|  |  |  |  |
| --- | --- | --- | --- |
|  |  | SAP PROJECT CHARTER | |
|  |  |  |  |
|  | **Project** | \*\*\*\*\*\*\*\*\*\* |  |
|  |  |  |  |
|  | **Project Manager** | \*\*\*\*\*\*\*\*\*\* |  |
|  |  |  |  |
|  | **Document date** | 15 September 2019 |  |
|  |  |  |  |
|  | **Version** | \*\*\*\*\*\*\*\*\*\*\_v1.0F |  |
|  |  |  |  |
|  | **Author** | John White |  |
|  |  |  |  |



*The project charter (sometimes referred to as Project Definition Document) defines the key project dimensions such as scope, objectives and overall approach for the work to be completed. It is the most important point of reference for project stakeholders interested in the project rationale, its goals and scope. Project charter is also a written contract between the Project Team and Project Sponsor stating clearly what is expected from the project. \*\*\*\*The content of this project charter does not come from any real project and is an example only\*\*\*\**

1 Project Context – what is the business need

In this section describe the general project background and business context. This may come from your overall business strategy or be a result of the previously completed feasibility study. In this section describe briefly **why** the organisation is interested in pursuing with the project. What is the reason that in your busy work life somebody decided that it is worth putting an effort into changing a company. Put enough information here so the general rationale for the rest of the documents is clear.

An organization's business need or new opportunity may be based on a market demand, technological advance, required training, legal requirement, or governmental standard.

This section may also refer to a separately prepared business case analysis and recommendations included there.

2 Problem Statement – why do we want the project

Instead of writing ever present ‘Project Scope’ I would suggest starting off with clearly stating problems that we are we addressing. That is why I propose the structure as below:

1. **Problem statement** –state just facts that made you think that you want a change, what basicallybothers you and why this induced you to action. This should shortly represent the nature and setting of difficulties that the organisation is currently facing and be powerful enough explaining by the organisation is determined to get rid of these difficulties. In other words it is the project’s business driver.

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1. **Project Goal – After project desired state** –how it will look like when the problem is solved. Thestatements in this section becomes automatically the success criteria to be measured after the project completion. It is another name for project goal which describes the future and directs the planning activities.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Problem Statement** | |  | **Project Goals = After Project Desired State** |
|  |  |  |  |  |
|  | 1. | It takes too long to process documents | Processing documents is shorter by at least 50% | |
|  |  | manually |  |  |
|  |  |  |  | |
|  | 2. | Printing forms and filling them in by | Forms can be filled in and processed without the need to print | |
|  |  | hand is too much time consuming | them and filling in electronically. | |
|  |  |  |  | |
|  | 3. | Signing-off paper documents is difficult | Signing off is possible in all company locations since it doesn’t | |
|  |  | because of the executives unavailability | have to be done manually | |
|  |  |  |  |  |

It is important to state only the top-level problems that will guide the project scope preparation and later the user requirements statements. For now the problems stated show clearly ‘THE WHY’ for the project. Remember not to write the solutions in the project goals – write only what you want to achieve but not how.

3 Project Mission – project product summary description

Although this section should be relatively short, it is pretty difficult to write it. Try to describe generally but in a straightforward way what effect you are trying to achieve by delivering project results.

Example:

*To cut general effort required for paperwork in the office by introducing a new document management system enabling company-wide access to business documents along with electronic workflow and sign off. The project should be completed by the end of year 2010 with the budget not exceeding $1m in capex.*

In this way we have a short story for everyone interested in what the project is about and what are the limits set by the Sponsorship.

4 Project Objectives – what is in the delivery scope

Project objectives describe what tangible results the project works will deliver. In order for the project objectives to be truly tangible, they have to be specific and concrete. It is best achievable when they are deliverable based.

In this way, the completion of any given objective will be evident when one of more deliverables are done.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Project Objective** | |  | **Deliverables** | |  |  |
|  |  |  |  |  | |  |  |
|  | 1. | Standardise and update existing | 1. Existing document flow procedures identified | | |  |  |
|  |  | document flow procedures | 2. | | Procedure owners identified |  |  |
|  |  |  |  |  |
|  |  |  | 3. | | New procedures designed and written |  |  |
|  |  |  |  | | |  |  |
|  | 2. | Search and select software vendors | 1.Research systems vendors on the market | | |  |  |
|  |  | for document management systems | 2. | | Perform Request For Information Process as per Vendor policy |  |  |
|  |  |  |  |  |
|  |  |  | 3. | | Collect RFI feedback and prepare solution selection guidelines |  |  |
|  |  |  |  | | |  |  |
|  | 3. | Prepare Requirement statement | 1. Select potential key users for workshops | | |  |  |
|  |  |  | 2. | | Prepare and organise user requirements elicitation workshops |  |  |
|  |  |  |  |  |  |  |  |

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|  |  |  |  |
| --- | --- | --- | --- |
|  | **Project Objective** |  | **Deliverables** |
|  |  |  |  |
|  |  | 3. Summarise requirements in the User Requirements Traceability | |
|  |  | Matrix | |
|  |  |  | |
|  | 4. Other objectives | Other deliverables | |
|  |  |  |  |

4.1 Out of scope:

It is important to clearly state what results / deliverables will not be delivered. Sometimes key project stakeholders have some expectations they think will be delivered on the occasion of a new project. They should be informed, and especially the Steering Committee, that these features, results or deliverables are out of scope and will not be prepared. Managing expectations is crucial taking into account that the project charter serves the role of a contract between the Project Team and Project Sponsor.

5 Impact and Stakeholder Analysis – how project will impact the organisation and who will be affected

It is necessary, in order to get a full picture, to describe how this project will change the current status quo of the organisation. If the change is big, the project charter should include only a summary of the full change assessment analysis separate document.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Organisation/Department/Processes** | | **How will it be affected/No of people impacted** |  |
|  |  |  |  |  |
|  | 1. | Mail Office | Current practices in documents flow will be identified and |  |
|  |  |  | changed considerably. No mail handling is currently done |  |
|  |  |  | electronically and employees are not used to working on |  |
|  |  |  | computers. |  |
|  |  |  | After the project both the procedures and tools will change. |  |
|  |  |  |  |  |
|  | 2. | Accounts Receivable | Currently only some invoices are being signed-off electronically. |  |
|  |  |  | For now it is the project intention to include this work-flow fully |  |
|  |  |  | in the scope. Affected 50 people. |  |
|  |  |  |  |  |
|  | 3. | Entire business – budget scope | When the affected department will change into a fully electronic |  |
|  |  |  | workflow this will mean that the budget of $10m spent annually |  |
|  |  |  | will be managed differently. That is why this project is more risk |  |
|  |  |  | sensitive and is business continuity critical. That is why only safe |  |
|  |  |  | and proven solutions will be chosen. |  |
|  |  |  |  |  |

5.1 Project Stakeholders summary

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Organisation area / group of interest** | |  | **Key names / number of people** |
|  |  |  |  |  |
|  | 1. | Finance Department | Kelly Johnes, Nick Whiteman – 50 people | |
|  |  |  |  | |
|  | 2. | IT Department | Harry Mickey – 4 people (1 domain admin, 1 network engineer, 2 | |
|  |  |  | architecture) | |
|  |  |  |  | |
|  | 3. | Mail Office | Mick Grady – 20 people | |
|  |  |  |  | |
|  |  | **TOTAL:** | **74 stakeholders** | |
|  |  |  |  |  |

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6 Project Approach – how the project will be done

6.1 Implementation Approach - Assumptions

The solution will be introduced with the implementation partner using the following assumptions

* We will use the pre-configured DocuNext solution dedicated for the mining industry. The re-design of existing processes will be based on the gap analysis between the AS -IS process map and the preferred

TO-BE map

 The system launch will be performed at all locations in one time – the big bang approach

* We will implement the system in two waves – most crucial functionalities first and additional remaining functionality next
* We will use the PRINCE2 methodology with PMBOK elements
* We will use the VISIO based process maps and convert them later into our ARIS corporate model

6.2 Implementation Approach – Constraints

* The first way of implementation cannot exceed 1 April 2011
* The budget for this project cannot exceed $1.5 for both implementation waves
* Some 25% of future system users are not competent in basic PC usage.



6.3 Training Approach

* The project will adopt the a train-the-trainer approach where project key users will be trained on the

advanced usage of the system

 Users in other locations will be invited to one of the two training facilities in Adelaide or in Melbourne

* In order to accelerate the training process we will use the Computer Based Training tools and pre - recorded short movies.

6.4 Testing approach

* There will be three testing cycles in the project
* Prototype 1: fully configured project based on Business Design

 Prototype 2: fully configured project with enhancements and data migration tool in place

* Prototype 3: user acceptance testing – prototype 2 with migrated portion of data set and user roles.

6.5 Business Change and Communication Approach

The impact of the project on the organisation will be considerable and it is very important for the business community to understand why the project is being commissioned and what benefits are expected after the implementation.

Below is the outline of the approach to introduced in this project:

* Fixed dates of meetings with Project Sponsor and Steering Committee every six weeks
* Steering Committee Stage Gate meetings confirm the completion of each phase
* HR Department will be involved in spreading the word-of-mouth about the project using their regular communication channels. They will be well briefed and equipped with the information pack.
* Project internal communication will be done via weekly Status and Risk Meetings as well as the project message board.
* Communication to the future users community will be executed by the monthly Newsletter containing the key milestones completion, information about project team and current progress
* We will periodically do a research of users’ community perception of the project to be able to counterpart any misunderstanding or myths
* Project reporting will include:

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1. Weekly team leaders’ status reports – for Project Manager o Weekly project status report – for Sponsor

o Monthly project status report – for Steering Committee and external communication o Steering Committee status presentations – for cycle meetings every 6 weeks

7 Summary milestone schedule – what and when

|  |  |  |  |
| --- | --- | --- | --- |
| **Phases and Steps** | **Milestones** | **Start Date** | **End Date** |
|  |  |  |  |
| Phase 1: Project Preparation |  Project Brief signed-off |  |  |
|  |  |  |  |
| Phase 2: Project Initiation |  Project Initiation |  |  |
|  | Documentation approved |  |  |
|  |  Business Requirements |  |  |
|  | Statement approved |  |  |
| Phase 3: Blueprint Process |  Business Design signed off |  |  |
| Design |  |  |  |
|  |  |  |  |
| Phase 4: Build & Test |  Integration Testing |  |  |
|  | completed |  |  |
|  |  UAT signed off |  |  |
|  |  Configuration |  |  |
|  | Documentation completed |  |  |
| Phase 5: Final Preparation |  One day in production |  |  |
|  | rehearsal successful |  |  |
|  |  IT Architecture |  |  |
|  | environment stable |  |  |
|  |  Final Preparation Pack |  |  |
|  | approved |  |  |
| Phase 6: Go-Live & Support |  Business Acceptance Pack |  |  |
|  | approved |  |  |

8 Project organisation – who is who in the project

In the tables below there are all team member that will be involved in the project works. The team reflects the interests of all stakeholders who will be impacted by the project including users, their management and the suppliers. Roles and responsibilities will be laid down in details in the project initiation documentation.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 8.1 | | Steering Committee |  |  |
|  |  | |  |  |
|  | **Name** | |  | **Role in the project** |
|  |  |  |  |  |
| 1. | | John Waxton | Project Sponsor | |
|  | |  |  | |
| 2. | | Greg Easy | User representation – Director Communication and Marketing | |
|  | |  |  | |
| 3. | | Sheila Jess | User representation – Finance and Controlling | |
|  | |  |  | |
| 4. | | John Quick | Supplier – Paxto solutions | |
|  |  |  |  |  |

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|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  | Project Charter | |
|  |  |  |  |  |  |
| 8.2 | | Project Team |  |  |  |
|  |  | |  |  |  |
|  | **Name** | |  | **Role in the project** |  |
|  |  |  |  |  |  |
| 1. | | John Deo | Project Manager | |  |
|  | |  |  | |  |
| 2. | | Jenny McClowd | Subject Matter Expert – Finance and Controlling | |  |
|  | |  |  | |  |
| 3. | | John Wendy | Subject Matter Expert – the Mail Room | |  |
|  | |  |  | |  |
| 4. | | Caroline Paxton | Change Management and Communication | |  |
|  | |  |  |  |  |
| 5. | |  |  |  |  |
|  |  |  |  |  |  |

9 Project cost summary – how much is it going to cost

The summary below is a result of calculations included in the outline Business Case document. It is based on only preliminary assumptions and estimations based on the similar projects completed in the organisation. The final Business Case after the Project Initiation phase will include agreed costs with the hosting provider and solution vendors

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
|  | **Project costs ($000)** |  | **F15** | **F16** | **F17** |  | **F18** |
|  |  |  |  |  |  |  |  |
|  | **Capital expenditures** | (-649) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Hardware | (-1247) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Software | (-980) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Internal resources | (-1430) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | External resources | (-2800) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Travel and accommodation | (-340) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Training | (-682) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Change management and communication | (-245) | |  |  |  |  |
|  |  |  | |  |  |  |  |
|  | Operating and Administration | (-130) | |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  | **Operating expenditures** |  |  |  |  |  |  |
|  |  |  |  |  |  |  | |
|  | Hardware |  |  | (-715) | (-715) | (-715) | |
|  |  |  |  |  |  |  | |
|  | Software |  |  | (-240) | (-240) | (-240) | |
|  |  |  |  |  |  |  | |
|  | Maintenance resources (3 new people) |  |  | (-400) | (-420) | (-480) | |
|  |  |  |  |  |  |  | |
|  | External maintenance resources (fixed fee contract) |  |  | (-350) | (-350) | (-350) | |
|  |  |  | |  |  |  | |
|  | **Net Cash-flow summary** |  | **(-8503)** | **(-1705)** | **(-1735)** |  | **(-1795)** |
|  |  |  |  |  |  |  |  |

10 Project benefits summary – why are we doing this?

10.1 Financial benefits - justification

Below is the financial justification of the system implementation.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Element** | **Number** |  | **Comments** |
|  | People | 70 |  | Number of people that are affected by the system |

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|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Average gross/person | |  |  | 5000 |  | Assumed remuneration per month |
|  | Monthly hours of work | |  |  | 180 |  | Number of working hours per person per month |
|  | Average 1h/person | |  |  | $ |  | Average cost of 1 hour during the month |
|  |  |  |  |  | 30,00 |  |  |
|  | **Assumption:** | |  |  |  |  |  |
|  | Each person seeks some documents every day | | | | |  |  |
|  | how many hours per month |  |  |  | 22 |  | Assume that each person seeks at least 1 hour per day the |
|  |  |  |  |  |  |  | following documents: |
|  |  |  |  |  |  |  | - contractual agreements |
|  |  |  |  |  |  |  | - documented examples from previous brand activations |
|  |  |  |  |  |  |  | - developing own ways to document scope of work, |
|  |  |  |  |  |  |  | financial justification etc |
|  | Cost to company per person |  | $ | | 660,00 |  | This costs the company around 600 PLN monthly |
|  | per month |  |  |  |  |  |  |
|  | Cost per department per |  | $ | | 46 200,00 |  | Cost multiplied by the number of employees |
|  | month |  |  |  |  |  |  |
|  | Cost per annum (12 months) |  | $ | | 554 400,00 |  | Annual cost of having to search for or develop documents |
|  | **If the system cuts the time** |  |  |  | **$ 369** |  | **Assumed saving by introducing document** |
|  | **by 2/3** |  |  |  | **600,00** |  | **management system** |
|  |  |  |  |  |  |  | Assumption 2: Savings on this level for the first 2 years |
|  |  |  |  |  |  |  | minimum |

10.2 Non-financial benefits

11 Business Acceptance Criteria

11.1 Functional Acceptance Criteria

Functional criteria will be signed-off by John Waxton supported by the user representatives after the project completion.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Acceptance Criterion** | |  | **Condition to be delivered** |
|  |  |  |  |  |
|  | 1. | UAT tests |  | UAT tests completed according to test cases. All issues resolved |
|  |  |  |  | and implemented in the final system release |
|  |  |  |  |  |
|  | 2. | Business requirements delivered |  | User survey results show that the business users are well trained |
|  |  |  |  | and happy with the system usability |
|  |  |  |  |  |
|  | 3. |  |  |  |
|  |  |  |  |  |
|  | 4. |  |  |  |
|  |  |  |  |  |

11.2 Technical Acceptance Criteria

Technical criteria will be signed off by Gregory Whatif – Head Domain Administrator in collaboration with the Vendor representative.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Acceptance Criterion** |  | **Condition to be delivered** |
|  |  |  |  |
|  | 1. Performance requirements |  | System meets response requirements. Response time during the |
|  |  |  | peak hours under 1s for 90% of agreed system transactions |
|  |  |  |  |

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|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Acceptance Criterion** | |  | **Condition to be delivered** |
|  |  |  |  |  |
|  | 2. | Technical documentation |  | Documentation prepared, handed over to local help desk team |
|  |  |  |  | and the team is trained how to support users |
|  |  |  |  |  |
|  | 3. |  |  |  |
|  |  |  |  |  |
|  | 4. |  |  |  |
|  |  |  |  |  |

11.3 Training Acceptance Criteria

Training criteria will be signed-off by John Waxton in collaboration with user representatives.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Acceptance Criterion** | |  | **Condition to be delivered** |
|  |  |  |  |  |
|  | 1. | User documentation |  | User manual and training materials contain the information to |
|  |  |  |  | operate in the system. Also, a trainers pack exists for future |
|  |  |  |  | trainings to be delivered. |
|  |  |  |  |  |
|  | 2. | Training sessions |  | All end users attended required training sessions. The attendance |
|  |  |  |  | register is created and stored for future references. |
|  |  |  |  |  |
|  | 3. |  |  |  |
|  |  |  |  |  |

12 Project Charter Sign-off

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Sponsor** |  |  | **Project Manager** |
|  |  |  |  |

|  |  |
| --- | --- |
| John Waxton – Managing Director | John Deo – IT Project Manager |

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