Corporate Social Responsibility and Project Portfolio Management

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Abstract

Successful Sustainability Programs require an ongoing effort from every aspect of the business. The challenge this poses is learning how to institute and enterprise wide implement and holistic approach.

We propose the best answer to this opportunity is GPM’s PRiSM Methodology or ‘Applied Green Project Management®’.

Green Project Management® (GPM) \(^1\) is the inclusion of sustainable methods to the process by which projects are defined, planned, monitored, controlled, and delivered. As projects are unique transient endeavors undertaken to achieve a unique desired outcome, by their nature they bring about change.

As a result of over 70+ years of combined experience working in project management and working through many challenges with regard to sustainability, the founders of GPM experienced a paradigm shift of thought which re-defined them. This shift of thinking began when they realized the existing standards for project managers could be greatly enhanced.

This paradigm shift is foundational to Green Project Management and to the process, standards, methodology, and ultimately the educational product offerings and certifications that serve as the basis for this prospectus. As all project management practitioners are aware, the existing project management methodologies concentrate on a triple constraint system, factoring Cost, Time, and Resources. ‘Sustainability’ is not a direct consideration here as you may also easily observe.

GPM’s PRiSM method addresses sustainability as well as the triple constraint system previously used and is based upon ISO standards \(^2\) and global best practices that align with the Global Reporting Initiative \(^3\) or GRI and the UN Global Compact. \(^4\) However, the projects integrating Sustainable Methods \(^5\) does more than address only sustainability and the triple constraint as it allows the Project Manager to focus on the methods of delivery through the projects impact on the People, Planet, Profit with the Process and Product as well. This is referred to as the P5 concept \(^6\), a critical tool bringing assurance to the organization of its true sustainability achievements. The benefit and impact of the change and the adherence to P5 helps organizations develop a roadmap to sustainability.
Historically speaking, ‘Project Management’, as a discipline has been continuously evolving since the times of early civilization. \[7\] It wasn’t until the mid-20th century however when Project Management, as a discipline, began to take on a definitive form with the Pioneering minds of Henry Gantt \[8\] who developed the Gantt chart and Henri Fayol \[9\] the architect of the five management functions that are the basis of today’s various bodies of knowledge.

Tools, techniques, methods, and standards continue to be honed and streamlined by organizations, both public and private, as certifications (based on a project manager’s ability to execute according to the methods taught) give further credence to the discipline. Since the adoption of ISO 14001\[10\], which exists to help organizations minimize how their operations impact the environment and comply with applicable laws, the subject of sustainability through project management had remained ill-defined at best. This is due to a lack of continuity among organizations who desire to use project management as the mechanism to impart change.

As a professional development organization, members and contributors to the UN Global Compact and ISO, GPM® is working to streamline and promote the practical application of sustainability through project management. GPM® aims to change Project Management as disciplines to not only decrease an organization’s negative socio-environmental and economic impact but also to ensure the achievement of business objectives in a manner which does not preclude future generations from meeting their own needs.

GPM® standards for project management address these needs and our processes, training programs, and certifications bridge the gap created from existing project management methodologies being misaligned with the shift in societal needs and business demands. With regard to green project management and sustainable applications to achieve success in this emerging discipline, GPM® is uniquely positioned as the leader and the ONLY group that has offered not just theory but practical, repeatable, measurable methods and tools to aid project managers in any field worldwide.

**Project Management as a Driving Force for Change**

As stakeholders in any organization’s strategic plan, the public sector represents shareholders, customers, employees, suppliers, etc. Whatever issues the public sector sees as being critical, important, or notable, organizations should take notice. This is your customer! These are your clients!

Any organization seen as harmful to the environment is very likely to be seen as socially irresponsible, and therefore risks the relationship with all of its stakeholders. Today, with the advantage of instantaneous information sharing, instant communication, and widespread ability to learn and report, more than any other time, companies are under
the watchful eye of stakeholders, consumers, and competitors. The key to developing a corporate social responsibility program that is itself sustainable is to use methods that ensure success. Such methods for bringing about a successful CSR strategy must be based on solid principles of sustainability which begin with Sustainable Project Management.

By taking a strategic approach, companies can determine what activities they have the resources to devote to being socially responsible and can choose those which will strengthen their competitive advantage. By planning out CSR through the lens of PRIISM \cite{11} organizations can ensure “profits” and “increasing shareholder value” don’t overshadow the need to behave ethically to their stakeholders and preserve their sustainable business model.

Figure one depicts the project organization and the relationship with organizational strategy and operations, and how business opportunity is transformed from a business case into deliverables. From a standards perspective, whether the deliverable is a new product or organizational change, success depends upon the project organization’s ability to manage Time, Cost, and Scope. PRIISM challenges this notion by including a framework of sustainability functions to ensure quality is also gauged by fiscal,
environmental, and social responsibility and positive impacts as defined by organizational goals and strategy.

**Developing a Strategy and Executing**

According to the International Institute for Sustainability Development's Corporate Social Responsibility Implementation Guide for Business, there are six key steps required for implementing CSR policy. PRiSM as a project method is uniquely designed to support these steps as each is inherent in its design.

**Conducting a CSR Assessment**


When a project is initiated using PRiSM, one of the key steps is to gain an understanding of organizational strategy to ensure that project objectives coincide with the direction the business is moving. Once the project objectives and organizational learning have been thoroughly reviewed, a gap analysis using GPM’s P5 matrix is performed. This concept aligns with UN Global Compact’s Ten Principles and GRI G4 reporting framework.

![Figure-2 the GPM P5 Matrix](image)
If the organization sponsoring the project does not have a CSR strategy in place, the GAP analysis or “PRISM P5 Impact Analysis” will provide a baseline score to set a baseline for maturity, as depicted in Figure-3 that serves as an assessment.

Developing a CSR Strategy, Implementing, Reporting & Verifying, and Improving

A healthy CSR Strategy includes the overall direction for where the organization wants to take its CSR work; stakeholder interests, the roadmap, prioritization, scope of work to be completed, resources to be used, and a process for ensuring success.

The project team given the task to implement the organizational changes required is also bound to the strategy that is being framed out for the organization. By using PRISM’s Sustainability Management Plan (SMP), a governance document will provide authority for the project team to adhere to sustainable methods while managing the gap analysis, the steps to develop, implement, verify, and improve. CSR strategies are now modeled through a living document that attaches to the business case and serves as a modeling tool upon which long term policies can be constructed and reported.

The SMP also serves as a connector to the sustainability report. In the GRI Technical Protocol [12] it states that a reporting organization should include topics that have a direct or indirect impact on an organization’s ability to create, preserve or...
erode economic, environmental and social value for itself, its stakeholders and society at large. The SMP is designed to relay organizational benefits derived from projects to the G4 reporting structure and when utilized will uncover innovative ways to assess performance while maintaining a clear connection to business strategy (Value). As organizations need to see returns from the CSR or sustainability report, connecting projects will provide useful feedback, actionable data and strategic communications. With these benefits in tow, it’s easy to show a return on investment and elevate project management as a strategic function.

A standard PRiSM Sustainability Management Plan includes:

- An Executive Summary
- A list of project sustainability objectives
- Key measures and performance indicators
  - Environmental
  - Financial:
  - Products:
  - Processes:
  - Social:
- Environmental impact assessment:
- Scope exclusions
- Sustainability risk management measures:
- Reviews and reporting requirements

As with any other aspect of business performance, effective CSR implementation requires the setting of measurable targets. An actor may set a personal goal of “winning an Oscar” but they frequently set more achievable, intermediate targets such as “get cast in a motion picture.”

A firm’s approach to setting measurable environmental, economic, and social targets and tracking success in meeting them is fundamentally no different from the actor’s approach.
While there is no “one-size-fits-all” model for deploying Corporate Social Responsibility there is considerable value in leveraging the PRiSM method for project delivery as it harmonizes with existing standards for delivering value.

As the framework integrates economic, social, and environmental decision making it is therefore intimately connected with effective corporate governance. The organization stands to reap optimal benefits for itself, its shareholders, and consumers through the implementation of a successful CSR policy by way of the PRiSM method.

References

1. See link: www.greenprojectmanagement.org
3. See Link: https://www.globalreporting.org/Information/about-gri/Pages/default.aspx
4. See Link: http://www.unglobalcompact.org/
5. See Link http://www.greenprojectmanagement.org/prism
7. As example building the Great Pyramids in Egypt – see link: http://www.xchangor.com/history_of_pm.htm
11. See Link: http://www.greenprojectmanagement.org/prism
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Joel Carboni, IPMA-B® GPM® MPM, is the President and founder of GPM Global (Green Project Management®), a project management professional development organization focused on decoupling socio-environmental degradation and economic vitality. He has over 15 years’ experience in project and program management having worked in both the private and public sectors for organizations such as Accenture, Chase, Harris Bank, and Local Government.

He is the architect of the PRiSM project delivery methodology and co-author of the GPM Reference Guide to Sustainability in Project Management and authored training programs for Green Project Management that are currently offered in over 60 countries through professional training organizations and Universities. Joel has been recognized for his work with to promote peace, culture, and education around the world and is the recipient of both the Liberty and Humanitarian awards from the SGI and is a contributor to the UN Global Compact’s 2013 Leaders’ Summit.

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