

DRAFT

Proposed changes and reasoning for proposed changes to 5th Edition of the PMBOK® Guide.

Rich Maltzman, MSIE, PMP
Dave Shirley, MBA, PMP

Tom Mochal, PgMP, PMP
Andrea Krasnoff, PMP

1.4.3 Strategic Plan

Propose that “environmental considerations” be added to the list of *strategic considerations*.

4.1 Develop a Project Charter

4.1.1 *Develop Project Charter: Inputs*- Wherever project inputs are used to create the charter, the environment and sustainability are considerations. To paraphrase Esty and Winston¹, the project manager must look through an “environmental lens”).

Whether it is a stakeholder list, a professional/technical organization, industry group or subject matter expert, there should be an environmental (green) focus along with the traditional focus for project charter inputs.

.1 *Project Statement of Work*

- *Business need...based on a market demand, technological advance, legal requirement, or government regulation.* Propose to add “environmental considerations”.
- *Product scope description – Ties in with business need*
- *Strategic Plan – see changes to strategic plan above*

.2 *Business Case*

While *ecological impacts* and *social needs* are listed, they are listed only in the aspect of projects undertaken for those purposes. We assert that this sends the wrong message. It’s implying, “you can consider ecological impacts if you are working on a project such as adding a wind turbine – otherwise, don’t worry about it”. We know that wasn’t the intent but it is a possible unintended takeaway ‘message’ which we feel must be avoided.

We are proposing that since the project manager is the person at the “business end” of a **business end**, meaning that they are at the focal point of an organization’s set of goals, they can be and *should* be a leader in these areas.

Our hope is to increase the view of the PM to the ‘larger’ environment, meaning all of the ‘volume’ around a project, including the resulting product of the project and the methodology surrounding the process of doing the project.

So with all of that said, we think that the bullets “Ecological impacts” and “Social need” can and should stay, but add the following closing paragraph after the bullets:

With regards to translating the business case into reality, it is the project manager who is at the focal point of an organization’s set of goals and thus can be and should be a leader in translating the goals of the organization into an outcome that effectively and efficiently meets the goals of the organization and the broad set of project stakeholders.

The project manager has a responsibility to consider the environment in its projects. In this capacity, the project manager acts as a leader by following green project management, identifying environmental aspects of the project, and raising these to the Sponsor and (environment) stakeholders. Ultimately, it is the Sponsor’s decision to determine how to proceed, by factoring in their business need, organization environmental policies, and project environmental impact.

.4 Enterprise Environmental Factors

Add bullet: Global or local environmental guidelines or requirements

.5 Organizational Process Assets

- The word “policies” is broad enough to cover the greenality² policy of a company. Add the following text “Environmental policies and/or environment management systems (EMS) defined by the organization.”
- The template for a project charter should include a statement on greenality ***

*** Possible areas to include in the greenality statement:

Set aspirational goals

Anticipate new regulations and standards; don’t just strive to meet what is (temporarily) established as the current “hurdle”

Test the goals of the project against The Natural Step System Conditions³

Benchmark other projects within and outside the organization for best practices in environmental and sustainability practice

Make the project goals public – so that all stakeholders within the company as well as suppliers, subcontractors, customers, and the surrounding communities know of your commitment in this domain

- Historical environmental and sustainability data for the projects and *products or outcomes of similar projects* should be included.

4.1.3 – *Outputs* – Again, our thinking here is that within the Project Charter, the green aspect is defined, particularly in areas of “measurable project objectives, and high-level risks.”

Add to the Project Charter Outputs:

- “Measurable project objectives and related success criteria” - Add, “including those aligning with the organization’s environmental approach, EMS, and/or environmental policy “
- Since the PMBOK® Guide V4 statement introducing the Project Charter includes, “...the new product, service, or result that it is intended to satisfy...”, include a bullet “Environmental aspects of the new product, service, or result”

4.2 *Develop Project Management Plan* – We are proposing that **there should be a new subsidiary plan (project document) to the Project Management Plan, the Environmental Management Plan (EMP).**

The plan is similar in perspective to that of the Quality Management Plan, but this is specifically focused on the environmental and sustainability aspects of the project. The inputs to that plan are the environmental objectives, environmental policy, and environmental risks. A project manager should seek to understand the environmental policies or Environment Management System (EMS) within their organization and align the Environmental Management Plan with these. Just as with quality, if an environmental policy does not exist at the organization level, one should be created for the project.

While these inputs may be incorporated into other plans, we believe that they are significant enough, given the future of green project management, to be included in a standalone document that serves as an input to the Project Management Plan. There is a cost to greenality, but as Phillip Crosby said in the title of his 1980 book, “quality is free,” and we say greenality is free. Additionally, like the QMP, the EMP template would include scope, stakeholders, EEVM (Earned Environmental Value Management), organizational policies, risk register, and will use similar tools to Quality Management, benchmarking, cost-benefit analysis, the cost of greenality, etc. The output then would be a EMP that dovetails into all the appropriate other plans, like the QMP, Risk Management Plan and others.

4.2.3.1 – Add Environmental Management Plan as another subsidiary plan to the Project Management Plan

Another area that is impacted by environmental considerations is the Monitoring and Controlling Process Group. One of the inputs to that group is the PMP, of which the EMP is a part. One of the purposes of this process group is to compare the environmental objects/requirements listed in the project statement of work with actual and when necessary take corrective action to assure compliance. Another purpose of this process group is to “identify new risks and analyzing, tracking, and monitoring existing project risks....” Including environmental risks identified earlier in the project development. Nothing would be different for the EMP. It is just that EMP would have to be one of the inputs.

EMP may have its own change control process, and is part of the project integrated change control process, or it may be only included as part of the integrated change control process.

4.5.1.1 – Project Management Plan (input) – with the addition of the EMP as an output in 4.2.3.1 it may be inferred. However, as a new area to the PMBOK® Guide, it may be worth further explanation. For example, in 4.5, add a bullet, “Determining any environmental impacts of the change when addressing the need for the change”

4.6 Close Project or Phase

4.6.3.2 – Under Historical Information, update the last sentence, “This can include information on issues, risks, and project environmental considerations as well as techniques that worked well that can be applied to future projects.”

5.1.1 Collect Requirements

The project’s initial scope definition could include environment characteristics related to your project’s deliverables, environment-related acceptance criteria, and/or environment requirements that may not have been considered previously. Initially, seek out any environment-related requirements from the stakeholders identified and included in the Stakeholder Register, 5.1.1.2. These could then become a part of the Product scope description and Product acceptance criteria in 5.2.3.1 (Project Scope Statement).

7.1 Estimate Costs

Include costs for environment-related processes or activities on the project, which could include inspections, choice of packaging, and application of the Environmental Purchasing Policy.

7.1.1.5 – Add an additional bullet to Enterprise Environmental Factors

Environmental requirements. An organization’s EMS, environmental policy, or work with other groups such as NGOs or government regulations may play a part in determining a project’s environmental targets. Estimate the project costs associated with the work undertaken by a project to align with these environmental requirements.

9.1 Develop Human Resources

Human resource management relates to the people, and all processes needed to acquire, develop, and manage a project team.

9.1.3.1 – Elaborate on “Training needs”, with “Train project team members on the organization’s environmental policy and how environmental aspects will be incorporated and evaluated on a project.”

10.1 Identify Stakeholders

As we think about the environmental aspects of our project, consider new sets of stakeholders to be informed and/or participating in our projects. These may be internal, such as those responsible for an organization's EMS or maintaining its ISO 14001:2004 standard. It may also include external stakeholders, such as those involved in supply chain integration projects or NGOs. Include these stakeholders and their communication needs in the consideration of stakeholders and the project's

Communication Plan.

10.1.1.3 – Update the first bullet in Enterprise Environmental Factor, “Organizational or company culture and structure (e. g, Organization’s EMS or organization’s environmental personnel), and”

10.1.1.3 – Add a bullet for an additional Enterprise Environmental Factor, “External environment groups (e. g, supply chain partners, NGOs)”

Chapter 11

Add new Input: Environmental Management Plan

11.2.10 Enterprise Environmental Factors

Add bullet for “Environmental and sustainability studies”

11.3.2.1 Risk Probability and Assessment

Add an example related to the environment such as: By viewing the project through an environmental lens, a project manager may evaluate their risks and assumptions differently. For example, something that was an assumption previously may now be considered a threat if environmental factors are fully taken into account. The project manager may also encounter constraints that had never been applied. At the same time, opportunities not visible without the environmental lens may become apparent.

Chapter 12

Current page 315: make certain that all procurements meet the specific needs of the project while adhering to organizational procurement policies **including the environmental policies. If the organization does not have an Environmental Purchasing Policy (EPP)¹, the project may create one.**

Current page 315: The various activities involved in the Project Procurement Management processes form the life cycle of a contract. By actively managing the contract life cycle and carefully wording the terms and conditions of the procurements, some identifiable project risks can be avoided, mitigated, or transferred to a seller. Entering into a contract for products or services is one method for allocating the responsibility for managing or sharing potential risks. **With or without a contract, however, the Project Procurement Management processes should give the project team the capability to consider and mitigate environmental impacts which extend well beyond the life cycle of the project.**

12.1.3 Plan Procurements: Outputs

In the Procurement Management Plan, it is important to identify and understand any organizational environmental policies and standards you are adopting on your project. For example, you may identify how you expect vendors to adhere to specific environment processes or meet your stakeholders' environmental requirements. (Add a bullet in 12.1.3.1 to address this last statement.)

12.1.3.5 Source Selection Criteria

Add a statement, "As you gather and rank the needs against which you will evaluate vendors, apply your organization's Environmental Purchasing Program. You can also establish the weighting factors for these needs and ultimately rate the vendors on their ability to meet your environmental requirements."

Also add a bullet, "Vendor environmental alignment to the organization".

12.2 Conduct Procurements

In an RFP, include information on the organization's environmental focus (such as summarizing the EPP and EMP and have the vendor comment on how they will align to these, or make a general inquiry regarding the vendor's use of green project or business management processes. Each vendor should be able to explain and demonstrate how they can accomplish the organization's environmental goals, possibly describing how they have completed similar goals previously.

12.2.1.5 Seller Proposals

Add a comment:

Request feedback in the seller proposals that describe how they use or will align to the buying organization's EPP or EMS."

12.2.2.2 Proposal Evaluation Techniques

Add a comment, " Include environment requirements and weighting factors in your requirements to determine vendors who can meet these needs."

12.3.2.3 Inspections and Audits

Add a comment after the current first sentence, "This includes compliance with the organization's stated environment EPP and EMP.

CODE OF ETHICS AND PROFESSIONAL RESPONSIBILITY

The final aspect of our changes to account for environmental consideration is within the Code of Ethics and Professional Responsibility. We realize that natural and environmental resources are mentioned "Respect is our duty to show a high regard for ourselves, others, and the resources entrusted to us. Resources entrusted to us may include people, money, reputation, the safety of others, and natural or

environmental resources.” We believe, however, that a stronger statement is needed due to the seriousness of the global situation and the according to our own *assertions*:

1. A project run with green intent is the right thing to do, but it will also help the project team do the right thing.
2. Project managers must first understand the green aspects of their projects, knowing that this will better equip them to identify, manage, and respond to project risks.
3. An environmental strategy for a project provides added opportunity for success of both the project and the product of the project,
4. Project managers must view their projects through an environmental lens. This increases the Project Manager’s (and the project team’s) long-term thinking and avails the project of the rising “green wave” of environmentalism.
5. Project managers must think of the environment in the same way they think of quality. It must be planned in, and the cost of “greenality” like the cost of quality, is more than offset by the savings and opportunities it provides.

These assertions could be added as an appendix to the PMBOK® Guide, or the Code of Ethics and Professional Responsibility.

We are *definitively* suggesting that the Code of Ethics and Personal Conduct include the following:

Respect is our duty to show a high regard for ourselves, others, and the resources entrusted to us. Resources entrusted to us may include people, money, reputation, the safety of others, and natural or environmental resources.

Our commitment to sustainability means that we will take efforts on our projects (considering both the project itself and its product) to help eliminate or reduce:

- the buildup of compounds and chemicals in the earth’s biosphere
- the progressive physical degradation and destruction of nature and natural processes
- conditions that undermine people’s capacity to meet their basic human needs (for example unsafe working conditions and not enough pay to live on)²

An environment of respect engenders trust, confidence, and performance excellence by fostering mutual cooperation — an environment where diverse perspectives and views are encouraged and valued.

As you can see, adding specific environmental considerations to the PMBOK® Guide could be a fairly easy transition and would meet the rising expectations of business and projects to be “green”.

¹ “Green to Gold”, Esty and Winston

² Greenality: The degree to which an organization has considered environmental and sustainability factors that affect its projects during the *entire project lifecycle and beyond*. It contains two project management processes: (1) creating a plan to minimize the environmental impacts of projects (this includes efforts to simply run the project more efficiently and effectively) and (2) the monitoring and controlling of the environmental impacts of the *product* of the project. Like quality, greenality must be *designed-in*, not inspected-in.

³ The Natural Step (<http://thenaturalstep.org//the-system-conditions>)