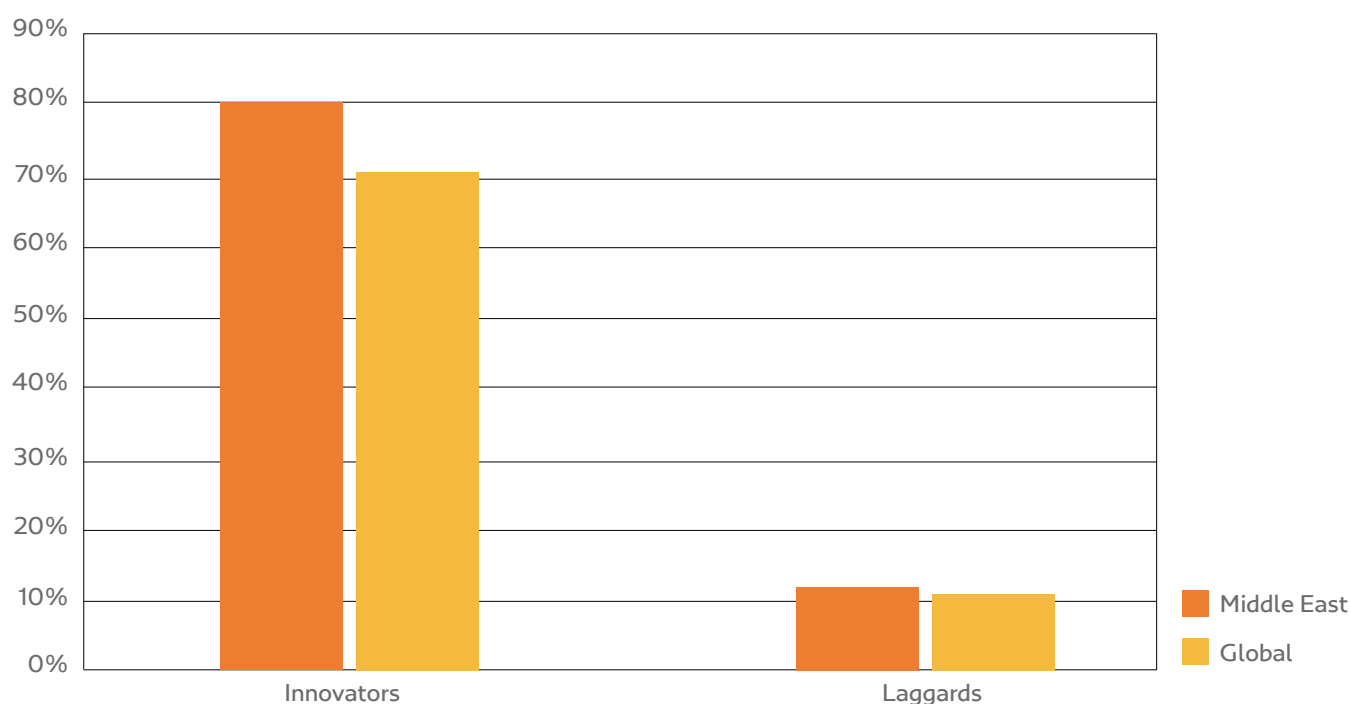In a world dominated by technology and internet of things (IoT), it is important to understand how project management and technology interact. Different technologies are continuously entering the market, disrupting current processes to drive new outcomes and better ways of delivery. In this new era, digital transformation has become a significant part of an organization's effort to achieve more value by increasing performance and agility to reach a competitive position.

Technology Quotient (TQ) is defined as one's ability to adapt, manage and integrate technology based on the needs of the organization or the project at hand. Project Management Technology Quotient PMTQ refers to TQ combined with Project Management (PMI's Pulse of the Profession 2019). This report highlights The PMTQ status in the Middle East from different perspectives.

In the past few decades, the Middle East has been a fertile field for complex and iconic projects. Various organizations have utilized different approaches to deliver those projects, from traditional to agile and hybrid approaches. In addition, innovative technologies have been a game-changer in project delivery. This report highlights the relation between PMTQ and different project management approaches. The report also compares the practices of PMTQ innovators and laggards in different areas of project management practices, results, and success measures. In addition, the report will discuss existing, required, and future skills for managing projects.

44% of Middle East participants showed a higher interest in investing in technology for project success compared to 39% in the global results. Also, the Middle East PMTQ innovators showed significant interest (80%) compared to Middle East PMTA laggards (14%).
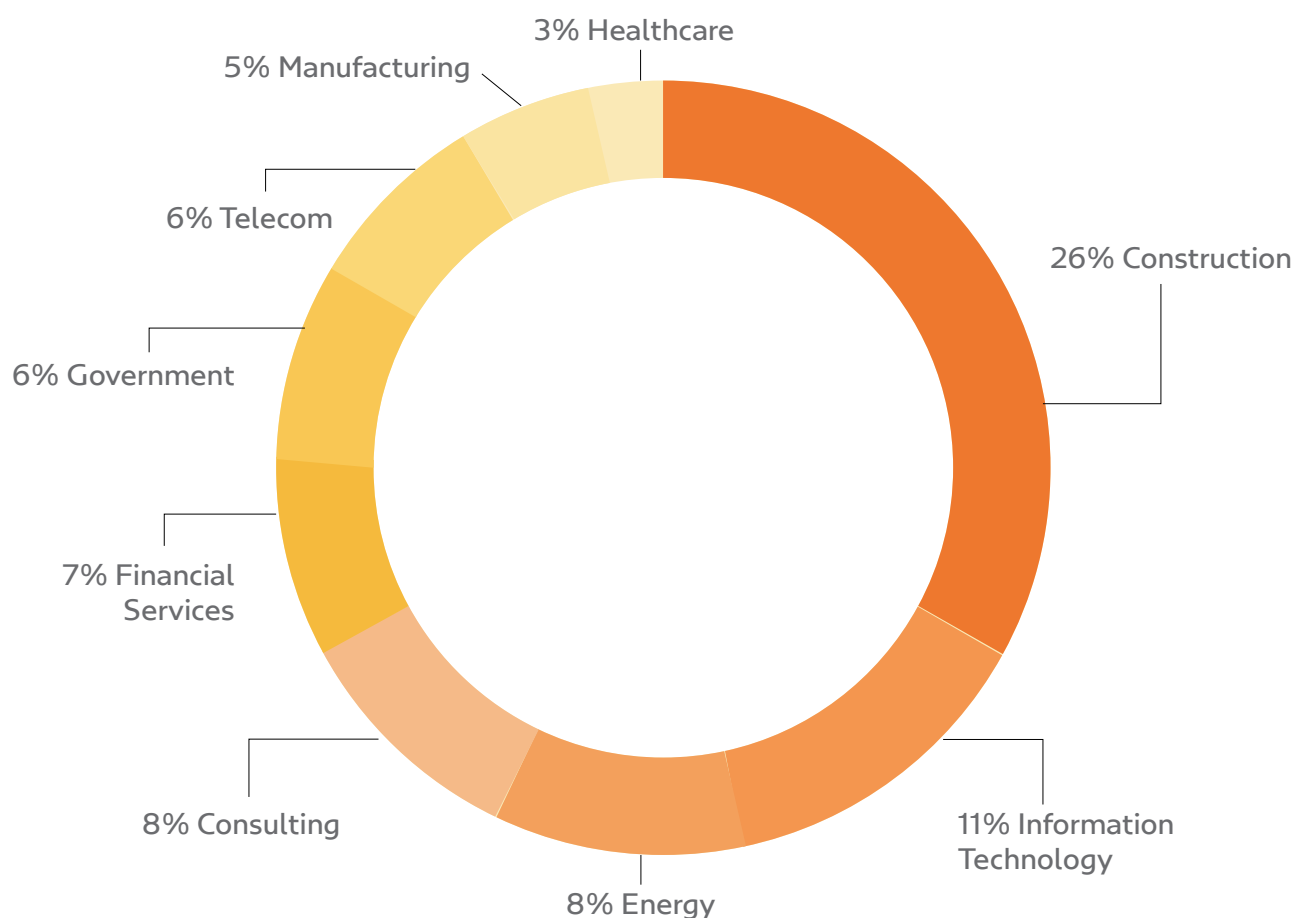

Priority Given for Investing in Technology-PMTQ Innovators vs Laggards.

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About the Survey

This report was prepared based on an online survey conducted by PMI in April and early May 2019 with the participation of 3133 professionals worldwide. The survey included multinational participants from different regions (North America, Europe, Asian Pacific, Latin America and the Middle East) who shared their experience with regards to project management practices in their organizations. The study sample included 265 participants from the Middle East.

Participants fall into the following categories:

- 24.5% of participants represent organizations with annual revenue exceeding $1 billion.

- 66% of participants are project management practitioner and PMI certified.

- 48% of participants are involved in project management office operations.

- In the Middle East, the construction industry was dominant in the study, representing 26% of participants, followed by IT (11%) and energy and consulting (8%).

3% Healthcare
5% Manufacturing
6% Telecom
6% Government
7% Financial Services
8% Consulting
8% Energy
11% Information Technology
26% Construction

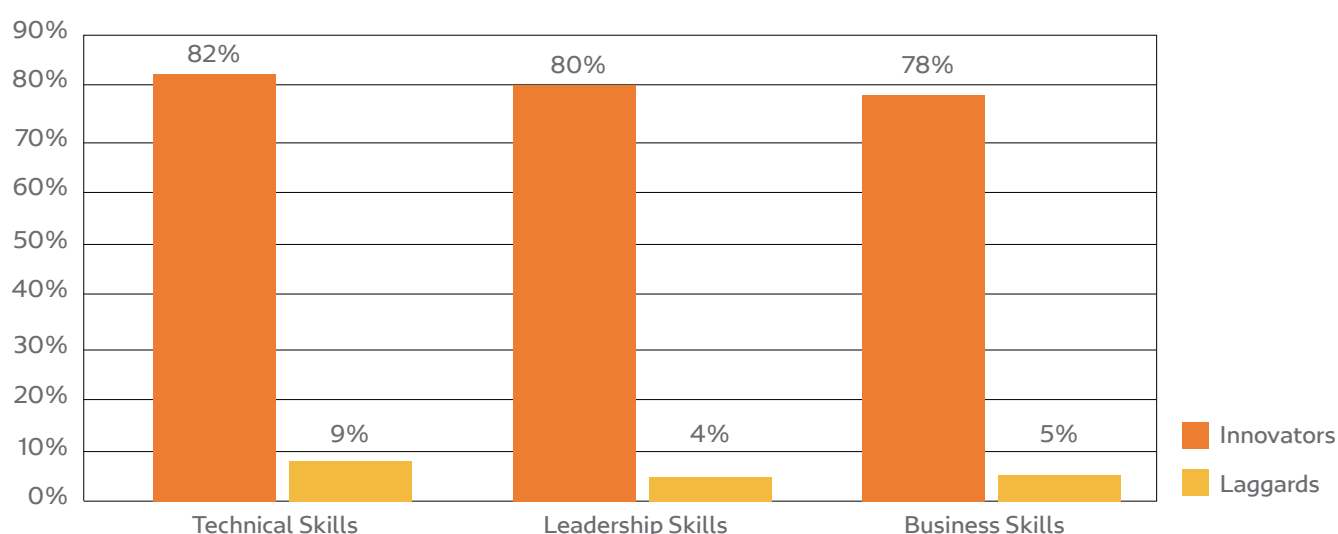Middle East Survey Participants Industry Share.

The PMTQ Innovators Skill Set

The current changing project environment requires that organizations expand the normal toolkit of project skills to be equipped and ready to respond to future changes and to take the organization to the next level. In addition to known components of the talent triangle – technical, business, and leadership skills – organizations should give priority to building technology-related skills, and investing in employing new technologies.

By analyzing the correlation between various types of skills in the survey results, the following is noted:

- A high correlation between the PMI's talent triangle components. Organizations are now aware and considering the full set of talent triangle components when planning the priorities for talent development.

- A high correlation was recorded between the priority given to the development of digital skills for managing projects, and the priority given to the talent triangle components.

- Priority given to the development of the necessary digital skills for the management of projects was also strongly associated with giving high priority to investing in technology to enable project success.

Technical management skills are crucial to plan and control project work. 82% of PMTQ innovators in the Middle East confirmed that development of talent with the necessary technical skills is a high priority for the organization compared to 9% only in case of laggards.
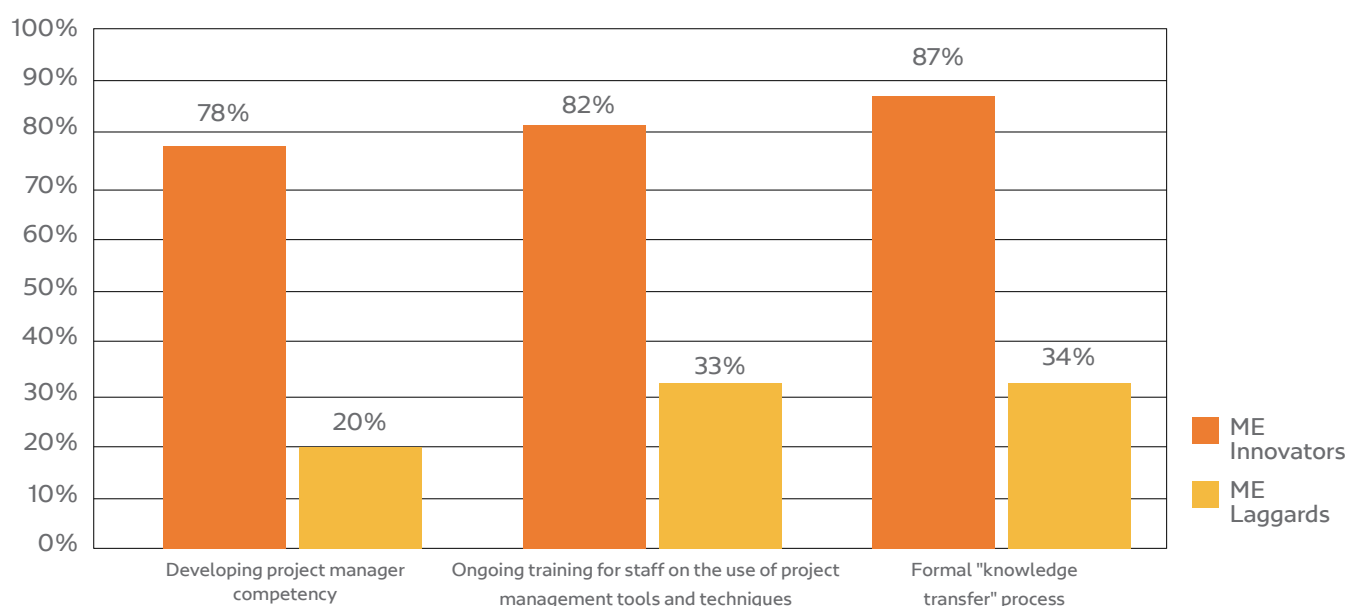
Priority Given to Developing Talent with the Necessary Technical Skills by PMTQ Innovators vs Laggards.

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Leadership skills help to inspire and motivate the team to work together toward organizational objectives. The survey results show that 52% of Middle East participants see leadership skills as one of the most in-demand skills, and 53% see that it will still be one of the most in-demand skills in the coming 5 years. Also, 80% of Middle East innovator participants give high priority to developing talents with leadership skills compared to only 4% laggard organizations. Business skills are still one of the major talent requirements to link the project with the organization and its culture, systems and governance requirements, and to provide the appropriate decision support within the organizational context. 78% of Middle East innovators give high priority to the development of business skills to manage the projects.

Organizations invest in their resources to create better opportunities in the market. Moreover, developing resources is a success ticket for project delivery. However, some skills are more in-demand than others. Risk management and Supply change management skills are more in demand in the Middle East compared to global results, while skills related to expertise across the value delivery landscape (agile, hybrid, waterfall, etc.) are slightly less in demand in the Middle East compared to global results. PMTQ Middle East innovators also showed more demand for supply chain management, risk management, and financial management skills, while PMTQ Middle East laggards showed more demand for developing business and market knowledge skills, and skills related to expertise across the value delivery landscape (agile, hybrid, waterfall, etc.).

The Skill gap analysis showed that unexpectedly, the demand for both data science and design thinking skills is not high, even though there should be high demand for both on the organization and individual levels to allow more creativity, innovation, and informed decision support. PMTQ Middle East innovators had a greater demand for data science skills (18%) compared to laggards (9%).

ME PMTQ innovators focus on training and knowledge sharing. Most Middle East PMTQ innovators (78%) currently have a formal process for developing project managers' competencies, compared to 20% only for laggards. 82% of innovators are providing ongoing training on the use of project management tools and techniques compared to 33% only for laggards, and 87% of innovators confirmed having a formal process for knowledge transfer compared to 34% only for laggards.
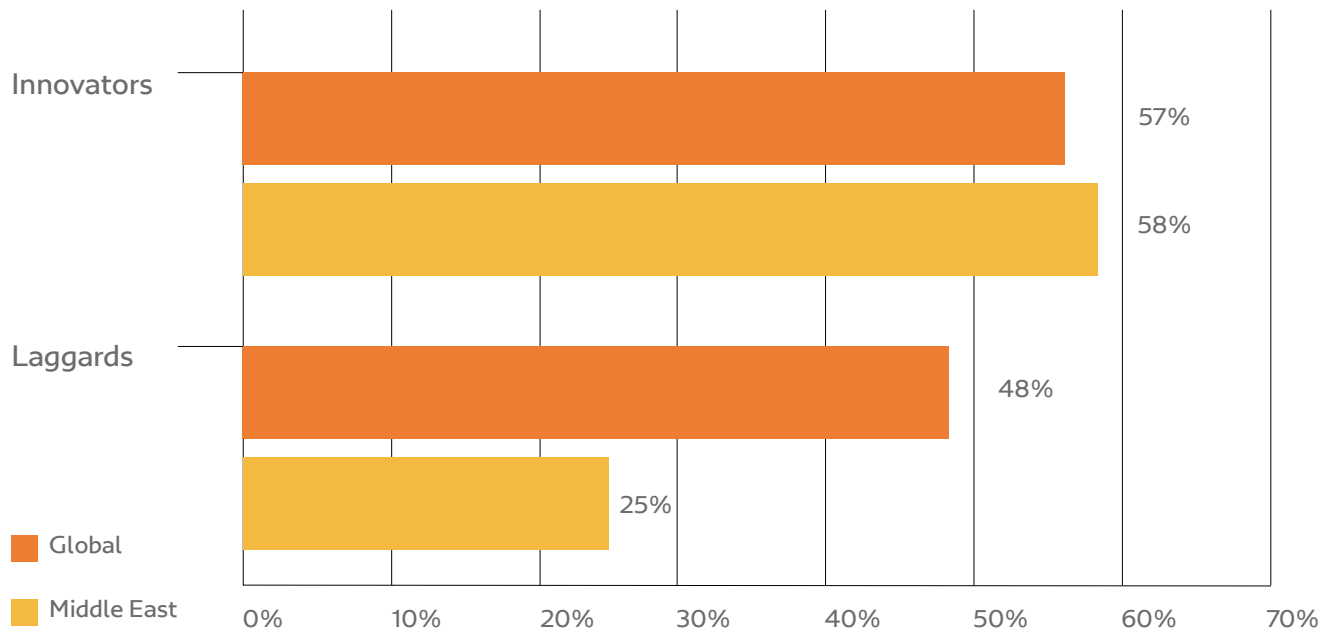

Innovators Vs Laggards Competencies, Training, and knowledge Transfer.

A Look into the Future: The Top Five skills required in the coming five years in the Middle East are leadership skills, strategic planning skills, risk management skills, budget management/financial planning skills, and change management skills. On the global level leadership skills, strategic planning skills, and risk management skills are part of the top five, followed by business/market knowledge skills, and expertise across the value delivery landscape (agile, hybrid, waterfall, etc.).

Are PMTQ Innovators Also Agile?

Agile practices increase stakeholder's satisfaction, earlier benefits realization, and ensure early and continuous engagement of stakeholders in project delivery. Agility and technology transformation work together successfully. Success in building digital capabilities and applying new technologies is a transformation effort that requires a considerable amount of agility.

Agile frameworks and methodologies are required to support seamless transformation for organizations. Participants of 45% of organizations in the Middle East confirmed that they use an agile approach, compared to 55% globally.

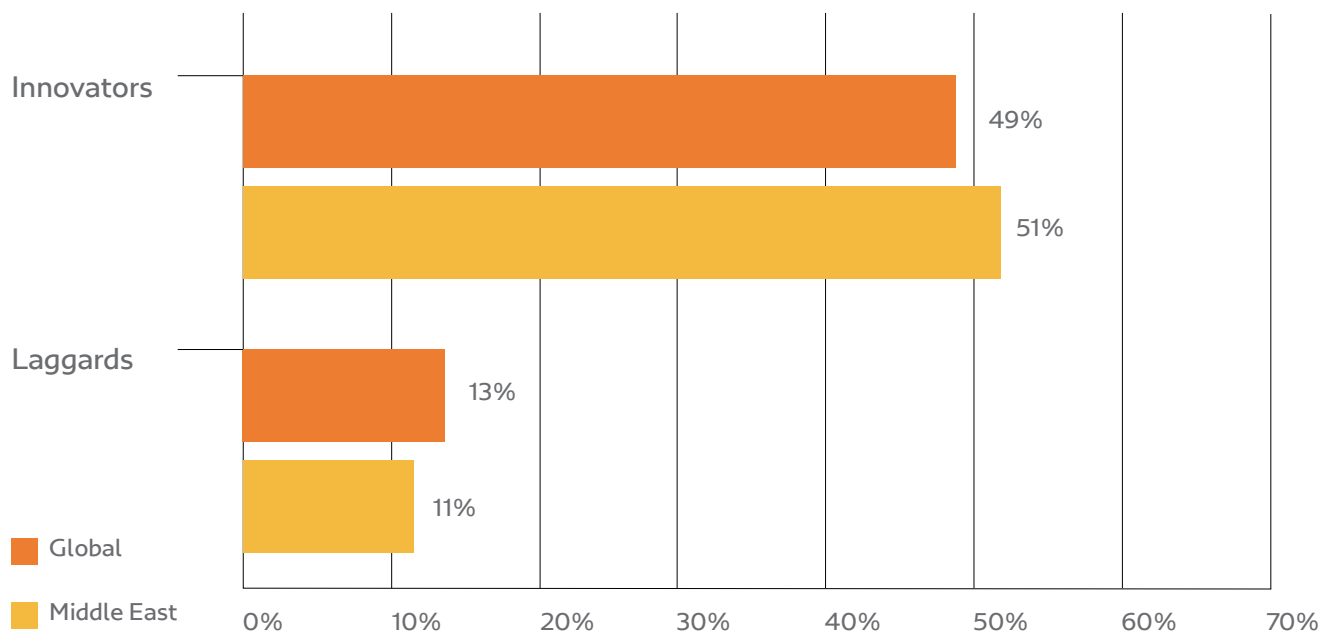Innovators are usually supportive of the adoption of agile approaches in technology projects; agility is a key problem solver for complex projects where the scope of work is not clearly defined, beneficial changes are welcomed, and delivery priorities can be altered. Focusing on Middle East organizations, 58% of PMTQ innovators use agility as means of technology adoption, compared to 25% of laggards.

Use of Agile Approach– Innovators Vs Laggards.

Agility allows organizations to become more adaptive to market changes and generate increased customer satisfaction; it also enables faster decision-making and optimized delivery scenarios. Organizational agility creates a suitable environment for technology to integrate with its operations, structure, roles and responsibilities; this optimizes benefits from innovation and creativity. 30% of Middle East participants confirmed that their organizations could be characterized as highly agile organizations, compared to 28% globally.

Organizational agility transforms the impact of technologies from a potential threat to an opportunity to penetrate the market. As a result, 51% of Middle East PMTQ innovative organizations find it an attractive field to invest in, compared to 11% only for laggards.

Innovators — Global 49%, Middle East 51%
Laggards — Global 13%, Middle East 11%

Global
Middle East

0% 10% 20% 30% 40% 50% 60% 70%

Organizational Agility – Innovators and Laggards.

Various adaptive live cycle approaches are commonly used in the Middle East. The study shows that 33% of organizations in the Middle East always or often use agile/incremental/iterative project management practices, while 34% confirmed that they sometimes use those practices. PMTQ innovators showed a higher level of adoption with 54% always or often using agile/ incremental/ iterative project management practices, and 28% sometimes using these practices.
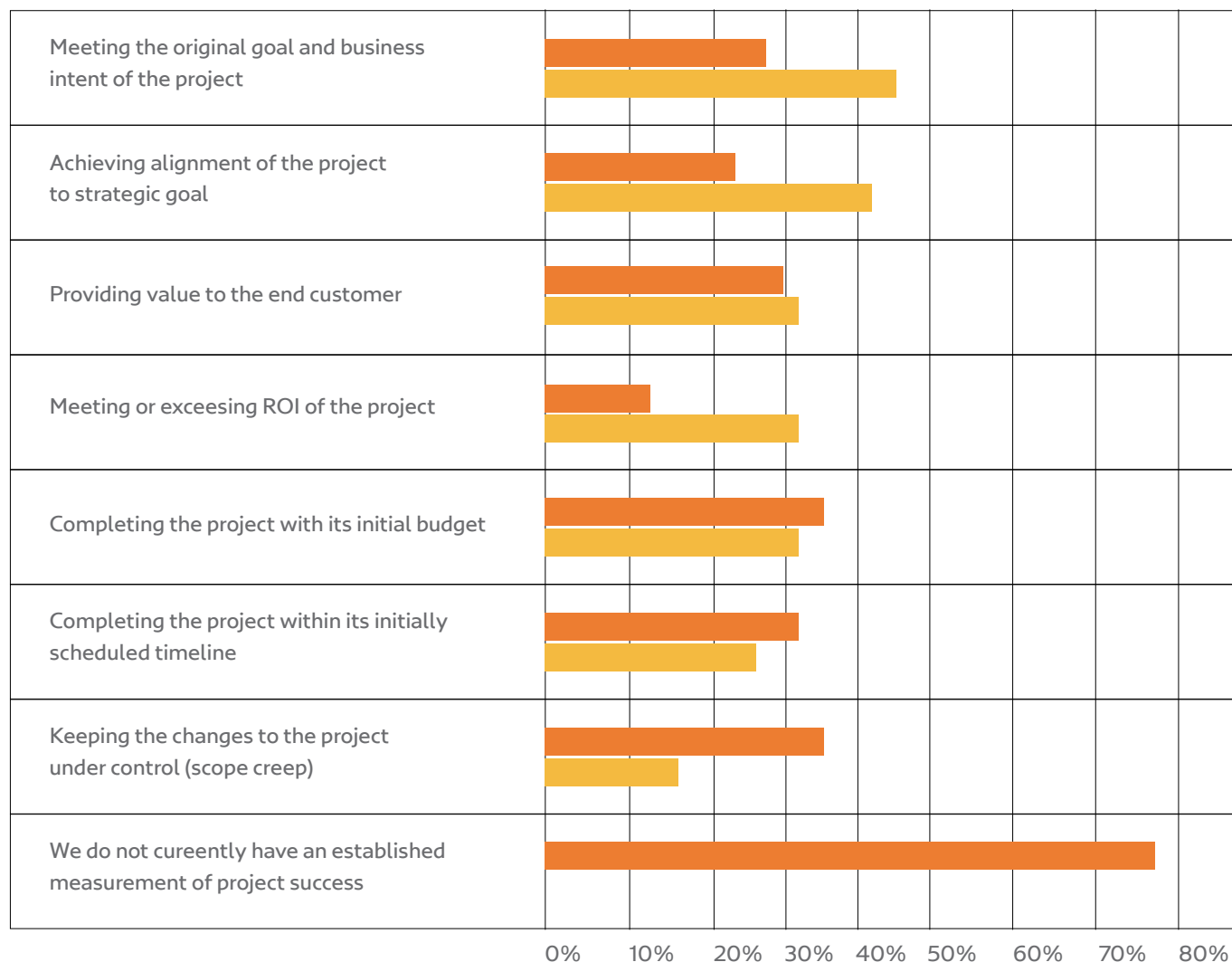
A Look into the future: The most expected changes are: more involvement with stakeholders, closer alignment with strategic initiatives, expanded definition and scope of "project management", increased use of innovative and/or new tools, increased use of change management, increased demand for innovation, and increased use of other approaches, such as agile. Reduced demand for traditional project management and less reliance on traditional project management standards is much less expected (23%, 13%) respectively.

In the next 5 years, PMTQ innovators showed a greater tendency towards both agility (58%) and innovation (62%) compared to laggards (25%, 38%).
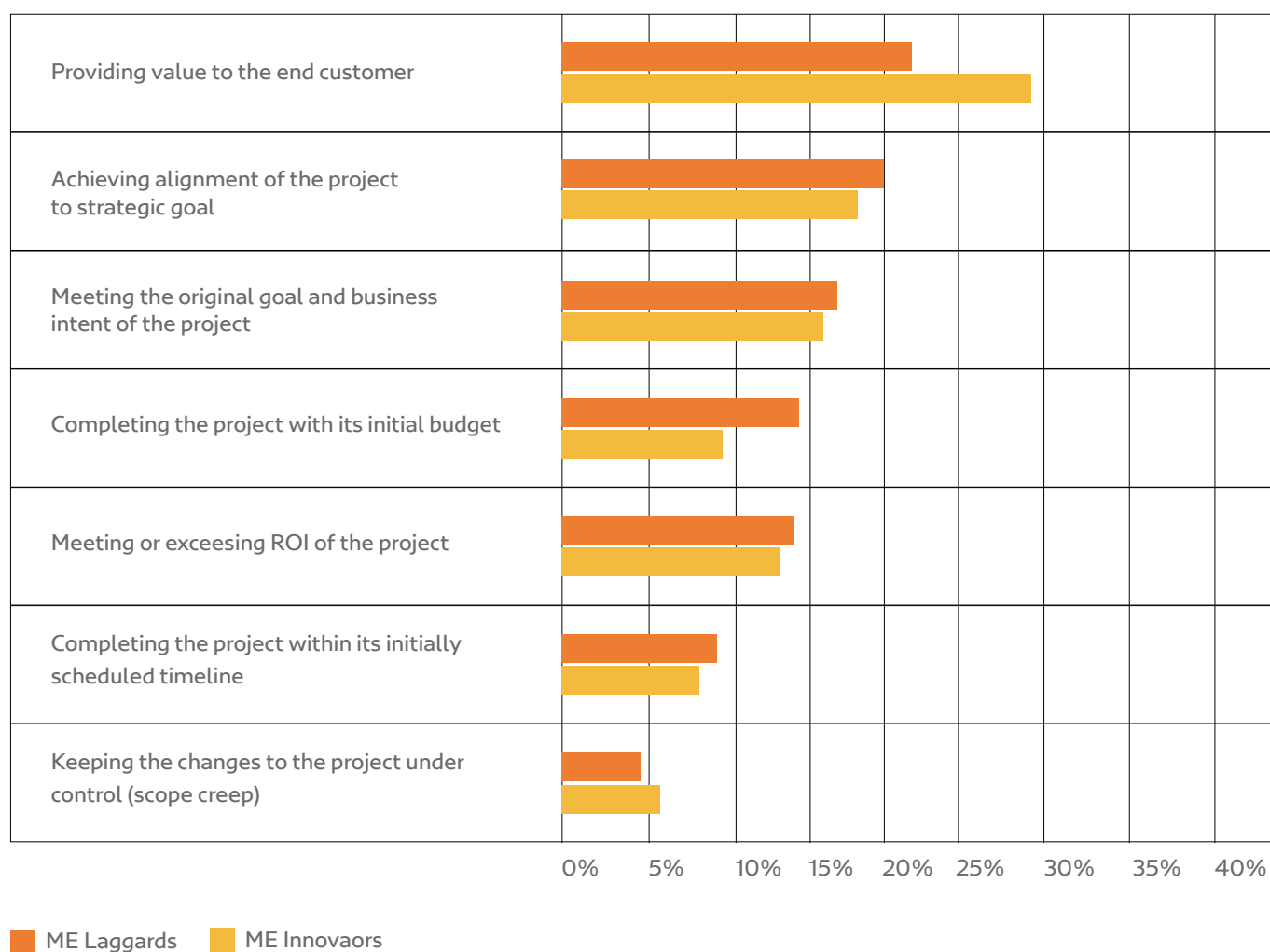
How Do PMTQ Innovators Measure Success?

The top three measures for project success in the Middle East were meeting the original goals and business intent of the project, providing value to the end customer, and completing the project within its initial budget.

PMTQ innovators in the Middle East focused more on alignment with strategy, business goals, and return on investment (ROI) compared to laggards, who focused more on the triple constraints: completing the project on time, on budget, and keeping changes to the project under control. However, 78% of PMTQ laggards in the Middle East do not currently have an established measurement of project success.

	ME Laggards	ME Innovaors
Meeting the original goal and business intent of the project	~24%	~42%
Achieving alignment of the project to strategic goal	~20%	~39%
Providing value to the end customer	~27%	~29%
Meeting or exceesing ROI of the project	~11%	~29%
Completing the project with its initial budget	~33%	~29%
Completing the project within its initially scheduled timeline	~29%	~23%
Keeping the changes to the project under control (scope creep)	~33%	~13%
We do not cureently have an established measurement of project success	~75%	

Legend: ME Laggards, ME Innovaors

Important Success Factors for Middle East Innovators.

A look into the future: Success measurements will evolve in the future, and there is likely to be less emphasis on the traditional triple constraints. The most important success measures in the next five years are providing value to the end customer, achieving alignment of the project to strategic goals, meeting the original goals and business intent of the project, completing the project within its initial budget, meeting or exceeding ROI of the project. Completing the project within its initially scheduled timeline, and Keeping changes to the project under control (scope creep) had less emphasis.
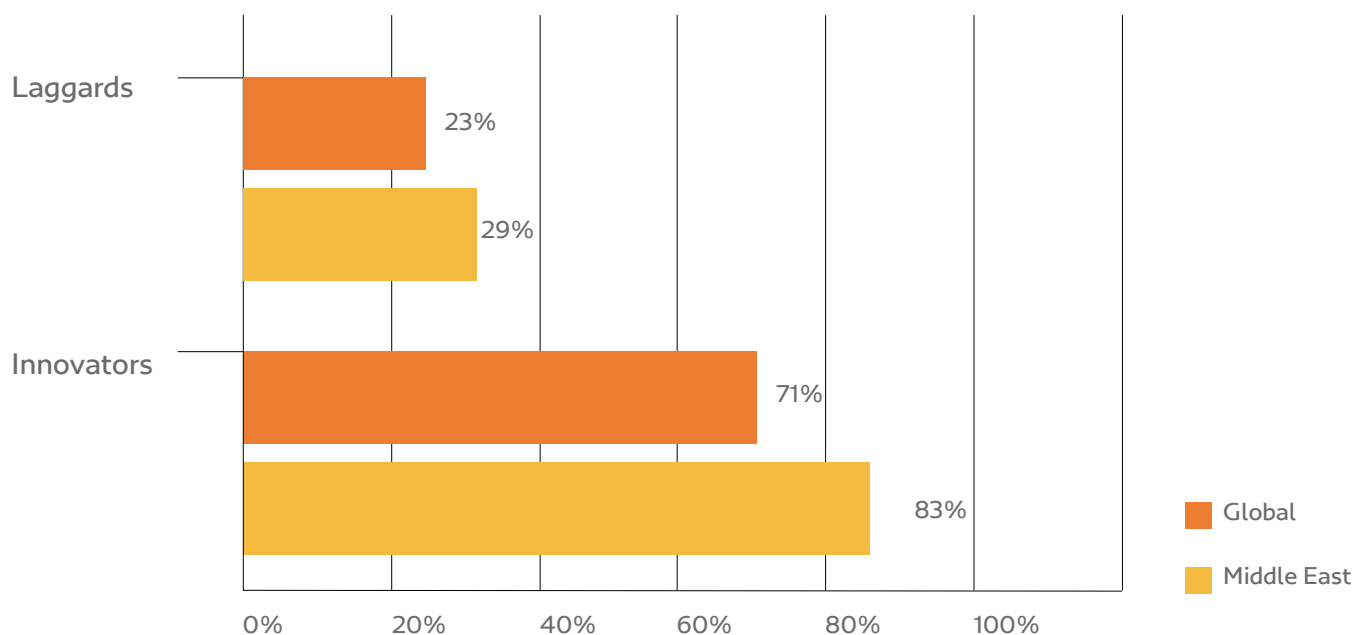
Measure	Chart
Providing value to the end customer	
Achieving alignment of the project to strategic goal	
Meeting the original goal and business intent of the project	
Completing the project with its initial budget	
Meeting or exceesing ROI of the project	
Completing the project within its initially scheduled timeline	
Keeping the changes to the project under control (scope creep)	

0% 5% 10% 15% 20% 25% 30% 35% 40%

■ ME Laggards   ■ ME Innovaors

Success Measurements Comparison– in the Future.

Are PMTQ Innovators Highly Mature?

Organizational maturity is expressed by the capabilities, knowledge, and practices that organizations can consistently use to keep their competitive advantage, and lead to more success and better performance.

58% of Middle East organizations have a formal process to develop existing project/portfolio management practices, exceeding the score of 46% recorded in the global survey.
PMTQ Middle East innovators have a notable level of maturity, showing a higher percentage of the existence of a formal process to mature existing project/portfolio management practices (83%), compared to Middle East PMTQ laggards (29%).
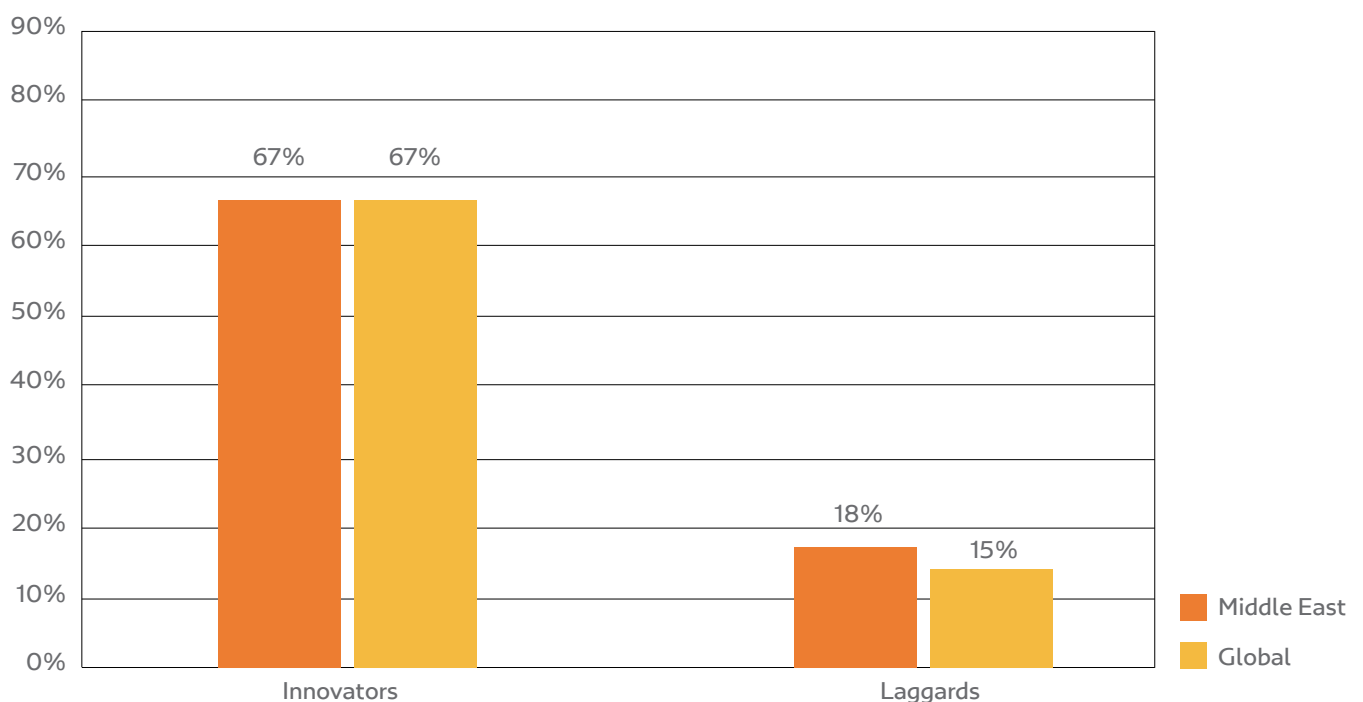

Organizations Having a Formal Process to Develop Existing Project/Portfolio Management Practices Innovators vs Laggards.

41% of Middle East participants confirmed high project management maturity in their organizations, compared to 38% in the global results. At the same time, 67% of Middle East PMTQ innovators confirmed high project management maturity in their organizations, compared to only 18% for Middle East PMTQ laggards.

40% of Middle East participants confirmed high Program management maturity in their organizations, compared to 36% in the global results. 69% of Middle East PMTQ Innovators confirmed high project management maturity in their organizations, compared to only 13% for Middle East PMTQ laggards.

The gap between PMTQ innovators and laggards indicates that maturity can play a catalyst role in innovation in delivery on a project and program level.

Project Management Maturity Innovators vs Laggards.

A higher level of maturity at the portfolio level enables organizations to focus on long term success in managing market opportunities. 34% of Middle East participants confirmed a high level of portfolio maturity in their organizations, compared to 33% in the global results. Middle East PMTQ innovators confirmed a higher level of portfolio maturity, with 63% showing a high level of maturity compared to only 10% for Middle East laggards.
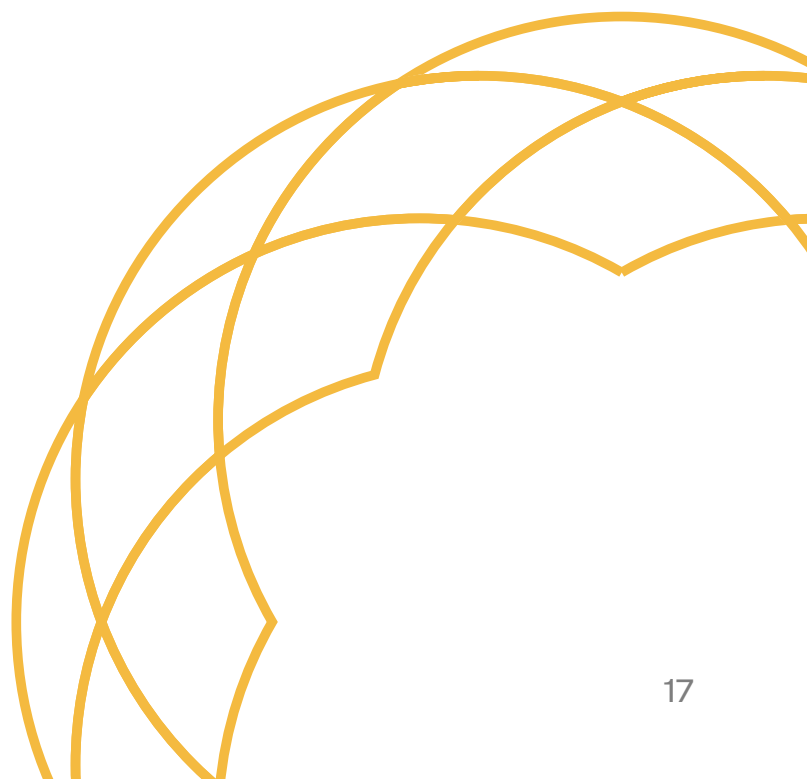
Innovative organizations demonstrated a higher percentage in building a maturity model that can help them to be technology–oriented, compared to laggards.
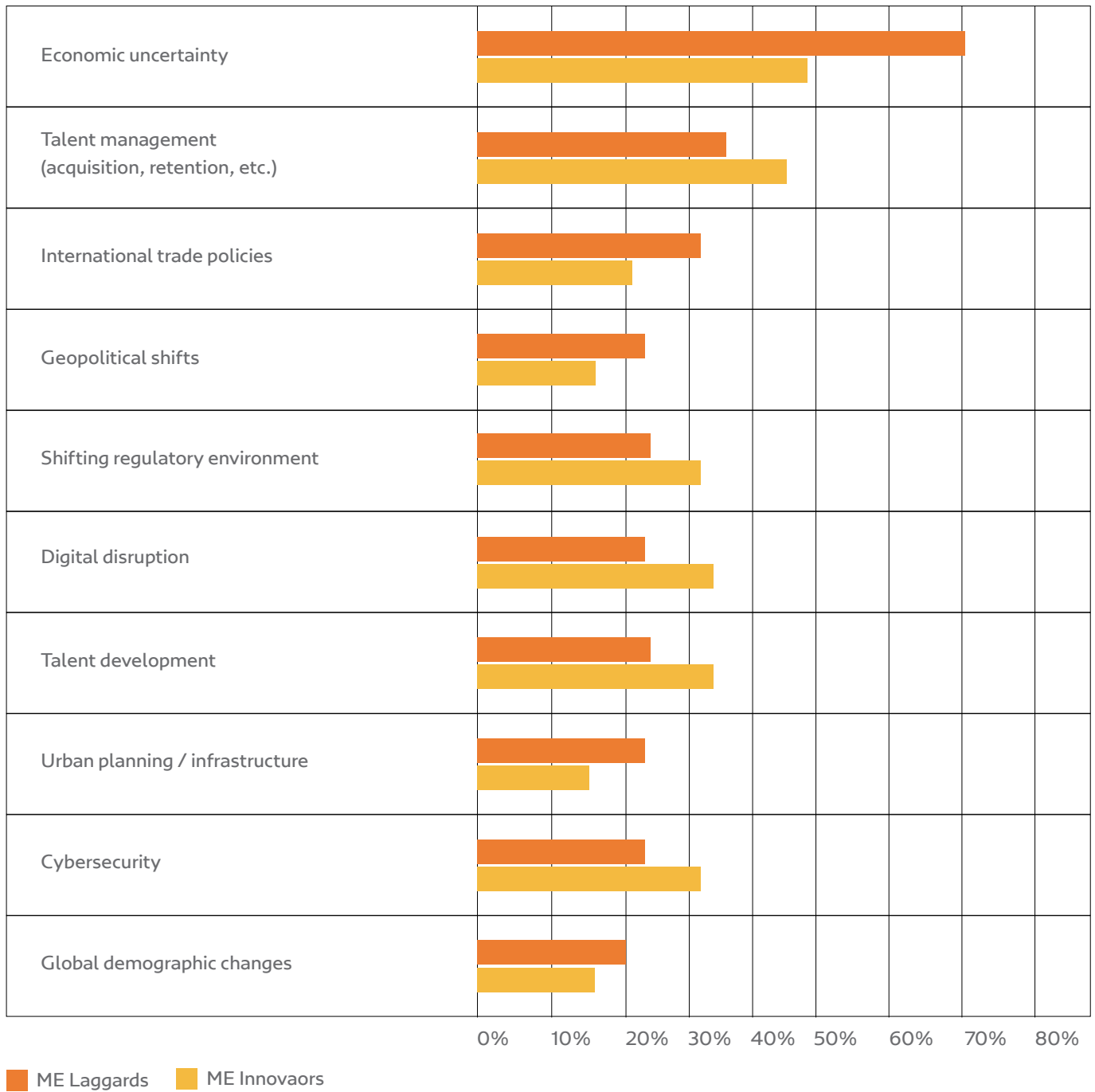
Business Decision-Making in the Next Five Years

Changes are taking place very rapidly in a number of business and environmental domains, not just technology. To cope with these changes organizations must be prepared, and must have clear strategies for the future. Change is inevitable; organizations change over time, some of them for economic reasons, and others to target better opportunities and changing business objectives.
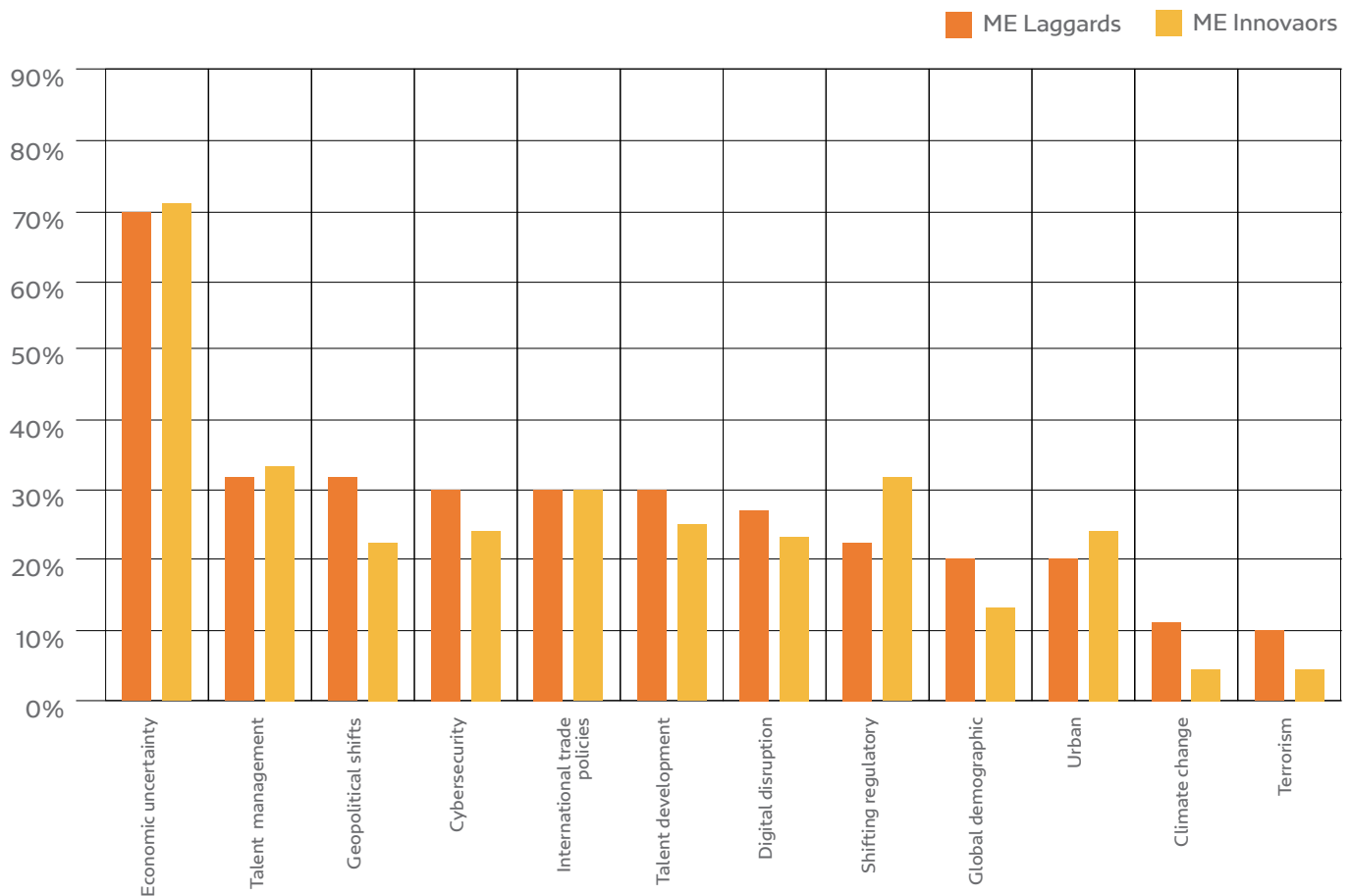
The top factor affecting business decision-making in the Middle East in the next five years is economic uncertainty; in second place comes International trade policies, followed by talent management and geopolitical shifts. Meanwhile, only 25% expected digital disruption to be one of the top three factors impacting business decisions.

There was no significant difference between Middle East PMTQ innovators and laggards with respect to the top factors impacting business decision-making in the coming five years. But Middle East innovators expect more impacts from cybersecurity and geopolitical shifts than Middle East laggards.

Factors Affecting Business Decisions.

Legend: ME Laggards, ME Innovaors

Legend: ME Laggards, ME Innovaors

Innovators vs Laggards Factors Affecting Business Decision– Innovators vs Laggards.

Conclusions

- Technology is and will be a significant differentiator for project management effectiveness and efficiency.

- A change in mindset is essential in order to place more emphasis on technology–related skills and readiness to adopt new technologies.

- Innovation and agility have become necessary to achieve competitive advantage.

- Organizations in the Middle East should target more technology–related talent development, and should always have plans to keep up with the latest technologies and project management software and collaboration tools.

- PMTQ Middle East innovators are generally advanced in many areas of practice compared to PMTQ laggards.

- The required skill set for project managers should be regularly assessed against current and emerging practices.