



Project manager says strategic level planning is vital

26 October, 2016 By [Hossam Abougabal](#)



- Government budgets squeezed as low oil prices enter a second year
- Saudi Arabia's capital expenditure is expected to fall by about 70 per cent to \$20.6bn

Programme management at the highest levels is vital, says Project Management Institute chief

Planning at the strategic level is vital for the region's projects market, says Mark Langley CEO and president of the US-based Project Management Institute (PMI).

Speaking to MEED in Dubai on 25 October, Langley said: "In a period of needed cost-cutting and reduced government spending, projects must be planned at a strategic level to ensure that all schemes support each other."

Langley also added that governments must look at programme management as the best solution to improve the delivery of projects. “There is always some level of volatility, so from a strategic point they have to start at the top and have a view of the most important projects.”

“The intended benefits must be looked at,” said Langley.

This viewpoint is best illustrated by the setting up of the [Saudi Arabia National Project Management Office \(NPMO\)](#), which recently shortlisted three firms to provide consultancy services for the body that will oversee future capital expenditure projects in the kingdom.

The three shortlisted firms are understood to be:

- Aecom (US)
- Bechtel (US)
- Parsons (US)

The contract will initially be for a period of three years. The National Project Management Office was formed by the Ministry of Economy and Planning in 2015.

As the region enters the second year of low oil prices governments across the GCC have been prioritising the most important schemes.

A number of projects in Saudi Arabia have either been cancelled or put on hold while Qatar has decided to focus on schemes related the Fifa World Cup in 2022.

The projects that are moving ahead are expected to be delivered with tighter budgets and at a faster rate. Dubai is leading up to the Expo 2020, Qatar is planning for the 2022 World Cup, while Saudi Arabia is desperate to ensure it can deliver the promised infrastructure to manage a growing population.