

## CHAPTER ONE

# The Problem: Why PMOs Lose Credibility

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Sample Chapter · *From Cost Centre to Value Engine* · Ahmed Jadelrab, RUN PMO Consulting™

A PMO does not die in a board meeting.

It dies in the six months before that meeting — when nobody is watching. When the reports go out, the dashboards stay green, and the executive sponsor quietly decides that the function is producing noise, not intelligence.

By the time the budget conversation happens, the decision is already made.

This is not a story about one PMO. It is a pattern I have seen repeated across government authorities, national energy companies, enterprise transformation programmes, and regional financial institutions — across the UAE, across the GCC, and across every sector where strategy and delivery are supposed to meet but consistently fail to.

The PMO does not lose credibility because of poor methodology. It loses credibility because of poor value visibility. And value visibility is not a technical problem. It is a leadership and positioning problem — one that the best governance framework in the world will not fix.

This chapter is about understanding exactly how and why that happens. Because you cannot solve a problem you have not precisely named.

## THE PMO THAT DID EVERYTHING RIGHT

Khalid Al-Mansoori had built something he was genuinely proud of. Seventeen projects under governance. Weekly reporting. A risk register that would have satisfied any methodology auditor. An executive steering committee that met monthly without fail.

He had been Head of PMO at a large UAE government authority for three years. The function had grown from two people to nine. The portfolio had expanded from government service digitalisation into infrastructure, human capital transformation, and citizen experience improvement. By any operational measure, the PMO was performing.

In April, the Director-General called him in.

Khalid expected a review of the annual plan. What he received was a budget reduction of 60 per cent and a recommendation that the PMO function be merged into the IT department.

He sat in the lift afterwards trying to understand what had happened. The governance was in order. The reporting was current. The team was performing. Projects were on schedule.

The answer, when he eventually found it, was both simple and devastating: the Director-General did not know any of that. Not really.

What the Director-General knew was this: every month, he received a pack of status updates. He attended a steering committee where project managers talked about milestones. He reviewed dashboards that were almost always green. And after three years of this, he still could not answer a single one of the questions that actually mattered to him.

*Which of these investments is producing the greatest strategic return?*

*Where is organisational value leaking right now — and why?*

*Which projects should I stop funding, and which should I accelerate?*

*Is this PMO making my organisation better at making decisions — or just better at recording them?*

Khalid's PMO had been answering questions nobody was asking. It had never once answered the questions the executive sponsor asked himself privately every time he opened the governance pack.

That gap — between what the PMO was reporting and what leadership needed to know — had quietly, methodically, invisibly eroded every ounce of executive trust the function had ever had.

By the time the budget conversation arrived, the PMO had already lost it.

## THE GAP BETWEEN EFFORT AND VISIBILITY

Khalid's story is not unusual. It is, in my experience, the default trajectory for PMOs that are technically well-run but strategically disconnected from the priorities of the people funding them.

The pattern is consistent: the PMO works harder and harder at the wrong level of communication. It produces more reports. It refines its templates. It builds more sophisticated dashboards. And with every improvement in operational rigour, it moves further from the conversations executives actually want to have.

Most PMOs suffer from the same fundamental flaw: they work hard, but they cannot prove it in the language that matters. Projects are delivered, reports are published, governance meetings are held — yet the executive sponsor cannot see the value. The PMO is perceived as overhead, not as an asset.

This is not a competence failure. Khalid was competent. The teams I have worked with across ADNOC, TAQA, and fifteen government entities in Saudi Arabia through EY MENA™ were competent. The leaders who lost credibility in the organisations I have advised were not underperforming — they were simply communicating at the wrong altitude.

The gap is not between effort and results. It is between results and visibility. Between what the PMO delivers and what leadership can actually see.

## THREE SIGNS YOUR PMO HAS A VALUE VISIBILITY PROBLEM

There are three diagnostic signals I look for when I begin working with a new organisation. If any one of them is present, the PMO has a value visibility problem. If all three are present, the function is at serious risk — regardless of how strong its processes are.

### **Signal One: Leadership keeps asking the same question.**

“Are we getting value from this?” — asked month after month, meeting after meeting. Reports go out. Governance meetings happen. And yet the question never receives a confident, evidence-based answer. This is not a question about delivery. It is a question about investment return. And if the PMO cannot answer it, leadership will conclude — correctly — that the function is not set up to answer it.

### **Signal Two: Initiatives are funded on optimism, not evidence.**

Approvals happen based on projected returns. Business cases are written, budgets are allocated, and work begins. But once projects are under way, nobody is systematically tracking whether the projected return is actually materialising. By the time leadership notices that it is not, the budget is spent, the momentum is gone, and the PMO — as the governance function — is implicitly blamed for not having flagged it earlier.

### **Signal Three: The team is busy, but leadership is frustrated.**

Everyone is working hard. Projects are progressing. Delivery is happening. But at executive level, confidence in the portfolio is low — and nobody can explain why. This is the most dangerous signal of all, because it creates a paradox that destroys morale: the PMO team is exhausted from effort, and leadership is still dissatisfied. Both sides feel misunderstood. Neither is wrong. They are simply not having the same conversation.

If these three signals are present in your organisation, the solution is not to work harder. It is to work differently — at a different level, with a different vocabulary, and with a different measure of success.

## THE COST OF LEAVING IT UNADDRESSED

The temptation, when these signals appear, is to respond with activity. Redesign the dashboard. Add a new reporting layer. Build a more comprehensive portfolio view. Increase the frequency of governance touchpoints.

These responses are understandable. They are also precisely wrong.

The problem is not insufficient reporting. The problem is that reporting has become a substitute for the conversation leadership actually needs. Adding more of it does not close the credibility gap — it deepens it.

When this problem is left unaddressed, four consequences follow with near-inevitability.

First, budget cuts. Leadership defunds what it cannot see contributing to outcomes. This is rational, not political. When the link between a function's activity and organisational outcomes is unclear, that function becomes an easy line to remove when financial pressure arrives.

Second, lost credibility. Executives begin routing strategic decisions around the PMO rather than through it. They stop asking for the PMO's view. They start treating the function as a reporting mechanism rather than a strategic partner. Once this happens, it is extremely difficult to reverse without a deliberate repositioning effort.

Third, strategic misalignment. Without the PMO acting as the link between strategy and delivery, projects continue without a clear connection to the organisation's actual priorities. Resources are allocated based on loudness, not importance. Transformation programmes drift from their original strategic intent. The gap between what the organisation says it is doing and what it is actually funding grows wider with every quarter.

Fourth, transformation stalls. Change loses momentum before early wins have become visible to leadership. The absence of investment-grade visibility means leadership cannot distinguish between initiatives that are genuinely progressing and those that are quietly failing. Funding decisions are made on historical data. By the time the data reflects reality, the moment for intervention has passed.

The cost of addressing this problem early — before the budget conversation, before executive confidence has eroded — is a fraction of the cost of rebuilding a function's credibility after the damage has been done. In every engagement I have led, the organisations that acted when the signals first appeared recovered faster, spent less, and achieved more durable repositioning than those that waited for a crisis to force the conversation.

## THE NUMBERS BEHIND THE PROBLEM

The strategy-execution gap is not a GCC-specific challenge. But in a region undergoing transformation at the scale and speed of Vision 2030 and the UAE Centennial 2071, the cost of that gap is uniquely high.

Research from PMI's UAE Chapter found that 60 per cent of organisations do not link their project budgets to their corporate strategy. Gartner's PMO Summit data revealed that 75 per cent of middle managers do not have incentives tied to their organisation's strategic objectives. PwC found that 95 per cent of the typical workforce cannot articulate their company's strategy when asked directly.

Read those figures again in the context of the GCC. In a region where national governments are investing hundreds of billions of dirhams and riyals in transformation programmes aligned to 2030 and 2071 visions — 60 per cent of organisations cannot confirm that their project investments are contributing to those visions. That is not an efficiency problem. That is a governance crisis.

The PMO is supposed to be the answer to that crisis. It is supposed to be the function that bridges strategy and execution, that makes the link between investment and outcome visible, that gives the executive sponsor the confidence to govern — not just to review.

When the PMO cannot do that job, it becomes the problem — not the solution. And in the GCC, where executive sponsors have seen government-funded transformation programmes run for years without demonstrable return, the tolerance for a PMO that cannot prove its value is lower than anywhere else in the world.

I have watched competent PMO teams lose their budgets — not because they failed to deliver, but because they failed to demonstrate their delivery in a language that the C-suite could act on. The defunding conversation in GCC organisations is rarely gradual. It is sudden, decisive, and permanent. There is rarely a second chance.

That is why making PMO value visible is not a professional nicety. In this region, it is an organisational survival requirement.

#### THE ROOT CAUSE: STRATEGY AND EXECUTION ARE DISCONNECTED AT THE MEASUREMENT LEVEL

Understanding the symptoms is necessary. Understanding the root cause is what makes the solution possible.

The root cause of the PMO credibility problem is not a governance failure, a reporting failure, or a process failure. It is a measurement failure — specifically, a failure to measure what executives actually care about, in real time, in a language they can act on.

Most organisations measure activity. They track milestone completion, budget utilisation, and resource allocation. These are valid operational metrics. They are also entirely inadequate for executive decision-making.

*Executives do not think in milestones. They think in strategic outcomes, investment returns, and capital allocation decisions. They ask: is this initiative still worth funding at its current scale? Is the return we projected at approval still realistic? Where in the portfolio is value being created — and where is it leaking?*

Almost no PMO is structured to answer these questions. Most are structured to answer an entirely different set of questions — questions about progress, not value; about activity, not outcomes.

The disconnect is not in the execution. Projects are being managed. Governance is being applied. The disconnect is in the link between strategy and what gets measured. Most organisations measure the effort of delivery. Almost none measure the return on strategic investment in real time.

This is the gap the PMO-MVM™ was designed to close. Not by replacing what the PMO already does — but by adding the layer of intelligence that converts operational performance data into executive-grade investment visibility.

## THE THREE CREDIBILITY KILLERS™

In my work across the GCC, I have identified three specific behaviours that consistently accelerate the credibility loss of otherwise capable PMO functions. I call them the Three Credibility Killers™. Understanding them is essential — not because they are always intentional, but because they are almost always avoidable.

### **Credibility Killer One: Reporting activity instead of business outcomes.**

The PMO produces status updates, milestone trackers, and risk registers. Leadership receives these documents and understands them. What leadership cannot understand — because the information is not there — is where value is being created and where it is leaking. The PMO has answered the question nobody asked, and left the question that matters unanswered.

### **Credibility Killer Two: Transforming structure before understanding the problem.**

When the credibility gap becomes apparent, the instinctive response is to redesign the governance model, rebuild the reporting framework, or introduce a new tool or platform. This is almost always the wrong sequence. The PMO redesigns its structure before it has diagnosed what leadership actually needs. The result is a more organised version of the wrong thing.

### **Credibility Killer Three: Waiting for permission to demonstrate value.**

The PMO waits for a formal mandate, a new budget cycle, or an organisational restructuring before beginning the work of demonstrating its strategic contribution. This wait is almost always fatal. Value visibility does not require a transformation programme. It requires a decision — made this week — to start showing value now, with the tools already available.

These three patterns are mutually reinforcing. The PMO that reports activity provides leadership with no evidence of strategic contribution. The PMO that redesigns without diagnosis produces a better-structured version of the same problem. And the PMO that waits for permission discovers that, by the time permission arrives, the credibility required to use it has already been lost.

The organisations that break this pattern — ADNOC, TAQA, the fifteen government units in Saudi Arabia where EY MENA™ established a fully operational enterprise PMO in ninety days — did so not by working harder within the existing model. They did so by changing the level at which the PMO communicated, the vocabulary it used, and the questions it chose to answer.

## KEY TAKEAWAY

The PMO credibility problem is not a methodology problem. It is a value visibility problem. PMOs lose credibility not because they are failing to deliver — but because they cannot demonstrate their contribution in the language executives use to make investment decisions. The gap between effort and visibility is the gap between a PMO that survives and a PMO that earns the permanent seat at the strategic table. This chapter's argument reduces to one sentence: the problem is not what the PMO is doing. The problem is what it is failing to make visible. Everything that follows in this book is a response to that single problem.

## CHAPTER TOOL — THE PMO VALUE VISIBILITY SELF-ASSESSMENT

Before moving to Chapter 2 and the introduction of the PMO-MVM™ framework, complete this brief self-assessment. It will take fewer than ten minutes and will orient the rest of the book directly to your context.

Answer each question honestly, based on the current state of your PMO — not its aspirational state.

### Dimension 1 — Leadership Understanding

Can your executive sponsor answer, without consulting your team, what the PMO's three most significant contributions to the organisation have been in the past ninety days?

Yes (5 pts) Partially (3 pts) No (0 pts)

### Dimension 2 — Investment Visibility

Does your PMO currently produce a document — on a regular cadence — that answers the question: where is portfolio value being created and where is it at risk?

Yes (5 pts) Partially (3 pts) No (0 pts)

### Dimension 3 — Decision-Grade Reporting

Does your executive governance pack contain recommendations for decisions leadership needs to make — not just status on decisions already made?

Yes (5 pts) Partially (3 pts) No (0 pts)

### Dimension 4 — Strategic Alignment

Can you demonstrate, with evidence, that the PMO's current workload is directly mapped to the organisation's top three strategic priorities?

Yes (5 pts) Partially (3 pts) No (0 pts)

### Dimension 5 — Budget Confidence

If your PMO's budget were cut by 40 per cent tomorrow, could you make a compelling, evidence-based case — in one page — for restoring it?

Yes (5 pts) Partially (3 pts) No (0 pts)

Your Score

**20–25 — Strategic:** Strong value visibility foundations. The PMO is operating with executive-grade communication. The focus now is sustaining and scaling.

**10–19 — Emerging:** Good foundations are in place. The PMO has credibility but has not yet fully closed the executive communication gap. The gap is closeable within ninety days.

**Below 10 — At Risk:** The visibility problem is already present and is very likely already affecting leadership confidence — whether or not that has yet been made explicit. Action is needed now.

The full PMO Executive Value Diagnostic™ — the five-dimension scorecard used in RUN PMO Consulting™ engagements — is in Appendix B. You are encouraged to complete it before continuing to Chapter 3.

## CALL TO ACTION

This week, before you read Chapter 2, do one thing.

Schedule thirty minutes with your executive sponsor — not a governance meeting, not a steering committee, not a status review. A conversation. Ask this single question:

“When you think about this PMO, what is the one thing you wish you had better visibility on?”

Do not defend, explain, or propose. Listen.

The answer to that question is the gap this book will help you close. And the fact that you are asking it — that you are creating the space for that conversation before a crisis forces it — is already the first move of a PMO leader who has decided to lead at a different level.

The PMO that earns the permanent seat at the executive table does not do it by producing better reports. It does it by becoming the function that leadership cannot imagine making strategic decisions without.

That repositioning begins now.

*“I have never seen a PMO defunded because the governance framework was wrong. I have seen dozens defunded because the leader could not make the value visible.”*

— Ahmed Jadelrab, Founder, RUN PMO Consulting™