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Selected Topics in Project Management
Project Initiation

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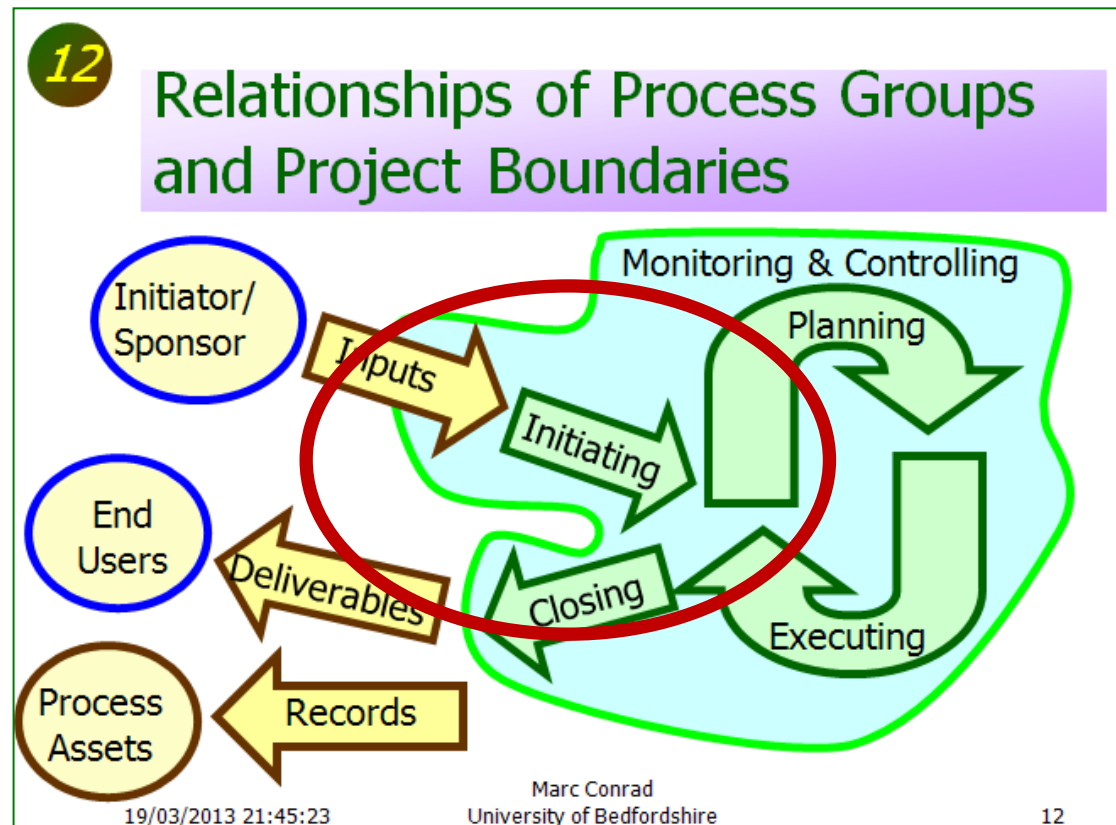
<http://perisic.com/stpm>

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Two PMBOK processes at Initiation

- Identify Stakeholders
- Develop Project Charter

When starting up the project we find out **who** is doing **what**.



Identify Stakeholders

- **Stakeholders** are individuals, work groups and organizations that are **actively involved in the project**, or whose **interests can be** positively or negatively **affected** as the result of project execution or project completion.
- Stakeholder analysis serves two purposes:
 - to determine the information needs of the various stakeholders.
 - to devise a communication strategy that will best serve the project.

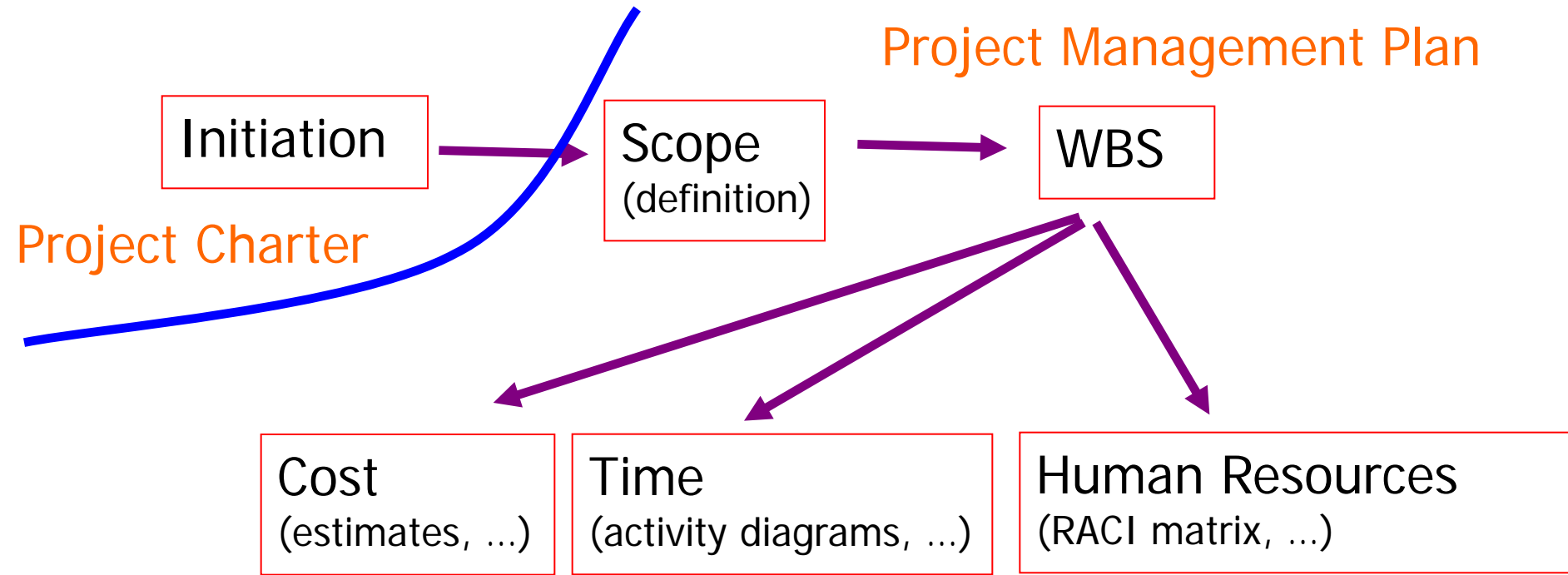
Example of a “Stakeholder Analysis” that went wrong.

- Scottish election fiasco, 2007, some quotes:
 - Four per cent of ballot papers - 146,000 in total - were rejected because **voters were confused by the new system.**
 - The **voter was treated as an afterthought** by virtually all the other stakeholders.
 - Voters were **overlooked as the most important stakeholders** at every stage of the election.
 - [See http://www.perisic.com/blog/sanfoh/2013/03/](http://www.perisic.com/blog/sanfoh/2013/03/)

Typical Roles and Responsibilities of Stakeholders

- Project Manager
 - The individual responsible for the project
- Project Sponsor
 - the one who pays for the project
- Team
 - Does Planning and Execution
- Senior Management
 - e.g. priorities between projects, project charter
- Functional Manager:
 - “owns” resources (IT, marketing, etc.)
- Other Stakeholders
 - Customer, external experts, ...

Project Charter and Project Management Plan



- Also to consider: Quality, Risk, Communication, Procurement, Integration, Stakeholders (PMBOK® knowledge areas)

Project Charter and Project Management Plan Terminology

- Terminology comes from the PMBOK® but similar documents exist in *all* projects. Other terms used:
 - *Project Charter*: Project Initiation Document, Project Mandate, Project Brief, Letter of Agreement, Statement of Work
 - *Project Management Plan*: Strategy Plan, Project Execution Plan, Project Plan

Project Charter and Project Management Plan

The Main Concept

- Project Charter:
 - Comes from “outside” the project and defines the project.
 - Unchanged during the project.
- Project Management Plan:
 - Owned by the project team.
 - Constantly updated during the course of the project.
 - Document **repository** rather than a document.

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The Project Charter

HOW TO USE THIS TEMPLATE:

Introduction
 This template reflects the steps set out in the PRINCE2 manual and is designed to assist the Project Manager and the Project Sponsor in the creation of the Project Charter. The template contains all the fields and the PRINCE2 description for the PD in Appendix A of the PRINCE2 manual.
 The Project Initiation Document will reflect the information contained in the Project Approach, which is completed after the Project Plan. The PID will be created by expanding the Project Brief. There are separate Templates for the Project Brief and Project Approach.
Loading the file
 This template has been provided using Microsoft Word 2010. To use it, load up the file directly from the internet and saving from right > before the printer (B) > (Save/Print).
Deleting the file
 When the software is updated, the whole Project Initiation Document can be printed and approved. Prior to printing, you should delete all [...] content text.
The basic text
 The template has been set out to reflect the PRINCE2 manual description of the various required, the content includes links to the text and the document structure in the manual.
 Prior to printing you should change the text back to normal.

PROJECT CHARTER

- [Blue: All fields in blue text or marked with a asterisk (*) must be filled in.]
 [To see Online Help (H) make certain that Tools/Options/View/ScreenTips is checked]
- Does my project require a Charter? (Y/N)
 - Check the **Documentation** (D) of the Charter Template from the <document source>
 - Save the Charter file using the filename format: Project Charter - Project Name.doc
 - Enter all dates in the 8-digit MM/DD/YYYY format (e.g., 02/15/2004).
 - Type an 'X' in the appropriate checkboxes.
 - Keep a printed copy of your Risk Evaluation.

1. General Project Information			
* Project Name:			
* Department Sponsor:			
* What department is the primary responsibility of this project? (Enter one.)			
* Who, within that department, is the Project Sponsor? (Blue: This person must be a senior member with the authority to control department resources.)			
* In this Enterprise Project, is there to have significant impact on 3 or more departments (Y/N)?			
Department Co-Sponsor:			
* Department Project Sponsor:			
* Will this project be mandated or is required for continued business operation:			
Mandated by whom?		Impact of not meeting mandate?	
Document History			
Version	Date	Author	Reason for Change

Example: Prince2 PID

Example from www.cvr-it.com

- The project charter is a document that formally recognizes the existence of a project. It describes the product to be delivered and addresses the business need of the project.
- The charter should be SMART:
 - Specific
 - Measurable
 - Achievable
 - Realistic
 - Time-specific

• Typical contents:

- Project Title, Start & Finish Date
- Budget Information
- Project Manager (contact address)
- Project Objectives
- Approach
- Roles and Responsibilities (Sign off)
- Comments (from stakeholders)

Example (Six Sigma Project Charter)
http://www.slideshare.net/vicky_200835/six-sigma-project-charter

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Inputs to the PMBOK® Process “Develop Project Charter”

- Project statement of work
- Business case
- Agreements
- Enterprise environmental factors
- Organizational process assets

- *Reasons for projects:*
 - *Business need*
 - *Product scope description*
 - *Strategic plan*

Example (John Goes to Town)

- John wants doesn't live in town but wants to get there.
 - (Agreement, Project statement of work)
- There is a bus company, a bus stop, John lives xyz miles away from the town centre.
 - (Enterprise environmental factors)
- John has used the bus in previous projects of a similar nature.
 - (Organizational Process Assets)

Examples of Enterprise Environmental Factors

- Organizational or company culture and structure
- Infrastructure, for example, existing facilities and capital equipment
- Existing human resources
- Personnel administration (e.g. hiring and firing guidelines, employee performance reviews)
- Marketplace conditions

Organizational Process Assets

- Represents the organization's processes and procedures and the organization's learning and knowledge ("Lessons learned"), e.g.
 - Organizational standard processes
 - Standardized guidelines, templates, work instructions, evaluation criteria
 - Project closure guidelines or requirements (e.g. audits)
 - Financial control procedures
 - Information about previous projects (and why they failed)
 - Historical information (e.g. identified risk events)

Summary

- Project Charter & Stakeholders
- Difference between Project Charter and Project Management Plan
- Charter is a mix of:
 - Statement of Work, Enterprise Environmental Factors, Organizational Process Assets.