

# Introduction to the “Develop Project Charter” Process

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## Develop Project Charter – Inputs, Tools & Techniques, Outputs

In this lesson, we will review the inputs, tools and techniques, and outputs for the Develop Project Charter process. Remember that this process can be applied to start a project, a phase of a project or an iteration of a project.

### Inputs

The inputs of the “Develop Project Charter” process include the following:

- Project Statement of Work – the project statement of work identifies the products or services to be delivered by the project. For internal projects, if one has been developed, this would be provided by the project sponsor or initiator. For external projects, the statement of work is provided by the customer in a contract or other procurement document. In most cases, you would more likely have a statement of work for an external project than for an internal project.
- Business Case – the business case justifies the project and also usually comes from the initiator or sponsor of the project. In some organizations, the business case is developed concurrently with the project charter.
- Contract – a contract would be an input if the project is being performed for an external customer. Besides a statement of work, the contract would also provide conditions which may result in project team constraints.
- Enterprise Environmental Factors – generally, enterprise environmental factors are factors which may influence the execution of the process, limit the project team options or provide operational conditions or rules. In the case of the “Develop Project Charter” process, factors can include but are not limited to government regulations or standards, marketplace conditions, organizational structure, industry standards, and risk tolerances.
- Organizational Process Assets – generally, organizational process assets aid in the execution of the process. For the “Develop Project Charter” process, this could include templates, Project Management procedures, organizational standards, processes and procedures, and historical information.

## Tools and Techniques

The only tool or technique specified for the “Develop Project Charter” process is “Expert Judgment.” Expert judgment can come from many sources such as Subject Matter Experts (SME’s), consultants, other project managers, stakeholders, customers, and the Project Management Office.

## Output

The only output of the “Develop Project Charter” process is the “Project Charter.” The Project Charter provides a project vision or purpose along with supporting project objectives and high level requirements. Possible components of the project charter include:

- Project description
- High level risks
- Summary milestones (high level schedule)
- Summary budget
- Approval requirements
- Assigned project manager
- Approval by the project sponsor

The authorization or approval of the project charter is usually provided by someone external to the project team such as a project sponsor, a governing committee, or a project management office.

## Tips for this week’s lessons

- Understand the definition of a project statement of work and how this may be an input to the project charter.
- Be able to articulate the business case for a project. A business case is not always a financial justification of the project.
- Know the difference between enterprise environmental factors and organizational process assets.
- Be able to articulate how expert judgment aids in the development of the project charter.
- Become familiar with the components of a project charter.
- Remember that the primary function of a Project Charter is to authorize the project to exist.

### **True or False?**

1. A contract is an output of the develop project charter process.
2. The “Develop Project Charter” is a process in the “Integration Management” knowledge area.
3. The “Develop Project Charter” process is a process within the Initiating process group.
4. Expert judgment is an input to the “Develop Project Charter” process.
5. A project charter may be authorized by the project manager.
6. A template is an example of an enterprise environmental factor.
7. The project charter should identify the assigned project manager.
8. The business case is a tool or technique of the “Develop Project Charter” process.
9. A summary budget would be an input to the “Develop Project Charter” process.
10. A lessons learned database could be an organizational process asset.

### **Answers**

1. False
2. True
3. True
4. False
5. False
6. False
7. True
8. False
9. False
10. True

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