

Start Up Screen

# Completing Project Charter

## Take Aways



# Elements of Project Charter

## Business Case

Highlights the current situation from customer & business perspective, it also provides a justification to change the current state

## Problem Statement

Clearly defines & quantifies the pain

## Project Goal/ Objective

Quantifies the goal & establishes the project due date. Sets realistic targets

## Project Scope

Identification of process & project boundaries to ensure project can be completed in 3 to 4 months

## CTQ & Metrics

The Voice of Customer (VOC) must be heard, understood, & included when defining a project. Includes Primary & Secondary Metrics

## Team Members

- 👉 Team members include: Approvers, Resources, Members & Interested parties
- 👉 Timelines & Tollgates

## Potential Benefits

Project Benefits, both financial & non-financial are highlighted during the commencement of the project

# Example of Project Charter

<b>Project Name</b>		Reduction of Maintenance Costs in Landscaping																			
<b>Process name</b>		Maintenance		RYLAN TOMKINSON																	
<b>Sub Process Name</b>		Black Belt Sponsor		TONY STARKE																	
<b>Business Case</b>		<b>Problem / Opportunity Statement</b>		<b>Goal Statement</b>																	
The estate campus of AlphaBeta BPO Services consists of Buildings, Landscapes, Vehicle Parking, Canteens and other infrastructural utilities. With the increasing business opportunities and employee strength it is becoming essential for the organization to look at optimizing maintenance services to look at significant part of operating cost of the estate. The objective of the working facility through the world class services to the best in the estate.		The costs incurred for the maintenance of the Estate is as high as Rs.25 per sq ft p m. This has a direct hit on the operating costs of AlphaBeta BPO Services. There is an additional pressure on looking at a cost of Rs.30 per sq ft p m.		To reduce the maintenance costs of the AlphaBeta BPO Services Estate from the current Rs.25 per sq ft p m to Rs.22.5 per sq ft p m without disturbing the working ambience by 15th Aug 12.																	
<b>Project Scope Includes</b>		<b>Project Excludes</b>		<b>Project Milestones</b>																	
Entire Estate maintenance costs including power, water, landscape, utility, spares holding costs, breakdown opportunity cost, labour cost and contract cost in housekeeping & AMCs, security, maintenance advertisement, communication costs of common services and cost elements that come under the Rs.25 p sq ft p header. The area under the project is 116,000 sq ft.		Infrastructural development and restacking costs incurred for expansions, relocation, statutory revisions, corporate directed sop.		<table border="1"> <tr> <td><b>Start Date:</b></td> <td><b>End Date:</b></td> </tr> <tr> <td><b>Target Date</b></td> <td><b>Actual Date</b></td> </tr> <tr> <td><b>Toll gate</b></td> <td><b>Review Date</b></td> </tr> <tr> <td>Define</td> <td>20</td> </tr> <tr> <td>Measure</td> <td>25</td> </tr> <tr> <td>Analyze</td> <td>30</td> </tr> <tr> <td>Improve</td> <td>30</td> </tr> <tr> <td>Control</td> <td>15-Aug-12</td> </tr> </table>		<b>Start Date:</b>	<b>End Date:</b>	<b>Target Date</b>	<b>Actual Date</b>	<b>Toll gate</b>	<b>Review Date</b>	Define	20	Measure	25	Analyze	30	Improve	30	Control	15-Aug-12
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Define	20																				
Measure	25																				
Analyze	30																				
Improve	30																				
Control	15-Aug-12																				
<b>Project CTQ Details</b>				<b>Project Comments</b>																	
<b>Process CTQs</b>		<b>Unit(in %)</b>		<b>Target</b>																	
		Rs./ft/month		25      22.5																	
<b>Sub Process CTQs</b>		<b>KV A</b>		<b>Project Charter Sign Off ( With date)</b>																	
Total Targeting of common services		Subjective Rating		Sponsor: TONY STARKE																	
Comfort Level of Employees				GB/BB: RYLAN TOMKINSON																	
				BB/QL: GUPTA SINGH																	
<b>Project Translation Plans</b>				<b>Project Benefits Estimate</b>																	
Can be used as a baseline for new buildings				Maintenance Cost Reduction : Benefits of Rs.8.7 lacs for year 2012(Oct to Dec) Financial Benefits of Rs.34.8 lacs annualized.																	

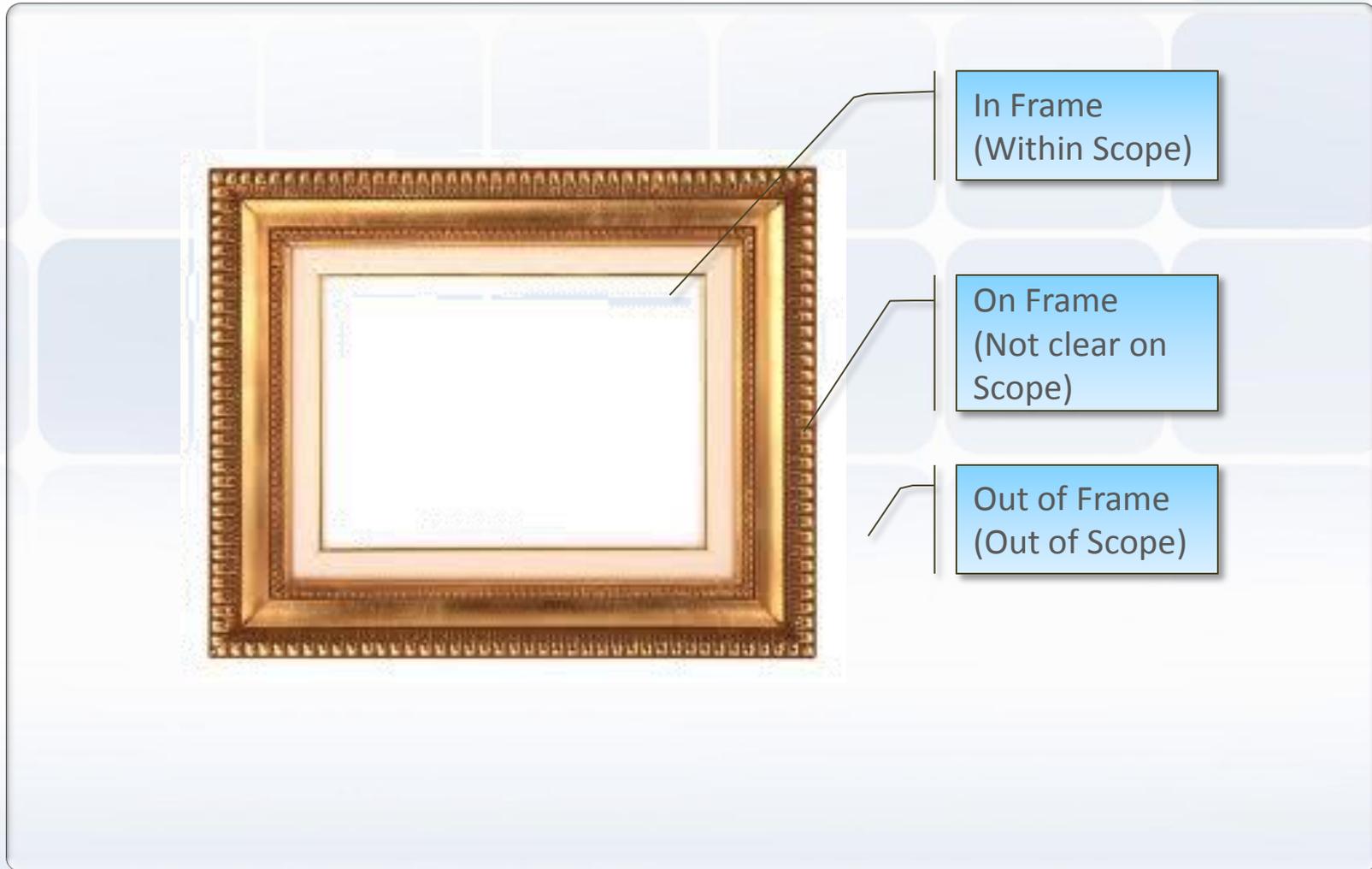
Roles & Responsibilities					
Name	Approver	Resource	Member	Interested Party	Time Commitment
RYLAN TOMKINSON					
BEN RIGSON					
SUSAN DILLON					
PREETI SINGH					
ANTONY SPARK					
TONY STARKE					
RAJESH GUPREET					
VIVEK SINGH					
SHANE HUMMER					

Estimated Benefits( Enter details for columns whichever are applicable)						
Hard Gains	Unit	Amount	Assumptions	Soft Gains	Unit	Assumptions
FTE Reduction				Customer Retention		
Productivity Impact				Expansion of Customer Base		
Rework Elimination				Sigma Increase		
Higher Accuracy level				End Customer Satisfaction		
Defects Reduction				Employee Satisfaction		
Complaints Rectification				Shareholder Satisfaction		
Digitization				Ease of work		
Decrease of QA/QC				Digitization		
Operating Cost				Faster Accessibility		
				Management controllership		

# Primary and Secondary Metrics

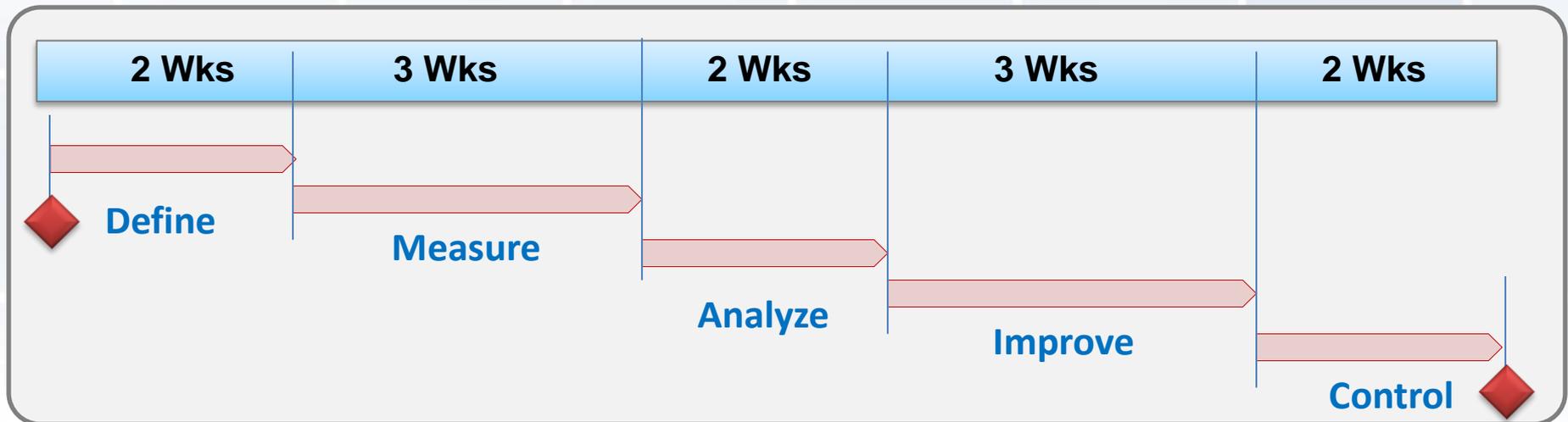
	Primary Metric	Secondary Metric
DMAIC	One	Many
DFSS	Many	Many

# In Frame / Out Frame



# Project Duration Guidelines

A good six sigma project should take no longer than 12 to 16 weeks to complete

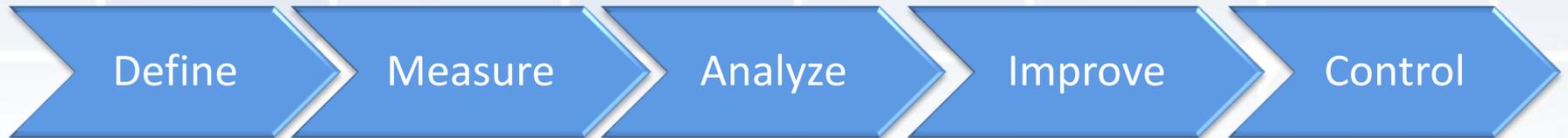


- 👉 For large scope projects, duration relaxed by extra month
- 👉 Not recommended to plan projects with large scope
- 👉 Scope of a project is revisited to keep project within above guidelines

# Project Benefits

Projects Benefits are:

- 👍 Tangible impact on customers, employees & business
- 👍 Quantifiable in \$\$ terms or other key performance indicators of business



'Gestimation'  
(Guessed  
estimation) of  
Benefits



Quantification of opportunity



Validation of benefits

Financial  
Benefits

Estimation based  
on Pilot results



Computation of  
actual benefits



Financial Benefits  
Sign-off

## We are a Consulting & Management firm & help clients in:

- Deriving & executing **Business & Functional Strategies**
- Making **Customer Experience** a competitive advantage
- Improving profitability by leading **Business Transformation** initiatives

## Consulting Clientele

