Chapter 8
Re-Thinking Project Initiation and Project Management by Considering Principles of Sustainable Development

Roland Gareis
WU Vienna, Austria & Roland Gareis Consulting, Austria

ABSTRACT
Project initiation and project management are specific processes of the project-oriented company. In order to improve the performance of these processes in their descriptions as well as in the design of the methods to be applied, the principles of sustainable development can be considered. Templates for some project initiation and project management methods considering SD principles are provided. This chapter is based on the results of the Research Project: SustPM, which was completed in May 2012. The overall research results are published by PMI in the book Project Management & Sustainable Development Principles by Roland Gareis, Martina Huemann, and André Martinuzzi (all WU Vienna).

INTRODUCTION
In this chapter the objectives, tasks, and the responsibilities for the project initiation process and the project management process are described. Sustainable development as a societal concept is introduced and its transfer to companies is reflected. The demand to operationalize SD for companies by applying its principles in processes and projects is defined. Basic SD principles, namely values-based, economic, ecologic, and social oriented, as well as local, regional, and global oriented, are described and considered in the project initiation process as well as in the project management process. It is argued, that considering SD principles results in an improved quality of these processes. For the application of some methods considering SD principles templates are provided.

SD is perceived as a new management paradigm to cope with the complexity and dynamics of organizations. It is of relevance for permanent but also for temporary organizations, i.e. for projects and programs.

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PROJECT INITIATION PROCESS AND PROJECT MANAGEMENT PROCESS

Project initiation and project management are specific processes of the project-oriented company. A differentiation between the project initiation process and the project management process is necessary, as these processes have different objectives, different tasks, and require different organizations for their performances.

Project Initiation Process

The project initiation process is a process belonging to the group of project portfolio management processes. The initiation of a new project adds to an existing project portfolio of a company and therefore has to be analyzed within this context.

The objectives of the project initiation process are to decide if an investment is to be made or not, and to decide about the appropriate organization for initiating the investment. This can be the base organization of a company, a project, a chain of projects, a network of projects or a program (of projects). The tasks of the project initiation process are to analyze an investment, to make a decision regarding the realization of an investment, to define the organization, which shall initiate the investment, to make a decision regarding the appropriate organization, to initiate the investment with, and to assign a manager and a team with a project or a program (Gareis 2005: 447).

The project initiation process starts with the formulation of a need or an opportunity for an investment, and ends with the assignment of a project to a project manager or a project team (Gido/Clements 2008; Samset 2008; Wijnen/Kor 2000: 89). Problem formulation, investment analysis, understanding stakeholders’ views, investment decisions, and project definition are mentioned as tasks to be accomplished in the project initiation phase (Samset 2008). Figure 1 shows the tasks of the project initiation process. The project initiation process is performed by a project initiation team, which is assigned by an investment promoter (See Figure 2).

Outputs of the project initiation process are the investment analysis, the investment decision, the organization decision, the rough project management plan, and the project charter.

The project initiation process is performed by a project initiation team, which is assigned by an investment promoter (Figure 2). The investment promoter, who is interested in the investment, assigns a project initiation team. In the design of the project initiation process, the members of the project initiation team, the communication structures, and the methods to be applied in the process have to be defined. It also has to be assured that the values of the organizations and the individuals involved in the project initiation process fit.

Project Management Process

Project management is a management process to be differentiated from the content-related processes of a project. The project management process includes the sub-processes project planning, project executing, project monitoring and controlling, and project closing, and possibly resolving a project discontinuity.

The objectives of the project management process are to perform the project according to the project objectives, contribute to the optimization of the results of the investment initiated by the project, and manage the project complexity as well as the project dynamics by adjusting the project boundaries, and managing the project-context relationships (Andersen 2008; Gareis 2005; Sahlin-Andersson/Söderholm 2002). The project management process starts when the project has been assigned by the project sponsor to the project manager or the project team, and ends after the closing sub-process with the project approval by the project sponsor (See Figure 3). The