Richard Sangster

MBC 638 Data Analyses and Decision Making

Project Charter

**Problem statement:**

Buying a home is one of the first steps for couples to begin their life together. The monthly payment associated with the loan can fluctuate based on the interest rate and loan amount. Affordability of a home is limited by the other expenses that need to be paid in that month. Average interest rates have jumped from 3.5% in January 2020 to 6.5% in September, resulting in monthly payments increasing for the same loan amount.

**Business impact**:

With the increase of 3% in interest, this has resulted in monthly payment rising by up to $600 or more for the same loan amount. The extra costs make it difficult to afford the same home with the same lifestyle and spending habits. The key output is reduced monthly spending on food and beverages. A successful implementation will result in additional savings that will be used towards a house mortgage.

**Goals**:

The goal of this project is to reduce monthly consumable expense by $200 by the end of November.

**Project scope**:

The project scope will be on consumable products but will not include medicines. The first step of the process occurs when the day starts and ends when the day ends. We will include taxes, fees, and tips in the calculation. We will not focus on any subsequent hours saved or used.

**Team**:

|  |  |
| --- | --- |
| Role | Name |
| Lead Process Engineer | Myself |
| Champion | My Fiancé |

**Project plan (very high-level):**

|  |  |
| --- | --- |
| Milestone | Date |
| Define | 10/6 – 10/9 |
| Measure | 10/9 – 10/16 |
| Analyze | 10/16 – 11/6 |
| Improve | 11/6 – 11/20 |
| Control | 11/20 – 11/27 |

**Process map**:

