



IS221: Project Management

WEEK-04: Project Initiation

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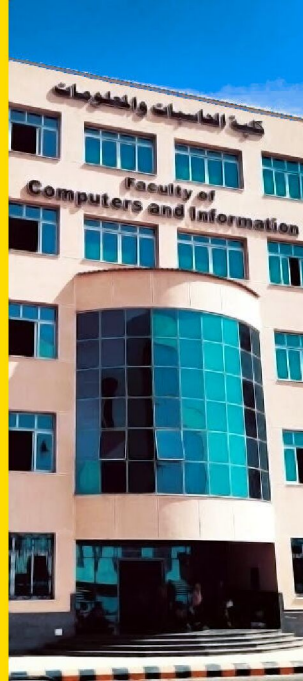


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Project Initiation

- The most important thing to remember about the initiation process is that it does NOT involve starting work on creating any of the 'products' of the project.
- It is concerned exclusively with clarifying the project's objectives and what will be needed to achieve them.
- It should answer the following questions:
 - What is the project going to do?
 - What is the business case for doing it?
 - Who wants it done?
 - Where is the money coming from?
 - Who is going to manage the work?
 - Who is going to do the work?



Business Case

- All projects need a business case before they can be properly initiated.
- The business case is the document that is produced to illustrate the cost-benefit and required investment the organization would need to undertake for the project to go ahead.
- The motivation for producing a business case usually comes from one of the following:
 - Legal requirement
 - Market- or customer-driven demand
 - Organizational need
 - Technological change



Business Case

A good business case will demonstrate at least the following basic points

- Why the project was initiated, and what problem it is intended to solve.
- The details of what process was involved in this project, and how it evolved from beginning to end.
- What resources are required to put the plan into action.
- The benefits of putting the plan into action, and the potential problems that could arise from not doing so.
- What specific next step is needed to get the project started.



Business Case

- If project is being performed for an external customer then there may be agreed contracts, memorandums of understanding (MOUs),
- service level agreements, or a statement of work (SOW) that can be used to further define the business case.



Statement of Work (SOW)

- A statement of work (SOW) is a formal document that defines the work activities, deliverables, and timeline a vendor must execute in performance of specified work for a client.
- It usually includes detailed requirements and pricing, with standard regulatory and governance terms and conditions. It thus overlaps in concept with a contract, and indeed SOWs are often legally equivalent to contracts.
- In addition,
 - the organization's culture,
 - infrastructure,
 - personnel administration, and
 - marketplace conditions



Project Charter

- The project charter provides the high-level project description and product characteristics.
- It also contains project approval requirements and
- will be completed by the sponsor or individual initiating the project.



Project Charter

- There are a variety of inputs you will require for this process. They will be whatever you need to:
 - Identify the high-level requirements
 - Define and agree the high-level project scope
 - Identify the project or stage objectives
 - Define the project success criteria
 - Identify and define any obvious milestones
 - Define the approximate budget
 - Ensure that the project is aligned with the organization's strategic goals.



Project Charter

- There are several key sections that you need to include in your project charter:
 - Contact points for key individuals of the project.
 - Project Purpose – the issue/problem to be solved by the project.
 - Business Objectives for the project as they relate to the organizations strategic plan.
 - Assumptions that have been made as part of the project.
 - Description of the project.
 - Definition of the project scope and the limits identified.
 - Overview of major milestones and deliverables for the project.



Project Charter

- Project Authority - including an organization chart and definition of roles and responsibilities.
- Resources required for the project including costing, equipment, staffing, support, operational & IT facilities,
- Signatures of the key project members that authorize the project.



Project Scope Statement

- The project scope statement details the project deliverables and describes the major objectives, including measurable success criteria for the project.
- A scope statement should be written before the statement of work and it should capture, in very broad terms, the product of the project.

Example

“Developing a software-based system to capture and track customer orders.”

- It also specifies who is going to use the product and gives an estimate of the anticipated cost.
- It can help you identify changes in scope after the project has started and help planing for any modifications that might be needed as it progresses.



Project Scope Statement

The first draft of this document/statement is referred to as a baseline scope statement and should detail:

- Project stakeholders
- Project goals and objectives
- Project requirements
- Project deliverables
- What is out of scope
- Milestones
- Cost estimates



Project Stakeholders

- This is the process that identifies people, groups, or organizations that could impact or be impacted by a decision, activity, or outcome of the project.
- It analyzes and documents their interests in and influence on the project.
- A stakeholder is defined as anyone with an interest in the project, irrespective of whether that interest is positive or negative.
- They may be individuals or organizations that are actively involved in the project, or whose interests may be affected by the execution or completion of the project.






Project Stakeholders

- they can be:
 - Internal to the project.
 - External to the project, but internal to the performing of the organization.
 - External to both the project and the performing of organization.



References

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