- **Initiating Process Group**
  - Authorizes the Project
  - **Input**
    - Project Statement of Work [SoW]
    - Business Case
    - Contract
    - Project Charter
    - Proc. doc's
    - EEF
    - OPA
  - **Output**
    - Project Charter
    - Stakeholder register
    - Stakeholder mgmt strategy
  - **Processes**
    - 4.1 Develop project charter
      - Justifies Project
        Gives PM authority
        Planning Project to a high level
      - Select PM
      - EEF
      - OPA
      - Divide large P into phases
      - Understand the business case
        - Sound BC is needed to to select project
          Captures business needs
          Explains how P fits into strategic goal of orga
        - Project Selection
          - Benefits measurement method (comparative approach)
            - Murder board
            - Peer review
            - Scoring models
            - Economic models
              - Present Value PV
                - Value of today of future cash flows
              - Net Present Value NPV
                - Present value of total benefits - costs
                - Project with the greatest NPV is selected
              - Internal Rate of Return IRR
                - The higher the better
              - Payback period
              - Cost Benefit analysis
                - Compares expected costs to potential benefits
                - Greater 1 = Benefits are higher than costs
                  Smaller 1 = Costs are higher than benefits
              - EVA **[not earned value analysis]**
                - Economic value added
                  If project returns more value than initiative costs
              - Terms
                - Opportunity costs
                - Sunk costs
                - Working capital
                - Depreciation
                - Straight line depreciation
                - Accelerated depreciation
                - Double Declining balance
                - Sum of the Years digits
          - Constrained optimizations methods (mathematical approach)
            - Linear programming
            - Integer programming
            - Dynamic programming
            - Multi-Objective programming
      - Uncover initial requirements, assumptions and risks
      - Assess project & product feasibility within constraints
      - Create measurable objectives
      - Develop project charter
        - Content
          - Project Purpose
          - Measurable Project Objectives
          - High-Level Requirements
          - High-Level Project description [Product charact.]
          - Summary Milestone Schedule
          - Summary Budget
          - Project Approval Requirements [what constitutes success / who decides it / who signs off]
          - PM [Responsibility & Authority]
          - High level risks
          - Names & Responsibilities off persons authorizing Project Charter
        - Input
          - Project Statement of Work [SoW]
            - Created by customer/sponsor
            - Describes needs and project scope
            - May not be complete when received.
              Is refined in project scope statement
          - Business Case
          - Contract
          - OPA
          - EEF
        - Output
          - Project Charter
    - 10.1 Identify stakeholders
      - Stakeholders serve as technical experts
        Are part of the team
        Must be involved
      - Identify stakeholders
        - Identify ALL of them
        - Determine
          - Requirements
          - Expectations
          - Influence
          - Interests
      - Develop stakeholder mgmt. strategy
      - Tools/Techniques
        - Stakeholder analysis
          - PM can use:
            Initial list of stakeholders from project charter
            Related contracts
            - These stakeholders suggest further stakeholders
          - To acquire use data gathering techniques
            - Interviewing
            - Brainstorming
        - Expert Judgement
      - Input
        - Project Charter
        - Proc. doc's
        - EEF
        - OPA
      - Output
        - Stakeholder mgmt strategy
        - Stakeholder register