

# The Product Charter

Posted on Mar 13, 2012, Posted by [Val Workman](#) Category [Product Management](#)

Instead of having me try to describe the charter, I thought it would be better to just post a charter template to provide a feeling of what you should be going for. The charter meeting is all about divergent and convergent open discussion. You need to facilitate the discussion. As you use the template you may feel that it was set up as a sales tool.

Product management is somewhat a sales role, and your degree of success as a product management team will depend somewhat on your team's leadership and sales capability. Regardless as to how well you do, something is better than leaving these things to assumptions. I can't tell you how many difficulties are avoided with just this one simple practice.

A similar concept is found in [New Products Management](#), by Merle Crawford and Anthony Di Benedetto (there is an older version available for less money that also covers this topic). In the book, they cover the product innovation charter pretty well, I just like my template better in practice. Let me know how it works for you.

The product charter keeps the outward-facing messaging about the product management initiative aligned with improvement strategy, business intent, and the communication plan. It helps maintain scope and focus during product roadmapping efforts, while enabling team consensus. It helps guide the expectations of product stakeholders, users, organizations, and internal communication channels. It provides the constraints and boundaries necessary to prevent cross-functional teams from going off into unknown waters, while maintaining a forward-moving pressure in change adoption.

The product management team can socialize the background, expectations, constraints and other important information that produces a repeatable, maintainable, and defensible decision process for the product initiative. This reduces ramp-up time, indecisive thinking, and reluctance or inability to execute. The charter provides documented boundaries for accountability, while delegating authority and responsibility.

The purpose of the charter is to provide direction to the overall product initiative, but specifically provide the information needed to develop these five product management assets:

- A product milestone roadmap
- Key Performance Indicators and the contributing metrics
- A strategy statement and diagram
- A communication plan
- A project plan

### Compelling Event

The compelling event is one method of determining when an initiative is complete. It provides insight into the initiative scope and expectations and hopes of the sponsor. This section of the charter attempts to answer the question: "What changes have taken place at my company or market that this charter must address?". In this section, we also need to indicate which of the six business drivers this change is most closely linked to. Remember we're looking for changes, just stating you must do more for less isn't a change.

- Client endorsement
- Cost
- Revenue
- Efficiency
- Sustainability
- Risk

**Business Change**

**Business Driver**

### Success Criteria

Success criteria helps keep the initiative focused, and provide drivers for the development of the key performance indicators used in scorecards, dashboards, and reports. This initiative will be declared a success if the following criteria are met.

1

2

3

4

5

6

7

8

### SLOR Analysis (Strengths, Limitations, Opportunities and Risks)

This situational analysis provides insight into additional opportunities that might be valuable, while providing a background for the product team. It also identifies risks that might need further attention during the innovation process.

#### Strengths

"What capabilities do you feel this team has that will help them succeed in this initiative?"

| Strength | Description |
|----------|-------------|
|----------|-------------|

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### Limitations

"What do you feel is currently limiting the success of this initiative?"

| Limitation | Description |
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## Opportunities

"By leveraging our strengths over this initiative, what opportunities does the team have to address these limitations?"

| Opportunity | Description |
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## Risks

"What risks to you perceive in realizing the opportunities identified?"

**Risk Description**

**Probability**

**(H,M,L)**

**Impact**

**(H,M,L)**

**Suggested Approach**

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[Empty rectangular box]

[Empty rectangular box]

[Empty rectangular box]

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### Driving Force

Each initiative has many objectives, but out of these objectives there is a top objective. This top objective is referred to as the Driving Force of the initiative, and is typically used in the naming of the initiative.

"Out of all the opportunities and success criteria identified, what is this initiative's top objective or Driving Force?"

DRIVING FORCE: Ranking of the other objectives

**Rank**

**Objectives**

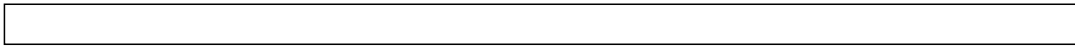


## Strategy Statement

's driving force establishes that future decisions concerning which project objective to invest in first, will be based on the following criteria in descending order.

**Rank**

**Objectives**



### Strategy Diagram

This strategy diagram becomes part of the communication plan. This diagram is intended to provide a high-level overview of the characteristics and capabilities of the initiative. It is developed from a user's viewpoint and is intended to communicate the overall vision of the targeted capability to the user, buyer, developer, and anyone else requiring a high-level understanding of the vision. The purpose of the strategy diagram is to describe to the stakeholders of the initiative how the product management team will function in practice. The functions of the product management team are included in the diagram, as well as the interactions of the users.

A clear understanding of how stakeholders will interact with the product initiative and how they interact with each other with regards to the innovation process is a crucial function of the strategy diagram.

Specifically, the main goals of the strategy diagram are to enable the stakeholders to evolve knowledgeably from their current and inadequate strategy concept to the new strategy concept, and to enable stakeholders to collaboratively adapt the strategy concept as new developments arise. Therefore, the strategy diagram description is written in the common language of all interested parties.

This diagram is typically made into a laminate that is shared within the product management community to help communicate the strategic intent of the initiative.

In order to create the strategy diagram, the information below needs to be collected and understood. The strategy diagram will address as many of the follow questions as possible.

- Who will be responsible for accomplishing which objective?
- What activities will address which objectives?
- When will the activities take place and where?
- What are the relationships and dependencies between the various roles mentioned?

### **Product Milestones**

During this initiative, the milestones listed below will be used to monitor the capabilities of each of the Seven Pillars of Product Management.

### **Market Sensing**

Milestone

Milestone

Milestone

### **Problem Definition**

Milestone

Milestone

Milestone

### **Opportunity Definition**

Milestone

Milestone

Milestone

### **Feature Definition**

Milestone

Milestone

Milestone

### **Roadmap Definition**

Milestone



Milestone

Milestone

### **Requirement Definition**

Milestone

Milestone

Milestone

### **Launch Definition**

Milestone

Milestone

Milestone

### **Governance**

Governance of product management becomes possible when the organization transitions from ad hoc processes to stable product management practices. As a result of stable practice,

people are able to come together around a common language creating norms that can be measured, monitored, and planned. This measuring, monitoring, and planning is the foundation of the deployment governance.

The governance plan should be developed, if one isn't specified, then at least discuss governance goals, objectives, and constraints.

### **Charter Review**

According to the predetermined intervals stated in the Governance section, the Charter Review meeting will serve to review the current initiative status, and ensure all charter objectives are on target for successful completion.

Interval: \_\_\_\_\_

Start Date: \_\_\_\_\_

### **Charter Sponsor Authorization**

Once this charter is authorized, changes to it will require the use of a formal change order.

Signature:

Date:

Name:

Title:

Tags: Tagged in: [product charter](#) [template](#)