

# A Feasibility Study into The Usage of Project Management Office as The Synthesis for Improvement of Service Delivery: A Case Study of A South African Municipality

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## Abstract

The study was aimed at highlighting the importance of improving the central Enterprise Project Management Office which is supposed to manage and align all projects in the 27 departments within a South African municipality. The study was also geared towards addressing the challenge of an ineffective project management office whose operations are not facilitating the coordination of municipal projects. This study was important because project management is gaining prominence in all sectors of the economy. The application of the project management technique is widely used in the public sector just as much as it is used in the private sector. This particular study adopted a quantitative approach. The target population for this study was 700 and the sample was 120. The number of people who took part in the study was 72 and the response rate was therefore 60%. The study revealed that 45.8% of respondents believed that the PMO had a positive impact on municipal project management. A total of 52.5% of the research respondents could not confirm whether municipal projects are well coordinated or not. The results also revealed that 44.1% believe that municipal projects were affected by a lack of coordination. A total of 54.2% of the respondents agreed that better project coordination has a positive impact on service delivery in the municipality. Some of the recommendations made include the appointment of a Chief Project Officer and the need for continuous training and development of the project personnel including project managers.

## Keywords

Municipal Projects; Project Management; Training And Development.

## I. Introduction

Project management has become a topical subject of interest in most sectors of the economy, and the public sector, as well as the private sector, all rely on this concept. The study at hand focuses on the application of the Project Management Office (PMO) in the improvement of service delivery in a South African municipality. Service delivery has become one of the most talked about concerns in modern South Africa. This has been due to the prominence of delivery protests especially in the past decade as citizens demonstrated their frustrations as a result of poor service delivery. The purpose of the study is to investigate how effective project management can be applied to ensure service delivery is improved. Some projects that are taking place within the council progress slowly and some are abandoned because they would have been poorly managed. The ineffective project management practices which have mostly culminated in poorly coordinated projects have delayed service delivery within the communities that the municipality serves. In the absence of an effective project management approach in service delivery, inefficiencies have become the norm and a consolidated projects portfolio is needed. This study, therefore, intends to shed light on how project management principles and an efficient project management office can be used to radically improve service delivery in the municipality.

## A. Background of the study

The municipality has a total of 27 divisions and each of these divisions has multiple projects running aimed at ensuring the continuance and improvement of service provision. The projects usually include the reconstruction of roads, building constructions, maintenance of municipal properties and water services and the implementation of information systems (IS). The various projects under the management of the different divisions are run separately, meaning that they are decentralized and this brings a challenge of

coordination among other issues. Management of multiple projects requires high levels of project coordination. This decentralization aspect makes it difficult for the projects of different departments to be coordinated. The planning phase is of utmost importance, especially when an organisation is running many projects at once as project managers need to plan their projects based on other projects, their dependencies and team availability (Hedberg & Högländer, 2013:21). There seems to be a challenge within the municipality project management especially with regards to planning.

In local government, the different divisions are allocated budgets for their various projects and towards the year end, there is usually a rush to use all the finances allocated to each department. According to Funeka (2011:45), the service delivery challenges in the country are said to emanate from governance challenges as well as corruption. The poor planning and uncontrolled expenditure of funds on projects actually contribute to the state of service delivery in some municipalities as all local government projects are aimed at delivering services.

## B. Research questions

The study's research questions are in align with the research objectives and have been formulated as follows:

- What is the effect of the lack thereof of coordination with the centralised Enterprise Project Management Office on the success of the municipality's projects?
- What is the impact of the lack of coordination of the municipality's projects on service delivery?
- What recommendations can be made regarding how the central Enterprise Project Management Office should be improved within the municipality?

## C. Significance of study

The research will expand the knowledge base pertaining to the

use of project knowledge to increase service delivery in local government in South Africa. The study will also assist the municipality management to understand the reasons for project failure and improve the way projects are planned, coordinated and managed in order to improve service delivery. Reviewing how project management is used in the service delivery is done may assist in improving service delivery not only in this municipality but in most government departments as the challenge concerning service delivery has actually been a challenge for many government departments. Most studies have been based on the private sector but this study makes a contribution to the literature on public sector project management in South Africa.

## II. Literature Review

According to Sholarin and Awange (2015:9) there has been considerable debate regarding the definition of a project, hence the term has been defined slightly differently by a number of authors and project management associations. Biafore and Stover (2012:87) defined a project as a unique endeavour which is clearly defined in terms of the objectives and expected deliverables as well as the timelines and the budget constraints. A project has also been defined as a unique temporary endeavour to produce a set of deliverables, in which human, material and financial resources are expended in a novel manner, to undertake a scope of work for which specifications would have been provided, within a clearly specified timeframe, as well as cost and quality constraints (Sholarin & Awange, 2015:9). The definitions provided by Sholarin and Awange (2015) and Biafore and Stover (2012) have some things in common as they both indicate that it is a unique endeavour, with clear deliverables, specific objectives and is constrained in terms of budget and time.

### 1. Definition of project management

Prior to defining project management, it is essential to first define what a project is. A project can be described as a short-term activity which is conducted in order to achieve a particular objective or goal (Addo, Agar & Centhala, 2012:52). Projects usually involve a number of people who each perform a set of interrelated activities in order to achieve a certain stated objective. Projects are also described as unique, transient endeavours which are executed in order to achieve certain desired outcomes (Association for Project Management, 2013:3).

### 2. Project management in the public sector

Project management is practised in private and public, as well as in non-governmental organisations. The principles of project management are also routinely used in local government and also in the health services for major projects such as new information technology systems and construction or renovation of buildings (Morphet, 2015:146).

### 3. Value of project management in the public sector

According to the Project Management Institute (2016:1), leading organisations from all sectors of the economy have been steadily adopting the project management approach as a way of controlling expenditure and improving overall project results. Public sector organisations have also been gradually recognising the value of good project management as indicated by a number of factors such as the creation of project management training programmes at national government level in some countries (Wirick, 2011:21). Executives in the public sector have realised that adherence to

project management principles and strategies assists with the reduction of risks, cuts costs and improves success rates. This is especially vital for the survival of organisations during an economic crisis. The increasing economic pressure to reduce time to market implies that projects rarely operate in isolation within an entity and are usually delivered to satisfy broader strategic objectives (Too & Weaver, 2014). The authors continue to state that this pressure has resulted in increases in the number of projects that organisations have to undertake simultaneously within organisations, and consequently the complexity of managing the project dependencies and multiple implementations. Local governments, for example, are often faced with multiple projects that include the construction of roads, repairing and maintenance of existing municipal infrastructure and the delivering of basic amenities such as water and refuse collection and implementation of ICT systems. Such projects often have to be implemented at the same time as the pressure from citizens for improvement in service delivery intensifies especially in developing countries.

### 4. Coordination in project management

Project implementation cannot successfully be achieved with little coordination. Essentially coordination is usually discussed together with communication as the two key issues in successful project management (Bubshait, Siddiqui & Al-Buali, 2015:1). Coordination is actually listed as one of the essential skills required from a project manager. According to Ambtman, van Riel, Lauche and Hammedi (2015:5), coordination can be defined as a temporarily unfolding and contextualised process regulation and interaction articulation in order to realise a collective performance. Project organisation is said to be a matter of coordination that deals with task interdependence and task uncertainty. If a project has minimal task interdependencies and task uncertainty there is usually a limited coordination problem (Morris, Pinto & Soderlund, 2010:56). The projects in the municipality have been held in isolation with the different departments not coordinating their projects. The project implementation will usually require the integration of four elements which are namely resources, personnel, financial and operations (McLaughlin & Kennedy, 2015:127). The failure to coordinate these four elements will lead to a project meeting some challenges.

### 5. Coordination of non-human resources in multiple projects

The primary concern of a multiple-project manager is common resource management across a number of projects (Romano, 2017:314). One of the key resources which is shared among multiple projects or program is people or human resources. The coordination of resources of any kind in multiple projects is not an easy task. Lee, Blake and Baby (2016:281) argued that with tasks performed by multiple project teams, vendors as well as third-party partners in multiple locations, resource coordination, and task allocation, for example in ICT projects, tend to be exceptionally complex. Resource constraints are a fact of life in the project environment.

### 6. Human resources management on multiple projects

It can be seen that in a multiple project environment, human resources are a scarce resource. Human resources are actually central to some of the major project conflicts (Dinsmore & Cabanis-Brewn, 2011:103). In other projects, organisations tend to appoint resource managers who ensure that planned projects

are staffed with the necessary resources at the time when they are needed (Scott, 2016:143). A resource manager ensures that the assignment of human resources to multiple projects is done in collaboration with functional managers to whom they report to. Human resources are scarce resources in multiple projects. The efficient use of scarce human resources is, therefore, one of the key issues in project portfolio management (Patzak & Rattay, 2012:408).

### **7. Project manager in the public sector**

The project manager is one of the most important persons in running a project in either the private or the public sectors. According to Jałochaa, Krane, Ekambaram and Prawelska-Skrzypek (2014:247), project managers play an essential role in all kinds of projects and they influence projects' success. The role of the project manager working in public sector is said to be unique due to the fact that public sector projects always deal with multiple, different stakeholders whose opinions can strongly influence the project (Jałochaa et al., 2014:248).

### **8. Functions of a Project Management Office (PMO)**

The PMO typically perform a variety of functions in a project organisation and these include: project definition and planning; cost and benefit analysis of projects; risk management; monitoring and control; supply of experience and knowledge; support in carrying out project management processes and procedures; knowledge capture and dissemination; provision of specialist maintenance of project tools; standards and processes (Santosa & Varajão, 2015:1192). These various functions of a PMO can actually be divided into the following categories: strategic, tactical and operational.

### **9. Project management successes and failures in the public sector**

Projects in the public sector have been known to have high failure rates and a number of studies have been conducted in order to explain the cause of this failure. Most of the projects that fail in the public sector are related to information and communication technology. According to Rwelamila and Purushottam (2011:1985), project success is often as much the results of the organisational environment as of the knowledge and skills of the project manager. The failure rate of projects of e-government projects in Africa is around 35% and this high failure rate has become a great concern for many stakeholders including government and members of the general public (Mpinganjira, 2013:3196). The African governments which are experiencing these failed projects have been accused of wasteful spending, something that African countries can ill afford when considering the inequality and poverty levels on most parts of the continent. In South Africa, the failure of the government to deliver on public sector projects has increasingly created a bitter society over issues of a lack of perceived quality of governance, service delivery failure and corruption (Amber & Badenhorst-Weiss, 2012:251).

### **III. Research Methodology**

This study made use of descriptive research design. A descriptive research design encompasses observation, description and documentation of numerous aspects of a phenomenon (Sousa, Driessnack & Mendes, 2011:3). This particular study made use of a quantitative research methodology. The target population consisted of a total of 700 municipality employees who were working on

various projects within the municipality's nine divisions. The study used only a portion of the target population, and that is known as a sample. This study utilised a questionnaire to collect data. Questionnaires are best suited for data collection from large populations and respondents are given a chance to complete the questionnaire at their own time (Rasmussen, 2010:60).

### **A. Ethical considerations**

This study took serious consideration of ethical concerns as failure to do so could result in legal dilemmas. Gerrish and Lacey (2010:27) indicated that the major ethical issues that require attention in research include obtaining of informed consent from respondents, confidentiality of respondents, giving respect to research participants and acknowledging the ethical issues with regard to vulnerable groups. This study took all ethical issues into consideration.

### **IV. Results**

A total of 59 respondents completed and returned the questionnaires when 120 questionnaires had been delivered to respondents. The response rate in this particular study is therefore 49.2%. Response rates tend to be low in quantitative studies. The response rate in this particular study was improved through sending follow-up emails and making follow-up phone calls to the respondents. Of the 59 respondents, none had been working at the municipality for less than 12 months, 16.9% of the respondents had been working in the organisation for a period of between 1 year and 5 years, 30.5% of the respondents had been in the organisation for periods ranging between 5 years and 10 years and 52.5% of respondents had been working for the organisation for a period of 10 years and more. The results, therefore, show that most of the respondents had been in the organisation for more than 10 years, an indication that most of the respondents knew much about municipality which could add value to the study regarding the use of project management to improve service delivery.

Of the respondents, 32.9% had been working in project management field for periods of less than 1 year, 23.7% had been in the project management field for periods ranging between 1 year and 5 years and 25.4% of the respondents had project management experience ranging between 5 years and 10 years. The results also showed that a total of 18.6% of the respondents had project management experience ranging from 10 years going up. The majority of the respondents had project management experience of less than 5 years and these are represented by 55.9%.

None of the respondents indicated that their highest qualification achieved was Matric, 5.1% of respondents had achieved a certificate, 30.5% had achieved a diploma qualification and 40.7% of respondents had achieved a degree. The majority of the respondents have attained exceptionally high-level qualifications with 64.4% of respondents being holders of bachelors' and Masters' degrees. The higher level of education does imply that one has a high skills level.

### **A. Project management implementation in the public sector and coordination**

The statements under Section B of the questionnaire were to assess how well coordinated municipal projects were and the general implementation of project management in the public sector organisation. A total of 18 statements were posed to the respondents.

### **1. Project management has impacted municipal business positively**

The respondents were asked how they felt regarding the following statement: *“Project management concept has had a positive impact on the running of municipal business”*. The findings show that most of the 59 respondents represented by 45.8% of respondents believe that the PMO is having a positive impact on municipal project management.

### **2. Municipal project are well coordinated**

The respondents were asked how they felt regarding the following statement: *“The municipal projects are well coordinated”*. In summary, 25.4% of respondents disagree, 52.5% are unsure and 22.0% agree. It can, therefore, be concluded that the majority of respondents cannot tell whether municipal projects are well coordinated. The response can be a product of respondents not wanting to expose that projects which are they are responsible for are poorly coordinated.

### **3. Project resources are coordinated among various projects**

The respondents were asked how they felt regarding the following statement: *“Project resources are coordinated well among the various municipal projects”*. In summary, the results indicate that 22% of respondents disagree, 27.1% are unsure and 50.8% of respondents agree.

### **4. Project managers coordinate efforts on projects all the time**

The respondents were asked how they felt regarding the following statement: *“The project managers coordinate their efforts on projects all the time”*. In summary, only 13.6% of respondents disagree, 49.2% are unsure and 37.3% were in agreement.

### **5. Centralised enterprise PMO promotes coordination**

The respondents were asked how they felt regarding the following statement: *“The centralised Enterprise Project Management Office encourages coordination”*. In summary, 35.6% of respondents disagree and 39% agree.

### **6. Some projects take time to complete due to coordination challenges**

The respondents were asked how they felt regarding the following statement: *“Some projects take time to complete because of the challenges relating to coordination”*. Summarising the results it can be deduced that a total of 23.7% of respondents disagree, 33.9% were unsure and 42.4% agree.

### **7. Most municipal projects finish on time**

The respondents were asked how they felt regarding the following statement: *“Most of the projects in the municipality always finish on time”*. The results reveal that a total of 52.5% of respondents disagree, 40.7% are unsure and only 6.8% agree that most municipal projects finish on time.

### **8. Application of project management has been met by hindrances**

The respondents were asked how they felt regarding the following statement: *“The application of project management within the municipality has been met with hindrances”*. The results indicate that a total of 52.5% of respondents disagree, 40.7% and 6.8%

agree. A significant 40.7% of the respondents indicated that they were unsure.

### **9. Need for training of project personnel to understand coordination**

The respondents were asked how they felt regarding the following statement: *“There is a need for training and development for the municipal project personnel so that they can better understand project coordination”*. In summary, 40.7% of respondents disagree, 13.6% are unsure and 45.8% agree.

### **10. Service delivery impacted by poor project management**

The respondents were asked how they felt regarding the following statement: *“Service delivery in municipalities is impacted by poor project management practices”*. In summary, the results indicate that 47.5% of respondents disagree, 11.9% are unsure and 40.7% of respondents agree.

### **11. Better coordination of projects would positively impact service delivery**

The respondents were asked how they felt regarding the following statement: *“Better coordination of projects would have a positive impact on service delivery with the municipality”*. In summary, 40.7% of respondents disagree, 5.1% are unsure and 54.2% agree.

### **12. PMO has not been effective in managing municipal projects**

The respondents were asked how they felt regarding the following statement: *“The current Centralised Enterprise Project Management Office has not been effective in managing projects with the municipality”*. In summary, 44.1% of respondents disagree, 33.9% were unsure and 22.0% agree.

### **13. Project funds are sometimes recklessly spent**

The respondents were asked how they felt regarding the following statement: *“Some of the funds that are allocated to projects are haphazardly spent in the final quarter to avoid returning finances to the municipality’s finance department”*. In summary, 39.0% of respondents disagree, only 6.8% are unsure and 54.2% were in agreement.

### **14. There is lack of oversight on most municipal projects**

The respondents were asked how they felt regarding the following statement: *“There is lack oversight on most municipal projects”*. The results reveal that a total of 32.2% of respondents disagree, 37.3% are unsure and 30.5% agree that most municipal projects finish on time.

### **15. The lack of oversight has led to poorly managed projects**

The respondents were asked how they felt regarding the following statement: *“The lack of oversight in the municipality has led to poorly managed projects”*. The results indicate that a total of 25.4% of respondents disagree, 30.5% were unsure and 44.1% agree.

## **V. Recommendations & Conclusions**

The study revealed that the municipality was using project

management as a way of ensuring the efficient delivery of public services. The results, however, indicate that despite project management being used in the municipality, there were challenges being faced with regard to coordination and the effective functioning of the Enterprise Project Management Office. The Project Management Office has many functions that it is responsible for and it can, therefore, be used to increase the success of projects in the public sector. Coordination which is crucial in project management especially when multiple projects are involved seems to be lacking in the case of the municipality. Radical changes need to be made to the PMO which is currently in place in the municipality and there might be a need to appoint a CPO as literature findings revealed.

### A. Recommendations

A number of recommendations have been made from the findings from literature as well as the primary study. The recommendations are discussed below.

*Increased support to Enterprise Project Management Office:* More support is needed for the Enterprise Project Management Office (EPMO) in order to enable the strengthening of its capacity. When the EPMO obtains more top management support it is more likely to become easier to accomplish the objectives for which it was established. This support that is needed should emanate from top management of the municipality. The support must also come in the form of availing necessary resources needed by the EPMO in order to positively impact efficient project management. Executive management and support is crucial in order for top-notch performance from the EPMO.

*Continuous training and development for project staff:* Coordination emerged as being one of the challenges facing the project management in the municipality and all round continuous training for project staff can assist personnel to obtain some important skills that can improve the utilisation of project management. Training can be used to arm project personnel with project skills that can improve project management in the municipality and ensure that project management brings successful projects and improves service delivery.

*Project manager training in multiple project management:* The project managers working in the municipality may need to obtain additional training in the management of multiple projects and programmes. These projects due to interdependencies require much multi-tasking by project managers. There is tremendous pressure when managing multiple projects and the training in the management of such projects would help in increasing the competencies of project managers in the municipality.

*Change of the municipality business model:* The business model which is used in the municipality needs to be changed from the traditional one that promises employees lifetime job security to a modern global model which promises high rewards for exceptional performance. The change of the model is more likely to attract seasoned and highly qualified talent to act in the capacities of Project Managers and Programme Managers.

*Appointment of a Chief Project Officer:* The appointment of a Chief Project Officer is one recommendation that can also be helpful in the quest to improve the operations of EPMO. The CPO who will head the PMO can be able to deliver value to an organisation such as the municipality. The position of CPO will require the appointment of an individual who has general competencies solid enough to understand the elements of knowledge and he has to be charismatic and work with other senior management personnel in

order to ensure that the project management agenda is enhanced and supported by the entire organisational structures.

### B. Conclusion

The study was conducted in order to assess whether project management could be used as a way to improve service delivery in the municipality. The study findings indicated that project delivery is definitely having a positive impact in the running of municipal projects even though there are still challenges presented in the attainment of the full benefits of project management in an improvement in service delivery. Coordination of projects and the lack of oversight on the projects are some of the challenges that were identified. The Project Management Office is one way which has emerged in project management to manage multiple projects in both the private sector and the public sector. Project management generally has had a positive impact on the delivery and success of public sector endeavours. Since the usage of project management is not very old in the public sector, more continuous training and development is needed in order for the sector to gain all the benefits from project management especially with regards to service delivery.

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