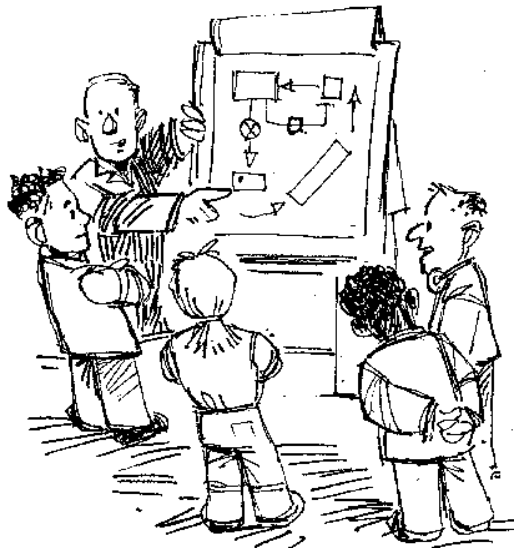
Continuous Improvement Toolkit

Project Charter


Managing Risk
PDPC
FMEA
RAID Logs
Fault Tree Analysis
Risk Assessment*
Traffic Light Assessment
Deciding & Selecting
Pros and Cons
Importance-Urgency Mapping
Break-even Analysis
Cost -Benefit Analysis
Force Field Analysis
Voting
Pugh Matrix
Decision Tree
TPN Analysis
QFD
Matrix Diagram
Kano Analysis
Prioritization Matrix
Critical-to Tree
Paired Comparison
Planning & Project Management*
RACI Matrix
Stakeholders Analysis
PEST
PERT/CPM
Activity Diagram
SWOT
Project Charter
Roadmaps
Gantt Chart
PDCA
Control Planning
Gap Analysis
Hoshin Kanri
Kaizen
How-How Diagram
Tree Diagram**
Standard work
Lean Measures
KPIs
OEE
Capability Indices
MSA
RTY
Descriptive Statistics
Cost of Quality
Reliability Analysis
Graphical Analysis
Cause & Effect Matrix
Pareto Analysis
Understanding Cause & Effect
Confidence Intervals
Probability Distributions
ANOVA
Hypothesis Testing
Design of Experiments
Scatter Plot
Correlation
Regression
5 Whys
Chi-Square Test
Multi-Vari Charts
Relations Mapping*
Identifying & Implementing Solutions***
Simulation
TPM
Mistake Proofing
Pull Systems
JIT
Ergonomics
Work Balancing
Automation
Bottleneck Analysis
Visual Management
Flow
Value Analysis
5S
Understanding Performance
Run Charts
Control Charts
Benchmarking
Sampling
Fishbone Diagram
TRIZ***
Brainstorming
Analogy
SCAMPER***
Nominal Group Technique
Mind Mapping*
Affinity Diagram
Attribute Analysis
Lateral Thinking
Visioning
Creating Ideas**
Wastes Analysis
SMED
Time Value Map
Process Redesign
IDEF0
Value Stream Mapping
SIPOC
Flow Process Chart
Process Mapping
Flowcharting
Service Blueprints
Designing & Analyzing Processes
Data Collection
Focus groups
Interviews
Photography
Check Sheets
Measles Charts
Surveys
Critical Incident Technique
Observations

- Project Charter

- It is a one page document that is used to summarize the findings of the project definition.
- It is critical for obtaining leadership commitment to provide the necessary resources.
- It enables all the stakeholders to review the project and commit to it.
- It is used to establish formal project approval processes.



- Project Charter

- It should provide clear answers to the following questions:
  - **What** must be done?
  - **Why** doing it?
  - **When** must it be done?
  - **Where** must it be done?
  - **Who** does what?
    - Who is behind the project?
    - Who is responsible for the success of the project?
    - Who is funding the project?
    - Who is performing the work?

- Project Charter

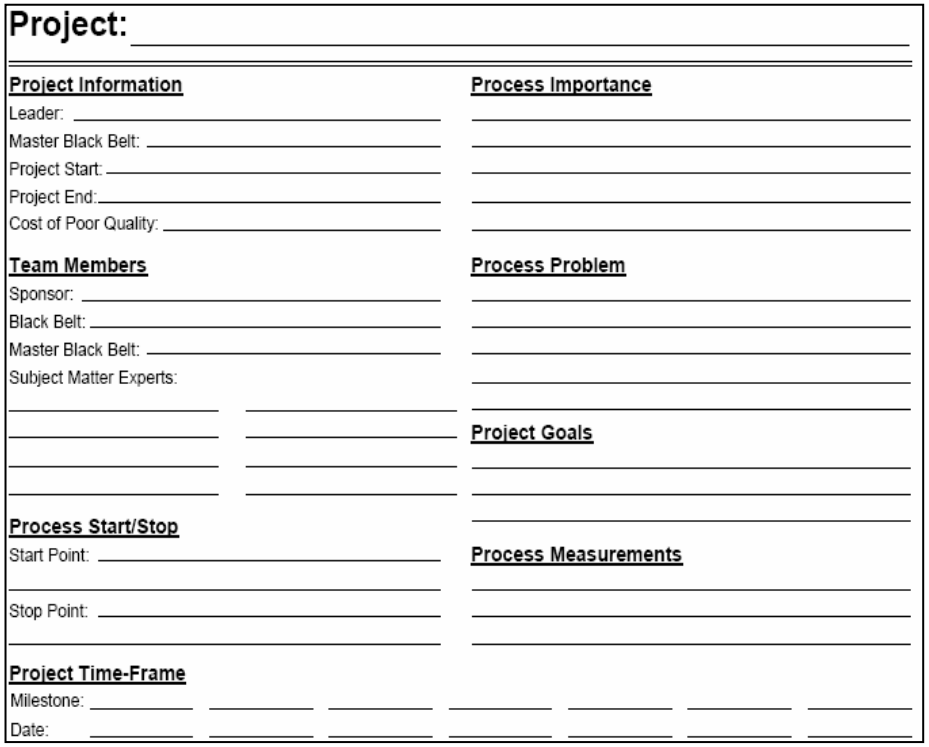
What

Why

When

Where

Who



Project: _____

Project Information

Leader: _____

Master Black Belt: _____

Project Start: _____

Project End: _____

Cost of Poor Quality: _____

Team Members

Sponsor: _____

Black Belt: _____

Master Black Belt: _____

Subject Matter Experts:

_____ _____

_____ _____

_____ _____

_____ _____

Process Start/Stop

Start Point: _____

_____

Stop Point: _____

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Project Time-Frame

Milestone: _____ _____ _____ _____ _____ _____ _____

Date: _____ _____ _____ _____ _____ _____ _____

Process Importance

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Process Problem

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Project Goals

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Process Measurements

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- Project Charter

- Any improvement activity/project can be progressed using one of the following approaches:
  - Just-do / quick wins.
  - Kaizen.
  - **Lean.**
  - **Six Sigma.**
  - **Traditional Project Management (PM).**

- Project Charter

Why Project Succeed?

- Project Sponsorship at executive level.
- **Relevant and customer-focused project charter.**
- Sound project management skills and practices.
- The right mix of team players.
- Good decision making structure.
- Good communication.
- Team members are working toward common goals.

- Project Charter

Benefits:

- One page document that enables all the stakeholders to review the project and commit to support.
- Establishes a shared understanding of the project scope and objectives.
- Specifies necessary resources and boundaries that will in turn ensure success of the project.
- Focuses on areas that are within the strategic scope of the organization.
- Communicates objectives to those outside the project team.

- Project Charter

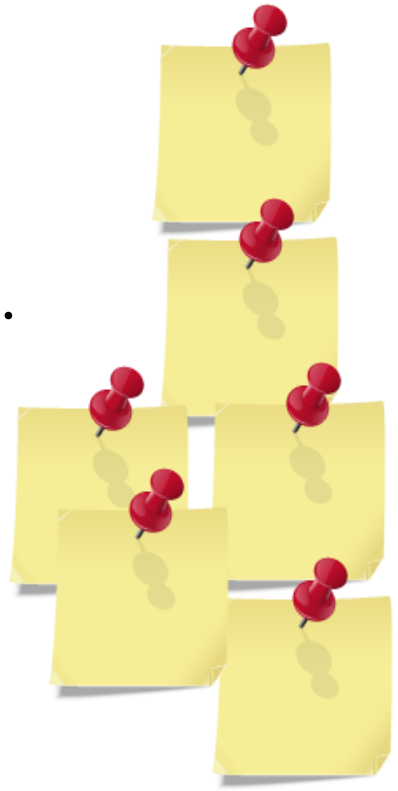
A Typical Project Charter Contains:

- Project title.
- Project leader.
- Project team.
- Problem and goal statements.
- Project scope.
- Project start and completion dates.
- Voice of the customer.
- Kips and project metrics (including the big Y).
- Signatures (the project sponsor, the process owner, the project leader, a financial representative).

- Project Charter

Optional Elements:

- Project approach.
- Other project stakeholders.
- Cost of poor quality.
- Financial analysis (e.g.: cost and benefit analysis).
- SIPOC.
- Critical to quality characteristics.
- Defect definition
- Risks, assumptions, issues and dependencies.
- Deliverables.
- Required resources.
- Milestones.

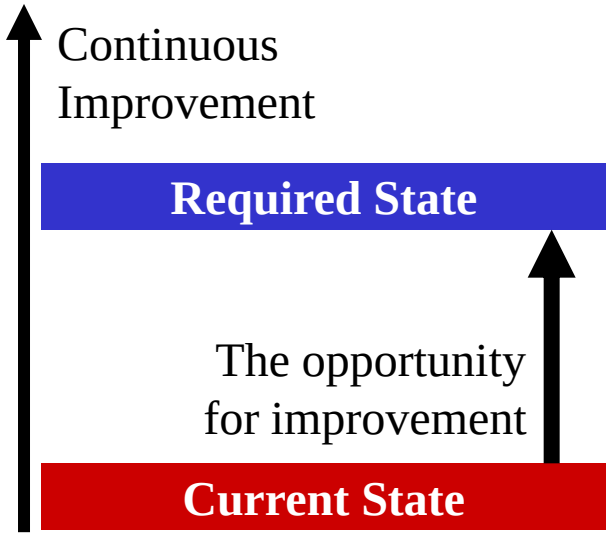


- Project Charter

Problem Statement:

- A problem exists when there is a difference between where we are and where we want to be.
- A brief, but specific, description of the problem.
- They should clearly explain:
  - What the problem is?
  - When and how often it occurs?
  - What is the impact/cost is when it occurs?
- No problem means No improvement!

There is always room for improvement



- Project Charter

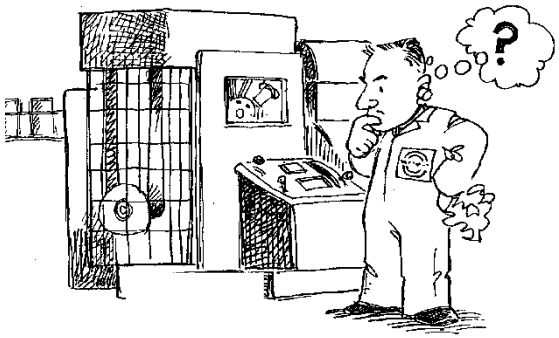
Goal Statement:

- The goal statement responds to the problem statement and defines the target for the project.
- Should be as brief and should not use technical language.
- The SMART checklist can help:
  - **S:** Specific.
  - **M:** Measurable.
  - **A:** Achievable.
  - **R:** Results Orientated.
  - **T:** Time bounded.

- Project Charter

Example:

- **Problem Statement:**
  - Oil Refilling System using drums in line 3 for bodymakers & cuppers is time consuming, difficult to observe and record oil consumption per machine and difficult to control oil losses which are 5% per each drum.
- **Goal Statements:**
  - Improve the oil refilling system for line 3 for bodymakers and cuppers before March'07 and reduce the time consumed for manual handling, and have better control on the oil consumption and reduce oil losses to 0%.



- Project Charter

Project Scope:

- What is involved?
- Have the **boundaries** of the project been clearly defined?
- The more specific the details the less a project may experience.
- **Define:**
  - Products, services, processes.
  - Departments and units.
  - Locations, areas.
  - Customers and suppliers.

- Project Charter

The Project Sponsor:

- The Project Sponsor is the individual (often a manager or executive) with overall accountability for the project.
- **A project sponsor:**
  - Ensures the alignment of the project with the strategic priorities.
  - Assigns the different roles in preparing for the project.
  - Obtains funding and resources.
  - Manages conflicts and resolve issues.
  - Approves costs, deliverables, schedules and outcome.

- Project Charter

The Project Leader:

- Provide Purpose
- Plan
- Establish shared ownership
- Lead and Facilitate
- Motivate and Inspire
- Communicate and Engage
- Monitor
- Track and Complete on time

- Project Charter

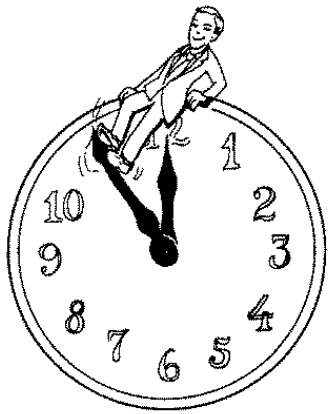
The Project Team Members:

- Ensure all the relevant processes are represented in the team that you select.
- Pick the right people and don't just end up with those available.
- Don't include too many people, you can always call in additional support at the right time.
- Select people who are trained on basic improvement tools and techniques.

- Project Charter

Project Time-Frame:

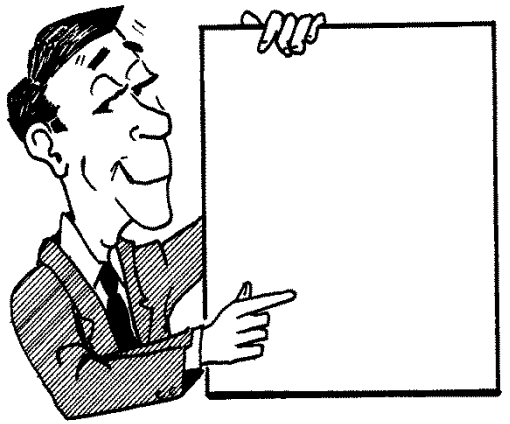
- In the project charter, it will only be possible to assign approximate completion date.
- Milestones are essential part of any project as they ensure clear deliverables at every stage.
- Milestones also provide regular opportunities to review progress:
- Key points for successful review:
  - The whole project team should be involved.
  - Other stakeholders should be present (e.g. the sponsor).
  - Provide summary to date.
  - Allow time for questions.
  - Present next steps clearly.



- Project Charter

Characteristics of a Good Project Charter:

- It should be clear.
- It should be concise (Not more than 2 pages).
- It should be developed by consensus.
- It should be customer focused.
- It should contain realistic and achievable objectives.
- It should be a live document and reviewed and updated on a regular basis.



- Project Charter

Example:

PROJECT NAME:

- **Linkage to Strategic Plan or Regulatory Requirements:**
- **Problem Statement:** **Goal/Benefits:**
- **Scope:** **Deliverables:**
- **Resources Required:**

KEY METRIC(S):

MILESTONES:

Description	Date
#1	
#2	
#3	

Executive Sponsor: **Improvement Leader:** **Process Owner:**

- Project Charter

Example:

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Project End: _____

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Team Members

Sponsor: _____

Black Belt: _____

Master Black Belt: _____

Subject Matter Experts:

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Process Start/Stop

Start Point: _____

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Project Time-Frame

Milestone: _____ _____ _____ _____ _____ _____ _____

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Process Problem

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Project Goals

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Process Measurements

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- Project Charter

Example:

"Project Title"			
1. Problem Statement (A brief, but specific description of the problem)		**2. Goal Statement** (Defines the target for the project)	
3. Project Leader (Black Belt, Green Belt, Project Manager)		**4. Project Approach** (Six Sigma, Lean, Kaizen, Just-do)	
5. Project Team		**6. Stakeholders** (Any party who may have an interest in the project)	
Name	Role	Name	Role
7. Voice of the Customer (VOC) (Identify the key Customers & their needs)		**8. Critical to Quality (CTQ)** (Characteristics important to customers)	
9. Metrics / KPIs (Unit of measure)		**10. The Big Y** (The key metric to improve)	
11. Scope of the Project (What is involved and what is not in terms of products, departments, locations, processes etc...)			
12. Estimated Financial Benefits / Cost of Poor Quality (COPQ)		**13. Defect** (Definition, levels, costs)	
14. Assumptions / Constraints / Risks / Dependencies			
15. Start Date		**16. Estimate Completion Date**	
17. Signatures *(The Signatures of the people below document approval of the formal Project Charter)*			
(The Project Leader is empowered by this charter to proceed with the project as outlined in the charter)			
Position/Title	**Title/Printed Name/Signature**		**Date**
Project Leader			
Project Sponsor / Champion			
Process Owner			
Other Stakeholders			

- Project Charter

Further Information:

- The rapid pace at the beginning of the project indicates that the project has the support and the recourses it needs to succeed.
- Sometimes the project should be stopped at the beginning:
  - The potential benefits might not be sufficient.
  - The availability of resources might be an issue.
  - What else?

- Project Charter

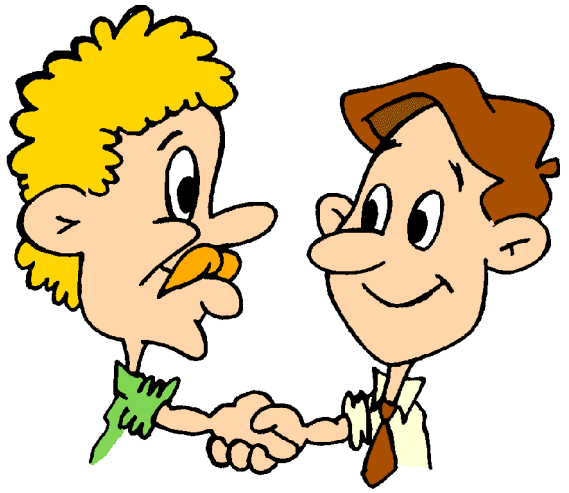
Project Closure

- An important part of the overall project lifecycle and the bookend to the project charter.
- It brings things to the ended state in a formal approved way.
- All projects are designed for a specific period of time and the process of project closure is an important aspect of project management.
- Used as the formal hand-off of the project to the process owners.
- It is important to keep this information and inject the knowledge into other projects.

- Project Charter

Project Closure:

- A formal report that is created to formalize how successfully the project has performed against:
  - Project objectives.
  - Original business case.
  - Project plan, scope, budget and allocated timeframes.
- At this stage, a formal acceptance from the main stakeholders is gained to indicate their sign-off on the project.



- Project Charter

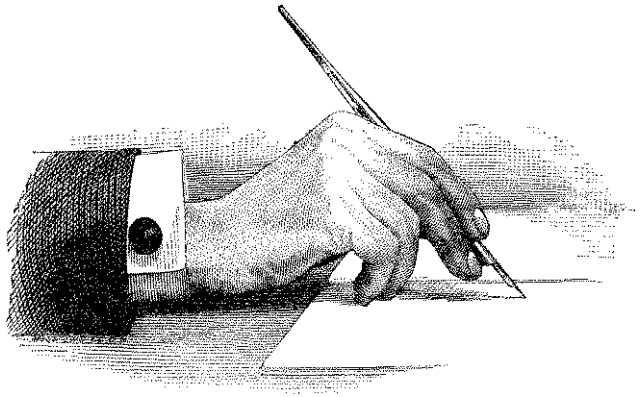
The Purpose of the Formal Closing of the Project:

- To address all issues generated by the project.
- To release staff from the project.
- To go through the best practices and the lessons learnt.
- To provide references to the control activities.

- Project Charter

Project Closure Tips:

- A good practice is to obtain signature of an independent group to confirm that the controls are:
  - In place.
  - Verifiable.
  - Sufficient to assure that the project benefits will continue to accrue.
- Once the project is completed, the project team might come together for what is called a Project Review Meeting.



- Project Charter

Example:

Project Closure		
Project (Number/Name):		**Project leader:**
Process/Product:		**Date of completion:**
Project description:		**Last updated:**
Project Deliverables	**Relevant Documents**	**Owner**
Benefits	**Controls In Place**	**Owner**
Financial Benefits:		
Defect Level (Initial/Final):		
Signatures	**Comments**	**Date**
Project Manager:		
Process Owner:		
Quality Systems / EHS:		
Financial:		
Management/Project Sponsor:		