Worksheet for Creating a Project Charter

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Instructions

*Use this worksheet to create a charter for your project. Clarify the nature and scope of the project team’s work, as well as management’s expectations for results.*

**Part I. Executive Summary**

What are the project’s objectives (deliverables)?

The project's objectives are to update Handstar’s current offerings as well to develop additional apps to improve competitiveness of the firm’s offerings, enhance market share, increase revenue, and retain or obtain a leadership position in the market within 1 year.

Deliverables:

1. Updating Apps

* A Single App Integrating the Calendar App and Email App
* Updated Expense Report App
* Enhanced Portfolio Tracking App

2. New Apps

* Spreadsheet App
* Web Browsing App
* Trip Planner App

**Part II. Business Case**

What business need does the project address?

The project addresses the businesses' need to develop new revenue sources, maintain competitiveness, gain leadership position in the market, and enhance user experience by retaining old customers and attracting new ones. The goal is to make sure that the company products are relevant and in line with customer needs.  
  
What is the relationship between the project’s goals and the organization’s goals?

The objective of the project is to achieve an overall organization's goal. Handstar Inc. Aims to increase revenues, maintain competitiveness and gain leadership positions in the market. The following products would help the company achieve its goals.

1. Updating Email and Calendar App will enhance user experience and maintain competitiveness of the company.
2. Updating Expense Report App will maintain leadership position in the market, generate revenue and enhance user experience.
3. Updating Portfolio Tracking App will generate revenues and maintain a leadership position in the market.
4. Creating Spreadsheet App will generate high revenues but has a moderate chance of obtaining leadership position in the market.
5. Creating a Web Browsing App will generate massive revenues but has a low probability of obtaining leadership position in the market.
6. Creating Trip Planner App will generate massive revenues but has a low probability obtaining leadership position in the market.

What are the benefits of the project to the organization?

The projects should all contribute to achieving the organization's goals. The project should ensure that products maintain competitiveness in the market and be relevant. The organization wants to enhance the user experience by updating, integrating, and creating new products. Developing new products opens opportunities for revenue generation and market exploration. Updating existing products and developing new products will contribute to gaining market leadership and strengthening its position in industry.   
current and can adapt to future technological trends.

**Part III. Project Definition**

What is the project mission statement?  
  
The mission of Handstar Inc. is to update existing software products and develop new ones to maintain competitiveness and capitalize on market opportunities, while considering development costs, revenue projections, and technological trends.

Who is the project sponsor?

The project sponsor does not supervise the day-to-day activities of the project, but he or she verifies that resources are available, promotes, and authorizes it.

Here, in the Handstar case study, the project sponsor are the two founders. The project has already been launched by the founders. The case study Handstar, is about upgradation and future potential projects as a part of the organization(in-house)'s progress and re-establishment.

What is the project scope?

1. Updating existing software products:
   * Integrating the calendar and email program.
   * Updating the expense report program.
   * Enhancing the portfolio tracking program.
2. Developing new software products:
   * Spreadsheet program compatible with PC files.
   * Web browser for handheld devices.

Trip planner program.

What is the expected time frame of the project work and milestones?

1. Integration of Calendar and Email Program
   * Time-bound: Complete within 1.5 months.
2. Updating Expense Report Program
   * Time-bound: Complete within 0.5 month.
3. Enhancing Portfolio Tracking Program
   * Time-bound: Complete within 1 month.
4. Spreadsheet Program with File sharing Capability
   * Time-bound: Complete within 3 months.
5. Web-browser for handheld device
   * Time-bound: Complete within 2.5 months.
6. Trip Planner Program with PC integration
   * Time-bound: Complete within 7.5 months.

What resources are available to the project team?

The project team has a combination of human resources, financial resources, existing products, market knowledge, and opportunities to leverage in planning and executing the identified projects.

1. Software Developers: There are currently four software developers on staff, each working 2,500 hours (about 3 and a half months) per year. The cost of software developers is $52 per hour, including salary and fringe benefits.
2. Financial Resources: The company has annual sales approaching $1.5 million, and the founders are willing to invest in updating existing products and developing new ones.
3. Knowledge and Expertise: The project team has the knowledge and expertise required for app development, as evidenced by the successful creation of Handstar Inc. and the development of its initial apps.
4. Previous Success and Revenue: Handstar Inc. has a track record of success with its original product, the expense report app, and has annual sales of $1.5 million. This success can be leveraged for additional funding and market credibility.
5. Existing Products and Customer Base: Handstar Inc. already has three existing apps in the market (expense report, portfolio tracking, and calendar/email apps). These can be used as a foundation for updates and improvements, potentially reducing development time.
6. Market Opportunities: The directors have identified market opportunities and estimated the potential sales and growth rates for each project, providing a basis for decision-making.
7. Moderate to High Likelihood of Leadership Position: The directors have assessed the likelihood of obtaining a leadership position for each project. This information can guide the team in focusing efforts on projects with higher probabilities of success.
8. Web Utilization: The directors have evaluated the extent to which each product makes use of the Web, providing insight into the technological requirements and considerations for each project.

Describe project constraints.

1. Time Constraints: Projects are constrained by a presumed 3-year product life, requiring timely development and launch for optimal impact.
2. Resources Constraints: Limited to four software developers with 2,500 hours each annually, and a fixed cost of $52 per hour, constraining total development hours.
3. Financial Constraints: Despite $1.5 million in annual sales, financial constraints may limit the scale or number of simultaneous projects.
4. Leadership Position Probability Constraints: Assessments of leadership position likelihood create constraints, especially for projects with lower probabilities.
5. Web Utilization Constraints: Varying degrees of web usage across projects pose constraints affecting technological needs, user experience, and market appeal.
6. Market Constraints: Identified probabilities for leadership positions imply constraints in entering or maintaining dominance in specific markets.
7. User Upgrade Constraints: Anticipating a substantial user upgrade shortly after introduction, the integrated calendar/email app may constrain the company's ability to sustain consistent sales and revenue growth in subsequent years.
8. Discount Rate Constraints: A fixed 12 percent discount rate constraints project profitability evaluations and decision-making processes.

Clarify assumptions about the project.

* Three-Year Product Life: The founders assume that each product has a 3-year life. This assumption may be based on industry norms or past experiences. However, the actual market dynamics and product life cycles could vary, and the assumption of a fixed 3-year life should be verified.
* Discount Rate of 12 Percent: The founders use a discount rate of 12 percent to reflect the company's cost of capital. The choice of this rate is an assumption, and variations in the cost of capital could influence project evaluations. It would be beneficial to assess the appropriateness of the 12 percent discount rate for the specific risk profile of the projects.
* Annual Sales Projections: The annual sales projections for each project are based on estimates provided by the directors. These estimates assume a certain level of market acceptance and growth. Actual market conditions may deviate from these projections, and it's essential to consider the sensitivity of the projects to changes in sales figures.
* User Upgrade Patterns: For the integrated calendar/email app, the directors expect a large percentage of users to upgrade soon after its introduction, leading to a 10 percent annual decline in subsequent years. The accuracy of this assumption depends on user behavior, competition, and the perceived value of the upgrade. Monitoring actual user adoption rates will help validate or adjust this assumption.
* Development Hours and Costs: The estimated development hours and costs for each project are assumptions made by the directors. The actual development process may encounter unforeseen challenges, affecting both time and cost. Regular project updates and feedback loops should be in place to adjust these assumptions as needed.
* Leadership Position Probability: The probability of obtaining a leadership position for each project is a subjective assessment by the directors. It depends on market dynamics, competition, and Handstar's ability to deliver innovative and competitive products. Continuous market analysis and feedback will be crucial to validate or revise these assumptions.
* Annual Growth Rates: The assumed annual growth rates for sales of new products and updates are projections and are subject to market fluctuations. Regular monitoring and adjustments to these assumptions may be necessary based on actual market performance.
* Web Utilization Levels: The directors have assessed the extent to which each product makes use of the Web. The assumptions about Web utilization should be validated based on user preferences and technological trends.
* Cost of Software Developers: The cost of software developers is assumed to be $52 per hour, including salary and fringe benefits. Any changes in labor costs or benefits could impact project budgets, and this assumption should be periodically reviewed.
* Market Positioning: The assumptions about Handstar's ability to obtain a leadership position in specific product categories are subjective and may change over time. Regular market analysis and competitor assessments will help validate these assumptions.

Regularly revisiting and validating these assumptions throughout the project lifecycle will ensure that the decision-making process remains well-informed and adaptable to changing circumstances.

List project quality requirements.

The case does not explicitly provide detailed information about specific project quality requirements. However, based on typical considerations for software development projects and the nature of the products mentioned, we can infer several potential project quality requirements. Here are some possible project quality requirements:

* Usability and User Experience: Ensure that the apps are user-friendly, intuitive, and provide a positive user experience. This includes easy navigation, clear interfaces, and efficient workflows.
* Reliability and Stability: Products should be stable and reliable, with minimal bugs and system crashes. Regular testing and debugging are essential to meet reliability requirements.
* Performance: Apps should perform efficiently, with fast response times and minimal loading delays. Performance testing should be conducted to ensure optimal speed and responsiveness.
* Scalability: If applicable, ensure that the apps can handle increased user loads or data volumes without a significant decrease in performance. This is particularly relevant for apps with potential high user adoption.
* Security: Implement robust security measures to protect user data and ensure the confidentiality, integrity, and availability of information. This is crucial, especially for apps that involve financial or personal data.
* Compatibility: Ensure compatibility with a variety of devices, operating systems, and browsers. This is important to reach a broad user base and accommodate various user preferences.
* Interoperability: If applicable, ensure that the apps can seamlessly integrate with other software or platforms, such as email servers or spreadsheet programs.
* Maintainability: Design the apps with maintainability in mind to facilitate future updates and enhancements. Use modular and well-documented code to ease ongoing development.
* Compliance: Ensure that the apps comply with relevant industry standards, regulations, and legal requirements. This may include data protection regulations, accessibility standards, or industry-specific guidelines.
* Feedback and Iteration: Establish mechanisms for gathering user feedback and incorporate iterative development processes to continuously improve the products based on user input.
* Documentation: Provide comprehensive documentation for both users and developers. User documentation should guide users on using the apps effectively, while developer documentation should aid in understanding the codebase and system architecture.
* Testing and Quality Assurance: Implement thorough testing processes, including unit testing, integration testing, and user acceptance testing, to identify and address issues before deployment.

**Part IV. Risk Assessment**

*In the table below, outline the major risks associated with the project, their probability of occurrence, their potential impact, and the steps proposed to manage the risks.*

|  |  |  |  |
| --- | --- | --- | --- |
| RISK | PROBABILITY | POTENTIAL IMPACT | STEPS TO MANAGE  THIS RISK |
| Market & Competitive Risks | High | High | Extensive market research and competitive analysis. Adjusting product features based on insights and differentiating Handstar’s offerings from competitors. |
| Resource Risks | Medium | Medium | Developing a detailed resource management plan. Monitoring resource allocation closely and preparing contingency plans, such as hiring freelancers or outsourcing tasks. |
| Skills & Teams Risks | Medium | High | Assessing team skills at the project outset. Providing the necessary training or hiring new talent. Encouraging cross-training among team members to fill skill gaps. |
| Product Quality Risks | Low | High | Implementing a good quality assurance process, including regular code reviews, automated testing, and beta testing with real users to gather feedback. |
| Stakeholder Engagement Risks | Low | Medium | Establishing clear communication channels and regular update meetings with stakeholders. Using project management tools to share progress and collect feedback. |
| Schedule Risks | High | Medium | Creating a realistic project timeline with buffer periods. Regularly reviewing project progress and adjusting timelines and prioritizing as needed. |
| Financial Risks | Medium | High | Preparing a detailed budget with a contingency fund. Conducting monthly budget reviews to track and control spending. |
| Change Management Risks | Low | Medium | Developing a change management strategy that includes training sessions, regular communication, and support structures to help the team adapt to new processes and tools. |

**Part V. Project Organization**

*In the table below, outline the roles and responsibilities of project team members.*

|  |  |  |
| --- | --- | --- |
| TEAM MEMBER NAME | ROLE | RESPONSIBLITY |
| Team member name here | Project Manager | Project managers or leaders are responsible for day-to-day operations and ensuring the project is completed on time, on budget, and achieves its objectives.   * Creating the project plan and schedule * Recruiting project staff * Managing the budget * Managing the project schedule * Delegating project tasks to team members * Managing all project deliverables * Communicating with upper management and other stakeholders |
| Team member name here | Project team member | Individual contributors assigned to different project tasks:   * Contributing to the project goals and objectives * Completing individual tasks within the expected time frame * Collaborating with other team members * Communicating with the project manager about roadblocks |
| Team member name here | Resource manager | In charge of resource allocation and utilization:   * Identify the right people for a project * Match project team roles and skills with project needs * Allocate and schedule the right resource within the project timeline and budget * Stay on top of resource availability and utilization * Monitor and optimize the use of resources throughout the course of the project to make sure it can be completed successfully |
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| Team member name here | Project team member | Individual contributors assigned to different project tasks:   * Contributing to the project goals and objectives * Completing individual tasks within the expected time frame * Collaborating with other team members * Communicating with the project manager about roadblocks |
| Team member name here | Business analyst | Makes sure you have the data you need:   * Helps define the project and its goals * Gathers technical requirements from team members * Documents and analyzes project requirements * Helps project team solve equipment management problems * Tests solutions to ensure their effectiveness |