Why is a Project Scope Statement Important?

A strong project scope statement has several key characteristics. It should:

- ☑ Define the boundaries of the project.
- ☑ Define the business need and the expected outcome of the project.
- ☑ Identify constraints that limit a project team's options for developing a solution.
- ☑ List assumptions regarding decisions outside the project team's control.
- ☑ Identify business processes impacted by the project.
- ☑ Identify internal and external entities with which the project team will interface.

Project Scope Statement

"The project scope statement tries to reduce uncertainty by defining the scope and ensuring all key stakeholders are on board and have a clear understanding of the project. If you have a strong process, there will be fewer change requests. If you can do that, then you have a better chance of success.

Project Management Documents

As with all project management documents, the project scope statement may have a consistent format from one project to another, but it should also be customizable depending on the size, scale, and complexity of the project. These factors will also impact the types of stakeholders who must be involved in both developing and receiving the project scope statement.

How Is a Project Scope Statement Different from other Project Management Documents?

While a project scope statement is critical to the success of a project, certain components of the project are covered in different documents. Here are two important examples.

Product Scope Statement.

Just as there are subtle differences in the roles of a product manager and project manager, there are some differences between project scope and product scope. A product scope includes additional information about the features and functions of the product, service, or solution that a project will deliver. A project scope will state, "Ship a new tablet PC by the end of 2020," but the product scope will provide details about screen size, type of processor, amount of memory, and so on.

Project Master Plan.

If the project scope statement is the foundation upon which the project is built, then the project master plan is the rest of the building. The project master plan provides a detailed project schedule and work structure as well as plans and procedures for risk management, quality management, and communications management. Successful execution of the project master plan, however, depends on the strength of your project scope statement, he adds.

8 Key Steps to Developing a Project Scope Statement

Project managers should follow these eight steps to develop an effective project scope statement.

1. Understand why the project was initiated.

Projects are not carried out in a vacuum. They are initiated to meet specific goals for an organization. For example, an organization may be looking to reduce operating costs by five percent by the end of next year, improve efficiency by 10 percent, or increase headcount by 20 percent. "As much as possible, the goals of the organization should be expressed in the project scope statement.

2. Define the key objectives of the project.

Once project managers understand what the organization is trying to achieve, they need to define the objectives of the specific project. The objectives should note why the project is being done, what will be done, when it will be done, and how much it will cost. In other words, the objectives describe why executives selected and funded a project and justify why the project exists. Objectives should be written with the goal-setting best practices in mind. Meaning they should be specific, measurable, achievable, relevant, and time-bound.

3. Outline the project statement of work.

The statement of work provides a detailed breakdown of the work that a project team will perform. For a project focused on creating an internal review of new markets to enter, for example, items in the scope of work might include identifying and prioritizing targets, analyzing the benefits and drawbacks of each potential target, assessing the steps the company must take to enter each market, and providing guidance and recommendations for key decision-makers.

4. Identify major deliverables.

Project managers should work alongside key stakeholders to list the items that will be delivered at the end of the project. In the project scope statement, these items can be described at a high level such as a new market assessment report, for example, or a new software feature, but they should still be tangible and measurable targets. A separate document, the work detail structure, will outline the specific activities associated with a particular deliverable. One way to remember the difference. Deliverables are usually expressed as nouns and adjectives, while work details are expressed as verbs.

5. Select key milestones.

A key milestone indicates when stakeholders can expect a particular deliverable to be completed. More complex projects may also include milestones for specific steps involved in creating or completing a deliverable. Milestones must include a specific date and not just that a report will be finished, but that it will be finished by October 15, 2020, for example.

6. Identify major constraints.

The project scope statement should note any limitations that the project team will face as it works to complete a project. These constraints could include personnel, resources, schedule, or other requirements.

7. List scope exclusions.

This list consists of deliverables that a project sponsor may assume are included in the scope of the project but are not, in fact, included. For example, a project sponsor may assume that a project to develop a management system also includes certification of that system. The project scope statement should clearly indicate if the project team will get the system certified or if the sponsor is responsible for obtaining certification after the project has been completed. This clarity helps project managers avoid "scope creep," which occurs when deliverables that were not part of the original scope statement are added to a project mid-stream.

8. Obtain sign-off.

Requiring key stakeholders to sign the project scope statement offers confirmation that they are aware of and understand the contents of the scope. This helps avoid miscommunication that can lead to rework during or after the project. Ultimately saving project managers and organizations frustration, time, and money.