

Executing Sustainability Strategy

When Ambition Meets Reality

Foreword

We are entering a decisive decade. Sustainability used to be mostly a topic of corporate social responsibility (CSR), on the margins of strategy. But because of risks, regulations, geopolitical instability and technological disruptions, it is becoming a central determinant of competitiveness, resilience and long-term value. CEOs understand this. What this decade will show is what they do with that understanding.

Setting ambition has never been the problem. Most organizations have made credible sustainability commitments and even outlined them in their vision or mission statements. But far fewer have built the ability to deliver on them. That is the focus of this new PMI report.

Announcing goals is, of course, essential. What brings them to life is building organizations that can deliver those goals under the pressure of competing priorities, operational constraints and short-term decision cycles. Our research surfaces a striking disconnect: most leaders who set the strategy believe their organizations are ready to execute, while those closer to delivery see something very different. Confidence drops sharply as you move toward the work itself. That matters, because sustainable transformation succeeds or fails through projects, portfolios, governance decisions and daily execution choices.

The economic case has also become much clearer than it used to be. Organizations that genuinely integrate sustainability into how they deliver work create stronger long-term value, more resilience, faster innovation, deeper stakeholder trust and they de-risk their business or activity. Sustainability and performance converge.

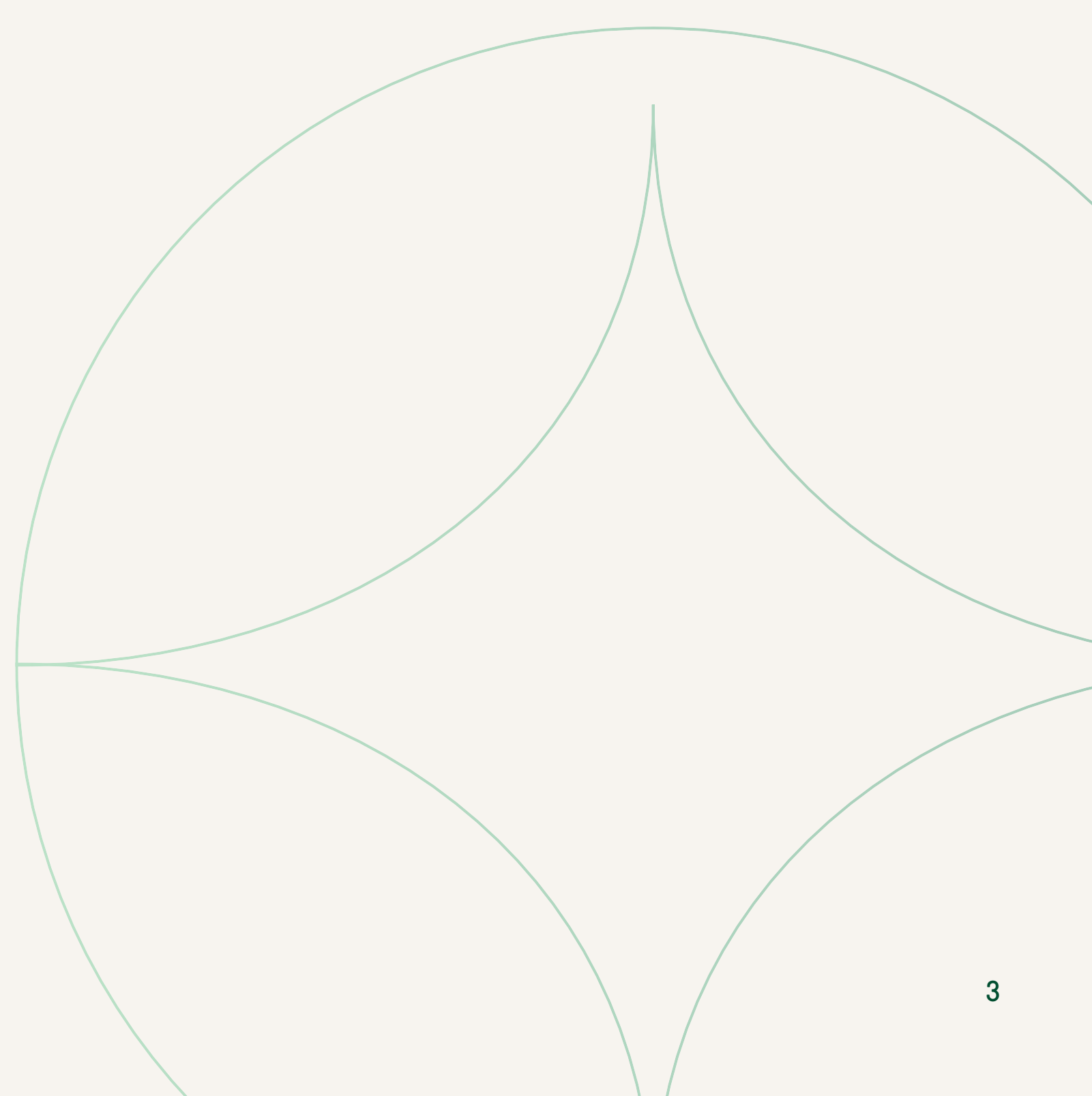
Most organizations are not yet wired to execute on this at scale. Operational integration, governance, delivery capability and organizational alignment often do not match the vision. Closing that gap is a challenge that project professionals are uniquely positioned to lead. Doing so requires an understanding of how sustainability influences governance, risk, procurement, stakeholder engagement, and project decision-making throughout delivery. Translating sustainability ambition into measurable outcomes is exactly the work our profession exists to do.



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Key Takeaways

This report is based on a global survey of nearly 1,600 project professionals in 35 countries, complemented by in-depth interviews and focus groups with C-suite executives, sustainability leaders, PMO leaders, project professionals and self-identified skeptics. Four findings matter most.

Confidence drops sharply between strategy and delivery.

85% of sustainability executives are confident their organization can achieve its goals. Only 43% of PMO leaders agree—a 42-point gap—and only 20% of project professionals are extremely confident.

Ambition is ahead of capability.

79% of respondents say sustainability positions their organization for long-term success, but only 41% say it is fully integrated across projects and functions.

The challenge is systemic rather than motivational.

Six recurring tensions—value, authority, translation, tradeoff, belief and time horizon—show where ambition breaks down. They can be diagnosed, and addressed.

Sustainability creates business value through a combination of *strategic clarity* and *structural reinforcement*.

Introduction

Sustainability is now part of how CEOs set priorities, how regulators raise expectations, and how employees, consumers, investors and communities judge organizations. The economic implications are becoming impossible to ignore: resource volatility, regulatory pressure, supply-chain instability and capital-market expectations are already shaping performance.

Yet many organizations still struggle to turn sustainability goals into results. The problem is seldom a lack of intent or tools. It is that the operating system needed to move from strategy to execution is incomplete. Commitments only become real when they influence project selection, governance, procurement, delivery controls and performance measurement. In many organizations, sustainability is visible in reporting but still weakly connected to the decisions that allocate money, time and attention. Under pressure, the organization falls back on what it already governs tightly: cost, schedule and short-term output.

This report does three things. It explains why sustainability is hard to execute, through six recurring tensions. It offers a diagnostic for locating where an organization breaks down, built around two conditions and four execution states. And it identifies the levers high-performing organizations use to close the gap.

To do sustainability properly, I bring it under one golden thread of thinking. It is about linking it back to strategy rather than it being a side point, which I find a lot of companies do. You have your strategy team here and your sustainability team over there. And I just think they are one and the same, and they should be.

- A., strategy and transformation director, engineering and manufacturing, United Kingdom

NB: the survey (n=1,589, 8 languages) combines PMI's professional community with a specialty B2B panel. The qualitative work spans five audiences. Survey figures are directional where the base is segmented; quotes are used to illustrate mechanisms, not to measure prevalence.

1. The Gap Between Strategy and Delivery

Two problems explain why sustainability strategy often fails to become results. The first is a misalignment between the people who set the strategy and the people who have to deliver it. The second is that execution practices, governance mechanisms, and professional competencies are not yet mature.

The confidence gap makes the first problem visible: 85% of sustainability executives are confident their organization can achieve its goals. Only 43% of PMO leaders share that confidence, and only 20% of project professionals are extremely confident in achieving their sustainability targets. It does not prove who is right. Executives may see enterprise commitments and resources that delivery teams do not see. Delivery teams may see operational constraints that never reach the top. But the fact is that confidence is highest where strategy is set, and lowest where the work is done. A gap of this size between the people who allocate resources and the people who deliver means the system connecting strategy to projects is not producing a shared view of readiness.

PMO leaders matter because they sit where strategy meets delivery. They help allocate resources, prioritize portfolios and govern execution. When fewer than half of them are confident, it illustrates vulnerability in the connective tissue of the organization.

Capability is the second issue. While 79% say sustainability positions their organization for long-term success, only 41% say it is fully integrated across projects and functions. Belief is moving faster than the governance structures, delivery workflows, and practitioner abilities needed to act on it. This also explains some of the skepticism: 40% of qualify as sustainability skeptics, doubting impact, feasibility or business relevance. Some of that doubt is rational: 60% call their organization's goals ambitious and 33% question their feasibility. Skepticism is a predictable result when sustainability is present in strategy decks but absent from project charters, funding criteria and delivery workflows.

2. Six Tensions That Make Sustainability Uniquely Hard

Sustainability has the same execution problem as many strategies, but in a sharper form. Its value can be harder to price. Its impact often shows up over a longer horizon. And the work cuts across functions that are not always designed to move together. Our research identifies six recurring tensions where ambition breaks down on the way to execution. Because they can be diagnosed, they can be addressed more easily.

Figure 1: The six recurring tensions

Tension	What breaks down	Signal in the data
Value	Benefits are hard to express in financial terms, so initiatives stall at the business-case stage.	60% call their goals ambitious; 33% doubt their feasibility.
Authority	Sustainability is visible in reporting, but not decisive in which projects move forward.	Only 41% report full integration across projects and functions.
Translation	Enterprise goals do not have a clear handoff into project-level requirements.	Weak linkage between corporate goals and delivery is cited as a top gap.
Tradeoff	Under cost and schedule pressure, sustainability is treated as optional.	58% say it makes projects costlier, 48% more complex, 36% a compliance burden.
Belief and attribution	People doubt that their daily work meaningfully moves sustainability outcomes.	40% qualify as skeptics; 57% rank revenue and 52% customer goals above it.
Time horizon	Value materializes beyond the project lifecycle, weakening feedback loops and funding cases.	Only 44% say projects have a direct, measurable impact on sustainability strategy.

Two of these tensions are especially clear in practitioners' own words.

The valuation problem can stop initiatives before they start:

Sustainability objectives are very difficult to manage because you have many interests in a company. You have the financial interests, your own political interests, and the sustainability interests.

- Edgar, Director, PMO, food & beverage, LATAM

The translation problem is just as important. Without a system, delivery depends on individual persistence:

Where is the baton handoff when the sustainability team sets the corporate goals and strategy, and then the implementation needs to be done locally? I have to figure that out, and I have to push every bit of it.

- Susan, VP of ESG, pharmaceutical / life sciences, United States

3. A Diagnostic: Two Conditions, Four States

The six tensions point back to two conditions that determine whether sustainability succeeds or fails.

- ▶ The first is strategic clarity: is sustainability clearly defined as a source of value and a basis for decisions?
- ▶ The second is structural reinforcement: is it supported by governance, funding and delivery systems?

Crossing these two conditions produces four execution states. Each one is recognizable. More importantly, each points to the constraint an organization needs to address.

Figure 2: The four sustainability execution states

	Reinforcement: Constrained	Reinforcement: Enabled
Clarity: Diffuse	<p>Value Blindness No clear direction and no support - the highest risk of failure.</p>	<p>Confident Misdirection Strong systems but unclear priorities - execution aimed at the wrong things.</p>
Clarity: Clear	<p>Frustrated Value Erosion Clear intent blocked by systems - value erodes under delivery pressure.</p>	<p>Value Realization Clear direction and strong support - consistent, value-driven execution. The target state.</p>

The research shows organizations across four states distinct sustainability execution patterns based on how clearly sustainability is prioritized and how strongly it is supported operationally. In the weakest state, “Value Blindness,” only 41% of respondents report sustainability is fully integrated across projects, while 40% remain skeptical of its business value and most prioritize revenue (57%) and customer goals (52%) over sustainability.

In “Confident Misdirection,” executives show much higher confidence in organizational readiness than delivery teams (85% vs. 43%), revealing a major disconnect between strategy and execution, while only 20% of project professionals feel extremely confident about achieving sustainability goals.

“Frustrated Value Erosion” reflects organizations where sustainability is valued but difficult to implement, with 58% of respondents saying it increases project costs, 48% saying it adds complexity, and 36% viewing it as a compliance burden.

Finally, “Value Realization” represents the strongest state, where 79% of respondents believe sustainability drives long-term success and 85% believe organizations can achieve their goals with the right people, processes, and technology, although only 44% currently see a direct measurable impact from projects on sustainability outcomes.

4. Four Levers to Close the Gap

High-performing organizations do not rely on intent, visibility or good will. They strengthen clarity and reinforcement deliberately, through four connected levers. Each lever is illustrated below by an organization that put it into practice.

Legitimize – Make value visible

High performers quantify the value, communicate the business case to project teams and back it with steady funding. One PMO director made the value visible by running two business cases for the same investment: one with sustainability initiatives and one without. That turned sustainability into an investment choice leaders could compare, rather than a moral argument only. In other cases, including ESG performance into executive KPIs made sustainability a business priority rather than just a statement of intent. Once leaders were measured and held accountable for sustainability outcomes, expectations cascaded across the organization, influencing vendor compliance and operational decisions.

Embed – Drive personal accountability and collective ownership

High-performing organizations embed sustainability into everyday governance and decision-making. They provide teams with clear guidelines, defined accountability, and enough autonomy to apply sustainability principles in their daily work. One public-sector organization institutionalized this approach by requiring every major business case to include a carbon and climate-impact assessment alongside finance, legal, and procurement reviews. By integrating sustainability into standard governance processes, it became a routine decision criterion rather than a separate initiative reserved only for “green” projects.

Translate – Convert into governance and decision logic

High-performing organizations build sustainability directly into governance, roles, and decision-making instead of relying on individuals to drive it alone. They create clear accountability by empowering leaders to integrate sustainability across functions and by formally connecting sustainability and project teams throughout the project lifecycle. One VP of ESG explained that sustainability responsibilities had to be written into job descriptions because there was no structured system to translate corporate sustainability goals into day-to-day execution. This highlights a common challenge: without clear governance and defined ownership, sustainability depends too heavily on personal initiative rather than organizational processes.

Enable – Equip teams with tools, data and capability

High-performing organizations strengthen delivery by integrating sustainability metrics, reporting, and accountability directly into operational workflows. They equip teams with the knowledge, tools, and capability to translate sustainability goals into measurable actions and outcomes. For example, one organization’s PMO tracked sustainability requirements and KPIs through regular monthly and quarterly reviews, ensuring these priorities remained visible and actionable long after initial project approval. Shared standards and consistent measurement frameworks also help organizations turn sustainability from an aspiration into a repeatable execution capability.

5. Who Owns the Fix

No single function can close a systemic failure alone. Executives define what matters, set direction and make sustainability decisive. Portfolio and PMO leaders reinforce it through governance, prioritization and decision rules. Project professionals make it real in delivery through informed decision-making, impact management, and execution discipline. When all three are aligned, organizations move toward value realization. When one is missing, the system reverts to cost and schedule.

But portfolio management is the essential translation layer. The effectiveness of that translation depends on professionals who can interpret sustainability objectives and convert them into project decisions, controls, measures, and outcomes. It routes strategic intent downward and delivery reality upward.

The top cited areas for improved sustainability execution sit at this level:

- ▶ *clearer project-level goals (24%)*
- ▶ *stronger cross-functional collaboration (22%)*
- ▶ *and tighter linkage between strategy and delivery (18%).*



Conclusion

Sustainability is a paramount example of where strategy meets reality. Too often, it does not survive governance, trade-offs and the daily pressure of delivery. Executive belief in sustainability's value does not automatically become an organization-wide ability to deliver. Having great ambitions is commendable. But what separates the organizations that close the gap is a serious approach to execution.

Figure 3: Low versus high-performing organizations

Lower-performing organizations	Higher-performing organizations
Treat sustainability as a goal to announce	Treat it as a decision system to build
Rely on intent and visibility	Build clarity and reinforcement deliberately
Push responsibility down to teams without building execution competence	Align leadership, PMO and delivery
Let sustainability erode under pressure	Make it resilient under pressure

The organizations that win treat sustainability not only as a goal to announce, but also as a decision and execution system to build. In doing so, they strengthen their ability to execute strategy consistently under changing conditions. Those that do not will struggle not only with sustainability, but with every major change ahead. Strategy and sustainability, as one practitioner described, should be the golden thread, not two teams sitting across the hall from one another.

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