Project Charter

Purpose

The purpose of this tool is to facilitate the development of a project charter. A project charter is a helpful tool for communicating project details and provides a basis for making resource allocation decisions.

Scope

This tool will provide a simple format for creating standardized Project Charters.

There are three essential sections of a Project Charter:

1. Project Purpose

2. Definition of Scope

3. Project Plan

Use the following framework for developing your Project Charter.

Best Practices

* Always align project goals to organizational goals and outline business value.
* Be very specific when outlining deliverables to ensure that the scope of the project accurately reflects the budget that has been approved.
* Clearly outline timelines for project milestones and change request processes.
* Identify a project sponsor from the senior management team to ensure that executive-level stakeholders stay engaged for the entire project cycle.
* Make recommendations based on a clear and concise cost/benefit Analysis.

1) Project Purpose

* Provide a brief description of the key drivers for this project and outline which business issues or problems this project is intended to solve.
* Describe the goals and objectives and business value expected to result from this project in terms of the ability to generate more revenue, reduce costs, or develop your organization’s processes or people.

2) Definition of Scope

* Clearly outline all the tasks that will be completed during this project.
* Define tasks that are outside the scope of this project and will be done during subsequent projects at a later date.
* Document any tasks that will not be completed in this project, or any other anticipated projects in the short-term.
* List any related business issues or problems that will not be dealt with during this project cycle but may be covered by other projects.
* Define the procedure for making any changes to the project scope, and ensure templates such as Project Change Request Forms are available.

3) Project Plan

**Project Title**

* Develop a name that can be used to identify this project with your team and stakeholders. Try to select a name that describes the project purpose and makes reference to either the company or the project team.

**Start Date**

* Document the anticipated start date of the project to ensure resources can be effectively allocated to your initiative.

**End Date**

* Although timelines may change during the course of the project, attempt to set an end date or deadline by which all milestones will be achieved. This may coincide with the end of a fiscal period, such as quarter or year.

Project Team

**Project Sponsor**

* This person is driving this initiative and is ultimately accountable for results. Typically, the project sponsor is the director of the department that will benefit from the effort.

**Project Manager**

* The project manager is responsible for implementing the project plan, communicating milestones and solving problems that arise during project delivery.

**Internal Stakeholders**

* These people represent a functional department’s interests and are involved to provide requirements and approve quality and acceptance of project deliverables.

**Internal Resources**

* Any other internal employees that are critical to the project should be listed here. This may include senior executives, IT staff or Legal. Be sure to include an estimate of the time that each team member will be required to set aside.

**External Resources**

* Consultants, contractors or professional services resources from vendors are often involved in project delivery.

Communication Tools & Plan

* List any collaboration software tools, messaging platforms or templates that will be used to track project communications such as meeting minutes, status reports or scope change requests.
* Develop a schedule for project team meetings or other communications.

Project Deliverables

* Provide a listing of all the major project deliverables. Be sure to clearly describe deliverables as they relate to requirements of stakeholders.

Project Milestones

* Break the project deliverables into manageable chunks and organize these milestones by phase, stage and/or steps.

Anticipated Budget

* Communicate the expected costs and staffing/consultant resources required for the project.

Cost/Benefit Analysis

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| --- | --- | --- | --- |
| Cost/Benefit Analysis Worksheet | | | |
| Project Costs | | | |
| Incremental Costs | Description | High | Low |
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|  |  |  |  |
|  |  |  |  |
| Total Costs | |  |  |
| Project Benefits | | | |
| Incremental Benefits | Description | High | Low |
|  |  |  |  |
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|  |  |  |  |
| Total Benefits | |  |  |
| % Benefits/Costs | |  |  |