

2024 Insights Into Sustainable Project Management



GLOBAL RESEARCH
3rd EDITION

In Partnership With



Association for
Project Management



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INTRODUCTION

As the imperatives of sustainability and responsible management are becoming increasingly central to the global business agenda, the insights presented in our 2024 report offer a compelling and comprehensive view of the current landscape and future directions for sustainable project management.

As President of a company deeply committed to sustainability, it is my privilege to introduce a report that not only reflects the collective wisdom and experiences of professionals across various industries, but also charts a path forward for integrating sustainability into the core of organizational strategies and project delivery.

This report, drawing from an extensive survey with over 10,000 responses from professionals in more than 113 countries, provides a rich and nuanced understanding of how sustainability is perceived, integrated, and operationalized within organizations globally. The diversity of respondents, spanning multiple sectors and professional roles, underscores the universal relevance of sustainability and the critical role of project management in driving sustainable outcomes. We are also very pleased to have the support from the Association for Project Management (APM) in this effort.

One of the report's key findings is the growing recognition of the strategic importance of sustainability, with a significant number of organizations reporting an increased impact of climate change and sustainability on their strategies. This shift reflects a broader understanding of sustainability as not just a moral or regulatory compliance issue but as a strategic imperative essential for long-term resilience and success. However, the report also highlights a substantial gap in the alignment between project delivery and organizational sustainability strategies, pointing to a critical area for improvement.

As we look to the future, our report serves as both a mirror and a map. It reflects the current state of sustainable project management with its achievements and challenges, while also providing a roadmap for organizations seeking to deepen their commitment to sustainability.

The findings call for a concerted effort to elevate sustainability as a core strategic consideration, emphasizing the need for enhanced communication and training along with the integration of sustainability metrics into mainstream project management.



Dr. Joel B. Carboni
Founder and President, GPM Global

THE IMPACT OF CLIMATE CHANGE ON PROJECTS AND PROJECT MANAGEMENT

In 2021, our research found that 38% of projects worldwide were affected by extreme weather made worse by climate change. In 2024, that number jumped to 53%

The escalation in extreme weather phenomena like flash floods, wildfires, extreme heat, cyclones, and blizzards underscores an urgent challenge for project managers and organizations globally. A significant rise from 38% to 53% over a span of slightly more than three years underscores a critical trend: the escalating influence of climate change on the operational and strategic aspects of project management. This trend necessitates a strategic reassessment of risk management, planning, and resilience-building within project management practices to counter these adverse effects.

This result also highlights the pressing need for the project management profession to embrace more resilient planning and delivery strategies. Embedding sustainability and climate resilience into project management is no longer a choice but a prerequisite for ensuring project success amid escalating climate volatility. The year 2023 marked a pivotal juncture as it saw record-breaking temperatures due to climate change and the compounding effects of El Niño. This surge propelled global temperatures beyond 1.4°C above pre-industrial levels: perilously close to the critical threshold of 1.5°C allowed by the Paris Agreement.

Keeping the average global temperature rise below 1.5°C above pre-industrial times is a goal of the 2015 Paris climate deal. Widely accepted climate models suggest that we have already missed this target. Earth may in fact have already reached at least 1.7°C warming since pre-industrial times – a deeply troubling discovery.

In response to these evolving challenges, the imperative for project management to innovate and adopt sustainability-focused practices has never been more critical. Incorporating climate resilience and sustainable methodologies into the fabric of project management not only addresses the immediate threats posed by climate change but also paves the way for long-term success and sustainability. Forward-thinking organizations are beginning to view these challenges as opportunities to redefine their strategic goals, innovate in project delivery, and contribute positively to global sustainability efforts. This shift towards placing sustainability at the core of project management practices helps mitigate the risks associated with climate change and enhances the value delivered to stakeholders: projects can be successful in traditional terms while also contributing to a more sustainable and resilient future.

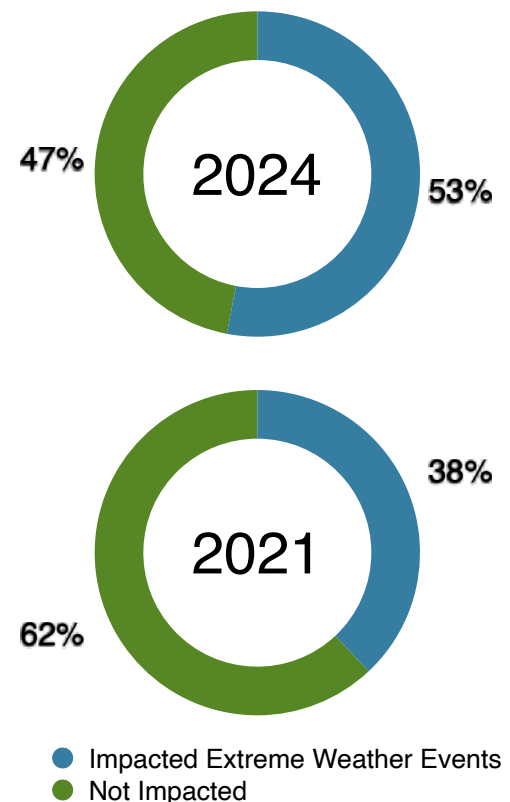


Figure 3 - Percentage of projects worldwide affected by extreme weather events due to climate change

June to December 2023 set new temperature records, underlining an accelerated pace of climate change that exceeds previous scientific projections.

2023 was marked by seven extreme weather events that underscored the fragility of our infrastructures and the immediate need for climate-resilient project management.

- **Asia's Record-Breaking Heat:** Unprecedented temperatures caused widespread disruptions. Outdoor work was halted in Beijing due to a 27-day streak of temperatures above 35°C. National heat records were set in Thailand and Vietnam.
- **Libya's Catastrophic Floods:** Storm Daniel unleashed floods that destroyed neighborhoods and infrastructure thus hampering emergency response efforts. Daniel demonstrated the devastating impact of extreme weather on communities.
- **Cyclone Freddy's Prolonged Fury:** Affecting multiple countries in Southeast Africa, the cyclone lasted for more than five weeks, killed almost 1,500, and displaced nearly 2 million.
- **Beijing's Severe Sandstorm:** The dense sandstorm posed serious health risks and paralyzed city operations, showcasing the broader implications of climate-induced phenomena on urban living.
- **Australia's Spring Heatwaves:** Temperatures soared 12°C above average and disrupted the natural weather cycle. The high winds and lack of rain caused numerous wildfires that destroyed homes and habitats.
- **Heat and Wildfires in Europe and the US:** The deadly combination of extreme heat and wildfires in July revealed the compound threats of heatwaves and fires on emergency services and project timelines.
- **Chile's Record Heat and Wildfires:** February's wildfires, fueled by extreme heat, underscored the immediate and lasting damage to ecosystems and communities.

These events brought projects across the globe to a halt, revealing the acute need for integrating climate resilience into project delivery. They demonstrated not only the diverse impacts of climate change across continents but also the critical role of adaptive strategies in mitigating risks. The collective response from governments, businesses, and individuals towards sustainable practices and reduced GHG emissions will be pivotal in shaping our resilience to climate change.



Martin Shields

Partner and Sustainability & Climate Lead for Major Programmes
Deloitte

Organisations are making record levels of investment in transformational change programmes to deliver future products and services, fuelled by technological advances such as AI, changing consumer expectations, evolving regulation and sustainability commitments.

However, challenges impacting delivery have never been greater. These include a high degree of **Volatility** across the global economy; **Uncertainty** created by geopolitical tension and democratic disruption and regulatory divergence; **Complexity** implementing unproven technology; and **Ambiguity** of conflicting stakeholder interests (collectively: **high VUCA**).

All programmes are impacted to a varying degree by these challenges, and provide the opportunity to create a foundation for unlocking and realising organisations' stated sustainability commitments. Disclosure of progress is increasingly mandated by regulation, whether that be Net Zero Transition Plans or broader sustainability reporting such as Europe's CSRD, which is driving measurement and transparency. GPM's findings that 2/3 of organisations have not aligned project management practices with their sustainability goals highlights a pressing need to adapt, given the criticality of stakeholder alignment to programme and organisational success.

Existing change delivery practices have not kept pace with sustainability and climate needs – a more holistic view is needed that brings people and planetary considerations (alongside prosperity) throughout programme delivery lifecycles.

At Deloitte we recognise that a forward-looking and flexible approach is required to deliver programmes in this high VUCA environment, enabling organisations to successfully achieve multi-dimensional outcomes. To enable this, Deloitte has developed a Next-Gen delivery framework: **Programme Aerodynamics™** that incorporates data-driven, robust transformation delivery practices that predict and adapt to the evolving regulatory and changing strategic landscape.

The findings in this report highlight some progress – yet significant action is needed – by project management professionals to deliver the expectations and outcomes required by boards, customers, shareholders, and society at large.

CLIMATE CHANGE AND SUSTAINABILITY IMPACT ON ORGANIZATIONAL STRATEGY

Accounting for Impact: a significant trend is emerging in the business world's approach to climate change and sustainability, underscoring a pivotal moment in strategic planning and execution.

Increased Strategic Impact (31%): A substantial 31% of organizations report an increased impact of climate change and sustainability on their strategies since 2021. This reflects a growing recognition of the urgent need to address environmental challenges and the role businesses and government play in contributing to or mitigating these issues. For these organizations, sustainability has shifted from a peripheral concern to a central strategic pillar, influencing decision making, operations, and long-term planning. This shift is likely driven by a combination of factors including changing regulatory landscapes, evolving consumer expectations, and a broader societal push towards sustainability and environmental responsibility.

Steady State (69%): The majority of respondents indicate no change in the impact of climate change and sustainability on their organization's strategy. For some, this might mean that sustainability was already a core component of their strategy, and their commitment has remained unwavering in the face of escalating climate concerns. For others, it may indicate a lack of understanding of, and responsiveness to, the growing sustainability imperative. This could be due to perceived cost implications, strategic inertia, or a focus on short-term gains over long-term resilience and responsibility.

No Decreased Impact (0%): Notably, no organizations reported a decreased impact of climate change and sustainability on their strategy, underscoring a universal acknowledgment of the importance of these issues, even if the degree of strategic response varies. This unanimity reflects a baseline understanding across the board that climate change and sustainability are critical considerations for modern organizations irrespective of the industry.

Analysis and Forward Look:

The data reveals a critical juncture for organizations worldwide. For those increasing their focus on sustainability, the challenge lies in effectively integrating sustainability principles into all aspects of their operations and using that integration as a source of innovation, competitive advantage, and resilience. For those not yet concerned with sustainability, the data serves as a call to action to reassess their strategic priorities in light of the pressing environmental challenges and shifting market dynamics.

As sustainability continues to gain prominence due to its undeniable impact on global markets, regulatory environments, and societal expectations, organizations will increasingly find themselves at a crossroads. The choices made today regarding sustainability will not only shape their future success and legacy but also contribute to the global community's ability to meet the challenges of climate change and transition towards a more sustainable, equitable world.

SUSTAINABILITY REPORTING AND ESG DISCLOSURES

The data presented a varied landscape of corporate sustainability reporting, indicating both progress and areas for improvement in how organizations approach transparency and accountability in their sustainability reporting and ESG (Environmental, Social, and Governance) disclosures.

With 39% of respondents affirming that their organizations publish sustainability reports or ESG disclosures, this year's report shows a significant engagement in sustainability reporting and ESG disclosure practices.

Here are four takeaways:

- 1. Commitment to Transparency:** The 39% of respondents stating that their organizations publish sustainability reports or ESG disclosures demonstrates a significant engagement in sustainability reporting and disclosure practices. This highlights a commitment by a substantial portion of organizations to communicate to stakeholders their sustainability performance and practices related to environmental, social, and governance issues.
- 2. Presence of a Gap:** A slightly larger percentage of respondents, 42%, mentioned that their organizations do not engage in publishing sustainability reports or ESG disclosures. This highlights a gap in adopting these practices, suggesting that while awareness of the importance of sustainability reporting is increasing, a significant portion of the business community has yet to integrate these practices into their operations.
- 3. Lack of Awareness/Internal Communication:** The fact that 19% of respondents reported being unsure whether their organization publishes sustainability reports or ESG disclosures may indicate a lack of awareness or communication within those organizations about their sustainability efforts. This points to an opportunity for improvement in internal communication and education on sustainability initiatives.
- 4. Strategic Value and Stakeholder Expectations:** The importance of sustainability reports and ESG disclosures is underscored as these practices support the identification and communication of an organization's performance on critical sustainability issues. These disclosures are instrumental for investors and stakeholders to assess an organization's sustainability performance and make informed decisions. The strategic value of sustainability reporting and ESG disclosures in building trust, managing risks, and seizing opportunities related to sustainability will continue to increase.

PROJECT PROFESSIONALS PLACE A HIGH LEVEL OF IMPORTANCE ON SUSTAINABILITY

This reflects a mature understanding of the critical role of sustainability in achieving long-term success and resilience, as well as an opportunity for project management to lead in the use of sustainable practices outside of projects.

A staggering 73% of respondents have placed sustainability in the highest tier of importance, assigning it a rating of 8, 9, or 10. This overwhelming majority underscores a profound recognition among project management professionals of sustainability's critical role not only in addressing contemporary challenges but in sculpting a future that is both resilient and thriving. Compared to other disciplines, this indicates a particularly acute awareness within project management of how integral sustainability is to achieving long-term success.

Delving deeper, nearly half of the professionals surveyed assigned sustainability the utmost importance with ratings of 9 or 10. This growing acknowledgment within the project management sphere highlights a significant consensus on sustainability's imperative role, suggesting a stronger commitment to sustainability than might be found in disciplines where it is still emerging as a strategic concern.

Interestingly, the survey revealed minimal skepticism or indifference toward sustainability with only 11% of responses falling within the lower end of the scale (1 through 5). This indicates that project management professionals are increasingly unlikely to dismiss or undervalue sustainability, marking a pronounced shift in perceptions that could set project management apart from other fields where skepticism towards sustainable practices is high.

This high valuation of sustainability among project management professionals is likely bolstered by the integration of sustainable principles into industry standards and frameworks, such as the *GPM P5™ Standard for Sustainability in Project Management*. This integration not only reinforces the importance of sustainability but also offers actionable guidance for embedding sustainable practices throughout the project life cycle. Such alignment with industry standards potentially places project management in a unique position compared to other disciplines where sustainability standards may not be as developed or widely adopted.

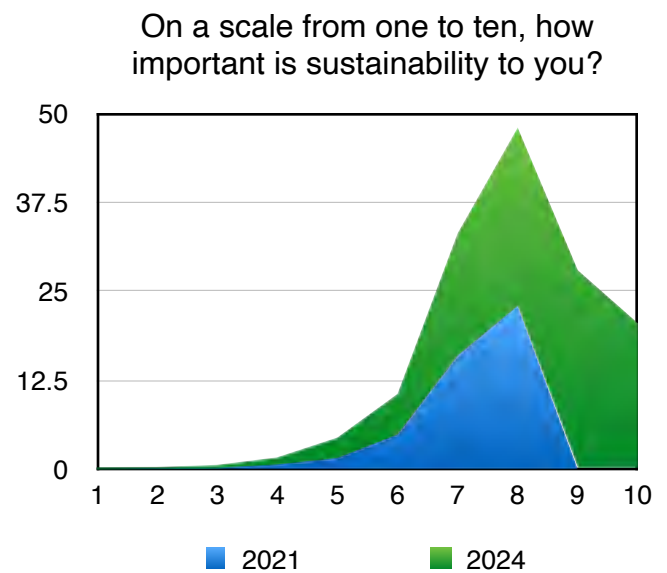


Figure 4 - The importance of sustainability to project professionals

IS THE PROFESSION DOING ENOUGH TO COMBAT CLIMATE CHANGE?

A significant majority feels that the project management profession is not yet doing enough. This indicates a critical need for more impactful, concerted action and innovation in addressing climate change through project management.

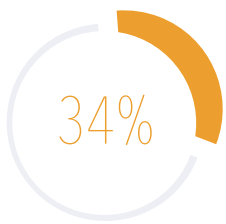
In contrast to the 2021 findings where virtually all respondents (99.99%) and a significant majority (87%) of executives believed that the project profession was not doing enough to combat climate change, the 2024 data shows a clear shift in perception. Currently, 21% of respondents believe that the project profession is making sufficient efforts to address climate change: a noticeable change in attitude in just three years. However, the majority (79%) still holds the view that the project profession is falling short in its efforts to help tackle this global challenge.

Based on analysis, here are five keys to this change:

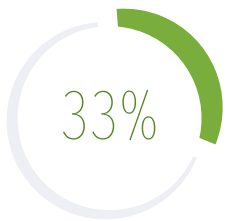
- 1. Growing Consciousness:** The shift in viewpoints likely mirrors the ripple effect of GPM's dedicated advocacy over 15 years, alongside our global partners' steadfast commitment to sustainability within the profession. This reflects a humble yet assertive awakening to the crucial role project management plays in shaping a sustainable future.
- 2. Amplified Stakeholder Influence:** The persistent majority opinion that more action is needed could be reflective of heightened stakeholder influence. Nowadays, project outcomes are increasingly scrutinized by a broader audience – from consumers to activists and investors – all pushing for transparency and accountability in environmental impact.
- 3. Cross-Industry Learning and Collaboration:** The shift from 2021's nearly unanimous agreement on insufficiency to a more nuanced view in 2024 could be the result of increased cross-industry collaboration. Sharing best practices and learning from the pioneering sustainability efforts of other sectors might have infused fresh strategies into project management.
- 4. Technology and Innovation Uptake:** The role of technology and innovation in driving sustainability is becoming more pronounced. Project professionals are likely utilizing advanced tools and methodologies that align with sustainability goals, signifying a shift towards embedding sustainability in project DNA rather than viewing it as an add-on.
- 5. Cultural and Policy Shifts:** Finally, there is an undeniable influence of cultural shifts and policy developments. With governments and institutions implementing policies that favor sustainable practices, the project profession has to adapt by integrating these considerations into their strategic and operational frameworks.

THE GROWTH IN ADOPTION OF REGENERATIVE PRACTICES

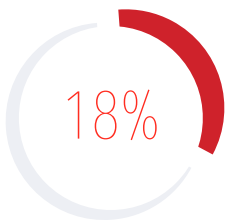
Sustainable Development means to “do no harm” whereas Regenerative Development means to regenerate what has been lost or resolve existing harms. In projects, we are seeing a positive trend.



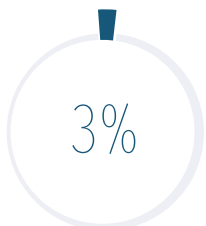
Sustainable and Regenerative: The largest segment of respondents, 34%, reported a focus on **both** sustainable and regenerative goals, indicating a holistic approach to addressing environmental and social impacts. This dual focus suggests an advanced understanding and commitment to not only preventing harm but also actively contributing to healing and improving affected ecosystems and communities. It reflects a maturing perspective within the project management community, recognizing the need for a more integrated, comprehensive approach to sustainability and regeneration in projects. The remaining 12% were unsure.



Sustainable Goals: A significant portion of respondents, 33%, reported consideration of sustainable goals but not regenerative goals in their projects. This indicates a strong foundation in sustainability principles within project management, reflecting a widespread acknowledgment of the importance of minimizing negative environmental and societal impacts. However, this focus on sustainability without an equal emphasis on regenerative goals suggests a potential area for growth. Projects could evolve to not only prevent harm but also actively contribute to healing and improving ecosystems and communities.



Neither: The 18% of respondents indicating a focus on neither sustainable nor regenerative goals point to a gap in integrating these critical considerations into project planning and delivery. This underscores the need for increased awareness and integration of both sustainability and regenerative principles in project management practices. The absence of a focus on these areas may reflect a lack of understanding, resources, or prioritization. This in turn suggests an opportunity for professional development and organizational change towards more responsible project management.



Regenerative Goals: A relatively low percentage of respondents, 3%, said that they considered regenerative goals but not sustainability goals. This highlights an emerging area within project management. While the concept of regenerative development is gaining recognition, its adoption as a standalone focus remains limited. This suggests that the project management community is still in the early stages of understanding and implementing regenerative practices.

GLOBAL SUSTAINABILITY CHALLENGES AFFECT PROJECT TIMELINES AND BUDGETS

Global sustainability challenges include elements such as resource scarcity, regulatory changes, or rising costs of raw materials. To what extent have global sustainability challenges affected project timelines and budgets?

Sustainability challenges to project timelines and budgets reveal a nuanced understanding of the pressures facing project management in the context of sustainability. These challenges, including resource scarcity, regulatory changes, and the rising costs of raw materials, have had varying degrees of impact on projects across different sectors and geographies.

Critical and Major Impact (43%): A significant 43% of respondents report that sustainability challenges have had a critical or major impact on their projects, indicating substantial disruptions. This substantial percentage underscores the pressing need for project management practices to adapt to and mitigate these challenges through more resilient planning, budgeting, and delivery strategies. The fact that eight of our surveyed industries experienced a critical impact of 40% or higher highlights the severity of sustainability challenges affecting project outcomes. This necessitates a strategic reassessment of project management approaches to enhance sustainability and resilience.

Moderate to Minor Impact (9%): The respondents indicating moderate (6%) and minor (3%) impacts suggest that while sustainability challenges affect their projects, they have been able to manage or mitigate these impacts to some extent. This differentiation in impact levels could reflect variations in project scopes, industries, geographic locations, or the effectiveness of sustainability and risk management strategies implemented within those projects.

Critical and Major Sustainability Impacts by Industry	
Industry	Critical and Major
Hospitality and Tourism	57%
Construction	49%
Healthcare and Medical	48%
Community Services Development	47%
Retail and Consumer Products	46%
Mining, Resources and Energy	43%
Engineering	40%
Government and Defense	40%
Farming, Animals, & Conservation	37%
Banking and Financial Services	38%

Table 2 - Top Ten Critical and Major Sustainability Impacts by Industry



No Impact (49%): Surprisingly, nearly half of the respondents (49%) report no impact from global sustainability challenges on their project timelines and budgets. This could indicate a range of scenarios, from projects already designed with sustainability in mind to projects in sectors or regions less affected by sustainability challenges. This could also reflect a lack of awareness or acknowledgment of the indirect impacts of sustainability challenges on project performance and outcomes. Finally, this could demonstrate a lack of understanding of how sustainability impacts are reflected through the entire value chain of a project or organization (e.g., the increase in costs of microchips in an IT hardware project due to rising labor costs).

The diversity in responses illustrates the complex landscape in which projects operate regarding sustainability. It highlights the critical importance of integrating sustainable project management practices to navigate and mitigate the impacts of global sustainability challenges effectively. This integration not only ensures the resilience and success of projects in the face of these challenges but also aligns project outcomes with broader sustainability goals contributing to a more sustainable and equitable global development trajectory.

Three Takeaways:

- 1. Strategic Adaptation Needed:** With 43% of projects experiencing significant disruption from sustainability challenges, it's clear that robust and flexible project management strategies are crucial for resilience in the face of resource scarcity, regulatory shifts, and cost fluctuations.
- 2. Mitigation in Practice:** The moderate to minor impacts reported by 9% of respondents indicate a proactive stance in some sectors, where effective risk management and sustainable practices are helping to buffer against these pressures.
- 3. Awareness Gap:** The 49% reporting no impact may reveal a blind spot in recognizing sustainability's indirect effects, highlighting the need for comprehensive education on sustainability's integral role in project management.



Adam Boddinson OBE
 CEO
 Association for Project Management

This report's findings highlight the growing strategic importance of sustainability within the project profession. A key insight shows the need for organisations to ensure that project management teams are actively integrating sustainability into their decision-making processes. It also underpins the importance of project management in delivering effective sustainable outcomes for projects around the globe, now and in the future.

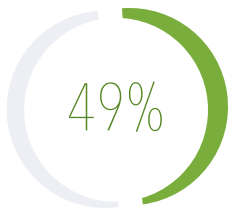
As the chartered membership organisation for the project profession, APM cares about sustainability at a strategic level. One of APM's strategic themes is to help project professionals incorporate sustainability into projects to meet society's needs. We're doing this in multiple ways, such as adding sustainability into *Dynamic Conditions for Project Success*, a report that identifies organisational, professional, and socio-economic conditions that can enhance project outcomes. We also offer a sustainable module on our online learning platform and have introduced a sustainability category as part of our annual awards.

The report highlights that 43% of respondents say sustainability challenges – including resource scarcity, regulatory changes and rising costs of raw materials – have had a critical or major impact on their projects. Hospitality and Tourism is top of this list, with 57% of projects experiencing critical and major impacts, followed by construction at 49%. Anything that has a major impact will have serious economic ramifications, as well as social ones. Therefore, it's vital these challenges are overcome.

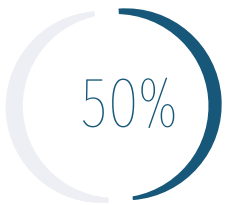
This report, together with the actions of organisations including APM, serve to support the profession and organisations in embedding sustainability more centrally into their strategy through knowledge, information sharing and training across all levels of project management, and in delivering a better future where all projects succeed.

SUSTAINABILITY STRATEGY

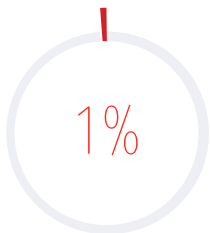
There was a nearly even split between organizations that have a defined sustainability strategy and those that do not. This indicates a critical juncture in organizational approaches to sustainability, highlighting both progress and challenges in integrating sustainability into organizational strategies.



Defined Sustainability Strategy: Nearly half of respondents' organizations have recognized the importance of embedding sustainability into their strategic frameworks. This signifies a growing awareness of and commitment to addressing environmental, social, and governance (ESG) issues. Organizations with a defined sustainability strategy are better positioned to navigate the complexities of public and private sector operations more effectively, to respond to regulatory and market pressures, and to meet stakeholder expectations for sustainable practices.



Lack of a Defined Strategy: The fact that half of the respondents indicate their organizations do not have a defined sustainability strategy underscores a significant gap in both organizational responsibility and strategic planning. This gap may stem from various factors, including a lack of understanding of sustainability's strategic value, resource constraints, or challenges in aligning sustainability with organizational objectives. The absence of a sustainability strategy not only limits an organization's ability to contribute positively to global sustainability goals but may also pose risks to its long-term viability and reputation.



Uncertain: The minimal uncertainty about the presence of a sustainability strategy may reflect a communication gap within the organization or a lack of engagement with sustainability issues at all levels of the organization. This highlights an opportunity for better internal communication and education regarding organizational commitments and strategies related to sustainability.

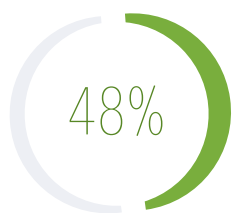
Strategic Implications:

These findings call for a concerted effort to elevate sustainability as a core strategic consideration within organizations. For those with existing strategies, the focus should be on deepening integration, enhancing transparency, and driving measurable outcomes. For those without, there is a clear imperative to develop and implement sustainability strategies that align with their governance models, operational realities, and stakeholder expectations.

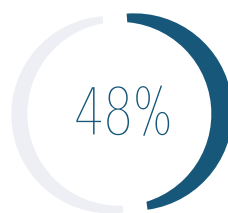
The nearly even split above represents a pivotal moment for organizational support of sustainability. While progress has been made, substantial work remains to fully integrate sustainability into the strategic fabric of organizations globally. As sustainability challenges continue to escalate, the strategic imperative for all organizations to adopt, refine, and communicate their sustainability strategies becomes increasingly critical for achieving resilience, competitive advantage, and long-term success.

STAKEHOLDER SUSTAINABILITY EXPECTATIONS

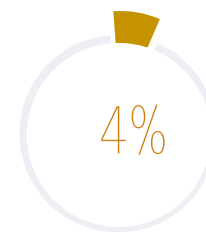
The responses to this question provide a clear difference in the view of the role stakeholders' sustainability expectations play in shaping project decisions. With nearly half of the respondents indicating that these expectations do not influence their project decisions at all, and another half reporting only moderate influence, it suggests a gap between stakeholder expectations and project decision making in terms of sustainability.



Limited Influence



Moderate to Significant Influence



Extremely Significant Influence

Limited Influence (48%): The substantial percentage of respondents indicating no influence of sustainability expectations underscores a fundamental disconnect. It suggests that, for a great many projects, sustainability is either overlooked or insufficiently prioritized, pointing towards a gap in embedding sustainability into the core decision-making processes. This gap may stem from organizational cultures that do not adequately emphasize sustainability, a lack of regulatory pressure in certain sectors, or a misunderstanding of sustainability's role and benefits in project management.

Moderate to Significant Influence (49%) + (4%): Influence ranging from moderate to significant, acknowledged by slightly over half of the survey participants, suggests that many projects are, indeed, concerned with their stakeholders' expectations about sustainability. This bimodal response likely reflects differing levels of maturity across organizations in terms of sustainability practices, the specific demands of various industries, and the nature and scope of individual projects. It highlights the presence of sustainability considerations in project management, albeit inconsistently applied.

The Crucial Role of Organizational Empowerment in Project Management

A critical insight from the data is the necessity for organizations to not only care about sustainability but to actively empower their project management teams to integrate sustainability considerations into their decision-making processes. Project managers often operate within the confines of organizational directives; therefore, the degree to which sustainability influences project decisions is heavily dependent on the level of support and prioritization from the higher echelons of the organization. This underscores the need for a systemic shift in how organizations approach sustainability, ensuring that project managers are not only encouraged and rewarded, but equipped and mandated to align project outcomes with sustainability goals.

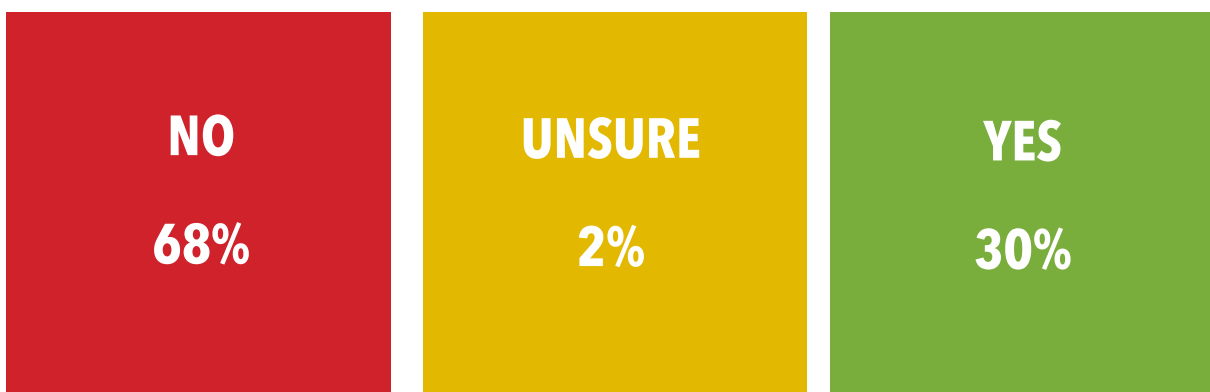
Strategic Recommendations for Bridging the Gap

- **Enhance Stakeholder Engagement:** Organizations must foster a culture where project managers are encouraged to proactively engage with stakeholders to understand and incorporate their sustainability expectations into all phases of project planning and delivery.
- **Integrate Sustainability into the Project Life Cycle:** Embedding sustainability considerations from project approval through closure ensures that decisions account for the full environmental, social, and economic impacts. This also ensures alignment with both stakeholder expectations and broader sustainability goals.
- **Educate and Empower Project Teams:** Providing comprehensive training on sustainable project management practices is crucial for bridging the gap between stakeholder expectations and project delivery. This includes equipping teams with knowledge of sustainability frameworks, impact assessment tools, and industry best practices.
- **Adopt and Adhere to Sustainability Frameworks:** Using recognized sustainability frameworks and standards can help structure the integration of sustainability into projects, ensuring alignment with stakeholder expectations and enhancing



DO ORGANIZATIONS HAVE PROJECT MANAGEMENT PRACTICES THAT ALIGN WITH THEIR LONG-TERM SUSTAINABILITY GOALS?

Navigating the sustainability divide: the urgent need for aligning long-term sustainability goals with project management practices.



Our research shows a significant segment of organizations (68%) do not have long-term sustainability goals that align with their project management practices. This means these organizations have not integrated sustainability into their core strategic and operational frameworks. Such misalignment is problematic for several reasons:

Strategic Misalignment: The lack of alignment between sustainability goals and project management practices suggests a strategic disconnect that can hinder an organization's ability to effectively respond to environmental, social, and governance (ESG) pressures. This can result in missed opportunities for innovation, reduced competitive advantage, and a failure to meet stakeholder expectations for sustainable operations.

Operational Inefficiencies: Without clear sustainability goals integrated into project management, projects may be managed in ways that are inconsistent with sustainability principles, leading to inefficiencies, waste, and potentially higher costs over the long term. This can also result in projects that are less resilient to sustainability-related risks such as regulatory changes or resource scarcities.

Stakeholder Dissatisfaction: Stakeholders, including customers, investors, and regulatory bodies, increasingly demand transparency and accountability regarding sustainability. The lack of clear, communicated sustainability goals aligned with project management can erode stakeholder trust and satisfaction, impacting an organization's reputation and its ability to attract and retain investment.

Missed Regulatory Compliance: As regulatory frameworks around sustainability become increasingly stringent, organizations without clear sustainability goals integrated into their project management practices face significant risks.

This is particularly true in sectors like mining, residential property management, banking, textiles, and energy, where the push towards sustainability is not just about compliance but also about seizing business opportunities and managing risks. Organizations are finding that embedding sustainability into every facet of their operations not only helps in significantly reducing environmental discrepancies and improving stakeholder satisfaction but also in achieving substantial improvements in efficiency and stakeholder trust.

Inability to Measure Impact: Without clearly defined and communicated sustainability goals, measuring and reporting on the sustainability performance of projects becomes challenging. This can hinder an organization's ability to track progress, make informed decisions, and demonstrate its sustainability credentials to external stakeholders.

The lack of alignment between long-term sustainability goals and project management practices presents a critical challenge for organizations. Addressing this gap is essential for ensuring that projects contribute positively to sustainability objectives, enhancing operational efficiency, building stakeholder trust, and ensuring compliance with evolving regulatory requirements.

Organizations must work towards integrating sustainability into their strategic and operational frameworks, ensuring that sustainability goals are clearly defined, communicated, and embedded within project management practices to navigate the complexities of the modern business landscape successfully.



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The inclusion of environmental, social and governance principles (ESG) is increasingly recognized as a crucial element of sustainable business success, going beyond the simple compliance with regulations. This approach not only strengthens the image of a company, but also the loyalty of customers and arouses the interest of investors. The field of ESG presents a rich opportunity for innovation.

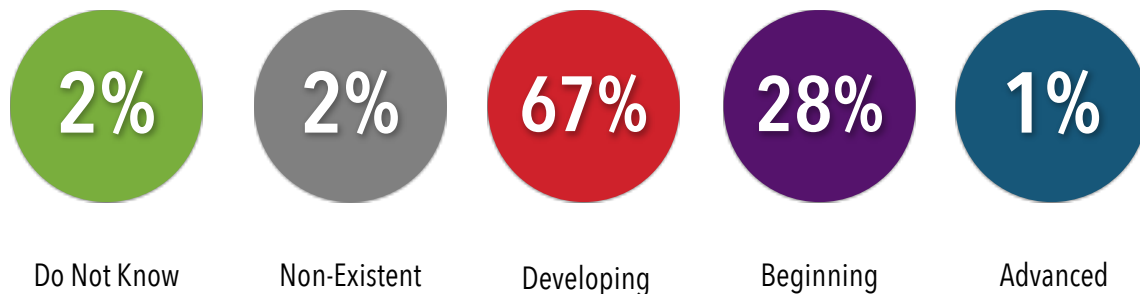
Companies that are at the forefront of introducing innovative technologies and sustainable practices are not just participants in the market; they define their own competitive advantage. The research highlights the importance of aligning business initiatives with broader sustainability goals. This alignment serves a dual purpose: it reduces the risks of non-compliance with ESG standards and leverages the opportunities to improve efficiency and reduce costs through sustainable practices.

Overlooking ESG standards is not without financial consequences. A study by Bank of America Merrill Lynch indicates that companies in the S&P 500 with inferior ESG scores could see a decline in market value of up to 6%, illustrating the economic implications of ESG. To effectively navigate this landscape, there is a growing trend for companies to adopt international ESG reporting standards. These standards are crucial for tracking progress and transparent communication with stakeholders. Collaboration also appears as a strategic approach, companies in alliances between sectors, with NGOs and governments to exchange best practices and advance sustainable development efforts. Employee training is another key aspect of successfully integrating ESG. Informed and engaged employees are vital for the seamless implementation of sustainability strategies.

The transition towards sustainability is a long-term effort. This requires an engaged approach that must be integrated at every level of an organization, from strategic direction to operations. In essence, sustainability is not just a policy option it is a fundamental and enduring aspect of contemporary strategy.

HOW DO ORGANIZATIONS RATE THE MATURITY LEVEL OF THEIR SUSTAINABLE PROJECT MANAGEMENT PRACTICES?

These numbers reveal a significant insight into the current state of sustainable project management practices across various organizations.



The overwhelming majority of respondents (95%) classify their organizations' practices as in either the developing (67%) or beginning (28%) stages. This is typical of a nascent field where the majority of organizations are still grappling with the basics of integrating sustainability into their project management practices. These numbers show that there is still a major opportunity for growth and improvement, that there is still considerable work to be done to educate and equip project managers with the tools and knowledge necessary to embed sustainability into their projects.

The small percentage of organizations that do not have sustainable project management practices (2%) or where respondents are unsure about their practices (2%) is actually a good sign: very few organizations have done nothing to address sustainability in their project management practices.

Only a minimal fraction (1%) of respondents believe their organization's sustainable project management practices are at an established or advanced level. This suggests that achieving a high level of maturity in sustainable project management is challenging and rare, possibly due to the complex nature of sustainability issues, the need for specialized knowledge and skills, or the lack of comprehensive strategies and frameworks to guide the integration of sustainability into project management.

Our research underscores the need for continued focus on developing sustainable project management capabilities across organizations. This includes investing in training and education, adopting relevant standards and frameworks (such as the *GPM P5™ Standard for Sustainability in Project Management*), and fostering a culture that values and prioritizes sustainability.

This current state of sustainable project management is a mirror image of the broader global sustainability challenges. The complexities and multidimensional nature of these issues require a robust, informed, and innovative approach to project management. The fact that a mere 1% of organizations report their practices as 'advanced' underscores the steep path toward embedding sustainability deeply within operational and strategic frameworks. Yet, this rarity also highlights the opportunity for pioneering progress and setting benchmarks within the profession.

Analysis and Forward Look:

The forward look for organizations, against the backdrop of these findings and the global sustainability challenges, is one of accelerated learning, adaptation, and integration. As regulatory frameworks evolve and stakeholder expectations heighten, the imperative to align project management practices with sustainability goals becomes not just a strategic advantage but a necessity.

To navigate this path successfully, organizations must prioritize:

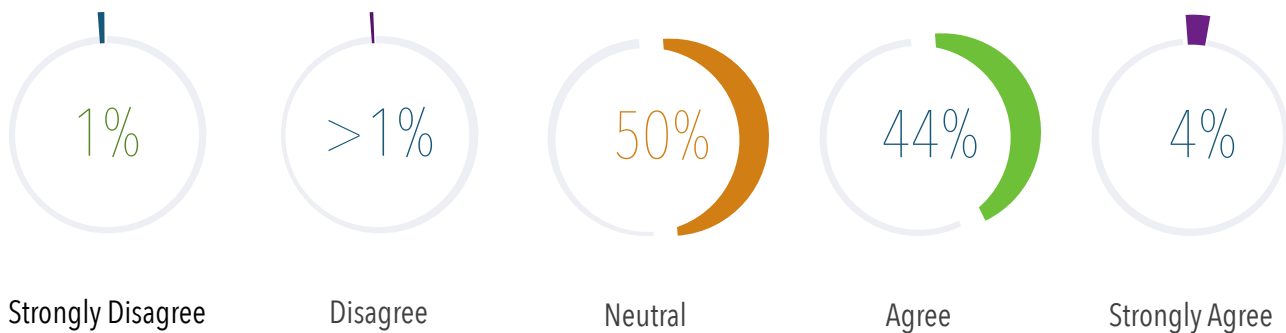
- **Strategic Alignment:** Ensuring that sustainability goals are not just ancillary considerations but foundational to strategic planning and project delivery.
- **Capacity Building:** Investing in the development of knowledge, skills, and competences that empower teams to incorporate sustainability into every project phase, decision, and outcome.
- **Innovation and Adaptation:** Leveraging technology and innovation to address sustainability challenges creatively, making projects more efficient, resilient, and impactful.
- **Stakeholder Engagement:** Deepening the dialogue with stakeholders to understand their expectations, share progress, and foster partnerships that enhance sustainability outcomes.
- **Continuous Improvement:** Embracing a culture of learning and continuous improvement to refine practices, measure impact, and adapt strategies in alignment with evolving sustainability standards and goals.

The journey toward mature sustainable project management practices is complex, requiring not just the adoption of new tools and methodologies but a fundamental shift in organizational culture and mindset. The data present a clear mandate for organizations to accelerate their efforts, leveraging the insights gained from current practices to chart a more sustainable, responsible, and impactful future.



DOES SUSTAINABLE PROJECT MANAGEMENT PROVIDE A COMPETITIVE ADVANTAGE?

The responses to this question indicate a mixed perspective on the role of sustainable project management in providing a competitive advantage.



A notable 48% of respondents either agree or strongly agree that sustainable project management practices provide a competitive advantage. Unfortunately, 50% remain neutral, suggesting uncertainty about the value of sustainable project management practices to competitive positioning.

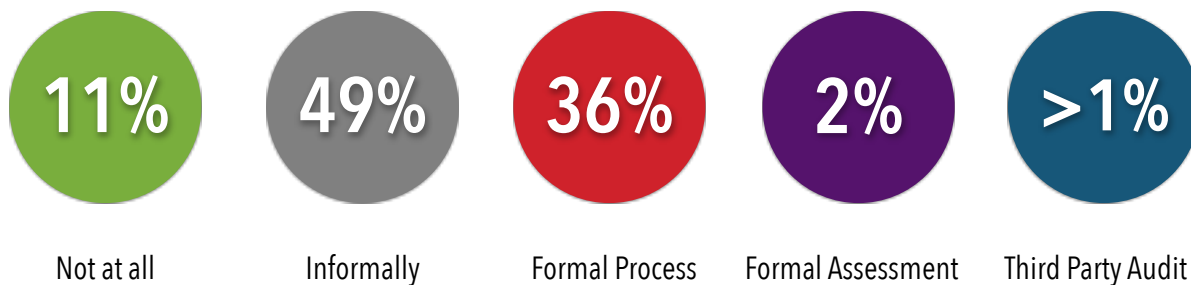
This perception is critical because, as detailed in the insights from the provided materials, an organization's commitment to sustainability can influence its competitive advantage by improving its market position, enhancing brand reputation, and attracting and retaining talent. Furthermore, sustainability practices are increasingly becoming a determinant in investors' decisions, affecting the organization's financial standing and its relationships with clients, suppliers, and the broader community it operates within.

The relatively low percentages of disagreement (2.9% combined for those who disagree or strongly disagree) underscore a broad acknowledgment of the importance of sustainability, albeit with varying levels of conviction. The significant neutral stance could indicate a gap in awareness or understanding of how sustainable project management practices can be leveraged for competitive advantage, suggesting an opportunity for further education and demonstration of the tangible benefits of sustainability in project management.

This scenario underscores a crucial point: while many acknowledge the potential benefits of sustainable project management, there's a need for clearer articulation and demonstration of these benefits to move the majority from neutrality to agreement. This shift could drive wider adoption of sustainable practices, as organizations recognize and capitalize on the strategic value of sustainability for long-term success and competitive differentiation.

HOW ORGANIZATIONS ASSESS THE SUSTAINABILITY PRACTICES OF SUPPLIERS AND VENDORS

These statistics reveal significant shortcomings in how more than half of organizations assess the sustainability practices of their supply chains.



The data reflects a significant gap in the formal assessment of sustainability practices among suppliers and vendors with nearly half of the organizations (49%) admitting to an informal approach. This lack of structured evaluation is problematic for several reasons:

- 1. Risk Management:** Without formal assessments, organizations may inadvertently partner with suppliers and vendors that do not align with their sustainability values, potentially exposing them to reputational, operational, and legal risks.
- 2. Missed Opportunities for Improvement:** Formal assessments can identify areas for improvement and innovation in sustainability practices. By not systematically assessing suppliers, organizations miss the chance to drive positive changes within their supply chain.
- 3. Stakeholder Expectations:** As global awareness and demand for sustainable practices grow, stakeholders increasingly expect organizations to demonstrate a commitment to sustainability not just internally but throughout their supply chain. The lack of formal assessments can lead to stakeholder dissatisfaction and could impact customer loyalty and investor confidence.
- 4. Compliance and Competitive Advantage:** In some industries, regulatory requirements demand transparent and sustainable supply chain practices. Without formal assessments, organizations risk non-compliance and losing out on opportunities to differentiate themselves in the market.

5. Sustainability Goals Achievement: For organizations committed to sustainability, the integration of sustainable procurement practices, as outlined in the GPM P5 Standard, including anti-corruption, fair competition, responsible technology, and avoiding greenwashing, is crucial. Informal assessments do not provide the rigor or consistency needed to effectively integrate these practices, potentially hindering the organization's overall sustainability goals.

The stark reality, as revealed by our study, is that a robust approach to evaluating the sustainability of supply chains is markedly absent in many organizations. A mere 2% undertake formal assessments, with less than 1% extending to third-party audits. The concerning implication here is that while policies might exist on paper, their enactment is not rigorously verified, a practice that needs urgent rectification.

In our experience at GPM, it is rare to encounter organizations that diligently ensure adherence to sustainability policies among their suppliers. This is a critical oversight, given that the integrity and reputation of any project are intrinsically tied to the practices of its suppliers. Mere conformity statements are insufficient; they must be supported by regular and thorough assessments. It's essential for projects to insist on and validate that suppliers not only agree to comply with sustainability policies but also demonstrably practice them.

In light of the distressing allegations emerging about the appalling conditions and tragic [death at a supplier factory in Jordan](#) for Under Armour, Columbia, and American Eagle, it is critical to reiterate the non-negotiable importance of enforcing supplier sustainability policies. This incident echoes the grim lessons of the [Rana Plaza disaster](#), forcefully reminding us that policies on paper must translate into actionable, monitored practices.

In response, organizations must intensify their due diligence, ensuring suppliers not only commit to sustainability agreements but are also regularly and rigorously audited for compliance. This isn't about casting aspersions but about proactively safeguarding against potential abuses in the supply chain. The chilling reports of worker mistreatment and forced labor are a wake-up call that the dangers of inadequate oversight are real and can be devastating.

As such, it becomes an organizational imperative to enhance transparency, enforce ethical practices, and rigorously audit supplier compliance. This holistic vigilance ensures that sustainability policies actively protect and uplift every individual contributing to a project's life cycle. The priority must be to guarantee that the tragedies like those at Fine Apparel and previously at Rana Plaza do not occur again, forging a future where the global supply chain is synonymous with safety, fairness, and dignity for all workers.



According to Gartner, 85% of investors consider ESG factors in their due diligence, emphasizing the importance of transparency and accountability.

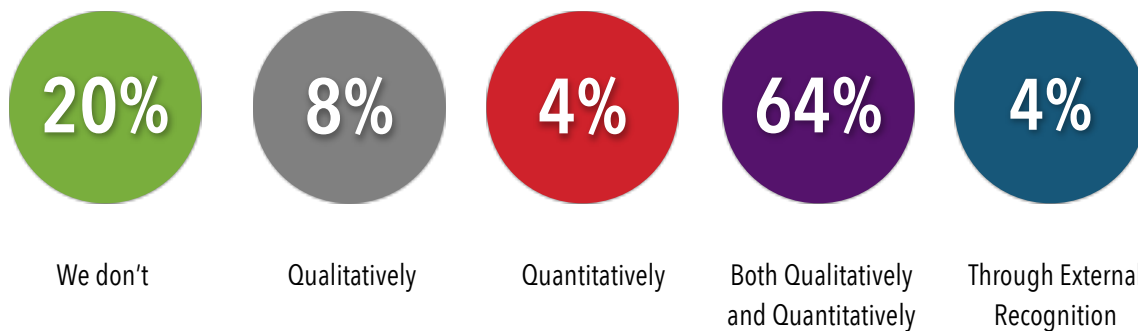
Auditing for sustainability risks enables organizations to provide the evidence of commitment and performance that investors are increasingly demanding. Through systematic auditing, companies can verify their claims about sustainable practices, ensuring that their reported ESG metrics are accurate, reliable, and reflective of true performance.

For project professionals, the increasing emphasis on auditing for sustainability risks signifies a pivotal shift in how projects are managed. It means that project professionals must now integrate sustainability considerations into every phase of the project lifecycle, from inception through to completion and review.

1 Gartner, Inc. "The ESG Imperative: 7 Factors for Finance Leaders to Consider." Gartner. Accessed [Mar 3, 2024]. <https://www.gartner.com/smarterwithgartner/the-esg-imperative-7-factors-for-finance-leaders-to-consider>.

HOW ORGANIZATIONS DEFINE AND MEASURE THE SUCCESS OF SUSTAINABILITY INITIATIVES WITHIN PROJECT MANAGEMENT

Balancing act: defining and measuring sustainability success



The data suggests a mature approach to measuring the success of sustainability initiatives within project management among many organizations, with a significant majority (64%) utilizing both qualitative and quantitative methods. This comprehensive approach indicates a recognition of the multifaceted nature of sustainability and an understanding that success in this area is not solely captured by numerical data but also by the quality of outcomes and processes.

However, there's a notable segment of respondents (20%) indicating that their organizations do not define or measure the success of sustainability initiatives outside of Key Performance Indicators (KPI). This lack of definition could hamper the ability to track progress, make informed decisions, and communicate sustainability achievements effectively.

A smaller fraction of organizations relies on either qualitative (8%) or quantitative (4%) methods. This suggests a more one-dimensional approach to assessment that could miss critical aspects of sustainability performance.

The reliance on external recognition by 4% of respondents is also noteworthy, highlighting that while awards and certifications are valuable for benchmarking and reputation-building, they are less commonly used as the primary measure of success in sustainability initiatives.

Overall, the data reflects an evolving landscape where the majority of organizations are striving for a balanced and nuanced understanding of what constitutes successful sustainability in project management. Yet, there is still a significant proportion that needs to develop mechanisms for defining and measuring sustainability success beyond traditional KPIs.

THE IMPACT OF THE P5™ STANDARD ON SUSTAINABILITY IN PROJECT MANAGEMENT

In 2016, we began studying the impacts of our P5 Standard on the project management profession. The initial study provided us with some basic information on how our standard was being used. Below is a comparison of the responses over the years, followed by some quantitative analysis.

The adoption and impact of the P5 Standard unveils an encouraging trajectory toward sustainability. Back in 2016, a solid foundation was laid with 76% of professionals using the P5 Standard, and an impressive 93% reporting a marked improvement in their project's sustainability performance. It was a promising start, indicating that the P5 Standard was more than just a procedural change – it was driving real, measurable progress.

Fast forward to 2019, and the trend continued upward. Adoption rose to 82%, reinforcing the idea that sustainable practices were becoming more entrenched in the project management discipline. Equally important, the percentage of those seeing tangible benefits increased to 95%, a testament to the P5 Standard's effectiveness in delivering results.

By 2022, the use of the P5 Standard edged closer to ubiquity, with 87% of respondents weaving its principles into their projects. The consistency of performance gains was remarkable, with 95% continuing to see tangible enhancements. This period likely reflects a maturing in understanding and applying the P5 Standard as organizations became more adept at translating its guidelines into sustainability achievements.

Year	Respondents who put the P5 Standard into Practice	Respondents who realized a tangible increase in project sustainability performance
2024	89%	94%
2022	87%	95%
2019	82%	95%
2016	76%	93%

Table 3 - Adoption and Benefits of The P5 Standard

The latest data from 2024 suggests that the P5 Standard has seen even greater adoption among project professionals, with 89% of our respondents integrating it into their projects. Additionally, a robust 94% have observed significant enhancements in project sustainability performance. The minor decline in perceived benefits could suggest that the industry is approaching a high-performance threshold, where each incremental gain in sustainability performance requires increasingly innovative and sophisticated strategies.

Overall, this upward trend in both the adoption of the P5 Standard and the realization of its benefits paints a picture of a project management landscape increasingly committed to sustainable practices. It's a sign of a maturing field where sustainability is not just an afterthought but a core metric of success. As we look to the future, the P5 Standard stands as a beacon for other methodologies to follow, a proven path to engraining sustainability deep within the DNA of project management.

Download the standard for free at <https://www.greenprojectmanagement.org/p5>

RESPONDENTS

Individuals from 113 countries participated in this year's research

In this year's study, we gathered responses from 10,370 participants across 113 countries.

Over half (57%) of responses came from just six countries. At 31%, the United States stood out with the highest participation rate. This concentration has yielded a particularly insightful data set. Meanwhile, the other 42% of participants were spread out across 107 countries.

Our targeted selection of participants, enhanced by qualitative follow-ups, has significantly elevated the quality and relevance of our report. This approach led to more impactful findings and insights making this research the most comprehensive study on the topic to date.

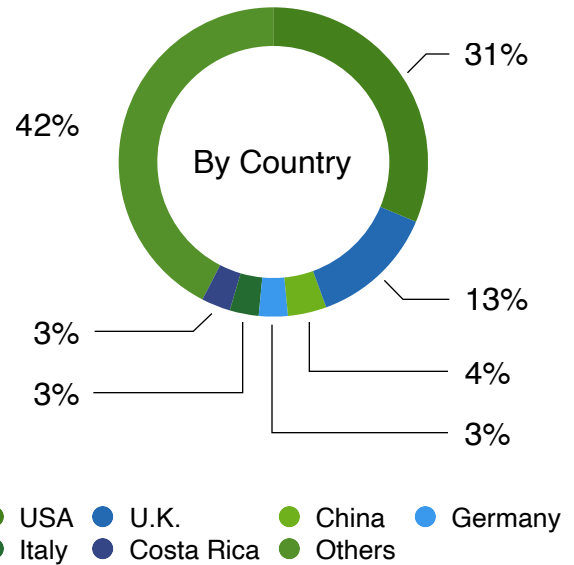


Figure 1 - Respondents by Country

By Industry	
Consulting and Strategy	17%
Education	15%
Engineering	12%
Information & Communication	10%
Construction	8%
Banking and Financial Services	6%
Science and Technology	5%
Agriculture	4%
Government	3%
All Others	20%

Table 1 - Respondents by Industry

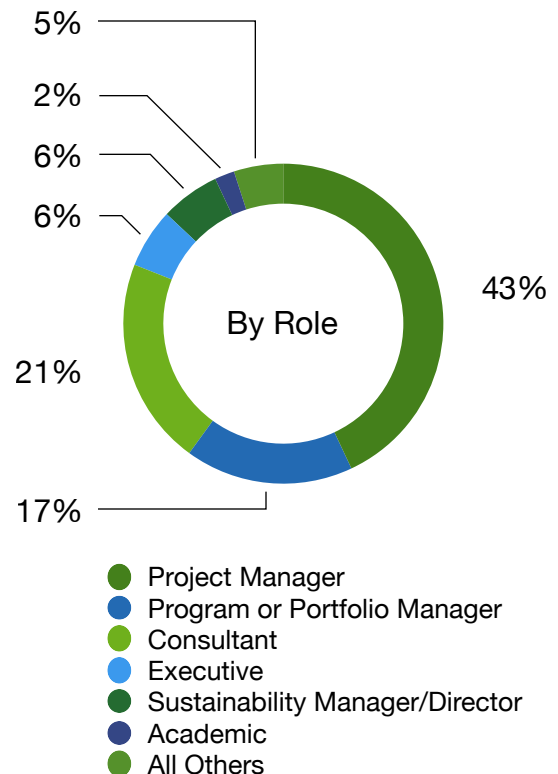


Figure 2 - Respondents by Role

KEY TAKEAWAYS

- + **Escalating Impact of Climate Change on Projects:** The report highlights a significant increase in projects affected by extreme weather due to climate change, jumping from 38% in 2021 to 53% in 2024. This underscores the urgent need for project management to adapt to increasing climate volatility (Page 4).
- + **Strategic Importance of Sustainability:** A growing recognition among organizations is noted, with 31% reporting an increased impact of climate change and sustainability on their strategies since 2021. This shift indicates a broader understanding of sustainability as a strategic imperative for long-term success (Page 6).
- + **Sustainability Reporting and ESG Disclosures:** The report shows that 39% of organizations engage in sustainability reporting and ESG disclosures, highlighting a commitment to transparency and accountability in environmental, social, and governance issues. However, a gap remains, with 42% not engaging in these practices, pointing to an area for improvement (Page 7).
- + **High Importance of Sustainability Among Project Professionals:** An overwhelming 73% of respondents place sustainability in the highest tier of importance, indicating a mature understanding of its critical role in achieving long-term success and resilience in project management (Page 8).
- + **Perceived Insufficiency in Combating Climate Change:** Despite the growing consciousness, 79% of respondents believe that the project management profession is not doing enough to combat climate change, highlighting a critical need for more impactful action and innovation (Page 9).
- + **Global Sustainability Challenges Affecting Projects:** The report reveals that 43% of projects experience critical or major impacts due to sustainability challenges, such as resource scarcity and regulatory changes, necessitating a strategic reassessment of project management approaches (Page 11).
- + **Diverse Impact Across Industries:** Sustainability challenges have varying degrees of impact across different sectors, with industries like Hospitality and Tourism, Construction, and Healthcare experiencing significant disruptions. This diversity underscores the need for industry-specific strategies to enhance sustainability and resilience (Page 11).
- + **Strategic Adaptation and Mitigation:** The findings call for strategic adaptation and proactive mitigation strategies to navigate and mitigate the impacts of global sustainability challenges effectively. This includes integrating sustainable project management practices to ensure project resilience and success (Page 12).
- + **Awareness and Education Gap:** Nearly half of the respondents report no impact from global sustainability challenges on their projects, possibly indicating a lack of awareness or acknowledgment of sustainability's indirect effects. This highlights the need for comprehensive education on sustainability's integral role in project management (Page 12).

These takeaways underscore the critical role of sustainability in project management, the increasing impact of climate change on projects, and the urgent need for the profession to adapt and innovate in response to these challenges.

CONTACT

ABOUT GPM:

GPM has been at the forefront of sustainable project management for over 15 years, leading the way as the global authority in integrating sustainable practices within Portfolio, Program, and Project Management.

Our commitment extends beyond advocacy; we're actively shaping the project management profession to tackle some of the most pressing environmental challenges facing our world. As a social enterprise, we leverage value-based methods and principled leadership to drive change. With our suite of award-winning standards, comprehensive training, detailed assessments, and robust certifications, GPM empowers businesses to not only participate in but lead regenerative development projects. These initiatives dive deep, addressing the fundamental issues that perpetuate sustainability challenges, ensuring a healthier planet for future generations.

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