



# INTEGRATED INSTITUTE OF PROFESSIONAL MANAGEMENT

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# LECTURE SIX: DEVELOPING A PROJECT CHARTER

PERFORMING INTEGRATIONS

# Session Objectives



By the end of this session, participants will be able to:

- appreciate the application of project charter in project management;
- list the components of a project charter;
- develop a project charter; and
- use a project charter effectively

# Introduction

- Projects need approval before they can be executed.
- A project charter is a project planning document that sells the project to stakeholders and sponsors.
- If you're able to show its viability and return on investment, the work will get the green light to move forward.



# Definition of Term



- A project charter is the statement of scope, objectives and people who are participating in a project.
- It begins the process of defining the roles and responsibilities of those participants and outlines the objectives and goals of the project.
- The charter also identifies the main stakeholders and defines the authority of the project manager.

# Project Charter Assignment



- It must explain the business need that leads to the project being taken up.
- It also captures high-level planning information (scope, assumptions, deliverables, etc.) about the project.
- The specifics of the project activities are developed later in the project management plan.
- The Project Statement of Work (SOW) and the business case document are a few documents that need to be prepared before we start working on a project charter.
- The Project Statement of Work is a written description of the project's product, service, or result.
- The business case explains why a project is being undertaken, the problem it will solve, as well as the benefit-cost analysis.

# Why Have A Project Charter?



- Formally authorizes the project to commence
- Creates a common vision and shared understanding of the project
- Empowers the project manager to lead the project
- Identifies the high-level objectives and scope of the project
- Defines what success will look like at the end of the project
- Gains support for the project by announcing it to the whole organization
- Ensures that key stakeholders are aware of the project
- Secures budget and resources for the project
- Serves as the point of reference for the project team

# Components of a Project Charter



## Problem Statement

The problem captured in the form of a measurement



## Business Case

The business reasons for doing the project



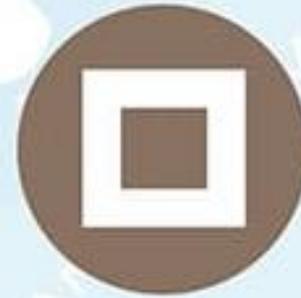
## Goal Statement

The target of the process measurement



## Timeline

When each project phase will be completed



## Scope

What's in and what's out of the project



## Team Members

The people who will participate in the project

# Components of a Project Charter Cont'd



- Project information
- Business need, problem, or opportunity
- Project objectives and benefits
- Project organization
- High-level project scope
- High-level project timescale
- High-level project budget
- Key assumptions
- Key project risks
- Success criteria

# Project Charter Example

<b>Project Name</b>	IVR Project		
<b>Project Sponsor</b>	Dave Sponsor	<b>Project Manager</b>	Alice Michaels
<b>Date of Project Approval</b>	6th Mar 2015	<b>Last Revision Date</b>	17th Apr 2015
<b>Project Description</b>	To introduce a new automated telephone system to ensure all calls get answered.		
<b>Scope</b>	A IVR system will be introduced to assist the sales team in taking orders, and also to ensure no orders are missed. The system is only to help the sales team at this stage, other teams such as support are out of scope.		
<b>Business Case</b>	To increase orders per sales team member by 20% from current levels. To reduced unhandled calls to 0%. To increase customer satisfaction by 10 points.		
<b>Constraints</b> (in priority order)	<b>Time</b>	4 months	
	<b>Budget</b>	4 developers + 1 sales team rep	
	<b>Scope</b>	TBD	
	<b>Quality</b>	Prioritize time & budget over quality	
<b>Project Deliverables</b>	An IVS system to assist the sales team + training for the sales team + support during the first operational month of the system.		
<b>Benefits</b> (measurable results)	See KPIs below + business case above		
	<b>KPI</b>	<b>Baseline</b>	<b>Goal</b>
	Orders per sales person pd	20	24
	Unhandled calls pd	11	0
	Customer satisfaction	17	27
<b>Steering Committee</b>	CEO	<b>Project Team</b>	Sales Rep
	Finance Director		4x developers TBD
	Sales Director		
<b>Key Stateholders</b>	<b>Name</b>	<b>Success Criteria</b>	
<b>Risks</b>	No team members have any previous experience of IVR setup, so there is a chance we've hugely underestimated the work involved.		

<b>Project name:</b> OrangeDelivery App			
<b>Project description:</b>	A mobile application for ordering foodstuffs and other products from OrangeSupermarket stores. The app will be available onGoogle Play and App Store.		
<b>Project objectives:</b>	Facilitate ordering foodstuff and other products published on OrangeSupermarket store website via a mobile phone.		
<b>Project is considered successful when:</b>	<ol style="list-style-type: none"> <li>1. The app has a high number of downloads on Google Play and App Store.</li> <li>2. The app has ratings of 4-5 stars on Google Play and App Store and more than 10 positive reviews on each platform.</li> <li>3. The number of OrangeSupermarket store customers grew by 10%.</li> </ol>		
<b>Project participants:</b>	<b>Title:</b>	<b>Name:</b>	
	Investor Project manager Finance manager Team members: Front-end developer Back-end developer QA engineer	Jake McKinsey John Smith Anna Murry  James Thomson Andrew Michaelson Kirsty Watts	
<b>Available resources:</b>	Budget: \$3,000 Testing environment: Apple iPhone 11 Pro; Xiaomi Redmi Note 7		
<b>Milestones:</b>	<b>Status:</b>	<b>Due:</b>	<b>Deadline:</b>
	<ol style="list-style-type: none"> <li>1. Build 1.0 Main functions presentation</li> <li>2. Build 2.0 Adding new features after beta-testing</li> </ol>	1/03/2020  1/04/2020	3/03/2020  4/04/2020
<b>Potential risks:</b>	<ol style="list-style-type: none"> <li>1. The team may not meet deadlines due to adding unplanned in the specification features.</li> <li>2. The team may run out of the budget due to extending development or testing time.</li> </ol>		
<b>Approval:</b>	<b>Title and name:</b>		<b>Date:</b>
	Investor: John Smith signature_____ Project manager: Ivan Johnson signature_____ Finance manager: Anna Murry signature_____		1/02/2020

# Tips In Writing Project Charter



- Writing effective project charters comes with experience.
- However, it is possible to write good enough ones early on by following some advice from professionals who have spent their careers learning how to write great project charters.
  - **Keep it brief**
  - **Be explicit**
  - **Build it with your sponsor**

# Group Activity

- Develop a Project Charter for your group project.

