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SUSTAINABLE PROJECT MANAGEMENT

ICB4 Reference Guide

IPMA GLOBAL STANDARD

Version 1.0

Sustainable Project Management

ICB4 Reference Guide

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Sustainable Project Management, ICB4 Reference Guide, version 1, is a standard accepted by 70 countries.

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Foreword

Welcome to the Sustainable Project Management (ICB4 Reference Guide). This book is not a manual on how to manage projects. It aims to be the game changer for anyone who wants to excel in the field of project management and make a positive impact on the world.

In this Guide we have put our professional experience and the insights of academic research in order to develop this comprehensive and practical guide. IPMA distilled the essence of the sustainability and ESG (Environmental, Social, and Governance) criteria and applied it to the context ICB4, which is the global standard for project management competence.

Why is this important? Because we live in a time where the expectations and demands of project stakeholders are constantly evolving and increasing. Project managers need to be aware of the environmental, social, and governance aspects of their projects, and how they affect the triple bottom line of people, planet, and profit. They need to be able to balance the needs and interests of different stakeholder groups and align their project objectives with, among others, the sustainable development goals (SDGs) of the United Nations, the National regulations, the specific ESG policies and strategy of their organisation, etc.

This evolution of the happens in a context where projects success is already challenged: evidence form empirical research defines fewer than one-third of the projects successful[1] because many projects still use old paradigms, methodologies and most of all fail to recognise that a new set of competence is required to define and achieve projects success in a context where ESG has become the game-changer.

This Guide will help you to do just that. It will provide you with the knowledge, skills, and abilities that you need to manage projects with consideration of sustainability. It will help you to identify and assess the ESG risks and opportunities of your projects, and to consider ESG in the planning, organising, executing, and closing of these, as well as the governance of projects and the overall organisation. It will also help you to communicate the sustainability of your project effectively with your sponsor, team and other stakeholders, and to foster a culture of responsibility and ethics in your project environment.

By working with this Guide you will not only improve your project management competence, but also your project management performance. You will be able to

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1   CHAOS Report published by The Standish Group. According to their 2020 report, 29% of projects were considered successful, 49% were challenged, and 22% failed.

deliver projects that meet or exceed the expectations of your sponsors/clients and beneficiaries, and that contribute to the well-being of society and the environment. You will be able to demonstrate your value as a project manager, and to advance your career and professional development.

But most importantly, you will enjoy reading this Guide because we are convinced that ESG and sustainability are also a personal priority for you and for your family. In your role within the project profession, you are the true protagonist of this global transformation that is the most important project in mankind history, and we cannot fail. So, you will see in this Guide a clear connection between your personal values and the solid systematization of the professional competence baseline you need to be successful in your work today and tomorrow.

So, what are you waiting for? Start your journey to become a successful, sustainable project manager. You will not regret it.
In fact, as you commit to the application of the new project management paradigm, we thank you in advance for the impact you will make for the achievement of the global larger objective that we all need to achieve.

IPMA want to thank the editorial team (Gilbert Silvius (The Netherlands), Sara Bossi (Italy), Peter Pürckhauer (Germany), and some dozens of experts around the globe – researchers, educators, trainers, project management professionals, certification bodies representing the IPMA diversity in all aspects, including gender, age, geographic and cultural regions – who provided valuable feedback during the development, the sounding or the review rounds. To work together across huge distances and multiple time zones – and all on a voluntary basis in addition to individuals' professional and personal lives – is quite an achievement. We are indebted to the effort that all contributors have put into the project and into IPMA.

Thanks, too, for the deep friendship created through our deep debates. The Sustainable Project Management (ICB4 Reference Guide) will help us to achieve a world in which projects are both succesful and sustainable.

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Glossary

Accountability
Willingness to accept appropriate scrutiny of decisions and activities, and also accept a duty to respond to this scrutiny.

ESG
Environmental, social, and governance (ESG), refers to a set of considerations addressing environmental impacts, social impacts and the (corporate) governance of organizations, that can be considered in decisions and activities. ESG considerations can be used as a framework to assess an organization's performance with regards to sustainability and ethical behaviour.

Integrity
The quality of being respectful, honest, fair and having strong moral principles.

Impacts on society and the environment
The integrated impacts of an organisation's, project's or individual's, past and present decisions and activities on humankind and planet Earth. These impacts are usually categorized as economic, social and environmental impacts.

Life cycle orientation
An approach to assessing impacts of decisions and activities on society and the environment, that considers all the stages of the life cycle of a resource, product, process, or service.

(Corporate) social responsibility ((C)SR)[2]
Responsibility of an organisation for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that
- contributes to sustainable development, including health and the welfare of society;
- takes into account the expectations of stakeholders;
- is in compliance with applicable law and consistent with international norms of behaviour; and
- is integrated throughout the organisation and practised in its relationships.

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2   This definition is based on the ISO 26000:2010 standard on Social Responsibility of the International Organisation for Standardization.

Materiality
The relevance and significance of a particular impact of an organisation on society and the environment, to that organisation and/or its stakeholders.

Project sustainability management plan
A (part of a) project plan, specifically focused on the project's impacts on society and the environment, and the alignment of these impacts with the sustainability goals and strategy of the organisation. The project sustainability management plan should describe the management control systems for the project's impacts on society and the environment, including project sustainability policies, performance indicators, responsibilities, reporting lines and communication structures.

Social license to operate (SLO)
The ongoing acceptance or approval of the policies activities of an organisation by its stakeholders, especially local impacted communities and the general public.

Sustainability impact analysis (or assessment)
A structured way of analysing or assessing an organisation's, or a project's, impacts on society and the environment. Frameworks for sustainability impact analysis typically assess impacts from the Triple Bottom Line perspectives economic, environmental and social, and operationalize these perspectives in measurable indicators.

Sustainability responsible
The individual within an organisation that is responsible for developing the organisation's sustainability goals and strategy.

Sustainable development[3]
Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Sustainable project management[4]
The planning, monitoring and controlling of project delivery and support processes, with consideration of the environmental, economic and social aspects of the life cycle of the project's resources, processes, deliverables and effects, aimed at realizing benefits for stakeholders, and performed in a transparent, fair and ethical way that includes proactive stakeholder participation.

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3 This definition is taken from report "*Our Common Future*" of the World Commission on Environment and Development (1987).
4 This definition is taken from G. Silvius & R. Schipper (2014), "Sustainability in project management: A literature review and impact analysis", *Social Business*, 4, 63–96.

Systems thinking

A holistic approach to the analysis of an issue or phenomenon, that focuses on the way that its constituent parts interrelate and work as a system, and how this system behaves over time and within the context of larger systems.

Transparency

The willingness to disclose in a clear, accurate and complete manner, and to a reasonable and sufficient degree, the policies, decisions and activities for which one is responsible, including their known and likely impacts.

Triple bottom line (TBL)[5]

A framework that assesses an organisation's impacts on society and the environment in three key areas: economic impacts, environmental impacts and social impacts.

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5   The triple bottom line concept was coined by John Elkington in the article "Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development," *California Management Review*, 1994, 36(2), 90–100.