# **Sustainable Project Management in the Automotive Industry**

Submitted 10/09/24, 1st revision 20/09/24, 2nd revision 15/10/24, accepted 30/10/24

# Agnieszka Jędrusik<sup>1</sup>

#### Abstract:

**Purpose:** The purpose of this article is to present an approach to sustainable project management in the automotive industry

**Design/Methodology/Approach:** The experience of project managers in the automotive industry was selected for the study.

**Findings:** As a result of the study, the sustainability objectives necessary for effective project management in the automotive industry with regard to sustainability issues(GRI) OZN were identified.

**Practical implications:** Being a catalyst for various innovation efforts, the field of project management is uniquely positioned to address the challenges that every project-managed organization must face. Green transformation, closed-loop economy, ethical value chain these are just some of the many terms that have permanently entered the daily vocabulary. **Originality/value:** A novel approach to sustainable project management.

**Keywords:** Sustainable project management, sustainable goal.

JEL codes: M11, M12, M20, M52, O32.

Paper type: Scientific article.

**Conflict of interest:** The author declares that she has no conflict of interest in connection with the publication of this manuscript.

<sup>1</sup>Dr., Rzeszow University of Technology, Project Management Faculty, Poland, e-mail: jedrusik@prz.edu.pl;

### 1. Introduction

Any organization that is project-managed must adapt its management style to the market or global situation in which it carries out the project activities in question. New developments are being set primarily by the industrial revolution we are witnessing.

Over the past few years, global efforts to introduce sustainable management into many organizations, adapt them to climate change, ethical conduct, social responsibility and transparency in supply chain management have intensified. An increase in demand for various types of business practices has also been observed (https://www.mecalux.pl/blog/przemysl-5-0 15.10.2024).

Being a catalyst for various innovation efforts, the field of project management is uniquely positioned to address the challenges that every project-managed organization must face. Green transformation, closed-loop economy, ethical value chain - these are just some of the many terms that have permanently entered the daily vocabulary.

However, these are not just empty words, but a reality that every organization will sooner or later have to encounter. Every organization because it has a responsibility to take care of the planet and the rational use of its resources, to respect and appreciate the work of people, and in the long run to ensure a good quality of life for present and as future generations.

Every person who is a sponsor, manager or member of a project team is aware that what we produce in the implementation of a project, as well as the way, use of techniques and tools, affects the environment, people and the wider economic factor.

This is because we know that it is necessary to minimize the negative impact on the environment, while increasing the positive impact on the people involved or local communities. Each person is trying to reduce energy consumption, we are increasingly aware of the need for waste management and the search for good sources of supply.

Often, however, our actions are still intuitive and selective (GPM Global, Insights into Sustainable Project Management 2019; Carboni, Joel i in. Sustainable Project Management: the GPM Reference Guide. GPM Global, 2018).

The creation of a standard for project management somehow systematizes the potential areas of impact of a project-its products and project processes-on the environment, people and the economy starting from the analysis of the supply chain of materials and services used for the project, through the consumption of resources to the disposal of products and waste generated by a project.

All these aspects, while maintaining the principle of increasing competitiveness, create added value for the organization (Carboni, Joel i González, Monica. Aligning Projects to the United Nations Global Compact and the Global Reporting Initiative: the Impacts of Project Processes and Products on People, the Planet, and Profit, 2019; Carboni, Joel and Hodgkinson, Jeff. Corporate Social Responsibility and Project Portfolio Management, 2019).

The 5P standard allows, in a clear and readable way, to assess how a project is implemented and how it fits into the UN Sustainable Development Goals, as well as how to implement these goals and how to monitor them. It also shows the tangible benefits of applying this standard in specific areas and the competencies it allows to build (GPM Insights on Sustainable Project Management, 2020).

The implementation of projects in any sector of the economy, and especially in the automotive sector, requires thinking and managing in the context of sustainable development in both direct and indirect ways. Directly by generating pollution or misuse of resources and indirectly through the creation and delivery of products and services.

According to a 2019 survey and literature study (GPM Insights on Sustainable Project Management 2020). 96% of the 1,000 executives surveyed indicated that projects and project management are critical to sustainability, and 100% of respondents believe that it is the role of the project manager to understand sustainability for their project.

A similar analysis was conducted among project managers. The results of their responses are clear and indicate that more than 80% of project managers confirmed that sustainable management, significantly contributed to more effective project management, through rational use of resources, and 95% confirmed success in their projects using sustainable management.

Based on the results of the study and the experience of many project teams, it can be argued that in an environment of uncertainty, change, risks what is the natural environment for project management only conscious sustainable project management is the key to the success of any organization managed in a sustainable way (GPM Insights on Sustainable Project Management 2020).

## 2. Sustainable Development Goals and Project Management

The P5 standard was created as a combination of the ten principles of the UN Global Compact. In each project there are many possible combinations of individual objectives in order to further monitor and oversee all project activities. It mainly depends on the type of project and the nature of the enterprise on which objectives the organization will focus most of its attention.

The role of each organization is to select appropriate goals to contribute to its development and increase efficiency and diversify its markets. Figure 1 shows the Sustainable Development Goals.

## 3. Methodology and Research Results

A group of 25 project managers working with different seniority in the automotive industry was selected for the study.

The group that was selected for the study is shown in the pie chart for its experience as a project manager in the automotive industry.

Figure 1. The Sustainable Development Goals



Source: Own study.

All managers participating in the survey were divided into 2 groups depending on the type of project they are responsible for. Due to the nature of the industry, we have a group (18 people) responsible for managing projects for cars (Passcar) and (7 people) responsible for managing projects for trucks, construction equipment and agricultural equipment (CV).

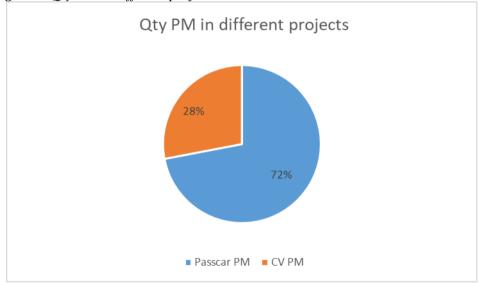
This division of the two groups of project managers was a special procedure, due to the different type of product in the project and completely different standards and requirements from the clients' side. The surveyed group of respondents had to choose from among 17 sustainability goals the one that most closely matched the goals set by both internal and external customers. They had a scale from 1-10, where one meant irrelevant, up to 10 most relevant.

Figure 2. Project Manager experience



Source: Own study.

Figure 3. Qty PM in different projects



Source: Own study.

Based on the analyzed responses, a classification was prepared for the managers in two groups and then combined. Based on the survey, it can be concluded that the distribution of responses in relation to key goals is even. In addition, the entire group of respondents unequivocally stated that the most important goal is growth and decent work. This has to do with product development, creating relationships within the project team and motivating the project team to perform.

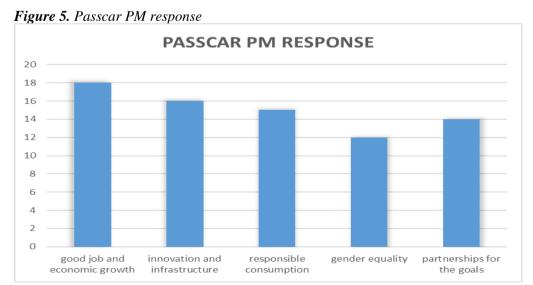
Additionally, innovation, industry and infrastructure, responsible consumption i.e. rational use of resources, gender equality and team partnerships were among the important goals.

The same analysis was conducted for project managers managing truck projects.



Figure 4. CV PM response

Source: Own study.



**Source:** Own study.

These results differ slightly from the responses of project managers managing CV projects, this is due to the quite different specifications of running a project as well as other external and internal requirements. In the case of CV projects, the most relevant goal turned out to be global goal partnerships which has to do with managing the project in a sustainable way.

To show the full range, Figure 6 presents a summary of the objectives that ranked with the highest score for both project specifications.

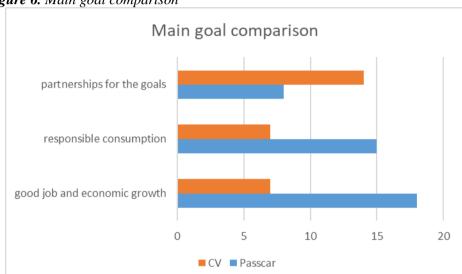


Figure 6. Main goal comparison

Source: Own study.

Analyzing the above, it can be concluded that for both groups of project managers surveyed, the 3 goals from sustainability represent the greatest value, and it was these 3 goals that won the highest number of votes from the respondents, who in this case were the project managers.

Such a juxtaposition may be indicative of the specific management method that is applied to projects managed in the automotive industry. A focus on cooperation, adequate consumption and production, and economic growth are, in the long term, components of the strategic goal.

#### 4. Conclusions

The presented approach clearly demonstrates that sustainable management is relevant to project management for both car and truck project managers. This is mainly due to the goals and requirements set for managers in the automotive industry.

It is clear that a joint partnership on objectives is an important aspect in the two teams. The pursuit of sustainability and the achievement of key project milestones, is a core value not only of the project manager but also of the entire project teams.

In the current era of global market turmoil, responsible consumption is responsible for the conscious management of resources and material and service flows. This is of great importance mainly taking into account the economic and financial aspects of the organization.

The organization and project teams are first and foremost people. It is through the conscious management of project teams that we are able to achieve the assigned goals.

In conclusion, every project manager and every team these days must put sustainable project management as one of the main goals in a project, sometimes even as a strategic one. Only with this approach will project teams be able to strengthen their market position, develop product ranges and at the same time take care of the environment, the project environment.

Sustainable project management is a key to success for the project manager and also a set of tools for managing a project team with a special focus on ecology and environmental protection.

### **References:**

https://www.mecalux.pl/blog/przemysl-5-0.

GPM Global, Insights into Sustainable Project Management.

 $https://www.green project management.org/2019-in sights-into-sustainable-project management\ 2019$ 

Carboni, Joel i in. Sustainable Project Management: the GPM Reference Guide. GPM Global, 2018.

Carboni, Joel i González, Monica. Aligning Projects to the United Nations Global Compact and the Global Reporting Initiative: the Impacts of Project Processes and Products on People, the Planet, and Profit. 2019.

Carboni, Joel and Hodgkinson, Jeff. Corporate Social Responsibility and Project Portfolio Management 2019

GPM Insights on Sustainable Project Management. 2020.