# Glossary of Terms for Project Management

*This document covers the common terms used within the Project Management Framework.*

| **Term** | **Definition** |
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| Acceptance Criteria | A prioritised list of criteria that the project product must meet before the customer will accept the product or service. It is the measurable definitions of the attributes required for the set of products to be acceptable to key stakeholders. |
| Accountability | Being answerable for an activity, product or benefit. Accountability cannot be delegated. |
| Assumption | A statement that is taken as being true for the purposes of planning, but which could change later.  For example, initial calculations regarding outcomes in a business case may be based on assumptions such as the impact on the organisation. The assumptions need to be recorded for the project to be fully understood and to plan effectively.  Assumptions are normally recorded as part of a business case or project initiation document. An example of an assumption is that IT resources will be dedicated to the project. Business owner will be identified, security and access rights provided within agreed timeframes. |
| Benefit | A measurable improvement from delivering the project outputs that is perceived as an advantage by one or more stakeholders and contributes towards one or more organisational objectives. See below for an example. |
| Benefit Management | The identification, definition, tracking, realisation and optimisation of benefits within and beyond a programme. |
| Blueprint | A model of a business or organisation, it’s working practices and processes, and the information and technology needed to deliver the capability described in the Vision Statement. |
| Business Case | The justification for an organisational activity (strategic, programme, project or operational) which typically contains costs, benefits, risks and timescales, and against which continuing viability is tested. |
| Capability | The completed set of projects, or projects, outputs required to deliver an outcome. This exists prior to transition. It is a service, function or operation that enables the organisation to exploit opportunities. |
| Constraint | A restriction or limitation that a project is bound by. |
| Contingency | Something that is held in reserve, typically to handle time and cost variances, or risks. |
| Dependency | An activity, output or decision that is required to achieve some aspect of a project for example, release of a policy, security settings etc. It can be internal or external. |
| Exception | A situation may occur or has occurred that deviates beyond the tolerance levels agreed. |
| Gap Analysis | An activity that compares two sets of data and identifies the differences. Gap analysis is commonly used to compare a set of requirements with actual delivery. |
| Governance | The functions, responsibilities, processes and procedures that define how a programme or project is set up, managed and controlled. |
| Issue | An unplanned event is about to or has occurred and requires management action. It could be a problem, query, concern, change request or risk that has occurred. The objective is linked and supports the change required (outcome). |
| Objective | The intended goal of a programme, project or organisation. Objectives describe what the project aims to achieve. See below for an example. |
| Opportunity | An uncertain event that could have a favorable impact on objectives or benefits. |
| Outcome | The result of change, normally impacting the real-world behavior or circumstances of an organisation. Outcomes are a result of the activities undertaken by a project; they are the manifestation of part or all the new or future state conceived in the blueprint. See below for an example. |
| Output | The tangible or intangible artefact produced, constructed or created to meet the Project objectives. Output describe what a project delivers. Also see Product below. See below for an example. |
| Product | An input or output, whether tangible or intangible, that can be described in advance, created and tested. PRINCE2 has two types of products – management products and end (or specialist) products.  Management Product – a product that will be required as part of managing the project, and establishing and maintaining quality, for example, End Stage Report. Management products stay constant, whatever the type of project, and can be used as described, or with relevant modifications, for all projects.  End Product – a product whose development is the subject of the plan. The end products are specific to an individual project, for example, an advertising campaign, a new business process etc.  Also known as a deliverable or output. |
| Product Description | A description of a product’s purpose, composition, derivation and quality acceptance criteria. It is produced at planning time, as soon as possible after the need for the product is identified. |
| Programme | A temporary flexible organisation structure created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to an organisation’s strategic objectives. A programme is likely to have a life that spans several years. |
| Project | A temporary organisation that is created for the purpose of delivering one or more business products according to an agreed business case. |
| RACI | A widely used technique to define who is responsible for what on a project, or with a process. RACI typically stands for who is ‘responsible, accountable, consulted and informed’, with respect to certain deliverables or products or steps in a process. |
| Responsibility | The authority and expectation to deliver a task or activity or benefit; responsibility can be delegated. |
| Risk | An uncertain event or set of events that, should it occur, will influence the achievement of objectives. A risk is measured by a combination of the probability of a perceived threat or opportunity occurring, and the magnitude of its impact on objectives. |
| Scope | Scope defines a list of specific project goals, deliverables, features, functions, and tasks; it is what needs to be achieved and all the work required to deliver the project.  A well-defined scope can assist in identifying opportunities for a project and can also assist in controlling unauthorised changes to the project which may impact negatively on project deliverables (scope creep). Out of scope – defines the list of goals, deliverables, features, functions and tasks (which may be related to the objectives of the project) for which the project is not responsible.  **NB:**   * ‘Scope’ is not simply a listing of project deliverables, and * ‘Out of Scope’ is not a statement saying, ‘everything not covered by Scope’.   See below for an example. Product scope – defines the features and functions that characterises a product, or service. |
| Tolerance | The permissible deviation above and below a plan’s target for time and cost without escalating the deviation to the next level of management. There may also be tolerance levels for quality, scope, benefits and risk. |
| Transition | Pre- and post-implementation – all activities. Activities required to move from one state to the next e.g. Idea to Project and handover to business as usual. |
| Vision | The annunciation of a desired future state. |

* The **objective -** what the project is aiming to achieve.
* The **output** - what the project delivers.
* The **outcome** - how the business changes from the output.
* The **benefit** is the measure of the advantage gained by the organisation through achieving the outcome.

Examples

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| **Objective** | **Output** | **Outcome** | **Benefit** |
| *Implement e-commerce*  *Provide more services to customers online*  *Improve customer service* | *A new tool designed to facilitate customer self-service online*  *AND*  *New business processes designed to facilitate customer self-service online* | *Organisation moves to a digital service model* | *Improvements in services to customers*  *(additional details of why this is a benefit to the organisation would be added as part of the benefit description)* |

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| **Scope** | **Out of Scope** |
| *The project scope will include:*   * *The design of a new online customer self-service facility, with pre-population of customer information (where applicable)* * *Security of customer information* * *Tie-in with back end processes with immediate update* * *Training for staff in new customer service standards* * *Training for staff in new sales processes* | *The project scope will not include:*   * *Advertising of the new services to customers, that will be handled through a separate project* * *Reports* |