**Business Case and Project Charter**

[p.108 - Methods of IT Management by Brewer and Dittman]

[Information Technology Project Management by Schwalbe]

* A Project Charter:
  + Is a document that formally recognizes the existence of a project and provides direction on the project’s objectives and management [p. 147, Schwalbe]
  + It authorizes the project manager to use organizational resources to complete the project [p. 147, Schwalbe]
  + Uses the following information from the business case:
    - Project objective
    - High-level requirements
    - Time and cost goals
* Key parts of a project charter may include:
  + Project Title
    - Short, action-oriented title, starting with an action verb
    - s/b long enough for people to differentiate from other projects but short enough to be remembered
  + Project Date – date charter has been completed and ready for signatures
  + Version – once signed, charter is under configuration version control
  + Description of the project
    - Includes business needs
    - Project purpose
    - Justification for the project
    - Any information that ties the project to the strategic plan of the organization
  + Project Manager – person assigned to manage the project
  + Authority level – the authority the project manager has to make decisions regarding the project
  + Objectives of the project charter
    - Purpose of section: to clearly state the boundaries of the project
    - Covers the major project objectives
    - s/b future outcome based
    - s/b bulleted
    - brief scope statement
  + Major deliverables and related schedule
    - List each objective in this section c/w projected delivery date
    - Shows order of objectives to be worked on and completed
  + CSF’s
    - Is a list of metrics to be tracked to measure success
    - s/b short and to the point
    - s/b defined in the form of goals
    - need to be generated by the sponsor
  + Assumptions, constraints, risks
    - List issues that can affect the outcome of one or more of the objectives
  + Key roles and responsibilities
  + Approvals
* If the charter is a SOW – **Statement of Work** – it will be much longer complete with a detailed budget
* **Main purpose**: to get a sponsor to take ownership of the project; to ensure that everyone is on the same page and agrees to the project objectives
* Is the first tangible work product created in all projects
* Is a key document to formally recognize the existence and provide a broad overview of a project [p. 84, Schwalbe].
* Key stakeholders are required to sign the charter before any work begins
* Key stakeholders may be the executive sponsor or any manager who has resources committed to the project
* The project charter is created from: the business case, the organization’s strategic plan, SME’s, sponsors, project leaders, etc.
* The charter should be short and to the point unless it is a SOW
* Output of the project charter: input to the creation of a written scope statement [p. 98, Schwalbe].
  + Degree of risk to the business
  + Cash requirements – length of time for ROI, initial cash requirements
  + Technology utilized
  + Project team experience
  + Nature of the deliverables – new product or service, upgrade, repair, etc.
  + Strategic importance of the project to the organization
  + Project definition – include comments about whether the requirements are under-defined, partially defined, poorly defined; what is in scope and what is out of scope
  + Scope management plan
    - Describes how the project team will define the project scope, develop the detailed project scope statement, define and develop the WBS, verify the project scope, and control the project scope
  + **Key use of scope statement** – to control scope creep