



The GPM Global P5™ Standard for Sustainability in Project Management

People, Planet & Profit,
Project Processes and Products

First Edition



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FOREWORD

The global focus on Sustainable Development, Climate Change, Ethics, Social Responsibility and Supply Chains has increased in recent years. There is a growing demand for sustainable business practices through their processes and products so that they are more sensitive and responsive to environmental sustainability and to the community (or multiple communities) in which they operate.



As contributors to and members of the United Nations Global Compact, our commitment to global citizenship is embodied in our efforts to help individuals and organizations around the world build skills that empower them to participate in and contribute to a healthy economy with a commitment to environmental and social stewardship.

As the stewards of innovation with representation in every industry worldwide, project management, as a discipline is uniquely suited to address challenges to the environment and our way of life.



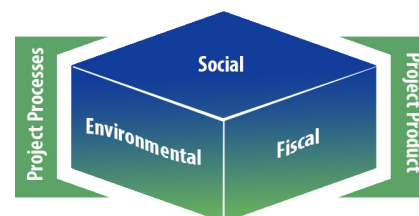
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THE P5 STANDARD

INTRODUCTION

P5 stands for People, Planet, Profit, Process and Product.

The GPM P5 Standard is a tool that supports the alignment of Portfolios, Programs and Projects with organizational strategy for Sustainability and focuses on the Impacts of Project Processes and Deliverables on the Environment, Society, the corporate bottom line and the local economy.



The simplest way to explain P5 is that it is made of bonds between the triple bottom line approach, project processes and the resulting products or services.

P5 expands on the triple bottom line theory to allow for project management integration and is an adaptation of a sustainability checklist that was developed at the 2010 IPMA® Expert Seminar, “Survival and Sustainability as challenges to projects.”

This publication provides guidance on what to measure and how to integrate P5 into project activities and can also be used by CSR professionals to support their sustainability reporting to include projects.

P5 serves as the sustainability framework our PRiSM methodology is built and leverages ISO standards, the GRI G4 indicators and the UN Global Compact Ten Principles.

The PRiSM methodology provides inroads to expand the capabilities of organizations to provide a complete cradle-to-cradle report. The methodology includes project processes and their products as critical elements through qualitative and quantitative measurements using the P5 Standard and is used in a manner similar to that of a Log Frame analysis (the logical framework), a tool that structures the main elements of a project and highlights the linkage between them.

DEFINITIONS

Sustainable

Development that meets the needs of the present without compromising future generations from meeting their own needs. (UNWCED 1987)

Development

Climate Change

“Change in the state of the climate that can be identified (e.g., using statistical tests) by changes in the mean and/or the variability of its properties, and that persists for an extended period, typically decades or longer. It refers to any change in climate over time, whether due to natural variability or as a result of human activity” (IPC, 2007).

“Change of climate that is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and that is in addition to natural climate variability observed over comparable time periods” (UNFCCC, 2014)

Corporate Sustainability

Refers to a company’s delivery of long-term value in economic, social, environmental and ethical terms. This focus on long-term value carries with it both responsibilities and opportunities. Fundamentally, all companies have a responsibility to operate in accordance with universal principles, such as those of the UN Global Compact. In practice, this means making sure that a company identifies, prevents, mitigates and accounts for any negative impacts it may have on society and the environment by incorporating these universal principles into the appropriate corporate strategies, policies and procedures, and by establishing a culture of integrity and compliance. In particular, risk assessment processes should consider risks to society and the environment arising from company activities rather than solely considering the risks to the company itself, albeit mitigating such risks can often also mitigate reputational, legal and financial risks to the company. Responsibility for implementation of universal principles must be integrated throughout the organization, with efforts also made to secure the same high standards among suppliers and other business partners (post-2015 business engagement, 2013).

Ethics

We are at a moment in history in which our ethics acquire crucial importance. Business ethics (also corporate ethics) is a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individuals and entire organizations. For example, today most major corporations promote their commitment to non-economic values under headings such as ethics codes and social responsibility charters.

Companies today cannot be socially responsible if they do not aspire to sustainable development. Their culture, daily behavior and economic, environmental and social performance must be aligned and consistent with global sustainable development goals.

Supply Chains: Longstanding concerns about poor social and environmental conditions in companies' supply chains, along with heightened public scrutiny of business behavior, have led to rising expectations that companies should seek more effective ways to improve their suppliers' environmental, social and governance (ESG) practices.

Projects and Business Processes do not live solely within the confines of the environment in which they were intended. Their impacts on society and the environment in which they are utilized must be accounted for as a measure of project success, and this was the driving force behind our development of the P5 Standard, a tool that will help organizations achieve sustainability goals while realizing project success.

ALIGNMENT WITH THE GRI G4 AND UN GLOBAL COMPACT

The Global Reporting Initiative (GRI) is the world's largest international framework for reporting. The number of sustainability reports has increased each year since GRI began publishing its Sustainability Reporting Framework. GRI maintains a list to track progress in this regard. We note that there are many more sustainability reports that are not formally listed. The GRI List indicates that from 1 January to 31 December 2010 there was a 22% increase in the number of sustainability reports over the previous year (G4 sustainability reporting, 2013).

The United Nations Global Compact (UNGC) Millennium Development Goals (MDGs) serve as a driver for reporting and are set to expire in 2015, and the new framework, The Post-2015 Business Engagement Architecture, is the culmination of over a decade of experience by the UN Global Compact in engaging business on corporate sustainability globally. It draws on insights gathered during a series of globe-spanning consultations on the Post-2015 development agenda and was developed in collaboration with Global Compact LEAD companies at the 2013 UNGC Leader's Summit, of which GPM Global was an active participant.

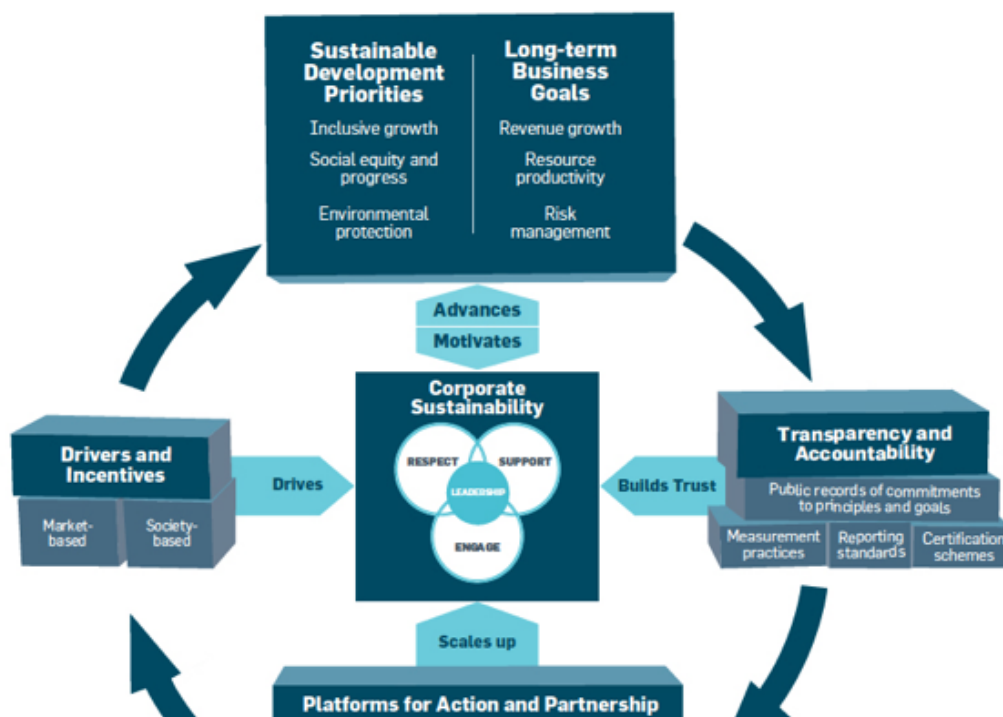




Figure 1. The UN Global Compact Business Engagement Architecture

The Ten Principles of the UN Global Compact

The UN Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption enjoy universal consensus.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

Labor

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

**GPM Global is an active participant to the United Nations Global Compact, registered as a global business association and is the first project management professional development organization among its signatories.*

For more information on the Ten Principles visit www.unglobalcompact.org

The P5 Standard

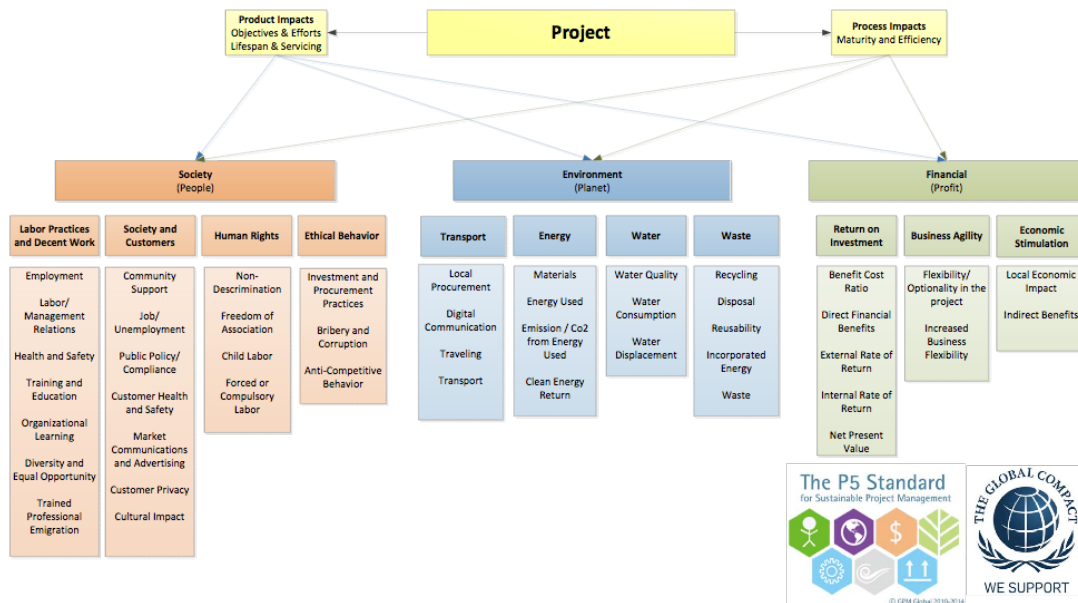


Figure 2. The GPM P5 Matrix

Consumers, investors, shareholders and even competitors are largely basing their decisions on what to buy or invest in, and from whom, based on what companies report on.

Establishing global metrics for sustainability is no easy task as each business is unique and what may be an apple to one company could be an orange to another. The GRI G4 guidelines require that companies disclose what is relevant to their business (G4 sustainability reporting, 2013).

A challenge to true cradle-to-cradle reporting is what companies are omitting from their reports. There is an old adage, “you can’t report what you can’t measure”. P5 provides a measurable framework for portfolios, programs and projects, that are by definition unique, to be considered for inclusion to reports.

John Elkington, founder of a British consultancy called SustainAbility, first used the phrase “the triple bottom line” in the 1990s in his book *Cannibals with Forks* (Elkington, 1997). His argument was that companies should be leveraging three separate bottom lines. One is the traditional measure of corporate profit, the profit and loss account. The second is the bottom line of a company’s “people” or “social account,” which is a measure of how socially responsible an organization’s operations are.

The third is the bottom line of the company’s “planet” account—a measure of how environmentally impacting they are. The triple bottom line (TBL) therefore consists of

three Ps: people, planet and profit. It aims to measure the organization of the corporation over a period of time. According to Elkington, only a company that produces a TBL is accounting for the full cost involved in doing business.

A challenge to the triple bottom line is that the three separate accounts cannot easily be quantified. It is difficult to measure the planet and people accounts in the same terms as profits are measured—that is, in terms of profitability.

The full cost of the BP Deep-Water Horizon disaster in the Gulf of Mexico, in April of 2010, for example, is probably immeasurable in monetary terms, as is the cost of industrialization from an environmental perspective or from a social perspective, the cost of depriving children of their freedom to learn as a result of making them work at a young age.

Sustainability in project management isn't as easy as simply flipping paper over to use the other side or carpooling to team meetings as some might suggest. Rather, it is the incorporation of elements that are standardized by the International Standards Organization (ISO), the UN Global Compact's Ten Principles (UNGC) and Global Reporting Initiative (GRI G4) Reporting Framework to a project management process which can be measured, applied and utilized to produce benefit to the organization by reducing the project's impact on the eco-environment, the economy and society.

The GPM P5 standard is a tool originally developed in August 2011 to define what and how to measure a project for sustainability-related impacts. Organizations that produce sustainability reports can utilize the tool to provide a greater level of transparency in their organization by including information on projects that compliments the existing method or reporting on supply chains.

P5 AND PRODUCTS



A “product” defined as being any tangible or intangible service, goods, change, resource, business result or outcome undertaken by an organization, using project management processes to create, update, expand, maintain and eventually dispose of the products, with the objective of using the product to provide future benefit to the organization.

There is no set time period for a product or asset life cycle as the length of each phase of its existence varies depending on economic life. A project's life cycle may not be the same duration as its timeline as success may only be achieved at times such as “benefits realization”. Therefore its timeline may include a separate project for the period after a traditional contract project, which is the period of time between the traditional project period and the benefit being realized to the organization. One product's entire life cycle could be completed within a few months while another product's could last for years.

Products commonly follow four stages:

- **Introduction** – A product is introduced to the market.
- **Growth** – The product starts to grow in the market.
- **Maturity** – The product is established and sales increase and eventually stabilize.
- **Decline** – The stage at which the product begins to decline or the market for the product is no longer there.

P5 considers the product's life cycle from a social, environmental, and economic perspective. During each project phase sustainability should be accounted for to ensure the product's project from the time the idea for the product is conceived until it is handed off in its final form. This includes planning product realization, designing and developing, (that should consider quantity and types of materials, chemicals used, energy efficiency and recyclability) production and servicing .

The lifespan of the product that is measured covers the life of a single product from a planned obsolescence perspective, also known as its economic life which is what will be required to keep the product operating as intended from a servicing standpoint or to realize the real benefit that the project will deliver to the organization.

Example 1: A School Building

The physical building is the result of a project, and each year, there are many projects undertaken to update, remodel and expand. Eventually, the building has reached the end of its economic life, and a decision has to be made what will be done with the building, be disposed of and a new structure built or whether it is to be renovated and its economic life extended.

Example 2: The Cell Phone

As technology evolves, each cell phone that comes to market has new features. To get the new cell phones into consumers' hands, many projects must be undertaken.

From a high-level perspective, the project to develop a new phone, or tablet for that matter, follows Moore's Law (Moore, 1998) and is designed with an economic life span of roughly two years. Cell phones are costly to consumers and are filling up landfills all over the world. The Apple® iPhone 5, for example, contains bromine, chlorine, lead, and mercury, in the final product. Apple® is not alone in this regard.

Most phones are reintroduced to the environment when disposed of as e-waste, which comprises 2% of the makeup of landfills in the United States alone. (EPA FAQs on, 2012)

Each product has social, economic and environmental impacts which may be recognized by a series of related projects during its product life cycle. Projects can include physical design, software design, marketing, testing, packaging, etc.

There are many ways to measure how sustainable the supply chain is; however, using P5, a true cradle-to-grave measurement can be taken, as P5 can be used to measure and score the project that brought it into existence.

P5 AND PROCESSES



According to ISO 21500, Guidance on Project Management (ISO 21500:2012) a project consists of a unique set of processes consisting of coordinated and controlled activities with start and end dates, performed to achieve project objectives. Achievement of the project objectives requires the provision of deliverables conforming to specific requirements. A project may be subject to multiple constraints. Every project has a definite start and end and is usually divided into phases.

Although many projects may be similar, each project is unique. Project differences may occur in the following:

- Deliverables provided
- Stakeholders' influence
- Resources used
- Constraints
- The way processes are tailored to provide the deliverables
- The context or specific application (A construction project is very different from an IT project)
- The perspective of the stakeholders (especially the difference between the contractor, for whom the project is a profit center, and the owner, for whom the project is only the means to an end).

P5 measures project objectives and deliverables, their intended life spans, servicing, and project process for maturity and efficiency perspective against elements based on the triple bottom line.

According to ISO 21500: 2012, a process is a set of interrelated activities. Processes used in projects are generally categorized into three major types:

- Project management processes, which are specific to project management and determine how the activities selected for the project are managed
- Delivery processes, which are not unique to project management, which result in the specification and provision of a particular product, service or result, and which vary depending on the particular project deliverable
- Support processes, which are not unique to project management, and which provide relevant and valuable support to product and project management processes in such disciplines as logistics, finance, accounting and safety

P5 views the maturity of these processes and the efficiency in which they are applied to determine the overall level of sustainability from a process perspective.

Process groups as defined by ISO 21500:2012 include initiating, planning, implementing, controlling and closing.

Activities within these process groups can be carried out in many ways. The GPM PRiSM method groups them into four phases, with a sequential method, to bring the project from initiate to close while taking into account the sustainability elements to ensure the best outcome from both a project success criteria and the impact of the delivery from a social, environmental and economic standpoint.

Not all project methods focus on sustainability factors; therefore from a P5 perspective they would be viewed as immature regardless of whether they are adequate ways to achieve the common level of success for a project, and achieve the result from a cost, time and scope perspective.

P5 AND THE SOCIAL BOTTOM LINE

P5 views the social, or “people” bottom line categorically and is based on internationally recognized standards, including:



- United Nations Universal Declaration of Human Rights
- United Nations Convention: International Covenant on Civil and Political Rights
- United Nations Convention: International Covenant on Economic, Social, and Cultural Rights
- Convention on the Elimination of all Forms of Discrimination against Women (CEDAW)
- ILO Declaration on Fundamental Principles and Rights at Work
- Vienna Declaration and Program of Action.

LABOR PRACTICES AND DECENT WORK

This sub-category covers project governance policies as they pertain to labor practices, the relationship to policy set forth in organizational standards and operations, organizational hiring and staffing procedures, treatment of employees and their well-being.

EMPLOYMENT

Employment and sourcing practices of the individuals who comprise the project organization, ranging from the project steering committee or board to the project team members, can be measured by

- Employment type (full time or contract)
- Gender
- Age

LABOR/MANAGEMENT RELATIONS

An organization's approach as it relates to the project owner/sponsor/stakeholders with regards to interfering with each other's legitimate and human rights: policies for addressing issues, risks and performance; and procedures for fair mediation

HEALTH AND SAFETY

An organization's approach and procedures for health and safety and emergency management as they relate to the project team the project environment during the project life cycle and the environment that the product will inhabit when it is put into production

TRAINING AND EDUCATION

An organization's approach to skills management and learning that supports the ability of project personnel to carry out project activities, maximize value to the project and a positive contribution to their careers

ORGANIZATIONAL LEARNING

An organization's approach to knowledge management that enhances its collective ability to accept and make use of new knowledge to benefit the organization's advancement and mitigate risk

DIVERSITY AND EQUAL OPPORTUNITY

An organization's policies regarding non-discrimination of project personnel and resources based on age group, gender, minority group, and other indicators of diversity.

TRAINED PROFESSIONAL EMIGRATION

The impact on a local society whereby the labor demographics change due to a portfolio, program or project

SOCIETY AND CUSTOMERS

This sub-category covers the impacts of a portfolio, program or project on the society in which the project's product will impact the end users or customers that will make use of it

COMMUNITY SUPPORT

The level of support by the community that the project will have impact on directly and indirectly from a local, regional national, and global perspective

PUBLIC POLICY/COMPLIANCE

Rule of law, public policies and regulatory compliance that the project must abide by

CUSTOMER HEALTH AND SAFETY

The adherence to measures that ensure that the project does not endanger or cause harm to the end user

PRODUCTS AND SERVICES LABELING

The labeling of the project's product and service information to ensure accuracy of content, safe use, disposal and any factors that may have environmental or social impacts

MARKET COMMUNICATIONS AND ADVERTISING

The reporting of incidents pertaining to regulatory compliance, human rights, laws or public policies

CUSTOMER PRIVACY

The organizational policies and procedures to that pertain to the handling of customer information, complaints, regulatory issues or loss of customer information

HUMAN RIGHTS

This sub-category covers project processes and product impacts as they pertain to human rights. Among the human rights issues included are non-discrimination, gender equality, freedom of association, collective bargaining, child labor and forced or compulsory labor.

The international legal framework for human rights comprises of a body of law made up of treaties, conventions, declarations and other instruments. The cornerstone of human rights is the United Nations (UN) International Bill of Rights, which is formed by three instruments:

- United Nations (UN) Declaration, "Universal Declaration of Human Rights", 1948
- United Nations (UN) Convention, "International Covenant on Civil and Political Rights", 1966
- United Nations (UN) Convention, "International Covenant on Economic, Social, and Cultural Rights", 1966

These are the first reference points for any organization reporting on human rights.

NON-DISCRIMINATION

Organizational policy for non-discrimination because of race, color, national or ethnic origin, age, religion, disability, sex, sexual orientation, gender identity and expression, veteran status or any other characteristic protected under applicable law

FREEDOM OF ASSOCIATION

Organizational policies and processes that ensure rights personnel to join or leave groups of their own choosing and for the groups to take collective action to pursue the interests of their members

CHILD LABOR

Organizational policies and measures that safeguard against child labor and young workers' being exposed to hazardous work either directly or through supplier channels

FORCED AND COMPULSORY LABOR

Organizational policies and measures that safeguard against forced or compulsory labor practices, either directly or through supplier channels

ETHICAL BEHAVIOR

This sub-category covers project process and product impacts as they pertain to ethical behavior and focuses on three areas: Investment and Procurement, Bribery and Corruption and Anti-Competition.

Each element in this sub-category extends beyond a behavioral competence to organizational culture in how conscious leadership and higher purpose are cornerstones to successful projects and ultimately stronger business

INVESTMENT AND PROCUREMENT PRACTICES

The organizational process of selecting which project to invest in and the procurement practices that will supply the project with resources

BRIBERY AND CORRUPTION

An organization's policy and practice, and transparent communications with regards to forms of corruption, including extortion and bribery

ANTI-COMPETITION BEHAVIOR

A organization's policy and actions and reporting on anti-competitive behavior, including any legal action or complaints from regulatory organizations

P5 AND THE ENVIRONMENTAL



BOTTOM LINE

The environmental aspect of sustainability concerns portfolio, program and a project's impacts on living and non-living natural systems, including land, air, water and ecosystems.

TRANSPORT

This sub-category covers project process and product impacts as they pertain to transport and focuses on four areas: Local Procurement, Digital Communication, Traveling and Transport.

While each element in this category is categorized under the environmental bottom line, each has significant social and economical impacts that should be accounted for when considering overall impact

LOCAL PROCUREMENT

An organization's policy and procedure to procure goods and services from local sources to reduce environmental impact (also serves to lessen negative social and economic impacts.)

DIGITAL COMMUNICATION

An organization's policy and procedures to utilize technology for communication to reduce the consumption of non-renewable resources

TRAVELING

An organization's policy that limits unnecessary travel and ensures that the use of travel-related resources has to have as little impact on the environment as possible

TRANSPORT

An organization's policy on the transportation of goods or materials that ensures the logistical aspects and the packaging are as environmentally friendly as possible

ENERGY

This sub-category covers project processes and product impacts as they pertain to energy resources and focuses on three primary areas: Energy used, Emissions/Co², and Clean Energy Return.

ENERGY USED

The type and amount of energy consumed throughout the project life cycle and the amount of energy the project's product will consume during its life span

EMISSION /CO²

The amount of carbon emissions that will be emitted during the project life cycle and the air quality impact during the project's product life cycle

CLEAN ENERGY RETURN

The type and amount of renewable energy that be generated by the project or project's product that can be returned and re-allocated

WATER

This sub-category covers project process and product impacts as they pertain to water resources and focuses on three primary areas: Water Quality, Water Consumption and Water Displacement.

WATER QUALITY

The impact on water quality that the project and or the project's product will have on the habitats and species affected

WATER CONSUMPTION

The amount of water that will be withdrawn by the project and or project's product during its life cycle

WATER DISPLACEMENT

The amount of water that will be displaced from the natural water table as a result of the project or project's product

WASTE

This sub-category covers project processes and product impacts as they pertain to waste during the extraction of raw materials, the processing of raw materials into intermediate and final products and the consumption of the final products and focuses on five primary areas: Recycling, Water Disposal, Reusability, Incorporated Energy, and Waste.

RECYCLING

The organizational policy and practice regarding the sourcing and use of recycled products and materials and the project's adherence to recycling practices

DISPOSAL

The organizational policy for disposal of resources and assets and the impact of the project's product end-of-life disposal on society and the environment

REUSABILITY

The organizational policy to reuse materials in the creation of new products and the product's reusability at the end of its life

INCORPORATED ENERGY

The amount of energy from renewable sources that is incorporated into the project's product and the consumption of renewable energy during the project's life cycle.

WASTE

The organizational policy and practices with regard to waste disposal, the handling of waste during the project's lifecycle, and the type and amount of waste created by the project's product

P5 AND THE FINANCIAL BOTTOM LINE



P5 views the economic returns on portfolio, program and projects to include external costs when calculating returns.

The categories and elements allow for sustainability-based decision making process from the viewpoint of portfolios, programs and projects, to maximize return for as many as possible.

RETURN ON INVESTMENT

P5 views Return on Investment (ROI) from a financial aspect as the direct financial gain to be realized for investing in a portfolio, program or project. This sub-category covers the financial gain and net present value of an individual project.

BENEFIT COST RATIO

P5 views Benefit Cost Ratio (BCR) as the relationship between the value, both qualitative and quantitative, and costs associated with a project

DIRECT FINANCIAL BENEFITS

The financial gain to be realized by the organization as a result of a project

INTERNAL RATE OF RETURN

The interest rate at which the present monetary value of all the incomes and expenditures associated with the project would be zero. Simply put, IRR is the interest rate at which a project breaks even

EXTERNAL RATE OF RETURN

The external rate of return is the rate of return at which the present worth of a series of cashflows would be zero, where all cash flowing in during the project is re-invested at the auxiliary rate of return, that being the best rate available in practice.

NET PRESENT VALUE

The monetary total that results when the discounted value of the expected cost of a portfolio, program or project is deducted from the discounted value of the expected gains

BUSINESS AGILITY

P5 views business agility as the ability of an organization to easily adapt (from a financial perspective) in response to changes in the portfolio, program or project to meet project

outcomes from a sustainability perspective. This sub-category focuses on two elements, flexibility/optionality in the project and increased business flexibility.

FLEXIBILITY/OPTIONALITY IN THE PROJECT

Flexibility in the project to adjust requirements to achieve a higher degree of sustainability to increase social benefit and improve environmental impacts

INCREASED BUSINESS FLEXIBILITY

The amount of flexibility an organization gains as a result of a project

ECONOMIC STIMULATION

P5 views economic stimulation as the financial stimulation that occurs as a result of the project. The two measures are Local Economic Impact and Indirect Benefits.

LOCAL ECONOMIC IMPACT

The impact to the local economy as a result of the portfolio, program or project

INDIRECT BENEFITS

The financial benefits to the economy that are realized as a result of the portfolio, program or project that are not defined in the business plan but materialize as a result of the investment

THE P5 IMPACT ANALYSIS



Figure 3. PRiSM Methodology Phase One

A P5 impact analysis is performed during the initiation phase of a project according to the PRiSM methodology. The objective is to define and prioritize sustainability risks and opportunities from 360° standpoint to improve the project's value; the impact to the environment, society and economy the alignment to the organization's strategy.

The output gives key decision makers across functions the actionable information they need to justify changes to the project scope in socially and environmentally responsible activity.

KEYS TO PERFORMING A P5 IMPACT ANALYSIS

To perform a thorough P5 impact analysis, a project manager's understanding of the business case, project charter, project requirements and organizational sustainability goals, as well as a reviewing lessons learned from previous projects, is critical. While the business base and project charter are the responsibility of the project owner to produce, process steps to gather, document and gain agreement on requirements based on the understanding of the documents organizational strategy are of the project manager (ICB 3.0)

METHODS TO PERFORMING A P5 IMPACT ANALYSIS

There are several ways to perform a P5 impact analysis. Developing a risk register using each element as a category is the simplest. The most effective way is to use a scoring system.

When using a scoring system, each product deliverable and project process is scored against each element of P5 based on a positive/neutral/negative scale, ranging from a neutral (0) high (+ or -3) , medium (+ or -2) , and low (+ or -3). The lowest value is equal to the lowest impact (-3 for example, is the best possible score) Table 1 (below) displays an example. Deliverable 1 with +3 will need to be managed as a high risk whereas Deliverable 3 poses little to no risk.

This method is a simplified analytic hierarchy process, one of the most popular analytical techniques for complex decision-making problems. Note: An AHP hierarchy can have as many levels as needed to fully characterize a particular decision situation (Decision Making in, 2013).

	Deliverable 1	Deliverable 2	Deliverable 3	Score
Carbon Emissions	+3 (high impact)	+1 (low impact)	-2 (medium impact)	+2

TABLE 1. P5 Scoring

Product Example:

The average of the summation of scores will establish a baseline during initiation for each P5 bottom line, People, Planet, Profit, Process and Product, and items that have a plus score (negative) are a risk to the sustainability score of the project and will need to be managed. Processes are measured in the same manner.

Defining Sustainability Objectives from the Analysis

The P5 impact analysis will provide key insights on where the problem areas are from a sustainability perspective. Once the analysis has been completed, the items that pose a risk (anything with a + score) should be sectioned off, reviewed and mapped to into a Sustainability management plan (SMP).

P5 AND THE SUSTAINABILITY MANAGEMENT PLAN (SMP)

The sustainability Management Plan (SMP) is an essential document that transforms the sustainability objectives into project objectives by listing out each item, by its initial score, liability and recommendation for remediation. P5 has an integral role in the document, as it supplies the sustainability criteria.

The SMP uses a change management process to map sustainability objectives derived from the P5 impact analysis into a column table that outlines the P5 practices (People,

Planet or Profit,) sub-categories and elements as well as the reason for the inclusion, the initial score, any legal or regulatory conflicts and a proposed action.

P5 Category	P5 Sub Category	P5 Element	Reasoning	Score	Legal Regulation	Proposed Action
Social	Labor Practices and Decent Work	Employment	Hiring Practices do not meet the needs of the project.	+2	None	Propose a competency/skills assessment as part of the interview process
Environmental	Transport	Local Procurement	Components are being shipped from 8,000 Miles away	+2	Out of Compliance	Recommend local suppliers and cost benefits analysis.

TABLE 2. SMP MATRIX

Projects with excellent change management effectiveness are six times more likely to meet or exceed project objectives (Prosci, 2013). The use of an SMP increases the likelihood for success for sustainability integration in project initiatives by managing change from a current state to a desired future state.

The SMP provides the information to allow for an in-principal decision to be made to address sustainability impacts during project initiation so that, when planning begins, project objectives are clearly defined.

P5 AND PROJECT STATUS REPORTING

Project status reports are key to monitoring and controlling projects and should include at minimum the progress towards project milestones, current issues and status, current risks and how they are being addressed, a budget update and a P5 update. In support of a Log Frame Analysis the report provides key insight into the status on key elements of a project.

The P5 sustainability score is derived during the initial analysis sets the baseline for the project. As the project life cycle continues, risk is introduced and scope changes, or issues arise and it is important to re-evaluate your analysis and the sustainability score.

Including the score in the project status report keeps stakeholders up to date and provides key insights for the organization to support overall sustainability reporting.

The status report should include a section that includes the following information

P5 Sustainability Score Update		
Initial P5 Score	Current P5 Score	Variance
+ 2.03	+1.94	-.09

Changes					
P5 Category	P5 Sub Category	P5 Element	Reason for Change	Previous Score	New Score
Social	Labor Practices and Decent Work	Employment	Received approval to change hiring practices for two skilled positions	+2	+1

Table 2. P5 and Status Reporting

P5 AND QUALITY MANAGEMENT

In Quality Management, Project Managers utilize constraints that will deliver the intended result. Quality Management “involves determining quality policies, objectives, and responsibilities so that the project will satisfy the need for which it was undertaken.” In a simpler description, Quality Management is accountable for making sure that any work performed is done so correctly the first time to avoid rework and wasted energy or resources. Sustainability convergence points are contained within each process of the quality management knowledge/subject area.

The Quality Planning activity defines the inputs and controls for quality assurance activities. The inputs from ISOs 14001, 26000, 9001 and 50001 set the level of influence that the standards will have on defining “quality”. (Carboni, Gonzalez & Hodgkinson, 2013).

P5 AND PROJECT CLOSEOUT

Project closeout will occur when all of the products have been delivered and the implementation phase has been completed. In certain circumstances, such as with changes in viability or requirements, projects may be closed before planned completion.

Project closeout involves the completion of all product and project handover activities in a controlled manner (Carboni, Gonzalez & Hodgkinson, 2013).

A closure report is produced by the project manager to record the final outcome of the project against the success criteria, any issues outstanding and actions arising from closure.

P5 provides critical information to aid in project closure activities by supporting lessons learned for future project: information on the management of the product beyond the

project lifecycle; key findings to provide to the sustainability officer in support of GRI, UNGC or similar sustainability reports and a final score for the project.

There is no “one size fits all” approach to close out reporting. Items that can be included in project closeout documents from a P5 perspective include:

- Measures taken to mitigate risks to sustainability based on P5 categories during the project
- Sustainability issues that arose during the project that could not be addressed or resolved and the reasoning
- New areas to focus on in future projects or in similar projects that are in process
- Individual bottom line scores and a final project score taken from a P5 impact analysis to aid in sustainability reporting and organizational learning

According to ISO 21500, opportunities developed from organizational strategy are sent as business cases through project governance, managed by the project organization through projects that encompass project management processes, product processes, and support processes and become deliverables that are transferred to operations.

Benefits are realized during the use phase to support organizational strategy. Project governance using P5 is responsible for ensuring that the project addresses the impacts of the product on the environment and society during its economic life and during its decommissioning and disposal.

P5 AND SUSTAINABILITY REPORTING

A sustainability report is an organizational report that gives information about economic, environmental, social and governance performance.

Establishing a sustainability reporting process helps them to set goals, measure performance and manage change.

A sustainability report is the key platform for communicating the performance information (both positive and negative) that is needed by organizations and all are affected by them.

Sustainability reporting is therefore a vital step for managing change toward a sustainable global economy, one that combines long-term profitability, social justice and environmental stewardship.

Outputs from P5 in project closing provide useful information to augment sustainability reports. Including the office or individual that is responsible for CSR with project closure activities and reports ensure that valuable information that could increase transparency or bolster the organization’s sustainability initiatives do not get lost or go unnoticed.

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RECOMMENDED READING

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