

# **Towards Developing Knowledge Area on Social Responsibility for Project Management**

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## **Abstract**

Interest in project management is growing drastically; yet projects continue to fail at a surprising rate. Project environment is gaining appreciation in both research and practice. Hence, it is time to review our perceptive of project management in order to assist project manager deal with the mounting level of complexity, disorder, and uncertainty in project environment. Most of the writers agree that there are two components of project success, project success factors, which can be influenced to increase the likelihood of successes and project success criteria which is the standard by which we judge the successful outcome of a project. Projects can only be called as successful if they fulfill the criteria of social responsibility. There is need to develop a standard and include social responsibility as criteria for assessing success of the projects. This will provide better guidance and support for project managers to perform their tasks while considering well being of stakeholders and of society.

### **i. Purpose**

Over the last years there have been extensive discussions on social responsibility and its importance in business as well as life. So far no attempt has been made to include social responsibility management in project management standards. The development of ISO 26000 is a positive step towards this direction. Project management has well established standards like PMBOK®, where 42 processes are described and assigned to 9 knowledge areas and 5 process groups. PMBOK® does not include knowledge area on project social responsibility management. Nevertheless, there is a need to include social responsibility management in project management standards. This study is focused on developing a new knowledge area of Project Social Responsibility Management.

### **ii. Methodology**

For the purpose of developing and integrating the PMBOK® knowledge area of Project social Responsibility Management and its processes, the results were collected in Germany from about 50 project management professionals including PMI members and research students in the field of project management. The experts were asked to identify process groups and inputs, tools and techniques and outputs which need to be included in knowledge area project social responsibility management. The detailed review has been conducted and the results conceived to develop a new knowledge area.

### **iii. Findings**

In this knowledge area, 6 processes have been developed. They are:

1. Identify Existing Social Responsibility Management Strategies
2. Identify Relevant Social Issues
3. Develop Social Responsibility Plan
4. Perform Social Responsibility Management
5. Monitor & Control Social Issues
6. Review Social Responsibility Management & Lesson Learned

Each newly developed process contains information regarding inputs, tools and techniques and outputs of the process. The data flow diagrams are also created in order to elaborate the linkages to the existing process in the same knowledge area as well as to the other knowledge areas in the PMBOK®.

### **iv. Originality**

This paper leads to reflect on social responsibility as important criteria for evaluating success of the projects. Authors developed entirely new knowledge area on project social responsibility management based on PMBOK® standard.

**Keywords:** Social responsibility, Success criteria, Project management

## **1. Introduction**

Recently, the span and frequency of project management exercise has rapidly increased. An important aspect of this growth was the progress of project management outside of traditional areas of focus such as construction, engineering, government, and utilities to other industries (Carden and Egan 2008). In the future project management has to focus more and more on social impacts. Interest in project management is growing drastically nevertheless, a large number of projects fail and undergo in terms of time delays, cost overruns and quality deficiency (Hess, 2007, Meng, 2011). At the same time, role complexity, chaos and uncertainty play their role within projects. Project environment is gaining appreciation in both research and practice. Hence, it is time to review our understanding of project management in order to help project managers to deal with the increasing level of complexity, chaos, and uncertainty in project environments (Thomas and Mengel 2008).

Project success is the topic in the field of project management which is repeatedly discussed but there is no consensus on what constitutes project success (Pinto and Slevin, 1988b). One of the uncertain concepts in project management is project success. Most of the writers agree that there are two components of project success (Turner 1999, Jugdev and Müller, 2005): project success factors, which are elements of a project that contribute to the result and can be influenced to increase the likelihood of success e.g. top management support, communication, project manager, realistic objectives, political, legal and economic factors etc. and project success criteria which is a measure, a principle or standard by which we judge the successful outcome of a project e.g. time, cost, and scope. Every individual or a group of people who are involved in a

project interpret project success in their own way of understanding (Cleland & Ireland, 2004, p2). "For those involved with a project, project success is normally thought of as the achievement of some pre-determined project goals" (Lim & Mohamed, 1999, p244) while the general public has different views, commonly based on user satisfaction. A classic example of different perspective of successful project is the Sydney opera house project (Thomsett, 2002), which went 16 times over budget and took 4 times more to finish than originally planned. But the finishing impact that the opera house created was so big that no one considered the original missed targets. The project was a big success for the people and at the same time a big failure from the project management perspective. This means it is possible to achieve a successful project even when management has failed and vice versa.

For this purpose standards have been developed. A standard is a published document which helps to make life simpler and increase the reliability and effectiveness of many practices. Standards are developed by bringing experiences and expertise of all interested parties together such as the researchers, sponsors, producers, buyers, users and regulators. There are several standard developing organizations in the project management world. These organizations have presented a number of different project management standards. The Project Management Institute Inc. (PMI) sets standards, conducts research, and provides education to strengthen and further establish professionalism. This institute provides services to precede the careers of practitioners and enhance the performance of business as well as other organizations (Nokes and Kelly 2007). Project management is the field of managing the project from the beginning to end. The role of the project manager is a great responsibility. It is the project manager's job to direct, supervise and control the project from start to finish. In order to do this more effectively, project managers need guidelines and standards to follow. PMI published Project Management Body of Knowledge (PMBOK®). This has become a widely acknowledged and the most recognizable standard in the project management world. PMBOK® definitely has inconsistencies. It does not cover some of the important knowledge areas, so now is the time to review and examine its contents systematically and consider how it can be improved.

Social Responsibility has increased in importance around the world. The reasons for organizations becoming interested in social responsibility are diverse. Organizations should value and encourage the human rights of their employees. Further citizens should abide with written laws. Ethics play an important role in social responsibility. The key issues involved are the health and safety of every employee. Creating a better place of employment has rewards for both the organization and the employees, but social responsibility can mean more than this. Many organizations accept that their role and the responsibility of their members as citizens is to help improve society by taking a proactive attitude in their societal roles

The concept of corporate social responsibility is itself an extremely valuable social asset. It is a medium for promoting clarity, more nuanced accountability, integrity, improved communication, mutually beneficial exchange, and balanced development. It is especially vital in a world of increasing global economics. Nevertheless, it is an incredibly fragile asset. Social responsibility has to do with the social conscious of an entity or corporation. It also deals with the citizenship and public spirit of the company. Social responsibilities to employees extend beyond terms and conditions of the formal contract of employment and provide recognition to the workers as human beings. Social responsibilities are very important to an organization as a means of creating a good image to the company for the company.

This study is focused on developing the new knowledge area of Project Social Responsibility Management, which contains six processes. For the purpose of developing and integrating the PMBOK® knowledge area of project social responsibility management and its processes, the preliminary results were taken from the international project week (EuroMPM 2009) and special workshop on new PMBOK®. These included about 50 project management professionals and other students who participated in international project week. The detailed review has been conducted by the EuroMPM 3<sup>rd</sup> group (EuroMPM 2008), and the results were also collected from their brainstorming sessions in the form of processes and their inputs, tools and techniques and outputs. Each newly developed process contains information regarding inputs, tools and techniques and outputs of the process. The data flow diagrams are also presented in order to elaborate the linkages to the existing process in the same knowledge area as well as to the other knowledge areas in the PMBOK®. In the next section we presented the complete structure of the newly developed knowledge area on project social responsibility management.

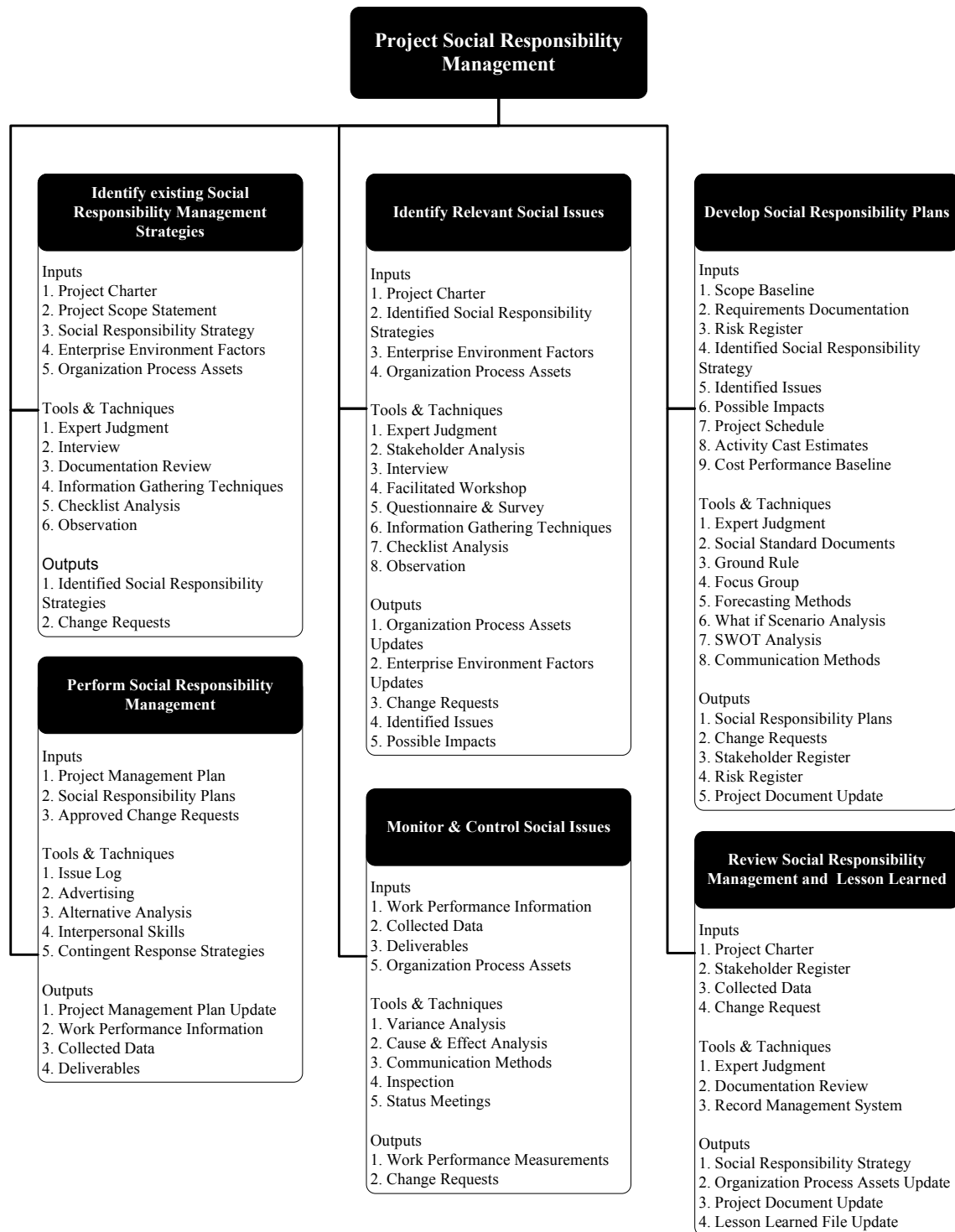
## **2. Project Social Responsibility Management**

The knowledge area Project Social Responsibility Management includes the process that addresses the social issues. Social issues can be raised from within the organization as well as from outside the organization. The internal social issues can be related to the working conditions, treatment with the subordinates, working hours, health and safety at work, salary etc. external social issues can be raised by the public and other stakeholders who are directly or indirectly affected by the project. There can be environmental issues raised by professional environment protection organizations like Greenpeace.

Social Responsibility Management describes that corporations, governments, charities and institutions all have to be socially responsible to their stakeholders. In order to keep the confidence of customers, employees, shareholders and a growing array of other organizational stakeholders, it is important to establish a meaningful framework embedding responsible decision making and social responsiveness into all activities (social responsibility management 2009).

The figure below provides an overview of the knowledge area Project Social Responsibility Management, which consists of following six processes:

1. Identify Existing Social Responsibility Management Strategies
2. Identify Relevant Social Issues
3. Develop Social Responsibility Plan
4. Perform Social Responsibility Management
5. Monitor & Control Social Issues
6. Review Social Responsibility Management & Lesson Learned



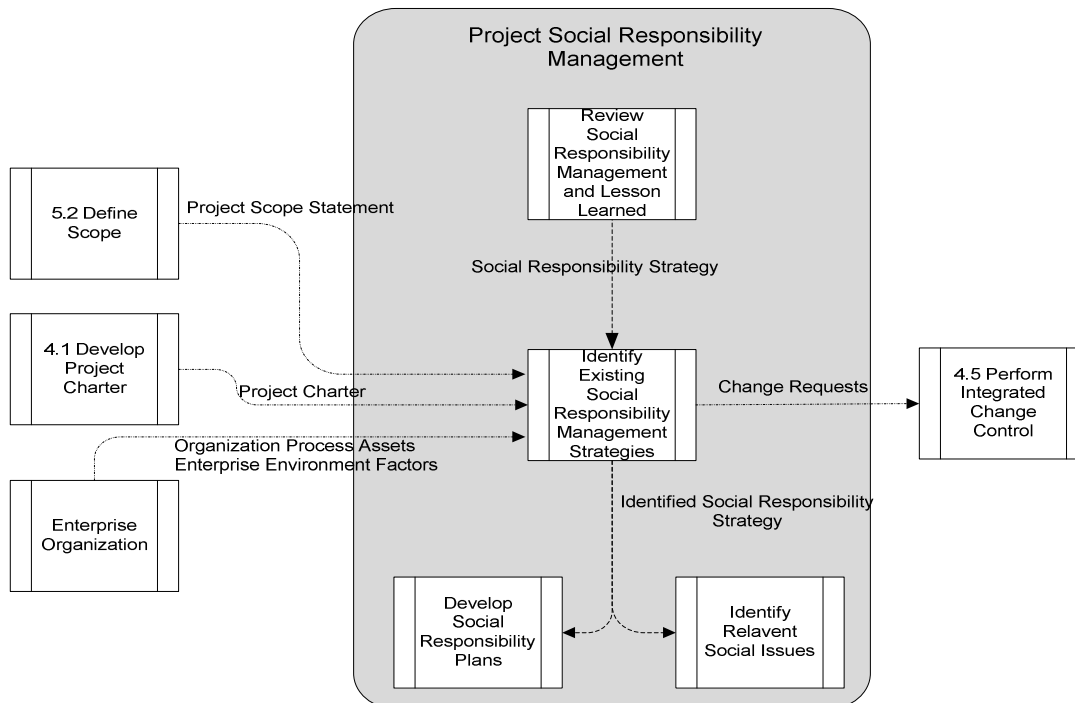
**Figure 1 Project Social Responsibility Management Overview**

## 2.1 Identify Existing Social Responsibility Management Strategies

Identify Existing Social Responsibility Management Strategies is the process of determining social responsiveness of the organization and based on that identifying the general social responsibility strategies of the organization. It is important to understand the working environment of the project. The process is at the initiation phase of the project life cycle. Every organization has ethical and moral values related to the employees of the organization, environment and society as a whole. In order to identify social responsibility strategies of the organization the documents like health and safety policy, environmental policy and other documents related to the social issues are very important. These strategies vary from one organization to the other. Some organizations are more socially responsible than others. This has influence on the projects designed by these organizations. It is becoming increasingly important to understand all the social issues which can arise during the life cycle of the project to get a success. The inputs, tools and techniques and outputs of this process are given in the table below.

Inputs	Tools and Techniques	Outputs
<ol style="list-style-type: none"> <li>1. Project Charter</li> <li>2. Project Scope Statement</li> <li>3. Social Responsibility Strategy</li> <li>4. Enterprise Environment Factors</li> <li>5. Organization Process Assets</li> </ol>	<ol style="list-style-type: none"> <li>1. Expert Judgment</li> <li>2. Interview</li> <li>3. Documentation Review</li> <li>4. Information Gathering Techniques</li> <li>5. Checklist Analysis</li> <li>6. Observation</li> </ol>	<ol style="list-style-type: none"> <li>1. Identified Social Responsibility Strategies</li> <li>2. Change Requests</li> </ol>

**Table 1 Identify Existing Social Responsibility Management Strategies**



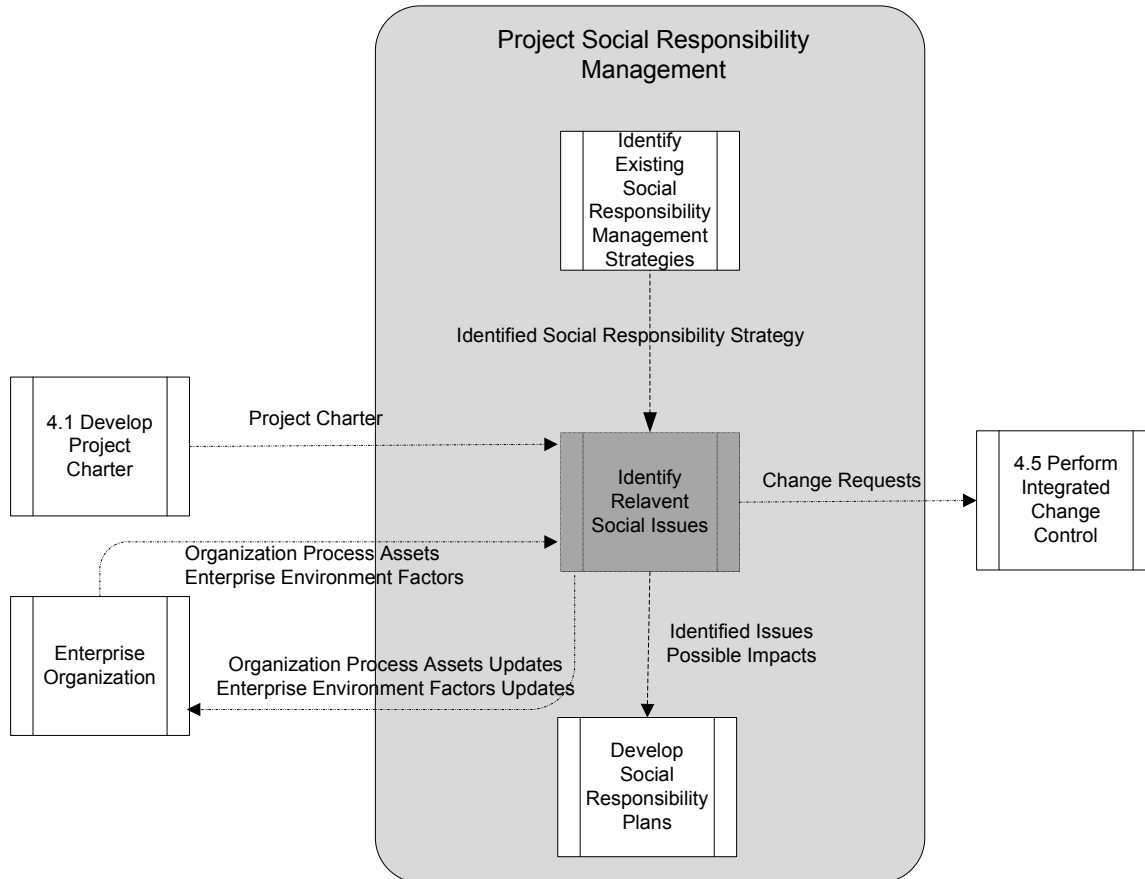
**Figure 2 Identify Existing Social Responsibility Management Strategies Data Flow Diagram**

## 2.2 Identify Relevant Social Issues

Identify relevant social issues is the process of identifying social issues which are relevant to the project. Every project is a unique activity therefore it faces lots of new scenarios which can raise new issues. The process is at the initiation stage of the project life cycle. The inputs, tools and techniques and outputs of this process are given in the table below.

Inputs	Tools and Techniques	Outputs
<ol style="list-style-type: none"> <li>1. Project Charter</li> <li>2. Identified Social Responsibility Strategies</li> <li>3. Enterprise Environment Factors</li> <li>4. Organization Process Assets</li> </ol>	<ol style="list-style-type: none"> <li>1. Expert Judgment</li> <li>2. Stakeholder Analysis</li> <li>3. Interview</li> <li>4. Facilitated Workshop</li> <li>5. Questionnaire &amp; Survey</li> <li>6. Information Gathering Techniques</li> <li>7. Checklist Analysis</li> <li>8. Observation</li> </ol>	<ol style="list-style-type: none"> <li>1. Organization Process Assets Updates</li> <li>2. Enterprise Environment Factors Updates</li> <li>3. Change Requests</li> <li>4. Identified Issues</li> <li>5. Possible Impacts</li> </ol>

**Table 2 Identify Relevant Social Issues**



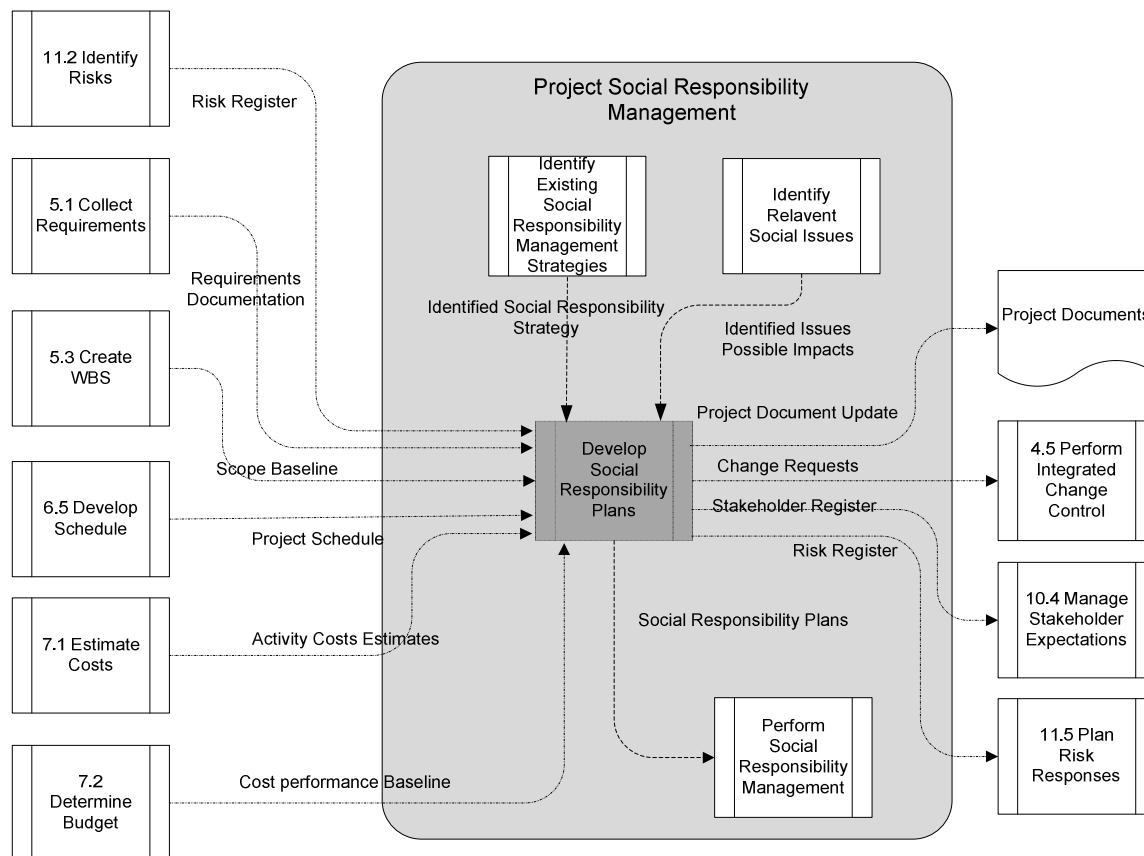
**Figure 3 Identify Relevant Social Issues Data Flow Diagram**

## 2.3 Develop Social Responsibility Plans

Developing social responsibility plans is the process which develop the plans to mitigate the social issue. The process is at the planning stage of the project life cycle. This process provides detailed planning to assess and meet social needs of employees, customers and other stakeholders. The inputs, tools and techniques and outputs of this process are given in the table below.

Inputs	Tools and Techniques	Output
<ol style="list-style-type: none"> <li>1. Scope Baseline</li> <li>2. Requirements Documentation</li> <li>3. Risk Register</li> <li>4. Identified Social Responsibility Strategy</li> <li>5. Identified Issues</li> <li>6. Possible Impacts</li> <li>7. Project Schedule</li> <li>8. Activity Cast Estimates</li> <li>9. Cost Performance Baseline</li> </ol>	<ol style="list-style-type: none"> <li>1. Expert Judgment</li> <li>2. Social Standard Documents</li> <li>3. Ground Rule</li> <li>4. Focus Group</li> <li>5. Forecasting Methods</li> <li>6. What if Scenario Analysis</li> <li>7. SWOT Analysis</li> <li>8. Communication Methods</li> </ol>	<ol style="list-style-type: none"> <li>1. Social Responsibility Plans</li> <li>2. Change Requests</li> <li>3. Stakeholder Register</li> <li>4. Risk Register</li> <li>5. Project Document Update</li> </ol>

**Table 3 Develop Social Responsibility Plans**



**Figure 4 Develop Social Responsibility Plans Data Flow Diagram**

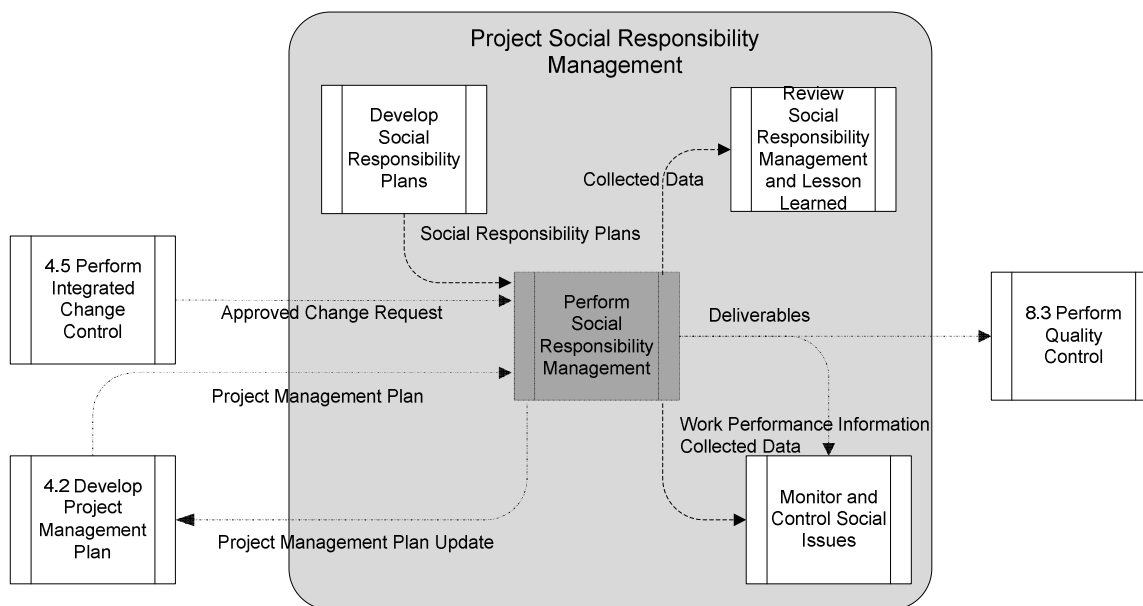


## 2.4 Perform Social Responsibility Management

Perform social responsibility management is the process of collecting information about the on going activities of the project and any issues rose because of that. It is important to resolve all the issues as soon as possible. Some of the projects can be stopped because of their inability to resolve the social issues related to environment, health and safety or other social issue. The process is at the execution phase of the project, when most of the plans are operational. The inputs, tools and techniques and outputs of this process are given in the table below.

Inputs	Tools and Techniques	Output
1. Project Management Plan 2. Social Responsibility Plans 3. Approved Change Requests	1. Issue Log 2. Advertising 3. Alternative Analysis 4. Interpersonal Skills 5. Contingent Response Strategies	1. Project Management Plan Update 2. Work Performance Information 3. Collected Data 4. Deliverables

**Table 4 Perform Social Responsibility Management**



**Figure 5 Perform Social Responsibility Management Data Flow Diagram**

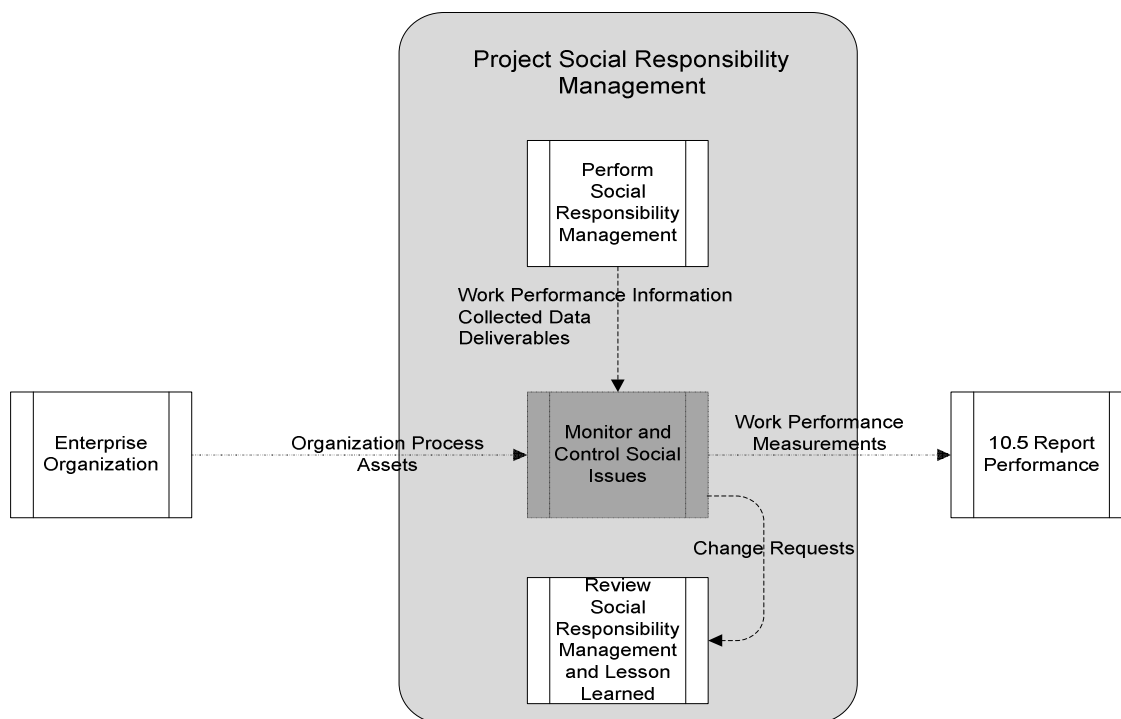
## 2.5 Monitor and Control Social Issues

Monitor and Control Social Issues is the process of continuously monitoring the progress of the project and resolving the social issues based on social responsibility plans. The process is at the monitoring and control phase of the project life cycle. It is important to monitor the progress of

the project and making necessary changes based on the new social issues raised. The inputs, tools and techniques and outputs of this process are given in the table below.

Inputs	Tools and Techniques	Output
<ol style="list-style-type: none"> <li>1. Work Performance Information</li> <li>2. Collected Data</li> <li>3. Deliverables</li> <li>4. Organization Process Assets</li> </ol>	<ol style="list-style-type: none"> <li>1. Variance Analysis</li> <li>2. Cause &amp; Effect Analysis</li> <li>3. Communication Methods</li> <li>4. Inspection</li> <li>5. Status Meetings</li> </ol>	<ol style="list-style-type: none"> <li>1. Work Performance Measurements</li> <li>2. Change Requests</li> </ol>

**Table 5 Monitor and Control Social Issues**



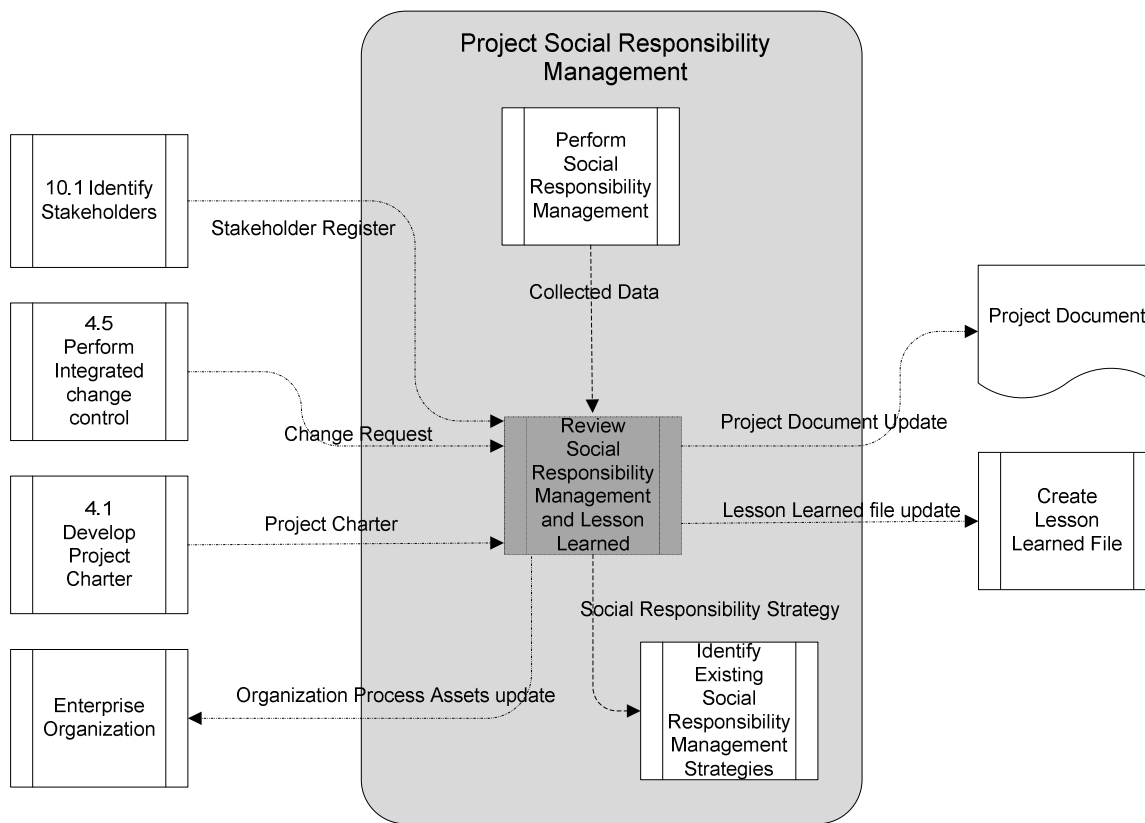
**Figure 6 Monitor and Control Social Issues Data Flow Diagram**

## 2.6 Review Social Responsibility Management and Lesson Learned

Review Social Responsibility Management and Lesson Learned is the process of reviewing the progress of the project and its impact on the society and creating a Lesson Learned File. The process is at the closing phase of the project life cycle. Lesson Learned File contains all the information about the experiences gained during the whole project. This information is of vital importance for the project managers. Although all the projects are unique and different from each other however the knowledge about the past experiences of the projects of similar nature helps to prevent making mistakes. Lesson learned information is also used by the project management office in order to perform the strategic planning activities (Kerzner 2006). The inputs, tools and techniques and outputs of this process are given in the table below.

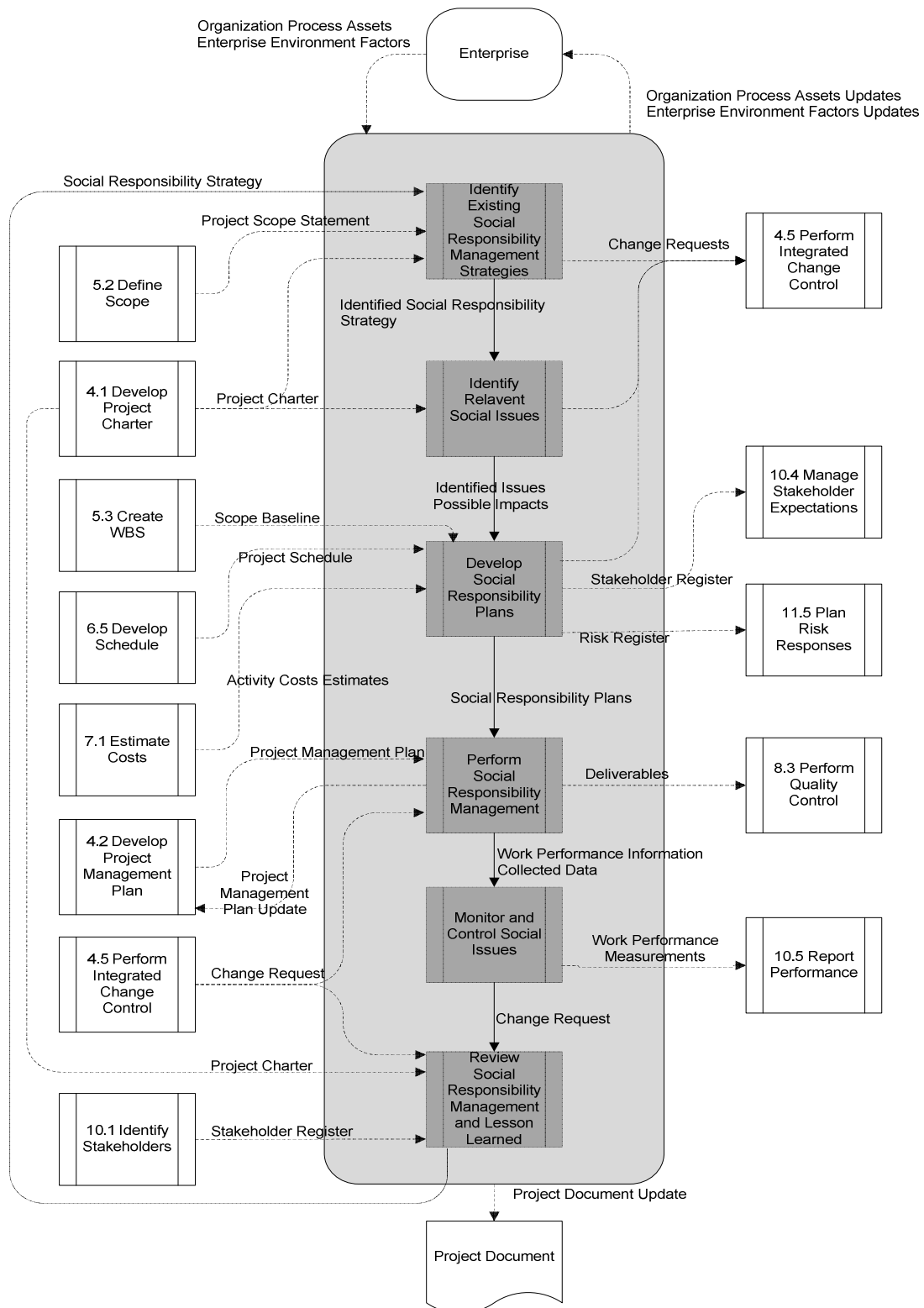
Inputs	Tools and Techniques	Output
<ol style="list-style-type: none"> <li>1. Project Charter</li> <li>2. Stakeholder Register</li> <li>3. Collected Data</li> <li>4. Change Request</li> </ol>	<ol style="list-style-type: none"> <li>1. Expert Judgment</li> <li>2. Documentation Review</li> <li>3. Record Management System</li> </ol>	<ol style="list-style-type: none"> <li>1. Social Responsibility Strategy</li> <li>2. Organization Process Assets Update</li> <li>3. Project Document Update</li> <li>4. Lesson Learned File Update</li> </ol>

**Table 6 Review Social Responsibility Management and Lesson Learned**



**Figure 7 Review Social Responsibility Management and Lesson Learned Data Flow Diagram**

The figure below presents data flow diagram of the entire process of the project social responsibility management. However it does not represent all the inputs and outputs of the processes.



**Figure 8 Project Social Responsibility Management Data Flow Diagram**

### 3. Conclusions

Project Social Responsibility Management is very significant and required knowledge area which should be included in the PMBOK®. This will provide better guidance and support to project managers to perform their tasks while considering the well being of the society. In this knowledge area, six processes have been developed which are:

1. Identify Existing Social Responsibility Management Strategies
2. Identify Relevant Social Issues
3. Develop Social Responsibility Plan
4. Perform Social Responsibility Management
5. Monitor & Control Social Issues
6. Review Social Responsibility Management & Lesson Learned

The data is collected from limited number of people. The sample size could not be increased due to limitation of time and finances. These results can be further improved by increasing the sample size. Most of the inputs, tools and techniques and outputs used in the development of these processes have been taken from the existing literature of PMBOK®. For further research it may be interesting to develop and introduce more new knowledge areas, processes, inputs, tools and techniques and outputs for improvement of PMBOK®.

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