

**Review and Analysis of Organisational Project Management Maturity  
Of The South African Government Departments involved in  
Public Private Partnership (PPP) Projects**

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## DECLARATION BY CANDIDATE

I hereby declare that this thesis is my own work and effort and that it has not been submitted anywhere for any award. Where other sources of information have been used, they have been acknowledged.

Signature: \_\_\_\_\_

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## **ABSTRACT**

Organisations are increasingly delivering their business through multiple complex programs and facing the challenge of building project management capability. An organisational Project Management Maturity Assessment is an effective method for establishing a baseline and provides an impetus for organisational change. The methodology allows for the setting of organisationally specific maturity goals, with the ability to implement improvements in a staged approach at a pace which is logical to that company.

Over the past decade Project Management Maturity Models have become effective tools for benchmarking and driving improvements in organisational performance. This paper presents a case study in applying a project management maturity model to review, assess, and analyze the degree of organisational project management maturity of one of the national departments of the South African Government. This reflects the project management practices and capabilities of a national department of government. This model was a critical guide to setting targets for project management maturity and providing a clear path for organisational improvement.

The focus of this paper is to not only to demonstrate the methodology and results of the assessment, but to also aim to report on the outcome of the study and make necessary recommendations for improvement. The attention of the research was focused on those departments which are involved in Public Private Partnership (PPP) projects. For reasons of confidentiality this strategic department in this dissertation is referred to as "The Agency".

There is currently one similar study that was carried out by Rwelamila (2007), in one of the large infrastructure departments in South Africa. Rwelamila (2007) found that the department's programme management system was very poor and at the lowest level of maturity (level 1 out of 5). However, since Rwelamila's (2007) findings the researcher's underlying proposition of this research is that the levels of maturity of these organisations have improved and climbed to level 2 of the Project Management maturity ladder, based on the reasons indicated in the following two paragraphs.

The fact of the modern business landscape is that organisations are changing in fundamental ways within a short space of time and at a fast pace — structurally, operationally, culturally — in response to globalization, new technology, competition, and the world economy that is at a historic turning point. The researcher further considered the fact that organisations are under pressure to improve performance in order to continue to be successful in the global marketplace and therefore they strive on daily basis to improve on their projects or program delivery in order to attain competitive advantage and sustained growth. Therefore, in light of these factual considerations, the researcher deemed it appropriate to evaluate without delay the current levels of maturity in similar organisations to those evaluated by Rwelamila (2007).

Effective organisational project management is a source of competitive advantage and as such places the levels of organisational project maturity at the nexus of the indicated fundamental shifts.

Today, effective Organisational Project Management is top of mind as a competitive weapon and the most successful firms are innovating not only their offerings and business models, but changing their project management processes. To achieve dramatic performance gains, companies find that they must rethink, or transform, the way they manage their projects or programs.

In order to achieve the study objectives two models were used, the first model being called “Organisational Project Management Maturity (OPM3)” and second being “Project Management Maturity Matrix Model” were used as a tools to assess the degree of The Agency’s project management maturity/competence and highlighted a recommended path for improvement of its overall effectiveness. OPM3 is an acronym for the *Organisational Portfolio, Program, and Project Management Maturity Model*- a standard developed under the stewardship of Project Management Institute.

The purpose of the OPM3 model is to provide a way for organisations to understand organisational project management and to measure their maturity against a

comprehensive and broad-based set of organisational project management Best Practices. OPM3 also helps organisations wishing to increase their organisational project management maturity to plan for improvement.

An evaluation of the performance of The Agency and its projects/programs was carried out in relation to its scope of mandate in order to assess its PM competence and maturity. The assessment of the degree of organisational project management maturity of The Agency provided the basis to evaluate its success in achieving the best-in-class project management practices. The results of the assessment provided the opportunity to make recommendations designed to channel The Agency to a path that will continually improve and develop its competitive position and promote its business by projects.

The researcher therefore considered it imperative to examine the degree of maturity of project management in the national department of a public sector based on the OPM3 and Project Management Maturity Matrix maturity models. The project management maturity model is a widely accepted concept in business. It shows different stages of the project management development in a corporation. It is worth mentioning that these systems and process do not guarantee success, they just increase the probability of success.

The findings of this study indicate that The Agency is at Ad Hoc/Standardize phase (level 1) of maturity. The study is concluded with recommendations which could assist The Agency to plan for improvement and increase its degree of maturity against the Best Practices and capabilities identified in the OPM3 Standard.

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## ABBREVIATIONS

**BBO:** Buy, Build, and Operate.

**BLOT:** Build, Lease, Operate, and Transfer.

**BOO:** Build, Own, and Operate.

**BOOT:** Build, Own, Operate, and Transfer.

**BOT:** Build, Operate, and Transfer.

**DBFO:** Design, Build, Finance, and Operate.

**DBM:** Design, Build, and Maintain.

**CMM:** Capability Maturity Model.

**IPECC:** Initiating, Planning, Executing, Controlling, and Closing.

**IPPs:** Independent Power Projects.

**MSPs:** Municipal Service Partnerships.

**OPM3:** Organisational Project Management Maturity Model.

**P3M3:** Portfolio, Programme and Project Management Maturity Model.

**PFI:** Private Finance Initiative.

**PM<sup>3</sup>:** Microframe's Maturity Model.

**(PM)<sup>2</sup>:** Project Management Process Maturity Model.

**PMBOK:** Project Management Body of Knowledge.

**PMI:** Project Management Institute.

**PMMM:** Project Management Maturity Model.

**POO:** Project Oriented Organisation.

**PPP:** Public-Private Partnerships.

**SAGPAD:** South African Government's Public Administration Departments.

**SMCCI:** Standardize, Measure, Controlled, and Continuously Improved.

**RFQ:** Request for Qualification.

**RFP:** Request for Proposal.

**BAFO:** Best and Final Offer.

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