



CASE STUDY

Saudi Ministry of Energy / EMpower

› ELEVATING OPERATIONAL EXCELLENCE AND QUALITY THROUGH P3M3



EMpower
شركة الحلول الإدارية المتقدمة المحدودة



INTRODUCTION

The Saudi Arabian Government's Ministry of Energy oversees the activities of the sector through policy creation, regulation and enablement. The maximization of synergies and achieving harmonious objectives is achieved through the integrated energy strategy.

That includes a hydrocarbon strategy covering upstream and downstream activities (oil, gas, refining, and petrochemicals), electricity (conventional and renewables), and new vectors such as clean hydrogen and carbon management.

The Ministry is responsible for developing these strategies and following up on their implementation, developing supporting policies for the energy sectors and supporting decision makers through conducting studies on various strategies and policies.

Its commitment to strategy execution and enhancing best practices appliance in project management – that aim to improve institutional operations and establish a unified framework for excellence and quality – led to working with **PeopleCert Accredited Assessor, EMpower**, on a Portfolio, Programme and Project Management Maturity Model (P3M3) assessment and roadmap for identified improvements.

GOALS AND CHALLENGES

The purpose of the assessment was to use a globally-recognized standard to benchmark project and portfolio management performance, the organization's project management office (PMO) and to identify gaps in capability.

While the newly-formed PMO had both a method and system, the P3M3 assessment was aimed at identifying “blind spots” (such as lacking certain tools and the method not being implemented organization-wide) and to implement projects to fill the gaps identified.

By engaging an accredited assessor in global standard for maturity assessment P3M3, the ministry and its PMO aimed to achieve the following:

- › **Quantitative management:**
Use of metrics and real-time KPIs to measure and manage performance
- › **Continuous improvement:**
Systematic enhancement of processes based on data and feedback to enhance efficiency
- › **Integrated processes:**
Consistent management practices aligned with strategic goals
- › **Strong governance:**
Robust frameworks to ensure compliance and clear accountability
- Skilled workforce:**
Ongoing training to ensure competent teams

“Delivering projects is not just about execution but realizing benefits and doing what's necessary to enhance those benefits.”

Majed Alkabeer

General Director of Enterprise Project Management, EPMO for the Ministry of Energy



SOLUTION

A P3M3 assessment was conducted twice within the ministry: the first time in 2022, following the foundation in late 2021 of a new PMO for the ministry, and again in 2023 when the PMO had created a portfolio of more than 200 projects.

While the first assessment conducted by EMpower was focused on identifying gaps in project and portfolio management and creating an improvement roadmap, the second was about validating the improvements made and judging whether the organization had achieved level 4 in P3M3 maturity. These maturity assessments helped in the following:

- › **Evaluation of current practices:**
to assess the existing state of project and portfolio management practices, identifying strengths and weaknesses
- › **Benchmarking:**
comparing its project management maturity against industry standards and best practices to pinpoint areas for improvement
- › **Identifying gaps:**
recognizing disparities between current practices and desired maturity levels to focus on areas needing attention
- › **Improving performance:**
developing targeted strategies and initiatives, such as adopting new tools and methodologies, to enhance project management effectiveness
- › **Enhancing decision-making:**
ensuring decisions related to projects are based on reliable information and supported by robust project management practices

In summary, the assessment allowed the Ministry to evaluate, benchmark and enhance its project management practices, leading to more effective delivery of energy-related initiatives.

ASSESSMENT FINDINGS

The main findings of the first assessment were gaps in resource management and benefits realization:

A Resource management:
Training of project managers needed more details, which required work with the HR department to put customized training in place to support the PMO's methods.

B Benefits realization:
While there was an existing, quarterly process for reviewing projects in the ministry for their benefits realization, this process was not documented. Therefore, the methodologies have been updated to reflect and document these practices.

THE ROADMAP FOR IMPROVEMENT

EMpower and the PMO collaborated on a comprehensive improvement roadmap, featuring internal projects aimed to enhance project and portfolio management practices based on the first P3M3 assessment.

Among the recommendations in the roadmap were:

for the PMO to create
an enterprise level
portfolio management
methodology

dedicated training
for project
and resource
management

enhancing the project
management
methodology, which is
a blend of PRINCE2
and PMBOK, to address
gaps identified
in assessment

launching
an awareness campaign
to enhance knowledge
in project management

RESULTS

The ministry achieved P3M3 maturity level 4 for projects and portfolio management across the Ministry of Energy. Other specific areas of improvement included:

STAKEHOLDER MANAGEMENT:

Engagement is now established across all stakeholders, from team to sponsor level.

Stakeholders are now using dashboards, committees, accessible information and a unified communications plan.

Teams and project managers are using a systems tool to make life easier – creating a community for projects and tracking progress.

Skeleton processes cover projects from start to finish with just enough documentation.

Project managers engage with project owners via dashboards and weekly reports, which ensures alignment between the stakeholders without creating an onerous process.

Sponsors – including the deputy ministers/assistant ministers – are involved in monthly meetings to update and identify risks/issues and ways of resolving them.

TOOLS AND SYSTEMS:

One system now acts as a single source of truth.

The system provides a central point of information for project owners, stakeholders, project teams and the PMO.

A dashboard system includes automatically-generated reports.

The PMO is now paperless.

RESOURCE MANAGEMENT:

The PMO now provides both elementary and advanced training and awareness programmes for employees.

To date, this involved five, tailored training programmes for more than 100 project managers, combining the organization's internal method and processes plus external methods. Assessments were conducted before and after the training programmes to ensure project managers understood the PMO processes in the organization.

Training programmes have **increased overall project manager knowledge and awareness** of internal and global practices **from 60% to 91%.**



Quarterly reports are issued to capture benefits achieved from projects and portfolios, which has created a stronger connection to organization strategy.

KPIS FOR PROJECT MANAGERS' PERFORMANCE:

KPIs for ministry strategy are cascaded to each department and each employee for implementation of projects.

Documentation KPI is measured for all projects to ensure there is zero tolerance for not having full documentation.

Schedule Performance Index (SPI) is measured for all projects to track deviation.

RISK MANAGEMENT:

Practices for reporting all risks are contained within either a weekly or monthly reporting cycle, covering risks identified and their effect on project progress.

Project managers are now focused on risk from multiple perspectives: identifying, registering, classifying and responding to risks based on their level of impact and probability.

There is improved management of risks and, therefore, fewer issues.

BENEFITS MANAGEMENT:

Quarterly reports are issued to capture benefits achieved from projects and portfolios, which has created a stronger connection to organization strategy.

"The P3M3 assessment has created a culture in the PMO team to look for gaps in the system and make the necessary improvements; this is a language I'm glad to see in our PMO."

Majed Alkabeer

General Director of Enterprise Project Management, EPMO for the Ministry of Energy



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