PROJECT MANAGEMENT
A Valuable Investment
THE STRATEGY AND VISION OF THE ORGANIZATION IS LINKED TO THE EXECUTION OF THESE PROJECTS

PROJECTS ARE THE VEHICLE USED TO EXECUTE STRATEGIC INITIATIVES OF THE ORGANIZATION

I DO NOT DIFFERENTIATE STRATEGY IMPLEMENTATION AND PROJECT SUCCESS

EVERY PROJECT SHOULD ALIGN WITH THE STRATEGY IN SOME WAY

PORTFOLIO/PROGRAM/PROJECTS
Packages of activities/action that will contribute to achieving business outcomes

VISION
MISSION

STRATEGIC OBJECTIVES

STRATEGIC GOALS (OUTCOMES)

20 YEARS

3-5 YEARS

1+ YEARS
Ultimately Deliver Certainty of Success

- Achieve Strategic Business Value
- Achieve Greater Efficiencies
- Achieve Stakeholder Satisfaction
- Knowledge Transfer
Strong Project Management Practice will:

- Understand the organization’s vision and strategy
- Document the business value of the project
- Validate the business case and align the deliverables with the business values
- Align project constraints with realistic expectations
- Identify and mitigate high level risks

The true measure of a project’s success is how well the project delivers business value.

TANGIBLE
- Profitability
- Revenue
- NPV/ROI/Payback

INTANGIBLE
- Brand Recognition
- Customer Retention
- Market Share
AL QASR REFURBISHMENT

Role: Project Management Consultancy

Budget: 130 Mill AED

Actual Spend: 4% Below Budget

Scope: Renovation of 123 hotel rooms

Added Value: Completed 123 hotel rooms 14 days ahead of schedule

Business Value: 14 nights at an average rate of 2,500 AED/night resulted in additional revenue of 4,305,000 AED

ROI: 358%
PROJECT MANAGEMENT
GREATER EFFICIENCES

Strong Project Management Practice will:

• Streamline Project Processes + Communications
• Optimize use project Plot/BUA/GFA
• Assist in Design Value Engineering
• Advise on Optimal Project Packaging

TANGIBLE BENEFITS

↑ Cost Savings
↑ Reduced Time to Market
↑ Increased Revenue

INTANGIBLE BENEFITS

Engaged Project Sponsor
Engaged Project Team

Reduced Time for Decision Making
Increased Rate of Milestones Achieved
RAK MARRIOTT

Role: Project Management Consulting

Budget: 300 Million AED

Scope: 300 Key 5 Star Hotel

Added Value:
- Optimized FH/BH Areas
- Optimized Office Areas
- Value Engineered Structural, MEP, Façade, Finishes

Efficiency:
- FH/BH ration 80%
- 25% Construction Cost reduction
- Cost per key = 785,000 AED

Cost Savings: 75 Million AED

ROI: 1000%
Strong Project Management Practice will ensure:

- Client Requirements are met
- Quality is Implemented and Monitored
- Systematic Approach for Change Control
- Stakeholders are Continuously Informed
- Project Contracts are Properly Administered
- Risks are Identified, Mitigated, Monitored and Controlled

TANGIBLE BENEFITS
- Cost Saving
- Lower Maintenance Cost

INTANGIBLE BENEFITS
- Less Claims
- Less Scope Creep
- Stakeholder Satisfaction
- Strong Client Relationship

“A principal measure of project management success is the satisfaction of clients and sponsors as well as other stakeholders.”
PROJECT MANAGEMENT
STAKEHOLDER SATISFACTION

CLIENT SATISFACTION SURVEY

Client Satisfaction

- Very Satisfied with Outcomes: 99%
- Added Value Received: 99%
- Project Concerns Resolved: 100%
- Met or Exceeded Needs: 100%
- Delivered on or below Budget: 99%
- Delivered on Time or Earlier: 97%
MIDDLE EAST
RELATED STATISTICS

Strong Project Management will:

- Properly Administer Project Contracts

**MIDDLE EAST RELATED STATISTICS**

**AVERAGE DISPUTE VALUES (US$ MILLIONS)**

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Middle East</td>
<td>112.5</td>
<td>65</td>
<td>40.9</td>
<td>76.7</td>
<td>82</td>
<td>56</td>
</tr>
</tbody>
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**2016 RANK**

<table>
<thead>
<tr>
<th>Dispute Cause</th>
<th>2015 RANK</th>
</tr>
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<tbody>
<tr>
<td>A failure to properly administer the contract</td>
<td>1</td>
</tr>
<tr>
<td>Poorly drafted or incomplete and unsubstantiated claims</td>
<td>2</td>
</tr>
<tr>
<td>Employer/Contractor/Subcontractor failing to understand and/or comply with its contractual obligations</td>
<td>New in 2016</td>
</tr>
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Source: Arcadis 2017
Often project managers are not considered to be responsible for the business value. This point of view is flawed.
"On average organizations in the Middle East waste 85 Million USD for every Billion USD spent on projects due to poor project performance" (PMI).

### PROJECT PERFORMANCE

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Middle East</th>
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<tbody>
<tr>
<td>Percentage of projects meeting goals and business intent</td>
<td>66%</td>
</tr>
<tr>
<td>Percentage of projects completed on time</td>
<td>48%</td>
</tr>
<tr>
<td>Percentage of projects completed within budget</td>
<td>53%</td>
</tr>
<tr>
<td>Percentage of projects with scope creep</td>
<td>48%</td>
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<tr>
<td>Percentage of projects deemed failures</td>
<td>18%</td>
</tr>
<tr>
<td>Percentage of project budget lost if a project fails</td>
<td>25%</td>
</tr>
</tbody>
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Source: PMI 2015, 2018 pulse of the profession

![Graph showing project management statistics](image-url)
Strong Project Management Practice will:

- Identify, Mitigate, Monitor and Control Risks
- Formalize Project Closure Processes
- Document and Share Lessons Learned
- Ensure Complete Project Document Handover
THANK YOU