

Project Charter Example

Overview:

The project charter is the first document created in the Initiation phase. It answers the “what”, the “why”, and the “who” of the project. The project charter must be approved by the project sponsor before formal planning can begin.

The project charter is often developed based on information provided in a business case, statement of work (SOW), or agreement such as a contract, memorandum of understanding (MOU), service level agreement (SLA), etc.

Let’s review an example of a completed Project Charter.

Section I: General Project Charter Information

Charter item	Comments
Project name	ABC Annual New Investor Dinner Project
Project goal	Conduct a dinner for 40 potential investors. Goal is to win their business for the firm.
Project value proposition and benefits Note: Balanced scorecard criteria (Finance, Process, Employee, Customer)	<ul style="list-style-type: none">• Share ABC investment portfolio with potential customers in a comfortable dinner setting.• Increase the overall customer base. Each potential customer brings additional \$12,000 in revenue for each new client.• Remain competitive with other like firms.
Problem or opportunity statement	Competition for new investment customers is fierce. This dinner allows ABC to meet with potential investors before they use the services of a competitor.
Project schedule	Planning Start: Mar 20XX Event Date: 30 Jun 20XX
Project manager	Sidney Morris
Approval authority/sponsor	Martha Wilson

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Section II: Additional Clarifying Information

Assumptions or constraints	<p>Assumptions: (Something believed to be true but needs to be validated)</p> <ul style="list-style-type: none"> • All invitees will attend. • Approximately 70% of attendees will use ABC for service. • The restaurant can meet the accommodation and parking requirements. • IT and AV support are available internally. <p>Constraints: Limiting factors that must be considered)</p> <ul style="list-style-type: none"> • Budget \$14,000. • Adhere to statutory and regulatory requirements. • June 30th is the set date. • The restaurant must meet the accommodation and parking requirements.
Proposed solution(s) High-level overview	<ol style="list-style-type: none"> 1. Plan the event. 2. Execute the event. 3. Perform follow-up actions.
Project priorities	<ol style="list-style-type: none"> 1. Schedule: Cannot deviate from the 30th Jun 20XX deadline. 2. Budget: \$14,000 is the goal. 3. Scope: Semi-flexible; Want to create the best possible environment for the customers.
Return on Investment (ROI)	<p>Cost: \$14,000</p> <p>Revenue: 22 x \$12,000 = \$264,000</p> <p>Benefits: Goodwill; Word of mouth advertising; Grow client base</p>
Risks (Potential)	<ul style="list-style-type: none"> • Attendees do not show up – reduced revenue opportunities • Restaurant issues – customers not happy with food or environment • Parking shortages – customers arrive late and are frustrated • Cost overruns – reduced ROI • AV or IT issues – reduced presentation effectiveness
Resources required (Expanded upon in stakeholder register)	<ul style="list-style-type: none"> • Core members of the project team • IT and AV support • Event speakers • Finance manager • Vendor manager • Contracting