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## Sustainability in Project Management *A case study on Enexis*

**By Lilian Grevelman and Michelle Kluiwstra**

*University of Greenwich (UK)*

*In collaboration with Saxion University of Applied Sciences Deventer, University of Applied Sciences Utrecht and Zuyd University (The Netherlands)*

### Introduction to Enexis

Enexis is a grid company, which is responsible for the development, installation, maintenance and management of the transport and distribution lines for gas and electricity (Essent, 2009). Enexis was part of Essent, the largest energy company in the Netherlands and it was called Essent Network. Because of the Network Management Act, Enexis is obliged to work independently and cannot be part of Essent anymore. The act states as of 1 January 2011 energy production, trading and supply companies may no longer belong to the same group as network companies (Essent, 2008).

### Abstract

This research paper is focused on the grid company Enexis. Following, the main research question is formulated:

How does Enexis apply concepts of sustainability in their projects and project management?

The finding was that Enexis is compared to the literature review above average when it comes to sustainability. Enexis has a lot of ideas on the subject sustainability, but the company will have to further develop and integrate the ideas in policies. In projects like construction of buildings, Enexis tries to implement sustainability in the result. Only incorporation of sustainability in project management can processes be improved.

### 1 Introduction

The purpose of this paper is to research and describe the situation of the grid company Enexis, concerning sustainability in project management. Because sustainability is a very important aspect in the corporate strategy of this company, it makes Enexis very interesting to study.

Following, the main research question is formulated:

How does Enexis apply concepts of sustainability in their projects and project management?

The answer to this research question will be distracted out of a comparison with the literature review and the case study at Enexis. The paper consists of three main parts. First of all, a research on project management and sustainability is executed. After this literature review, a case study is performed and the results are described. The third part contains a comparison between the literature and the case study, and conclusions are made.

### **1.1 Research Methodologies**

During the making of this paper, several research methodologies were used to achieve a thorough study. For this research on sustainability in project management desk research and field research are used. By using the multiple research methodologies different views are provided on the subject. First of all, a literature review was done to get a clearer view on sustainability, project management, the combination of the two aspects and the relevant aspects that could be used during this research. Besides the literature review, documents were analysed such as the annual report of Enexis. This analysis gained an insight in the current situation of the company, especially focused on the sustainability aspects. A case study on Enexis was done to research how the organisation applies concepts of sustainability in their project and project management. An interview was held with the Program Manager Real Estate of Enexis to get more information about these aspects. With this interview the current and desired situation became more clear and could be analysed.

## **2 Project management**

Project management has become more and more important for organisations. “The significance of project management has increased during the recent decade due to a considerable activity of investment processes” (Neverauskas and Stankevičius, 2008). Companies are adopting project management as a ‘way of working’ (Eve, 2007).

### **2.1 Project management**

To explain what project management is, first ‘project’ has to be defined: A project is “an unique set of co-ordinated activities, with definite starting and finishing points, undertaken by an individual or organisation to meet specific performance objectives within defined schedule, cost and performance parameters” (BS 6079-1: 2000). There are several definitions of project management. Atkinson (1999) suggests that project management is a combination of management and planning and management of change. He also notices that in the definitions always three success criteria are included: time, cost and quality. The following definition is used in this paper as the term project management is mentioned: Project management is the discipline of planning, controlling and organizing (Cleland and Gareis, 2006), resources, time and quality (Atkinson, 1999) to successfully complete a project.

### **2.3 Project management success**

First of all, it is important to know the difference between project success and project management success (Wit, de, 1988). Project success is formed out of two aspects. The product success is about the output and the effects of the output (Baccarini, 1999). The second aspect is the project management success. Baccarini (1999) stated that 'project management success focuses on the iron triangle and also on the way in which a project is managed, that is the quality of the process.' To measure the performance of project management, performance measurement systems (PMS) can be used, such as the Balanced Scorecard (BSC) model (Kaplan and Norton, 1992). This model will be further explained in paragraph 3.2. To measure the performance, the different perspectives from different stakeholder groups are required (Bryde, 2005). These different perspectives have to be taken in to account during the measurement, so it will be looked at from different angles.

## **3 Sustainability in general**

Sustainability is a relatively new term. Though it is used as far back as in the 1970's, the meaning of sustainability then was far different than nowadays. The term was only used to describe the way society was balancing economics and the environment. The term sustainability is actually very difficult to define. "Sustainable has become a buzzword, which everybody interprets in a different way" (Hockerts, 2001). Though, a definition of sustainability is set up at the UN conference in 1987 which is still one of the most used definitions: Sustainable developments are "meeting present needs without compromising the ability of future generations to meet their needs." (WECD, 1987 cited in Labuschagne and Brent, 2007). This is the definition that will be used in this paper as the term sustainability is mentioned. From the first awareness considering sustainability in the 1970's it took over an decade until Brundtlandts Commission Rapport in 1987 (Hockerts, 2001), the term sustainability also was applied to corporations, by defining as "a strategy for corporate sustainability must meet the needs of a firm's stakeholders without compromising its ability to also meet the needs of future stakeholders" (Bieker, Dyllick, Gminder and Hockerts, 2002). "This report led directly to the term 'sustainable development' passing into policy discourse, if not into everyday language" (Redclift, 2006). From this moment on it became more and more important for organisations to be aware of this subject, and incorporate this awareness in the way the organisation is doing business.

### **3.1 The triple bottom line**

"Since the Brundlandt Commission, many alternative definitions of sustainability have been proposed and diverse interpretations of the concept made. Many of these are based upon the 'three-pillar' or 'triple bottom line' (TBL) concept" : social, environment and economy (Popea, Annandale and Morrison-Saunders, 2004). The idea behind this triple bottom line (TBL) is that the success and health of an organisation not only can be measured by the economical figures but also is influenced by social and environmental factors. This model is developed in 1997 by John Elkington (1998), and made public in his article: *Cannibals With Forks: The Triple Bottom Line of 21st Century Business*. From that moment on organisations are more and more implementing this model in their corporate strategy, and using the terminology in their annual reports and press releases. The awareness is growing that an active sustainability policy can be

beneficial in terms of image and the way the company is profiled in a market. The general assumption is shifting from the idea that sustainability only costs money and is not bringing anything in. Because of the increased interest in corporate sustainability (Russel, 2008) this topic has been the main subject of an incredible amount of research articles (Gminder and Bieker, 2002; Caldelli and Parmigiani, 2004). Organisations developed a need for a model that could help them to incorporate the sustainability in their organisation in a way that was beneficial in according to the TBL.

### **3.2 The Balanced Scorecard (BSC)**

In the early 1990's Robert S. Kaplan and David P. Norton developed a management measuring system; the balanced scorecard. "The balanced scorecard provides executives with a comprehensive framework that translates a company's strategic objectives into a coherent set of performance measures." (Kaplan and Norton, 2003). Keywords of this model are customer satisfaction, process quality and organisational development. The thought behind this model was that "to achieve future business success, managers must increasingly resort to leading Key Performance Indicators (KPI's) related to aspects more difficult to translate in "hard" financial terms." (Gminder and Bieker, 2002). Though this system is giving attention to the 'soft' aspects of management, it is not adequately incorporating sustainability into the business strategy.

### **3.3 The sustainable balanced scorecard (SBSC)**

To take the incorporation of sustainability a step further, researchers sought a way to implement the factor sustainability into the already existing BSC, to eventually create a Sustainable Balanced Scorecard. According to Figge, Hahn, Schaltegger and Wagner (2002), there are three ways to integrate social and environmental aspects into the BSC. "First, environmental and social aspects can be integrated in the existing four standard perspectives. Second, an additional perspective can be added to take environmental and social aspects into account. Third, a specific environmental and/or social scorecard can be formulated" (Figge, Hahn, Schaltegger, Wagner, 2002).

In the following part of the article we build further on the second approach to integrate sustainability in the BSC. The main reason is that we feel sustainability will only be as important as the other four aspects of the BSC if it gets its own 'box'. This approach will make the BSC a balanced model. Figure 1 shows how the SBSC can look like. The most important factor of successfully using the SBSC is that sustainability should be part of the strategy of the company. It should be reflected in the norms and values, culture and day to day activities in the organisation. Sustainability should be a factor that is taken in account with every decision an employee takes. That basic principle was already stated in the BSC, but now also sustainability is one of these factors.



Figure 1: The SBSC

### **3.4 Sustainability in the organisation**

In this chapter we take a look at the way in which sustainability is integrated in the organisation, and how this is aligned in the specific process of project management. What are the preconditions and what is the current status of this process in general? The first precondition is that a company is aware of sustainability and it should be a part of the strategy.

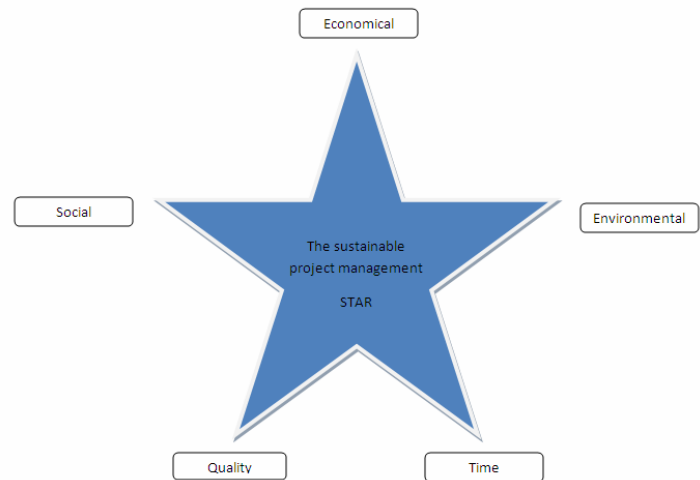
The first step is that the corporation has to adopt sustainability as a subject in their strategy. This integration of sustainability is a process that should be implemented top-down. The next step is to implement sustainability in the different processes and methodologies that the company is using. "Practical tools, which systematically include sustainability within the evaluation process, are needed to align business methodologies with the principles of sustainable development" (Labuschagne and Brent, 2007). Based on, and with use of, these tools and methodologies the process should be passed on to the business operations.

The general tendency is that companies are more and more aware of sustainability and on a strategic and operational level there are signs of the integration of the sustainability subject in the business environment. The missing link is often the integration of this subject in the processes and methodologies.

### **3.5 Sustainability in Project Management.**

Though sustainability and project management are not new and both subjects are broadly researched (Atkinson, 1999; Labuschagne and Brent, 2007; Labuschagne, 2005) the alignment between the two is still very rare (Labuschagne and Brent, 2007). There is almost no attention for the integration of sustainability in project management. As stated in paragraph 2.3 there is a difference in the process and the end result (product) of a project. In this context the attention for the level of sustainability of the product (the end-result of the project) is far surpassing the attention for the sustainability of the process of the project.

This means that the increasing attention for sustainability has led to the fact that there is some awareness for how sustainable a product is in its life cycle, but there is still nearly no attention for the process which precedes this product. Because the theme sustainability is increasingly important for organisations (in terms of image, turn-over of products and revenues i.d.) there is a need for a model or tool that integrates sustainability in project management.



*Figure 2: The sustainable project management star*

To make it visible how sustainability and project management can be aligned we have created the Sustainable Project Management Star (Figure 2). It is based on the Triple Bottom Line (the pillars for sustainability) and the Iron Triangle of project management. The star shows that, to integrate sustainability in project management, these two basic models can be combined into one. This reflects the fact that, to successfully integrate sustainability into the project management process, there has to be a balance between all the six factors. If not, the success of the project is at risk. Since there is a great similarity between the factors 'cost' and 'economical', these two factors have been combined into one 'point of the star'. The choice for the factor 'economical' is made because it also covers the aspect 'cost'.

## **4 The case study**

In this chapter the transition will be made from the literature review in the previous chapters, to 'real life'. This is done by using the grid company Enexis for a case study.

### **4.1 Description of Enexis**

Enexis is a grid company, which is responsible for the development, installation, maintenance and management of the transport and distribution lines for gas and electricity (Essent, 2009). The name Enexis comes from (Enexis, 2008):

ENE : Energy distribution  
X/ 'axis' : Link  
Nex(t) : Future  
IS : Infrastructure

Enexis was part of Essent, the largest energy company in the Netherlands and it was called Essent Network. Because of the Network Management Act, Enexis is obliged to work independently and cannot be part of Essent anymore. The act states as of 1 January 2011 energy production, trading and supply companies may no longer belong to the same group as network companies (Essent, 2008). Since 1 January 2009 Enexis is operationally unbundled and per 30 June 2009 Enexis is legally unbundled and fully operating as an independent network company (Enexis, 2009). During the beginning of 2009 Enexis is trying to make its name more known. With this the company will be more visible and recognisable as an independent company (Essent, 2008). Enexis takes care of the distribution of gas and electricity from the supplier to the customer. It is the grid administrator in the provinces of Groningen, Friesland, Drenthe, Flevoland (North East Polder), Overijssel, North Brabant and Limburg (Enexis, 2008).

The company has got 3.511 employees fulfilling 3,246 FTE with an absence through illness rate of 4.3% (Enexis, 2008). There are far more male employees (85%) than female employees. This can be explained by the large amount of mechanics that work for Enexis. The turnover of employees is very low which means the greater part of the employees has a lot of experience with working in this company. Enexis also focuses on the future of energy distribution in the Netherlands. It is preparing for sustainable energy provision together with authorities and the supervisory body. The grids will be prepared for alternative energy flows, for instance (Essent, 2008). Sustainability is a very important issue for Enexis, and a lot of attention goes out to this subject. In the next paragraphs more detailed information will be described about sustainability within Enexis. The information in these paragraphs is derived from an interview with Geert Huisman (Program Manager Real Estate from Enexis), the annual report of 2008 and the Enexis 2009 Interim Statement.

## **4.2 Projects**

As mentioned earlier, 2008 and 2009 were turbulent years for Enexis. The main reason was the unbundling from Essent, which had major impact on the organisation and its employees. The projects being executed in this period were mainly aimed at a smooth unbundling, and limit any negative consequences. Also after the unbundling was official, Enexis executed projects to monitor if the major changes are of any influence on the customer. "Following the unbundling, Enexis continued surveying their customers on their level of satisfaction with their services. For the first two quarters of 2009, overall customer satisfaction, as randomly measured by Enexis among high-volume and low-volume consumers, shows an increase on 2008. This suggests that the re-branding did not result in a decrease in customer satisfaction in terms of the general impression customers have of Enexis" (Enexis, 2009). Given the fact that sustainability is a very important point of interest for Enexis as a whole, several of the projects that recently have been executed were based on increasing the extend of sustainability in which Enexis is operating its business. Enexis is taking the subject sustainability into two directions.

The first one is mobility. A good example is the Smart Grid Concept. "The mobile Smart Grid concept, which not only facilitates electric vehicles, but also supports a more renewable energy supply and helps to harness the full capacity of the electricity grids, will be developed further over the next few years. Enexis is putting itself on the map, on both national and global scale, with this technically advanced concept, which is highly relevant from a social point of view also" (Enexis, 2008).

The other direction of sustainability for Enexis is construction. Enexis has a highly set ambition for this subject. They realise that the way of accommodating their employees is 'the business card' for the customer. "We try to make our buildings look and feel sustainable for the customer so this will strengthen our image" (Huisman, 2009). In the paragraphs 4.3 (processes) and 4.5 (result) there will be more detailed information about the way in which Enexis is incorporating sustainability in constructional projects.

### **4.3 Sustainability in project management processes**

Enexis is a large company which executes voluminous projects on a regular basis. To make these projects structured and increase the chance of succeeding the 'PRINCE2 methodology for managing successful projects' is used. Since a vast amount of the projects Enexis is executing concerns construction, they analyse per project which methodology is the most suitable. For constructional projects it might be more efficient to use a different type of methodology. The next step is to take a look at the way in which sustainability is present in the processes for managing projects. In the PRINCE2 methodology there is no aspect concerning sustainability. This means that Enexis itself has the responsibility for this.

This responsibility comes to expression in very subtle initiatives. Aspects like double sided printing, digitalising and video conferencing are used. According to Mr. Huisman the video conferencing is often used "so employees (including members of a project management team) do not have to travel through the whole country to go to a meeting. At the moment Enexis only has central video conferencing, but we want to go to decentralized video conferencing on every laptop." "Within Enexis we have quite an extensive policy on sustainability and the main focus is on the end-result of a project. The focus is there, but the actual defining of the criteria for sustainability in the project plan is missing.

We are more and more thinking about the way in which we can implement sustainability in the process of executing a project. An example is that the most constructional projects have to use European tendering, because the costs are above a certain level. In our criteria for choosing a supplier we try to give attention to the factor sustainability. You can think about the materials used for the project and how they are produced. We also select our suppliers based on the certificates concerning corporate social responsibility, safety and security" (Huisman, 2009). The previous part shows that awareness is arising for incorporating the aspect of sustainability in the project management processes, but there are still a lot of steps to be taken. An important aspect is: based on which aspect are decisions made?

In other words: what is the most important aspect in choosing a supplier, materials, locations, etc.? Enexis is stating that "when looking at the 3 factors of sustainability (social, environmental

and economical), we still think that the economical part is the most dominant. Sustainability has to contribute to the economical side of the story. What are the effects of a sustainable solution on the exploitation of the building? That is the main point on which we base our decision. The other factor we value is the way in which the sustainable solution is contributing to the working atmosphere and experience for our employees. There is no meaning in really wanting to be sustainable and thereby negatively influencing the employees" (Huisman, 2009).

Taking this into account, and comparing it with the general development of incorporating the aspect of sustainability in the project management processes of organisations, as shown in paragraph 2.5 (sustainability in project management), the conclusion can be made that Enexis is on a comparable level with the market. There is a lot of awareness for sustainability in the organisation as a whole, but the link to defining down to processes and methodologies for project management is still missing. Enexis is aware of the fact that this step still has to be taken and is considering its options to take this subject to the next level.

#### **4.4 Competencies**

Enexis does not specifically translate aspects of sustainability in selecting, training and developing project managers. "We use project management bureaus instead of project managers. During tendering we ask the project management bureaus for references where sustainability is used during projects for other companies. If a project management bureau does not have the references which prove that the company uses sustainability during their projects, this could be a reason why we would reject the bureau" (Huisman, 2009).

Generally speaking, Enexis does have attention for the sustainability competencies for the management of projects. It is not specified to the person who manages the project, but in their case is a bureau. When looking at the employees (including project team members) the sustainability competencies are also not used during selection, training and development. "Employees are involved and informed in the area of sustainability and corporate social responsibility (CSR), especially during projects for relocating to a new office building which has to be build from scratch. Within the new buildings, sustainability is more used. Employees will be informed about how sustainability is integrated in the building and how they can use it" (Huisman, 2009).

Enexis has taken a step towards sustainability with involving and informing the employees. The next step could be training and developing the employees in the area of sustainability.

#### **4.5 Result**

During the selection of projects, Enexis has a lot of attention for the sustainability aspects. They try to integrate sustainability as much as possible. In real estate projects there are two possibilities: improving the sustainability of a building or implementing sustainability aspects in a new building. "When we are looking for another office building for Enexis there are two options: an existing building or a new building. When going to an existing building, we look at the possibility to make the building more sustainable.

Aspects like taking energy measures, looking at the location and also carpeting and isolation are looked at and if possible improved. During the project of building a new office building the sustainability aspects are in the selection criteria which can be set up like we it. The new building could be a high-tech building as well as low-tech” (Huisman, 2009). During the first stages of a project external changes and innovations are being applied. Enexis uses architects and advisers to find out which sustainability requirements meet technical possibilities with a close watch on the budget and time tolerances. “During this planning phase, the external developments are taken into account. When the project is to be executed, the project will not be changed anymore (unless it is absolutely necessary), otherwise time and budget can be exceeded” (Huisman, 2009).

#### **4.6 Reporting (G3 Guidelines)**

This paragraph is assessing in which extend Enexis is handling sustainability in project management according the G3 Guidelines. These guidelines are split up in three major subjects: economical, environmental and social.

##### **4.6.1 Economical Performance Indicators**

When it comes down to risks and opportunities concerning sustainability, Enexis has given this a thought. “As mentioned before, there is a great opportunity in strengthen the image of the organisation using sustainability. Another opportunity is to make our employees conscious of the fact that they can help reducing waist, greenhouse emission etc. This can give us economical benefits as well” (Huisman, 2009).

Another possible opportunity is the fact some sustainable initiatives are subsidised by the government. Although this financial assistance mostly is only allocated to private initiatives, Enexis is always assessing if there is a possibility for receiving this financial assistance.

Enexis is also aware there are some risks involved. By naming these risks, the organisation shows that they operate with consciousness concerning the limitations sustainability can bring along. An example of a threat has to do with construction. “If we look at the construction of new buildings, we experienced that the rules and regulations concerning sustainability are sometimes limiting our possibilities. It is a challenge to construct within these regulations and still realise a building that is ticking all the boxes” (Huisman, 2009).

Enexis has a market conform policy which means the employee’s salaries will not differ much from what is standard in this market. There is also no attention for selecting senior managers, or other employees based on their address. “There is no policy for selecting new employees based on the fact they live nearby the organisation. We just choose the most suitable person for the job that has to be done” (Huisman, 2009). Taking this a step further, and analysing the selection criteria for suppliers, the conclusion can be made that Enexis doesn't utilise criteria based on the location of the supplier. The main reason is that the costs of most projects exceed the European tendering limitations, as mentioned earlier. This European measurement is an example of how rules and regulations can limit Enexis is expanding their sustainability policy.

#### 4.6.2 Environmental Performance Indicators

This section will analyse if Enexis is aware of the negative effects the business causes on the environment, and which initiatives are taken to decrease these impacts. To substantiate the analysis, simple examples will be used. Enexis has made the first step: there is awareness for the materials the organisation uses to operate. And also the second step is taken: The awareness is converted into actions. "Enexis is very aware of the fact that we can contribute to sustainability by choosing renewable or cradle to cradle materials. Examples are that we have desks that are completely renewable, and the cleaning service uses detergents that are completely safe for human and nature.

As mentioned earlier, also the network that transfers the energy is mostly made out of renewable materials" (Huisman, 2009). There are also numerous initiatives to decrease the usage of (in-)direct energy. An impressive fact is that Enexis has targets based on this objective. "For instance, Enexis is using 'smart measurement systems' so we can monitor when our company is using a lot of energy, and when not. Using this system we try to make our employees conscious about their usage of energy. We also have lights that turn off when there is nobody in the office and the heating system is not turned on unnecessarily" (Huisman, 2009).

Enexis is really engaging its employees to give a helping hand in reaching the objectives. This results in awareness of the employee, not only in the office, but also at home. The following initiative is not only beneficial for Enexis, but also for the employees privately. "Another initiative is to lower the usage of fuel. We do this by checking the tires from the cars of our employees if they have enough air in it. If not, they will be filled and the car gets a sticker to make the owner conscious of the importance of this" (Huisman, 2009).

All the initiatives described are indicating that Enexis is really giving attention to sustainability in their organisation, but there are still steps to be made when it comes to usage of natural materials. An important example is the consumption of water. Enexis is not initiating anything to decrease this usage. "The core business of our company is not using a lot of water so I think it will not be possible to reduce a significant amount" (Huisman, 2009). Enexis shows that first the initiatives that bring the major advantages of sustainability will be executed, but it would be a good idea to give attention to the smaller benefits as well.

Looking at the locations chosen for operational usage by Enexis, sustainability (in this case biodiversity) is not a main factor. Enexis explanation is: "making the choice for a location to construct a new building we first go to the local government to discuss what our possibilities are. In most cases the local government has a couple plots available to choose from and these plots are yet ready for construction. This means the government has decided that there are no limitations in terms of biodiversity, registered nature parks etc. So, we don't have to concern this subject as being the organisation that wants to construct the building" (Huisman, 2009).

This line of thought leads to another factor which comes in mind when choosing a new location for executing business. Is Enexis aware of the positive, and perhaps negative, effects on the local community? Has Enexis got attention for the development and impact of infrastructural investments and services provided primarily for public benefit, when a location is chosen? The

answer is no. Mainly because Enexis normally isn't operating in areas that are not well developed in terms of infrastructure and public services. "In our organisation we mostly choose the location of a new building based on the fact that there already is a developed infrastructure. It is not our goal to invest in the infrastructure, or the local community" (Huisman, 2009).

An important and prominent aspect of supporting sustainability is decreasing the emission of various gasses like ozone, greenhouse gas and NO. Enexis realises this and has taken different initiatives to decrease these emissions. Enexis has two ways for contributing to this subject. The first one is based on reducing the emission. An example is the earlier mentioned Smart Grid Concept.

The other way has to do with compensation of the damage done by the emission. "We have the policy to compensate our use of energy and the air emissions we cause by buying certificates. This money is used to invest in new forests, etc." (Huisman, 2009). Also waist and spills are important subject for Enexis when thinking sustainable. "We also have an organisation that monitors our waist. We always divide the different types of waist, and there are initiatives to limit our waist. In our job description there is a paragraph that gives attention to the own responsibility for the employee to limit wait and spills, and we trust our employees in this" (Huisman, 2009).

Unfortunately, Enexis has been fined several times for non-compliance tot rules and regulations concerning sustainability and environmental impact, though they are relatively small. An example is about "a station where fluids could leak into the earth. The local government forced us to do something about this by creating a floor where fluids could not go through. We didn't realise this within the time set by the local government so we got fined. But now we talk about little incidents, I am not aware of any major fines" (Huisman, 2009).

#### **4.6.3 Social Performance Indicators**

When looking at the social performance indicators of the G3 Guidelines, there are four aspects to research:

- labour practices and decent work;
- human rights;
- society;
- product responsibility.

In each aspect the social dimension of sustainability is reflected. "The social dimension of sustainability concerns the impacts an organisation has on the social systems within which it operates" (GRI, n.d.).

#### ***Labour practices and decent work***

The employees of Enexis are an important part of the whole organisation. In 2008 Enexis had in comparison with 2007 a slight decline in workforce and number of FTE. The turnover at Enexis

is low while the average age is quite high. According to Mr. Huisman, Enexis is trying to “attract new and young people, so the natural flow of employees stays in balance and we do not lose more people than we can attract” (Huisman, 2009). When looking at how employees are treated, you can generally speak of equality. “Full-time, part-time and temporary personnel are all treated the same way, all get the same benefits. Even external parties, like suppliers, can sometimes get these benefits. All employees are covered by collective bargaining agreements” (Huisman, 2008). Of the total workforce, 85% of the employees are male. This is mainly because of the large amount of engineers who are employed by Enexis (Enexis, 2008). In the governance body of Enexis there is only one woman represented. In the management layers beneath that there are more women, but in the top-management there is only one. People get chosen, because of their qualities, not because of their gender or age (Huisman, 2009).

Enexis pays very much attention to the Health and Safety of their employees. Enexis uses a DART-score (Days Away, Restricted or Transferred) to indicate “the number of accidents that result in time off work or modified work for every 200,000 hours worked” (Enexis 2008). In 2008 the rate was 0.74, which was an improvement compared to the previous two years. No fatal accidents have happened during 2008 but there were 18 accidents which resulted in time off work. Most of these accidents did not happen while working, but during travelling to, from or around the place of work. Enexis is focussing on the reduction of this kind of accidents. The absenteeism due to illness had slightly increased with 0.1% in comparison with the previous year (Enexis, 2008).

Also personal development is a big issue within Enexis. Annually, employees and their superiors discuss the performance and the development of the employee. “Everybody has to make development aims and has to make result agreements with their superior. This can include a part-time study or a course” (Huisman, 2009). The targets are stated in a ‘personal development plan’ and with this the employee can be evaluated and will get a certain raise of salary. The better he (or she) performed, the higher the raise. During 2008 several training courses, inspections and evacuations of workspaces have taken place to improve the safety awareness. These activities are to achieve improvements in relation to HSE (health, safety and environment). It reduced the DART score and the number of accidents in 2008. There were training courses like gas safety training, defensive driving, the development of a safety toolkit, formulation of criteria for safe work wear and the safeguarding of certain HSE elements in tenders. Enexis does not only train their own employees, but also trains hired people of contractors (Enexis, 2008).

### ***Human Rights***

When looking at human rights during procurement and investment practices, Enexis wants suppliers to provide the integrity code which proves that the supplier respects the human rights and works according to these standards. Enexis doesn't normally come in contact with child, forced and/or compulsory labour during their processes or in their products. These kinds of labour are forbidden in the Netherlands, but they will have to be cautious during European tendering. “In the facilities of Enexis it is sometimes difficult to know if these kinds of labour are used.

For example in snacks like 'Mars', 'Nuts' and 'Snickers' it is not clear if they really do not use forced or compulsory labour to get the chocolate or to produce the chocolate bars" (Huisman, 2009). Also amongst the employees within the organisation, human rights are very much respected. Employees can go to confidential counsellors when they feel they are being discriminated. Discrimination doesn't happen a lot, but when it occurs, proper actions are taken.

### ***Society***

The practices of Enexis have very little impact on communities. "Enexis doesn't build huge industrial buildings. When Enexis moves, they rent, buy or construct an office building. These buildings mostly do not have much impact on the communities. The council of the city tells where a building can or cannot be built. Enexis does not attract certain people who could have an impact on the community, so there is no need to have a program to thoroughly manage this."

Enexis tries to prevent corruption and theft from happening with security policies in these areas. When Enexis wants to build a new office building, they have to be aware of cartel forming in the building sector. "Especially during tendering, you have to be very careful for these activities" (Huisman, 2009). When it comes to supporting political parties or politicians, Enexis doesn't participate in that area. Enexis does use lobbying to influence decisions made by the government. (Huisman, 2009)

### ***Product responsibility***

Since Enexis doesn't produce products for customers, except gas and electricity indicators, the product responsibility is not on the products, but on the services. Power failures or gas leaks are two aspects Enexis tries to prevent as much as possible. Every time something happens, it will be noted in an incident administration system. Health and safety risks due to power failures or gas leaks have not occurred yet, but Enexis is always observing to find such problems as soon as possible (Huisman, 2009).

To improve the services of Enexis, regular surveys on customer satisfaction are held. For example, in 2008 improvements were made on the way Enexis deals with customer complaints and removals. Lead times have been reduced, resolving customers' issues during the first attempt increased and several events were organised for various groups of customers. Customer satisfaction has grown in the past few years. In 2008 the average score was 7.6 (Enexis 2008).

Unfortunately Enexis has got some fines in 2008, because of major power or gas failures. Some of these fines were much higher than the years before, because of a change in the rules. "Enexis immediately took action to speed up the streamlining of our power and gas failure records by introducing a single fault reporting and planning system. No other enforcement measures are being taken" (Enexis 2008).

## **5 Conclusions**

As a result of the literature review and the case study, this chapter contains a general conclusion on sustainability in project management. The information found in the literature will be compared to the results of the case study. With this, the main research question will be answered.

### **5.1 Sustainability in project management**

After executing the literature review a conclusion can be made that though there is a lot of attention for sustainability within organisations, there are still improvements to be made. When it comes down to sustainability, companies are mostly focussed on the result of a project. Based on the pyramid of sustainability (Labuschagne and Brent, 2007) it can be concluded that the middle section can be improved. This middle section contains the processes and methodologies in businesses and thus also in project management. There is a lack of defining objectives and targets to identify the goals of the organisation concerning sustainability which they want to achieve.

Most project management methodologies (eg. PRINCE2) have not yet integrated sustainability in their processes. It would support organisations to incorporate sustainability in their project management and make it a part of the success of the project. Because of this a 'sustainable project management star' is created in this paper to make a connection between sustainability and project management more visible. Generally there is a lot of attention for the subject sustainability. Companies see more advantages and opportunities to use sustainability throughout the whole company and the results of their projects. Still, sustainability is not a natural way of working and it will take some time to fully integrate this in every part of an organisation.

### **5.2 Sustainability in project management at Enexis**

Enexis is compared to the literature review above average when it comes to sustainability. There is a lot of awareness and there are a lot of initiatives on company level to make the organisation more sustainable. The corporate strategy of Enexis is focused on sustainability. They use this subject to improve their image to customers and with that strengthening their market position.

The three pillars of sustainability (economical, environmental and social) are not equally important to the company and thus in projects. Most of the time the economical factors are more dominant. This limits the organisation to take the subject sustainability to a higher level. If the economical benefits of a sustainable solution are distinct, Enexis will prefer that solution over a non-sustainable option. Generally, there are a lot of ideas on the subject sustainability, but Enexis will have to further develop and integrate the ideas in policies. In projects like construction of buildings, Enexis tries to implement sustainability in the result. Only incorporation of sustainability in project management processes can be improved, although Enexis already uses sustainability aspects in a limited way.

## **6 Follow-up**

There are two levels in which sustainability in project management should be more defined. First of all, the policies with regard to project management. Secondly, the methods that are used to execute the projects.

### **6.1 Consequences of the paper for project management in practice**

This research paper shows that sustainability in project management could be improved in practice. Creating project management policies in which sustainability is embedded is necessary to improve the level of sustainability in an organisation. The Sustainable Project Management Star can be used to identify aspects that have to be integrated in the policies, with regard to project management and sustainability. Unfortunately, when it comes to the execution of projects in a sustainable way, the tools to help organisations to do this are not available yet. For example, the PRINCE2 method for effective project management, which is process-based and internationally recognised, shows no trace of sustainability in the entire process. Organisations often use tools to simplify their project management processes and rely on the comprehensive content of these tools. They are unaware that other aspects such as sustainability could be added.

### **6.2 Consequences of the paper for project management research**

As mentioned in the previous paragraph sustainability is not yet integrated in project management policies and methods. Because of this, research on this matter is needed. One of the aims of the research should be to explore the opportunities of sustainability being integrated in project management. When focusing on project management policies the earlier described Sustainable Project Management Star can be used. The Star should be further developed and has potential to help organisations to create awareness of the possibilities of integrating sustainability in project management policies. More research on the Star can also help to improve the project management methods by defining how the aspect sustainability can be integrated.

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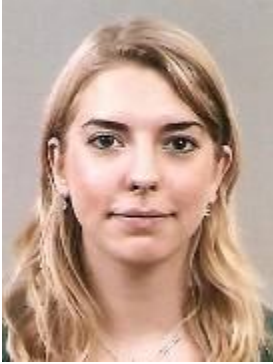
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## About the Authors

**Lilian Grevelman***Co-Author*

**Lilian Grevelman** (22) is a student of International MSc Real Estate Management at the University of Greenwich (United Kingdom), in collaboration with Saxion University of Applied Sciences Deventer (the Netherlands) and she has obtained her bachelor in Facilities Management in July 2009. During a project about sustainability in project management her interest was raised on both of the topics: sustainability and project management. During her dissertation she will do a research on social sustainability in urban renewal projects. The knowledge acquired from this project will be used and extended during the making of the masters thesis.

**Michelle Kluiwstra***Co-Author*

**Michelle Kluiwstra** (22) has a Bachelor in Facility Management and in September 2009 she started the International MSc Real Estate Management at the University of Greenwich. The course Project Management challenged her to research sustainability, and more specific: sustainability in Project Management. This paper is the result of that challenge. Michelle hopes to finish her Master in September 2010. Afterwards she would like to apply her obtained knowledge in her professional life, hopefully within a consultancy firm in which she can relate to her background in Facility- and Real Estate Management.