

Defining the Project Charter

The Project Charter describes the project vision and objectives (the reasons for doing the work¹). It also summarises at a high level the overall project strategy, scope, organisation and implementation. It helps to set the direction for the project and gain buy in from key stakeholders as to how the project will be organised and implemented. It also helps control the scope of the project, by defining exactly what it is that you have to achieve.

Ideally, the Charter is provided to the project manager by the project sponsor and helps set the direction for the project and gain support from key stakeholders as to how the project will be managed. If the Charter is missing or inadequate the project manager should develop or augment the document before starting any other planning process.

The key purpose of a Charter is to define exactly what it is the project has to achieve to be successful². This encompasses:

- Identifying the Project Vision: The vision encapsulates the purpose of the project and is business/benefits focused. This is one short, concise paragraph.
- Identifying the Project Objectives³: Define three to five specific objectives that need to be achieved by the project to fulfil the vision. Each objective should be Specific, Measurable, Achievable, Realistic and Time-bound (SMART) and are output focused (major deliverables).
- Defining the overall Project Scope: The scope defines the formal boundaries of the project by describing what will be done by the project and what will not be done by the project. What will be done should be described as specific deliverables.

How this works: Your project is for a new business system; its vision is to improve efficiency. One objective is to provide training. The specific deliverables associated with this objective could include: develop the courseware, deliver two initial courses, and an update of the training materials, a 'train the trainer' workshop and on-going support to the business trainer for 6 months. What's 'not done' by the project is the ongoing training of business staff for the next 3 or 4 years.

The charter should also outline at a high level how the project's work will be accomplished. This includes:

- Describing the Project Organisation: How the project will be structured including customers, stakeholders, key management roles, responsibilities and reporting lines.
 - A customer is a person or entity that is responsible for accepting the deliverables when the project is complete.
 - Stakeholders are people or groups who will be impacted by, or can influence the success or failure of the project. For more on Stakeholders see www.stakeholder-management.com
 - Additional roles and responsibilities include the Project Sponsor, Project Board, Project Manager and other key project positions. Each with a summary of their primary responsibilities.
 - Reporting lines: From the roles and responsibilities, the reporting lines between those roles can be defined in a Project Organisation Chart.
- Describing the Project Strategy⁴: This describes how the project will be executed and forms the framework for detailed project planning. Some aspects to consider include:

¹ For more on requirements gathering see: http://www.mosaicprojects.com.au/WhitePapers/WP1071_Requirements.pdf

² For more on project definition see: http://www.mosaicprojects.com.au/WhitePapers/WP1005_Project_Definition.pdf

³ For more on objectives, goals and scope see: http://www.mosaicprojects.com.au/WhitePapers/WP1042_Outputs_Outcomes_Benefits.pdf

⁴ For more on strategy see: http://www.mosaicprojects.com.au/WhitePapers/WP1038_Strategy.pdf

- The methodology to be used PRINCE2 / Agile / Waterfall.... This sets the overall framework.
 - Key Milestones to be achieved by the project. A milestone is typically an important project event, such as the achievement of a key deliverable.
 - Key phases and/or activities, and the overall time frames involved in undertaking the project.
 - Key external dependencies and their criticality to the project. An external dependency is an activity or event that is likely to impact on the project during its life cycle.
 - A summary resource plan (based on the methodology and time frame) including the overall requirements for labour, equipment, materials and financial resources.
- Known Major Risks and Issues⁵: The Project Charter should identify any significant, known risks, issues, assumptions and constraints related to the project (these have usually been defined in the Business Case and need to roll through into the project risk register).

Where significant documents exist (eg, the business case⁶ or a Statement of Work⁷) these documents are referenced in the Project Charter. The overall Charter should be no more than two pages long focused on the clarifying summary of why the project exists, not the detail of how it will be accomplished.

⁵ For more on risk management see: http://www.mosaicprojects.com.au/WhitePapers/WP1047_Risk_Management.pdf

⁶ For more on the business case see: http://www.mosaicprojects.com.au/WhitePapers/WP1018_Business_Case.pdf

⁷ For more on the SOW see: http://www.mosaicprojects.com.au/WhitePapers/WP1070_SoW.pdf