

Charter How-to Guide

This How-to Guide should be used to complete the Charter.

Purpose

The Charter identifies the project scope, objectives, timeline, and stakeholders. It serves as a reference point throughout the project and helps the team to:

- define the project
- organize critical pieces of information about the project in one place
- establish agreement between management and the project team
- build understanding, consensus, and clarity

When to Use a Charter

The Charter is completed at the beginning of any project and is a primary deliverable. Typically, the Charter is created after the Proposal has been accepted. Since both deliverables contain similar information, the Proposal can be used as a starting point for filling out the Charter, as long as the information is up-to-date.

Related Documents, Tools, and Templates

The following documents, tools, and templates will be referenced in the How to Use section. Some of the documents identified may already be complete and provide content for the steps below. Others may be useful tools for completing the steps. These tools can be found at go.uillinois.edu/bpi_toolkit.

- Project Proposal
- Project Definition Worksheet
- Project Plan
- SIPOC (Supplier Input Process Output Customer) Diagram

How to Use a Charter

Note: Items #1 to #4 may already exist in the Proposal. Review and revise as needed.

If using the Charter template developed by the Business Process Improvement Shared Service, be sure to delete the instruction text in <angled brackets> as you complete each section on the template.

Complete the following steps to create a Charter:

1. Create an overview of the purpose of the project.

Describe the business case for the project (e.g., why is the project important, what key issues created the need for the project, etc.). A Proposal and Project Definition Worksheet are useful in developing a business case.

2. Create a high-level process map describing the process(es) involved in the project or use an existing SIPOC diagram.

Keep it at a very high level, using 6-8 steps and clearly indicate the start and stop points.

3. Develop a clear and concise problem statement.

Refer to the Project Definition Worksheet to develop the problem statement, which takes the form, “<What><Where><When><How much><How do you know>.”

4. Develop a goal or objective statement given the stated problem to be solved.

The Project Definition Worksheet can be useful in developing the objective statement, which should use the SMART criteria (objectives should be **S**pecific, **M**easurable, **A**chievable, **R**elevant, and **T**ime-bound) and could take the form, “Improve <primary metric> from <baseline level> to <target level> by <timeframe MM/YYYY>.”

In addition, key output metrics can be used instead of or in addition to the objective statement. The table provided in the template should be deleted if unused.

5. Identify the scope of the project.

- a. Further develop the high-level process map into a SIPOC diagram.
- b. In some cases, a more detailed process map may be required to sufficiently scope the project or project phases.
- c. Clearly identify process boundaries and areas of influence.

6. Develop the Project Plan.

Review the Project Plan How-to Guide and use the Project Plan Template to help with the following steps:

- a. Develop a preliminary project timeline, including tentative dates for milestone reviews.
- b. Identify project resources and their expected commitment level (e.g., total hours, average hours per week, % time).

7. Obtain agreement from the key stakeholders of the project, including the project sponsor, process owner, and project facilitator.

Ideally, the agreement should be obtained in writing, either via email or a signature from the key stakeholders.

Tips

- Involve the project team in the creation of the Charter.
- Be concise – the Charter should not exceed 2 pages.

References

George, M. L., Rowlands, D., Price, M., & Maxey, J. (2005). *The Lean Six Sigma Pocket Toolbook*. New York, NY: McGraw-Hill.

Pande, P. S., Neuman, R. P., & Cavanagh, R. R. (2002). *The Six Sigma Way Team Fieldbook: An Implementation Guide for Process Improvement Teams*. New York, NY: McGraw-Hill.

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