Chapter 11

Sustainability in Project Management: Practical Applications

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ABSTRACT

As organizations evolve to embrace sustainability objectives, the operations of a company need to evolve to support those new objectives. Since project management is how strategy is executed within an organization, project management’s evolution is key to this new reality. In this chapter, the author examines aspects of a sustainability program, common goals between project management and sustainability, and pragmatic implementation guidelines, which help the project manager integrate sustainability into his practices. Special emphasis is placed on each process area of project management, from inception through execution and control. The objectives of this chapter are: (1) translate the fundamental aspects of sustainability to the corporate environment and broader community; (2) understand the risk of ignoring sustainability aspects in projects, as expectations change, both in terms of direct financial loss and longer-term impact; and (3) explore how to integrate sustainability practices into project management knowledge areas.

INTRODUCTION

To do their jobs well, project managers must be fiscally sustainable – managing time and budget – as well as socially and environmentally sustainable – managing resources. But project managers usually only look at these impacts within their own projects – as if they were islands, unrelated to the rest of the company and the broader community. Placing project management in the correct strategic context helps project managers and teams see the big picture, to make the right decisions for their projects for their organization and for the broader community.

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Project managers are experts at execution, but sustainability is a pretty new idea for many of us, and we’re not sure how to integrate it into our day-to-day lives as project managers. This chapter will focus on the tactical elements – how we as project managers can modify the project management practices we already use to work in a more sustainable manner.

This chapter will examine the business need for sustainability, and how a project manager can be a critical factor in its execution. How does the work of the project manager change to embrace this new reality?

THE BUSINESS MANDATE FOR SUSTAINABILITY

It is tempting to think that what your company does has nothing to do with the broader community, but in reality, corporations and society depend on each other. Communities need corporations to give their people employment and infrastructure, and corporations need healthy societies to provide a capable workforce. This mutual dependence is the reason why business decisions must follow the principle of shared value – the activities a company does must benefit the society it operates in, and vice versa (Porter, 2006, p. 5). Stakeholders of the broader corporation – shareholders, suppliers, customers, partners, regulators, activists, labor unions, employees, community members, and government – expect companies to be accountable for their own operations, but also for the performance of their entire supply chain.

A sustainable focus helps a company achieve basic fundamentals of good business practice. This helps an organization be able to assess risks more effectively, and to become more proactive in dealing with these risks. As a result, sustainability not only becomes a necessary value of organizations, but it is quickly becoming integrated into the business goals and objectives of organizations. In order for businesses to be successful in the future, then they must consider social, environmental, and supply issues wherever they operate, and wherever their suppliers and customers operate (Porter & Kramer, 2006).

There are further advantages to the business that operates sustainably. Many companies wait until a law is passed which prohibits something, before they change their behavior. But a company that acts in advance of legislation, instead of merely reacting to laws that have already been passed, avoids risks to its reputation, and can gain strategic competitive advantage over their rivals (Barton, 2011). Also, working on societal problems related to the business can help spark innovative thinking by exposing employees to new ideas and perspectives (Kanter, 2010). An organization’s focus on sustainability can result in improved corporate reputation, higher brand equity, better risk management and increased access to capital, and is vital to attracting and retaining top talent.

THE TIE WITH PROJECT MANAGEMENT

When we think about introducing sustainability into an organization, we tend to think of purely operational concerns – the amount of paper used by the copier, turning the lights off at night. But projects are how the company evolves, changes, and reaches strategic objectives. It’s these actions that are most critical to the company’s work, and where sustainability needs to get a toehold.

Projects are temporary in nature, so it’s not intuitive that there would be a connection with the long-term orientation of sustainability. However, all projects take place within a strategic context, and there are both internal and external environmental factors that surround or influence a project’s success. Understanding the framework in which the project takes place helps ensure that work is carried out in alignment with the goals of the enterprise and managed in accordance with the established practice methodologies of the organization. (PMI, 2008, p. 45)