

Project Charter

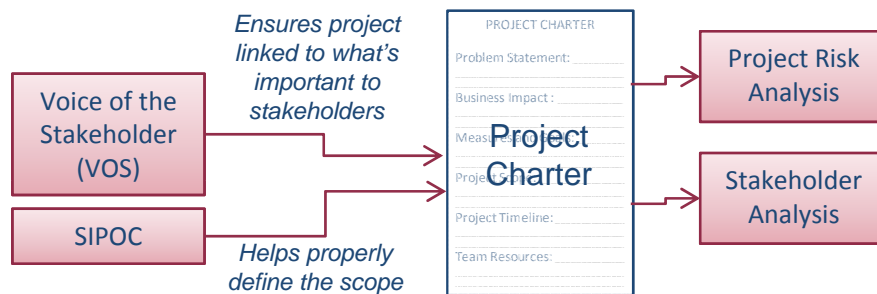
When to Use

- Develop at the very beginning of the project to help ensure alignment between the team and its stakeholders
- Is the central tool of the Define Phase
- Reference throughout the project

Helpful Hints

- The Project Sponsor is accountable for its creation and upkeep, supported by the Belt leading the project
- Make as specific as possible
- Make concise – No more than two pages
- Treat as a “living agreement”, updating as necessary when new learnings occur

Related Tools



Description

- Forms the contract between the process improvement team and the Project Sponsor
- When well-crafted, it is the project’s greatest safeguard
- If non-existent or poorly written, cycle times and the likelihood of false starts can increase significantly
- Six key sections:

Problem Statement

- Provides a specific statement of the current pain resulting from the broken process

Business Impact

- Defines the financial benefits to be realized by improving the process

Measures and Goals

- Defines specifically how progress will be measured and how much improvement is required for success

Project Scope

- Defines exactly what is within the boundaries of the project and what is not

Project Timeline

- Shows the target dates for achieving major project milestones

Team Resources

- Lists core team members, as well as those playing a supporting role

Project Charter (Cont.)

Step by Step Instructions

1. Fill out the header:
 - ❑ Process Name: The name of the process the team is working within
 - ❑ Project Name: The name of the project
 - ❑ Project Sponsor: The name of the business leader accountable for the project's success and long-term sustainment of its results. It is best if this person is the Process Owner
 - ❑ Project Leader (Lean Belt): The name of the person responsible for leading the project
 - ❑ Deployment Champion: The name of the individual who manages the project pipeline
 - ❑ Current Revision Date: The date the document was last updated
2. Develop the Problem Statement:
 - ❑ Describe the specific pain that the business and/or its customers are experiencing – in quantifiable terms if possible
 - ❑ Describe what the issue is, where it's occurring, who it's impacting, how long it's been going on, and to what magnitude
 - ❑ Do not include potential solutions, this could incorrectly bias the project's direction
3. Define the Business Impact:
 - ❑ Work with a financial representative to determine the anticipated financial impact (\$) of the project. The estimate will likely change as more is learned
 - ❑ Describe how the project links/supports business priorities and objectives
 - ❑ Include some content on why this project should be worked on now
4. Define the Measures and Goals
 - ❑ Determine the primary measure(s) that will be used to assess progress. It is best to keep the number of measures to a minimum. They should be directly linked to the output of the process, not lagging aggregate financial measures
 - ❑ VOS input should be considered when selecting measure(s)
 - ❑ Define the goal for each measure, preferably in the form of a target value and process capability level
5. Define the Project Scope
 - ❑ Describe the project boundaries (start and end process steps)
 - ❑ List the included product or service families
 - ❑ List the functions, groups, and/or geographic regions included
 - ❑ Equally important, describe what is not part of the scope
 - ❑ Describe the constraints or limitations placed around the effort
 - ❑ A SIPOC diagram of the process can provide valuable input into this step
6. Describe the Project Timeline
 - ❑ List the major project milestones and their target dates – Team launch, Define Gate Review, Event Week, Control Gate Review, etc.
7. Define the Team Resources
 - ❑ List the 3-7 core team members
 - ❑ Describe the amount of time required of team members and how that time will be allocated
 - ❑ Identify the person (Master Black Belt) who will provide coaching support
 - ❑ List the supporting team members who will be involved on an as needed basis. These are often subject matter experts and members of support functions, such as HR, IT, Maintenance, etc.