Project Charter

- Every project begins with a **Project Charter.**
- A **Project Charter** defines a project's objectives, scope, and resources.
- There is no standard **Project Charter** format. Each company, and each application area, creates their own.

Benefits of a Project Charter
- Aligns team members
- Improves team communications
- Manages expectations
- Prevents scope creep
- Provides a framework for decisions
- Secures project resources

Business goals
Pressing need
→

Project Charter Process → Approved plan →
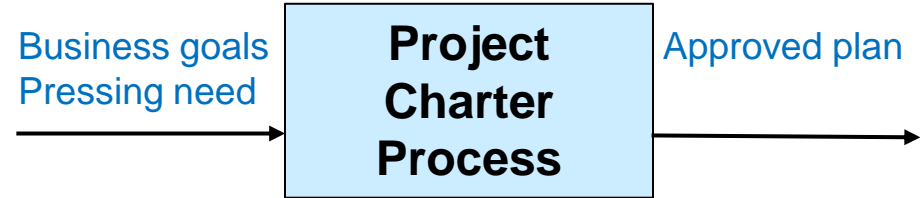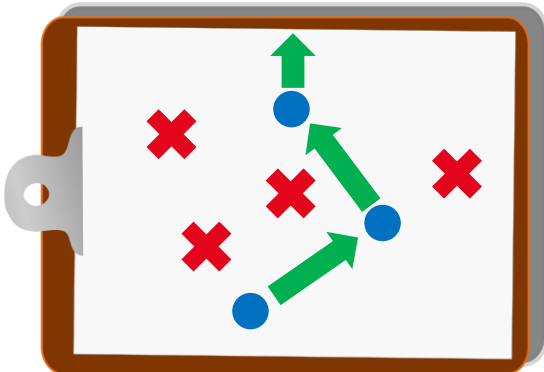
The following defines the needed elements:
1. Create **Name** and **Description**
2. Define **Purpose** and **Justification**
3. Create **Objectives** and **Scope**
4. Identify **Stakeholders**
5. Define **Deliverables**
6. Identify **Team** and **Roles**
7. Create **Schedule** and **Budget**
8. Identify **Risks** and **Opportunities**
9. Document **Assumptions**
10. Obtain project **Approval**
Then distribute the document to stakeholders and team.

Project Charter – Example – Create 6in6 presentations

Sometimes, to avoid expending effort on unfunded projects, it may be useful to create a project charter in stages, obtaining approval to proceed at each stage.

"Could be good, tell me more"

"I like the idea, what will it cost?"

"Let's do it! Where do I sign?"

Review #1

Review #2

Review #3

PROJECT CHARTER				
Project Name	*Add statistical tools to 6in6 presentations*		Project Sponsor	*Alice*
Project Start	*2Q 2024*	Project End *3Q 2024*	Project Manager	*Bob*
Business need (Why should we do this now?)				
Have created 6in6 presentations on nearly all major 6 sigma topics, except statistical tools.				
Alignment with business (Why is this part of the overall business model!?)				
Comprehensiveness goal necessitates that all major categories of 6 sigma tools be included.				

Project Scope		**Project Deliverables**
In scope	*1. SW supported tools (e.g., Excel, Matlab)* *2. Tools that are elementary or require minimal training*	*6in6 presentations on 5 different tools*
Out of scope	*Tools requiring SME help*	

Risks and opportunities		**Assumptions**	
Risks	*May delay updating other 6in6 presentations*	*1. There is demand for these tools* *2. Work will take less than 2 months*	
Opportunities	*May get students to help*		
Resource requirements			
Cost	*$5K*	Team	*Cathy (Research), David (Create), Edward (Review)*
Milestones		**Target completion date**	**Actual date**
Presentation #1		*start + 4 weeks*	
Presentations #2 & #3		*start + 6 weeks*	
Presentations #4 & #5		*start + 8 weeks*	
Approval	*Alice Smith (President) 15 April 2024*		

Start project

Project Charter – Notes

Slide 1

1. A Project Charter should be brief, no more than 2 pages long.
   - It may link to documents with more details (e.g., a communication plan)
2. The Project Management Institute's Guide to the Project Management Body of Knowledge (PMBOK) has information on PC's.
3. The PMP Certification Exam contains questions on Project Charters.
4. Here are the differences between two similar sounding documents:
   1. *Project Charter* – gives the project manager the authority to use the budget to create the deliverables
   2. *Project Plan* – explains how the project manager will manage the project

Slide 2

1. This example is about creating new 6in6 presentations.
2. The approval process proceeds in multiple stages. At each stage approval is obtained to go to the next stage,

Recommended web sites for more information
- https://thedigitalprojectmanager.com/projects/scope-management/project-charter/
- https://www.simplilearn.com/project-charter-and-its-importance-article