Project Charter

A project charter is the short document that officially starts a project. The Project Management Institute describes it as a document issued by the initiator or the sponsor. It formally authorises the project and gives the project manager authority to use the organisation's resources. It is agreed at the start, before the detailed plan. It does not list every task. It answers why the project exists, what success looks like, and who may use the organisation's time and money. Karim, a project manager, keeps the signed charter where the whole team can see it.

1. Authority to Start

The charter is issued by the sponsor, the person who can commit people and money. It names the project manager and the decisions that person may make. The project manager often writes the draft. It is official only when the sponsor approves it. That approval turns an idea into work the organisation has agreed to do. Until then, the organisation's time and money stay uncommitted.

Example: A family holiday uses the authority to start. The trip stays a wish until the person who pays agrees the destination and the budget, and only then does that authority make it an agreed project.

At work: Karim drafts a charter for a new customer help desk. He uses the authority to start, so the draft stays unofficial until the operations director signs it and names Karim as project manager.

2. Purpose and Success

The charter states why the project exists: the problem or the opportunity it will address. It sets the objectives and the success criteria, so everyone agrees what success means before the work begins. High-level requirements say what the result must do, not how every detail will be built. These lines stay short on purpose. The fuller requirements are written later, during planning.

Example: A family uses purpose and success when it plans a room. "Improve the living room" is too vague to finish, while "paint the walls before the holiday" shows what success looks like.

At work: Karim writes that the help desk must open within a month, and that a customer should not wait for long. The sponsor will use that promise of purpose and success to judge whether the project worked.

3. Boundaries and Deliverables

The charter describes the project in broad terms and draws a line between inside and outside. It names the key deliverables, the main results the project must hand over. A clear boundary stops later arguments about extra work. If something important is outside, the charter says so in plain words. That other work can then be planned on its own.

Example: A birthday party uses boundaries and deliverables. The cake and the guests are deliverables inside the party, and a house renovation stays outside that boundary.

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At work: Karim's charter includes the desk, the staff training and the call scripts as the deliverables. A new telephone system is named as outside this project, so that extra work stays off the team's list.

4. Time, Money and Big Risks

The charter gives a summary schedule: a few big moments, not every task. It records the preapproved financial resources, the money the sponsor has already agreed the project may use. It also names the overall project risk, the main uncertainties known at the start. These are headlines, not the full plan. The detailed schedule, the full budget and the risk list come later.

Example: A home move uses time, money and big risks. The family notes the week of the move and a spending limit, plus the risk that the new flat is late, and those headlines guide the move.

At work: Karim's charter shows the opening milestone, a spending limit, and the risk that trained staff may be busy at the start. Those three lines are the headlines for time, money and big risks, before any detailed plan.

5. People and Sign-off

The charter lists the key stakeholders, the people who shape or approve the work. It states who decides success, and who signs off. It names the sponsor and the project manager's authority over the team and the money. When priorities clash, this page shows who can decide. A signature on the charter is the organisation's formal yes.

Example: A school fair uses people and sign-off. It names the organiser, the head teacher who approves the date, and the parents who help, so everyone knows who may decide.

At work: Karim's charter names the operations director as sponsor, Karim as project manager, and the branch supervisor as the person who accepts the desk. The sign-off on that page shows who may approve the finished help desk.

Conclusion

In summary, a project charter authorises the work at the start. It is not the detailed project plan. It gives authority, states the purpose and the success, draws the boundaries, and sets headlines for time, money and risk. It names the people who approve the work. The draft stays short enough to sign, the team waits for the sponsor, and everyone returns to the charter if the scope starts to drift.

Sources

- Project Management Institute: What is a project charter? – https://www.pmi.org/blog/project-charter
- Project Management Institute, A Guide to the Project Management Body of Knowledge: a project charter is a document issued by the project initiator or sponsor that formally authorizes the existence of a project and provides the project manager with the authority to apply organizational resources to project activities.
- Wikipedia: Project charter – https://en.wikipedia.org/wiki/Project_charter
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