**PROJECT CHARTER**

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| **Office Consolidation Project** | The company currently has a branch office within a few miles of its main office. Due to a recent vacancy in building of the main office, the company has the opportunity to move the branch office into the same building as the main office. The branch office furniture, electrical wiring, and network wiring are old and were due for replacement shortly. By combining the two offices, the company will have the chance to update the infrastructure. The building owner is offering incentives that will help cover the costs of these needed upgrades.Commercial office rental rates are low now, and this effort will provide a chance to renegotiate and lock in lower rates for both the new space and the main office space. |
| **Objectives** | Bring branch office into the same buildingas the main office Reduce the monthly rent costs for the total office space Upgrade the furniture and wiring of thebranch office, using building creditsprovided by the building ownerImprove communication and cooperationbetween the two offices by combining theoffice space |
| **Size** | Medium The project will not affect the main office employees only slightly as construction proceeds. Branch office staff will be impacted through the move. Based on rough per-square-foot estimates, theoverall cost will be between $??MM and $??MM.These will be offset by landlord credits expectedto total $??MM. |
| **Criticality** | Medium Office space has been slow to change hands near the main office. The vacancy plus the lowerrental costs is an unusual opportunity. Because the branch office infrastructure is old, the project is also an excellent opportunity to make changesthat would be needed in two to five yearsanyway. We believe that the project will result in long-term savings for the company.The criticality is not “high” because the company could successfully operate in its current office space. |
| **Risk of Doing** | The move may disrupt the branch officeoperations (good planning will mitigate)Costs may be greater than expected,reducing the financial benefits of thereduced rent (good financial controls willmitigate)Communication benefits might not berealized (strong management action couldmitigate) |
| **Risk of Not Doing** | Rents may rise, forcing the company topay more expensive rates than offeredtoday Infrastructure upgrades in the branchoffice may be needed sooner thanexpected, and may disrupt the branch asmuch or more than the officeconsolidationCommunication between branch officeand main office may remain poor or getworse, due to physical separation of staff |
| **Interdependencies** | The move will need to be coordinated with the Branch Office Business Process Redesign effort.Schedules must be coordinated to take intoaccount the fact that branch staff will beunavailable during key time, such as the week of the move. |