

Advanced Leadership Course

Monday, AM, Part 2

Project Initiation



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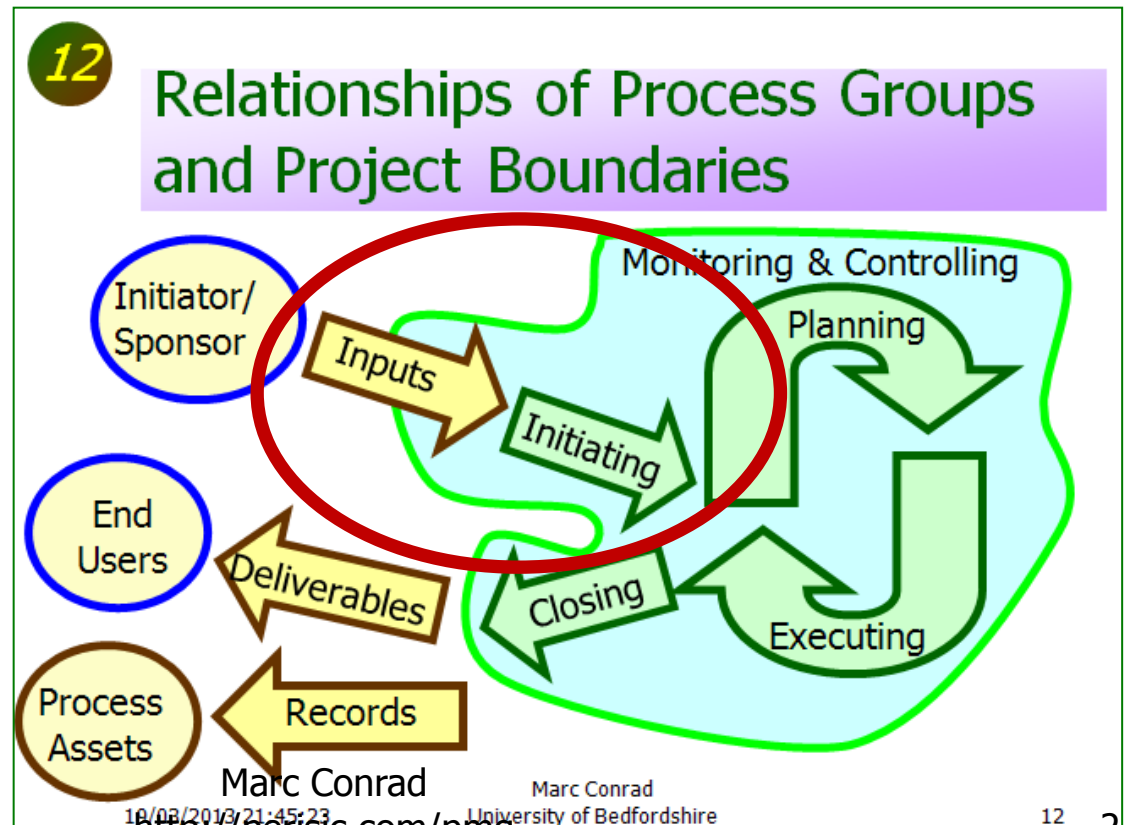
<http://perisic.com/pmg>

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Two PMBOK processes at Initiation

- Identify Stakeholders
- Develop Project Charter

When starting up the project we find out **who** is doing **what**.



Identify Stakeholders

- **Stakeholders** are individuals, work groups and organizations that are **actively involved in the project**, or whose **interests can be** positively or negatively **affected** as the result of project execution or project completion.
- Stakeholder analysis serves two purposes:
 - to determine the information needs of the various stakeholders.
 - to devise a communication strategy that will best serve the project.

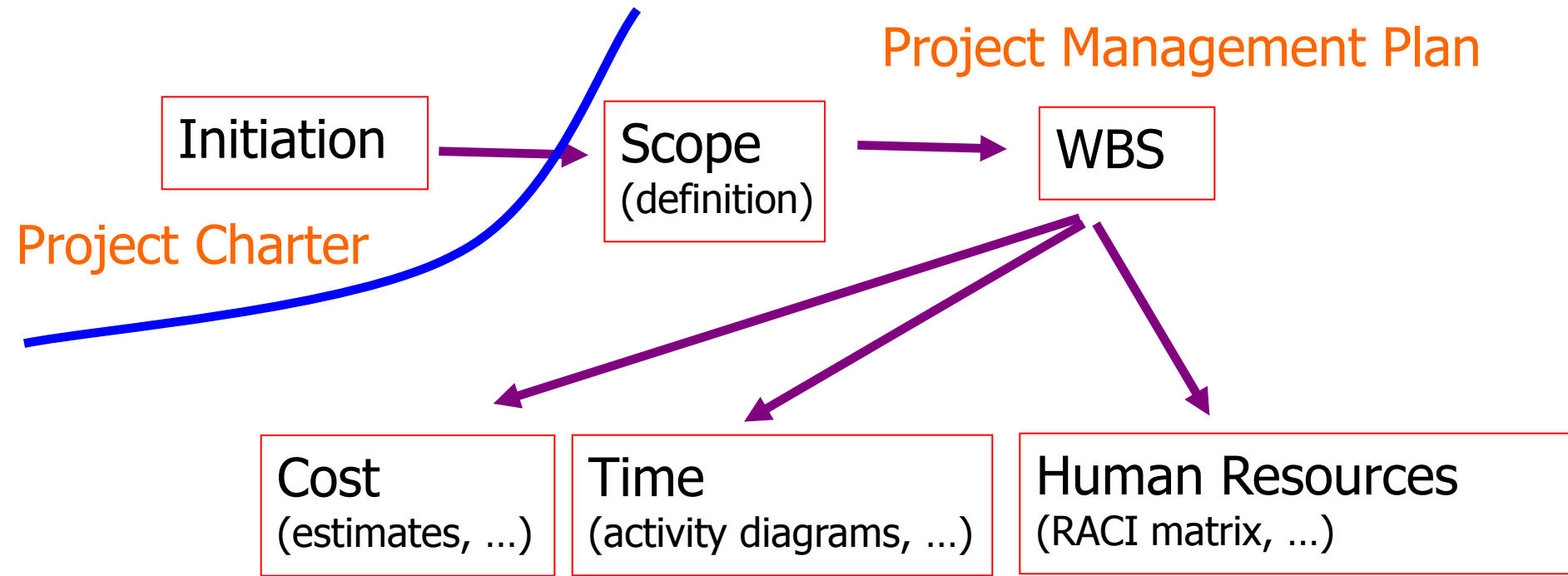
Example of a “Stakeholder Analysis” that went wrong.

- Scottish election fiasco, 2007, some quotes:
 - Four per cent of ballot papers - 146,000 in total - were rejected because **voters were confused by the new system.**
 - The **voter was treated as an afterthought** by virtually all the other stakeholders.
 - Voters were **overlooked as the most important stakeholders** at every stage of the election.
 - [See http://www.perisic.com/blog/sanfoh/2013/03/](http://www.perisic.com/blog/sanfoh/2013/03/)

Typical Roles and Responsibilities of Stakeholders

- Project Manager
 - The individual responsible for the project
- Project Sponsor
 - the one who pays for the project
- Team
 - Does Planning and Execution
- Senior Management
 - e.g. priorities between projects, project charter
- Functional Manager:
 - “owns” resources (IT, marketing, etc.)
- Other Stakeholders
 - Customer, external experts, ...

Project Charter and Project Management Plan



- Also to consider: Quality, Risk, Communication, Procurement, Integration, Stakeholders (PMBOK® knowledge areas)



Project Charter and Project Management Plan Terminology

- Terminology comes from the PMBOK® but similar documents exist in *all* projects. Other terms used:
 - *Project Charter*: Project Initiation Document, Project Mandate, Project Brief, Letter of Agreement, Statement of Work
 - *Project Management Plan*: Strategy Plan, Project Execution Plan, Project Plan

Project Charter and Project Management Plan

The Main Concept

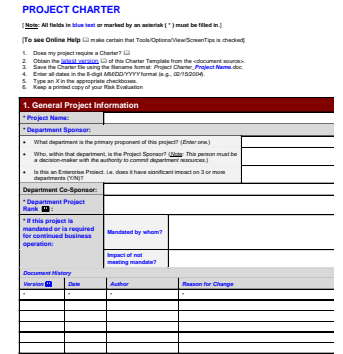
- Project Charter:
 - Comes from “outside” the project and defines the project.
 - Unchanged during the project.
- Project Management Plan:
 - Owned by the project team.
 - Constantly updated during the course of the project.
 - Document **repository** rather than a document.

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The Project Charter



Example: Prince2 PID



Example from www.cvr-it.com

- The project charter is a document that formally recognizes the existence of a project. It describes the product to be delivered and addresses the business need of the project.
- The charter should be SMART:
 - Specific
 - Measurable
 - Achievable
 - Realistic
 - Time-specific

- **Typical contents:**
 - ◆ Project Title, Start & Finish Date
 - ◆ Budget Information
 - ◆ Project Manager (contact address)
 - ◆ Project Objectives
 - ◆ Approach
 - ◆ Roles and Responsibilities (Sign off)
 - ◆ Comments (from stakeholders)

Example (Six Sigma Project Charter)
http://www.slideshare.net/vicky_200835/six-sigma-project-charter

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<http://perisic.com/pmg>

Inputs to the PMBOK® Process “Develop Project Charter”

- Project statement of work
- Business case
- Agreements
- Enterprise environmental factors
- Organizational process assets

- *Reasons for projects:*
 - *Business need*
 - *Product scope description*
 - *Strategic plan*

Example (John Goes to Town)

- John wants doesn't live in town but wants to get there.
 - (Agreement, Project statement of work)
- There is a bus company, a bus stop, John lives xyz miles away from the town centre.
 - (Enterprise environmental factors)
- John has used the bus in previous projects of a similar nature.
 - (Organizational Process Assets)

Examples of Enterprise Environmental Factors

- Organizational or company culture and structure
- Infrastructure, for example, existing facilities and capital equipment
- Existing human resources
- Personnel administration (e.g. hiring and firing guidelines, employee performance reviews)
- Marketplace conditions

Organizational Process Assets

- Represents the organization's processes and procedures and the organization's learning and knowledge ("Lessons learned"), e.g.
 - Organizational standard processes
 - Standardized guidelines, templates, work instructions, evaluation criteria
 - Project closure guidelines or requirements (e.g. audits)
 - Financial control procedures
 - Information about previous projects (and why they failed)
 - Historical information (e.g. identified risk events)

Summary

- Project Charter & Stakeholders
- Difference between Project Charter and Project Management Plan
- Charter is a mix of:
 - Statement of Work, Enterprise Environmental Factors, Organizational Process Assets.