12 Steps to Better Project Planning

Step 1 - Chartering Projects

Not formally chartering a project maybe the most frequently repeated mistake organizations make when beginning projects. Root cause analysis of project failures often identifies poor vision and lack of a charter as the reason projects go awry.

Knowing this, why is developing a good project charter apparently so difficult. It is certainly not due to any complex technical reason like not being able to find a word processor advanced enough to document the business and/or project information. A few reasons this may be the case follow.

- Business managers that sponsor projects are not experts in project management. The care and nurturing of projects are merely a fraction of their job duties. Business managers simply need results. Many times they feel their responsibilities are complete if they simple identify the problem to someone (like a project manager) that is assigned to correct it. If it is the role of the project sponsor to create the charter, they may need some training in order to develop a charter that serves as a foundation for future project work.

- It is often not clear which role in an organization is responsible for developing a charter. Since the business manager has clearly identified the problem to someone assigned to help (the PM again), they will often revert back to other duties, leaving the task to the PM. The 5% rule now comes into play: If a single task is assigned to 2 people equally, each will take 5% ownership of it's' completion. It should be clearly documented in an organizations project methodology which role is responsible for developing the charter.

- Even when it is clearly the responsibility of the project manager, project charters are often developed half-heartedly, leading to unclear vision from the beginning of the effort. Many times the project manager has not been a party to the business discussions leading to the birth of the project. Once assigned, it is often seen as a sign of weakness as a PM to need to go back over territory already covered. What PM wants to acquire the reputation of not being able to jump in with both feet and get the project moving? Revisiting lofty ideas such as business objectives, goals and critical success factors can come across as being overly process-oriented and not focused on achieving results. As a result, many PM's will move forward with the uneasy feeling that they are missing something.

As a project manager, what is your role and responsibility when it comes to chartering projects? Well, since you likely do not control the funds

needed to sponsor a project, it is unlikely that you will have the gravitas (my favorite word from a previous election cycle) to charter them yourself. Basically, it comes down to this. The business managers will unlikely put together a suitable charter. However, this does not mean that you should accept this shortcoming and move forward anyway. Remember, you are ultimately responsible for the success of the project, so it is in your best interest, in fact your responsibility (especially if you are a PMP) to insure an appropriate charter is in place before moving forward.

Here are some items you should make certain are addressed through whatever chartering process your organization employs. If your company doesn't even recognize the word charter, you may need to introduce these concepts a little at a time and walk them through the process with using any official sounding terms like 'charter', 'mission statement' or 'vision document'.

- o Identify/recruit a project sponsor/champion – There needs to be a single business manager that has interest enough in the project to be the guardian of its funding and a representative to the rest of the management team. The person must understand the business need and objectives of the project. If you can't find one, there is a problem. Projects are (or should be) executed to achieve business objectives. If no one cares about the objective enough to be champion, management should be asking 'why are we doing this project at all'.

  The PM is sometimes put in this position, but it is rarely effective. A project manager in a meeting with business managers ends up like a server at your favorite chain sit-down eatery ("Hi, my name is Carl and I'll be your server, err, ah, project manager today.")

  If you find yourself on a project without a clear sponsor/champion that operates in the management ranks, your best solution is to find one quick. Without one you will be in some difficult spots very soon. It is a rare PM that can push back against the demands of the business managers without succumbing to de facto adoption of every scope addition they can dream up.

  A project without a clear sponsor or champion will be seen by business managers as a 'free' resource to get anything they need done that can remotely be related to the original objective. (Think of a bill going through congress and having all manner of additional spending attached to it that couldn't stand on its own). This will result in the project having as many objectives as there are stakeholders and a project manager trying to satisfy the demands of many masters.

o Assign a dedicated project manager – Hopefully, this has occurred and that is why you are on this project. This aspect of chartering is mostly outside of the control of the project manager, but here are some aspects where you may have some influence.

Project managers should be assigned as early in the planning process of projects as possible. Often, business managers assume planning the goals, objectives, critical success factors and other lofty aspects of business and projects fall under their purview and theirs only. However, even if project managers are only there to listen, it will dramatically improve their ability to manage the project later on, especially when scope that doesn't help achieve the original objective tries to creep into the project plan.

You should push to be involved as early as possible in the project selection and chartering process. Your success depends on it.

o Document the business need for the project – If a project already has a sponsor, you might assume documenting the business need has already been accomplished. This is often not the case. Many times a project sponsor inherently knows the benefit but doesn't formally describe or document it. If this sponsor leaves the company or becomes disassociated with the project, who will step in and fill the void if the business need is not clear?

Sometimes, business managers volunteer to be a champion because the project has a high profile and they wish to be involved in some way. If this is the case, how will the project survive rough seas like company cutbacks or a new CIO that wants to review every IT project before re-prioritizing? If the business need is documented well, even the project manager will be able to explain its value to the organization.

Understanding the business value because it will help you keep yourself and your team motivated. Most people will perform at a higher level when the objective of the project has a significant impact. Even if the impact is not grand, having a clear understanding of the value and its beneficiaries will keep teams better motivated than when no one is certain of why the project is even being executed.

In cases where the business value is determined to be low or non-existent (these projects do exist), it is better to know this early and avoid unnecessary spending by the organization. If the organization initiates the project anyway, as the project manager you should

understand the increased risk of losing funding down the road and plan accordingly.

Whether the sponsor, senior management, project manager or all of the above write the project charter, a good one should address the following topics.

- Business need for the project – As described above, this is a key purpose of the charter. Without a clear, documented business need, a project is a ship without a compass (much less a GPS system) in uncharted water. The business need should indicate the type of benefits the project will produce to the organization such as:
  - Cost reduction
  - Revenue increase
  - Increased customer satisfaction
- Business case – The business case should translate the business need into dollars (or yen, pesos, euros, francs, etc.). Your organization should have a standard format for presenting business cases in order to evaluate multiple projects for selection.
- High-level project scope – This should be developed from information gathered primarily from the project sponsor. Since the sponsor is funding the project, it is important to understand their vision of the project before suffering the slings and arrows of the many potential stakeholders. Also, while the business need may be large, the project scope may be limited to specific areas.
- Critical success factors – Identify and document any aspects of the business, project, project team, schedule, deliverables, etc. that, if not achieved, would be detrimental to project success. Well understood and documented CSF's will aid in resolving conflict over project direction when tough choices must be made regarding project scope, schedule, cost or quality alternatives.
- Project constraints and assumptions – Document each of these early and revisit them often. They should be project level constraints and assumptions at this point, such as project funding limits, required completion dates, or quality demands.
- Authority of the project manager – The charter should lay out the responsibility of the project manager to clarify their role when dealing with the stakeholders and organization. Without this authority description, the project is reliant on the individual skill of the PM. If there is one role that must be

crystal clear to insure successful completion of the project, it is that of the project manager.

- Signatures – Getting signature on a charter may seem like a formality that if skipped is not a big deal (similar to developing the charter in the first place). Not true. Signing the charter represents a threshold that says, "I have read, understood and agree to the information contained in this project charter." Without a signature requirement of some sort, the charter is just another planning document that may or may not be reviewed and clearly understood by stakeholders. Without sponsor and management signature, how will stakeholders not closely associated with the project have clarity around the projects importance within the organization?

Finally, there are often conflicting opinions as to whether the sponsor, senior management or the project manager should be responsible for developing the charter. In theory, the best case is for the sponsor to develop the charter, but realistically this is often delegated to the PM once the business need is identified (perhaps superficially) and the project manager is assigned. IMHO, if the charter is developed with discipline, rigor and participation of appropriate key stakeholders, who does the writing and stewarding through the process of development becomes less important.

Happy Chartering!