

MODULE 2

Project Initiation and Scope Definition

Week 2 · 4 lessons · ~3 hrs

Lessons in this module:

- **Lesson 2.1** — The Project Charter — authorizing the project
- **Lesson 2.2** — Identifying stakeholders
- **Lesson 2.3** — Defining project scope
- **Lesson 2.4** — Collecting requirements

LESSON 2.1

The Project Charter — authorizing the project

The Project Charter is the document that formally authorizes a project's existence. It gives the project manager the authority to apply organizational resources. Without a charter, a project officially does not exist.

A Project Charter typically includes:

- Project purpose and business justification
- High-level objectives and success criteria
- High-level risks and assumptions
- Budget summary and milestone schedule
- Name and authority of the project manager
- Key stakeholder list

EXAMPLE

A company wants to implement a new ERP system. Before any planning begins, the sponsor signs a Project Charter that names the PM, sets a \$200,000 budget envelope, and defines the go-live target as Q3.

LESSON 2.2

Identifying stakeholders

A stakeholder is anyone who can affect or be affected by the project. Identifying them early is critical — missed stakeholders often become problems later.

Stakeholder identification steps:

1. Brainstorm all individuals, groups, and organizations involved
2. Review organizational charts and contracts
3. Classify stakeholders by interest and influence
4. Document findings in a Stakeholder Register

The Power/Interest Grid helps prioritize engagement:

Quadrant	Strategy
High power, high interest	Manage closely — key allies
High power, low interest	Keep satisfied — brief regularly
Low power, high interest	Keep informed — share updates
Low power, low interest	Monitor — minimal engagement

LESSON 2.3

Defining project scope

Scope defines the boundaries of the project — what is included and, just as importantly, what is excluded. Poor scope definition is one of the top causes of project failure.

Key scope documents:

- Project Scope Statement — describes deliverables, objectives, constraints, assumptions, and exclusions
- Work Breakdown Structure (WBS) — hierarchical decomposition of the total work into manageable components
- WBS Dictionary — detailed description of each WBS element

Scope creep is the uncontrolled expansion of project scope without adjusting time, cost, or resources. It is one of the most common project killers. Always route scope changes through a formal change control process.

LESSON 2.4

Collecting requirements

Requirements describe what stakeholders need from the project. They must be documented, traceable, and agreed upon before planning begins.

Techniques for collecting requirements:

- Interviews (one-on-one with key stakeholders)
- Focus groups and workshops
- Questionnaires and surveys
- Observation (watching current workflows)
- Prototyping (show a draft, collect feedback)

All gathered requirements are stored in the Requirements Traceability Matrix (RTM) , which links each requirement to its business objective and tracks it through delivery.

KNOWLEDGE CHECK

What is the primary purpose of a Work Breakdown Structure (WBS)?

- A) To identify all project stakeholders
- B) To decompose project work into manageable components
- C) To track project risks
- D) To schedule project activities

✓ **Answer: B — The WBS breaks the total project scope into smaller, deliverable-oriented components.**