
Project Charter

Insert Program Name Here

Insert Project Name Here

Insert Project Nbr Here

01 July 2009
Version Nbr

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RELEASE HISTORY 17

Reviews and Authorisations

<Name>
Quality Manager

Confirms that the charter complies with IT's established standards and processes and that it adequately addresses the content and conduct of the project.

<Name>
Business Sponsor

Confirms that the goals and objectives reflect business requirements, the project scope and deliverables are accurately defined, the cost is acceptable, and the risks and assumptions are reasonable.

<Name>
IT Senior Manager

Authorises the Program and Project Managers to act in accordance with this charter.

<Name>
Program Manager

Confirms that the project defined by this charter reflects the goal and objectives of the program and authorises the Project Manager to commence the project.

<Name>
Project Manager

Acknowledges acceptance of the charter and commits to undertake the work as defined within it.

Introduction

This section should provide a brief description of the document's actual purpose. A suggested paragraph is as follows:

Example:

This document describes the goals, objectives, conduct, controls and schedule for <Project Name>. The purpose of doing so is:

- To provide a source of reference for all personnel associated with the project.
- To ensure that resource providers and relevant areas of management are aware of what the project involves and how it will be conducted.
- To obtain formal authorisation for the project as described in this document.

To facilitate understanding, this section should also attempt to provide some background information regarding:

- *Who has proposed the project.*
- *Why the project has come about.*
- *The environment which will be affected by the project.*
- *What the project is expected to deliver in overall terms.*

Project Goal, Objectives and Scope

PROJECT GOAL AND OBJECTIVES

This section should provide a description of the project's goal and objectives. The definition of a clear project goal and associated objectives is the first and one of the most crucial steps in the chartering process. Without the goal and objectives it is not possible to develop the other sections of the charter.

It is recommended that the project goal and objectives be developed in conjunction with the sponsor. This is an effective way of identifying project issues and assumptions, and it enables active consensus building among the participants.

The goal and objectives should align with those stated in the Program Charter.

GOAL

This section should provide a description of the project's goal. Note that the project goal is a statement of the project's required outcome.

The Goal is a summary of the project objectives.

OBJECTIVES

This section should provide a description of the project's objectives which support the project goal described above.

When describing objectives, remember that they must be SMART: Specific, Measurable, Achievable, Relevant and Timed.

The objectives are a break-down of the Project Goal.

A typical layout for this section is as follows:

The objectives for this project are as follows:

- Objective - objective description.
- Objective - objective description etc.

B U S I N E S S B E N E F I T S

This section should specify the benefits that will accrue to the business as a result of this project. The benefits detailed here should align with those stated in the Program Charter and/or the Business Case.

Benefits may be tangible or intangible and could include:

- *Satisfaction of a mandatory requirement (such as a change in legislation).*
- *Improvements in business productivity.*
- *Increased sales performance.*
- *Improvements in customer service.*
- *Reduction of ongoing support, maintenance and training costs.*
- *Supply of accurate and timely information for business decision making.*
- *Other intangible benefits, for example, profile enhancement.*

P R O J E C T S C O P E

The Project scope defines the boundaries and major areas of functionality for the Project.

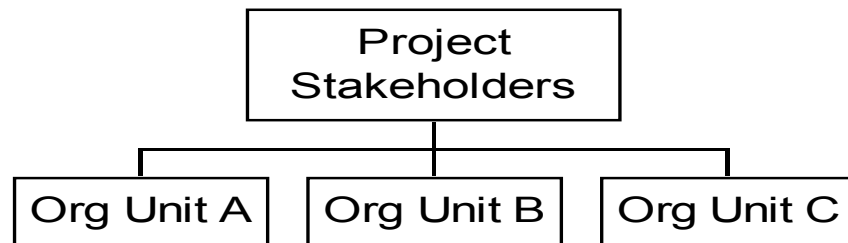
It may also be useful to state what is not included in the scope of the project.

NOTE: Any additional requests outside the defined scope will be subject to the IT Change Management process and the approval of the Program Sponsor.

ORGANISATIONAL SCOPE

This section should identify the areas of the organisation, ie, the project stakeholders, who will be affected/covered by the project. It may also be relevant to note geographic locations and the impact on the business users. This information may be provided in chart and/or textual format.

Example:



Org Unit B has <number of> staff in district offices (Location X, Location Y, and Location Z) and these staff members will require training.

BUSINESS PROCESSES

This section should identify the processes of the business which will be affected/covered by the project. It may also be important to detail what is outside the scope of the project and to consider the impact of the project on the business processes.

THIRD PARTY SCOPE

In this section, functions covered by any third party should be mentioned and reference made to any contract in place / to be drawn up. This section may also describe the impact of the project on a third party.

TEMPORAL SCOPE

This section should document the time frame over which the project will be conducted.

C O N S T R A I N T S A N D D E P E N D E N C I E S

CONSTRAINTS

Constraints are restrictions on the project that cannot be changed and within which the project must operate. Examples of constraints include:

- *Fixed deadlines*
- *Existing equipment that is to be used*
- *Environmental factors such as a remote site*
- *Operator skill levels*
- *Performance criteria*
- *Resource availability*

DEPENDENCIES

Dependencies are usually items or actions that are required for the project to succeed but which are outside the control of the Project Manager. Typically these would be tasks to be performed by another project, another IT group, or an outside supplier.

It is also important to consider any dependencies that other projects or activities may have on this project.

If dependencies exist it is important to:

- *identify the nature of the dependencies, eg, Hardware to be installed by X.*
- *list the milestones which are required by either this project or by the related projects.*
- *identify any impact on cross-project resources.*

TOLERANCES

This section identifies the parameters or tolerances within which the Project Manager is able to act, including authority to approve change. The following examples are provided as a guide:

- *Total cost of change not to exceed x% of project cost*
- *Schedule not to be delayed by more than x days*
- *Total effort on project not to exceed x days*
- *Cost of any one change not to exceed \$x*
- *Capital expense changes not to exceed \$x*
- *Total cost of project not to exceed \$x*
- *Project must be completed by dd/mm/yy*
- *Conditions relating to deliverables, particularly non-standard deliverables*

If it is foreseen that any of these tolerances are to be exceeded, a change request will be raised for approval by the Business Sponsor.

Project Deliverables

LIST OF PROJECT DELIVERABLES

This section should provide a full listing of the deliverables to be produced by this project. The formal reviewers, or types of reviewers (eg. DBA, Quality, etc), should be identified for each deliverable and sign-off personnel should be nominated. Sign-off personnel should appear in the Project Organisation section later in this document.

Example:

The following deliverables are the minimum set for a project. You will need to include other deliverables specific to your project.

Deliverable Name	Deliverable Description	Reviewers	Sign-Off Personnel
Project Charter	This document	<Business Program Manager>	<Business Sponsor> <Quality Manager> <IT Senior Manager> <Program Manager> <Project Manager>
Project Plan	A schedule of all project activities and resources		
Test Strategy	Details the scope of the testing required and the approach and framework proposed to ensure that this project delivers a quality product.		
etc			

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etc				
etc				
etc				
Project Closure Report		<p>A summary describing the extent to which the project achieved the results originally specified in the Charter and subsequent Change Requests; any outstanding issues associated with the project; any recommendations for the future which resulted from the project.</p>		<Business Sponsor> <Quality Manager> <IT Senior Manager> <Program Manager> <Project Manager>

Project Risks and Assumptions

IDENTIFIED RISKS

If risks have been identified for the project, this section should simply refer to Attachment B where a detailed table of risks is provided.

The recommended wording for this section is as follows:

The risks identified for this project, together with their associated risk management strategy, are listed in detail in Attachment B of this charter.

ASSUMPTIONS

This section should identify any major assumptions which have been made in developing this charter. These assumptions may relate to any aspect of the project. They should however only be described here if a change to them would seriously affect or alter the information contained within this charter.

Extremely unlikely, but potentially significant impact risks which do not require special countermeasures may be treated as major assumptions.

Example Assumptions:

- 1. All resources are available to work on the project throughout the project's duration*
- 2. The current system will not be modified after dd/mm/yy*

The recommended format for this section is as follows:

The major assumptions which have been made in developing this charter are as follows.

1. Assumption 1
2. Assumption 2 etc.

If it is foreseen that any of these assumptions are to be changed, a Change Request will be raised for approval by the Business Sponsor.

Project Approach

OVERALL METHODOLOGY

This section should depict the methodology or process which will be used and provide a brief description of the stages and activities which will take place. It should also summarise the quality, issue and change management approaches which will be used.

Example:

IT processes and standards will be used as the overall guiding methodology for this project. The stages of this project are :

Project Initiation

During this stage the team will:

- Develop the Project Charter
- Develop the Project Plan
- Obtain management approval

Analysis and Design

During this stage the team will:

- Define the Project Problems, Requirements and (proposed) Solutions
- Develop the Logical and Physical System Designs
- Develop the Test Plans
- Develop the Data Conversion Strategy & Plans

Construction and Implementation

During this stage the team will:

- Construct and Unit Test the program changes.
- Conduct System and Acceptance Testing.
- Implement & Handover the System changes.

Project Closure

During this stage the team will:

- Review the outcome of the Project
- Develop the Project Closure Report
- Obtain Project Sign-off from the Business

The deliverables that will be produced by this project are identified in the previous section of this charter.

PROJECT STANDARDS

This section should provide a summary of the overall quality, issue and change management standards which will be used by the project. For most projects of this type, the following wording should be appropriate with additions where applicable.

This project will adhere to standards and procedures as identified in the IT Project Manager's Handbook. Aspects covered by this handbook include:

- Quality Management
- Issue Management
- Change Management
- Risk Management

The personnel responsible for reviewing and approving the project deliverables are identified in the previous section of this charter.

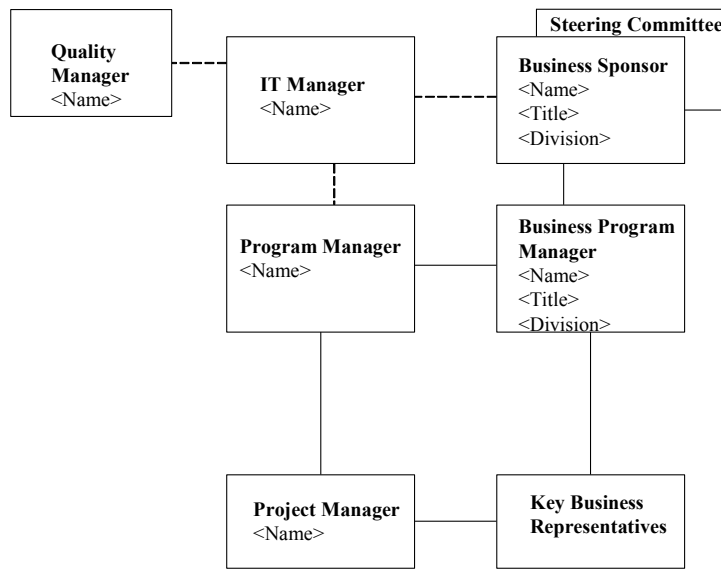
Project Resources

PROJECT STRUCTURE

This section provides a diagram of the structure of the project team.

Example:

The management structure for the project is as follows:



Key Business Representatives are as follows:

<Name> <Title> <Division>

etc

ROLES AND RESPONSIBILITIES

This section should describe the roles and responsibilities of the Management and Project Teams. Obtain standard responsibilities for each role from the Role Definitions in the Process Library and add project specific responsibilities. Also add other non-management roles that are required for the project eg, Business Analyst, Technical Adviser, Programmer, Tester, etc.

Example:

The roles and responsibilities for the project are as follows:

Role	Responsibilities
Business Sponsor	
IT Manager	
Program Manager	
Business Program Manager	
Project Manager	
Quality Manager	
Key Business Representatives	
<i>Other roles - Business Analyst, etc</i>	

Please refer to the Project Plan for the names of project team members. The Project Plan will be developed following approval of this charter.

Project Plan

ACTIVITY SCHEDULE

This section should state the major milestones or provide a summary of the activities which will take place during the project.

NOTE: Ensure milestones are included for each deliverable sign-off and each project interdependency.

The recommended text for this section is as follows:

Example:

A high level summary of the schedule is shown below. A more detailed Project Plan will be developed/completed following approval of this charter.

Schedule Summary	Date
Estimated Start Date	
Milestone or Checkpoint 1	
Milestone or Checkpoint 2	
Milestone or Checkpoint n	
Estimated Completion Date	

RESOURCE REQUIREMENTS

This section is only required if resource requirements differ substantially from those forecast in the program charter (capital programs) or are beyond the capacity of the application support team (enhancement projects).

This section should also be used if there is a substantial requirement for external resources. External resources may include those from another IT group.

A suggested format is shown below.

Example:

Resource Type	Total Hours	Hours by Period					
		mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy
LABOUR							
Skill type 1	0						
Skill type 2	0						
Skill type 3	0						
etc	0						
EXT. SERVICES							
ISA Group/Service 1	0						
ISA Group/Service 2	0						
etc	0						
PHYSICAL RESOURCES							
Equipment	0						
Accommodation	0						
etc	0						

C O S T S C H E D U L E

This section should provide a summary of the costs associated with the project.

Use the spreadsheet in Attachment A to present project costs. To extract costs from Timesheet System, please refer to the procedures. For labour rates, travel costs, etc please refer to the Project Costing Standard.

Please note that where another IT group is acting as an 'external' supplier, cost estimates for these services should be included in the External Services section. Labour costs should only include those resources under the direct control of this project.

The recommended text for this section is as follows:

Example:

A summary of the costs over the life of this project is provided overleaf in Attachment A.

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Attachment A

C O S T S C H E D U L E S U M M A R Y

Cost Type	Total Cost	Cost by Period														
		mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy	mmm-yy			
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRAVEL TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0															
Accommodation	\$0															
Other	\$0															
OPERATIONAL TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software	\$0															
Other	\$0															
CAPITAL TOTAL	\$0															
LABOUR TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Internal	\$0															
Consultants	\$0															
EXTERNAL SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IT Group/Service 1	\$0															
IT Group/Service 2	\$0															
Ext. Supplier/Service 3	\$0															

Attachment B

R I S K S A N D C O U N T E R M E A S U R E S

Defining risks and countermeasures is critical in determining the success or failure of a project.

Risks should be classified using:

Magnitude (High, Medium or Low) - the severity of the consequences associated with the risk occurring.

Likelihood (High, Medium or Low) - the possibility that the risk will occur.

Risk	Magnitude	Likelihood	Countermeasures

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Attachment C

D I S T R I B U T I O N L I S T

This list refers to those personnel who receive copies of the signed version of this document. Typically this would be those signatories external to IT such as the Business Sponsor. It should not include reviewers.

The signed original of this document is held by the Program Office. Other copies are distributed as follows:

Name	Division/Location

R E L E A S E H I S T O R Y

The release history for this Project Charter is as follows:

Date	Version Number	Author	Summary of Changes	Sections Affected
dd/mm/yy	1.0		Original Release	All