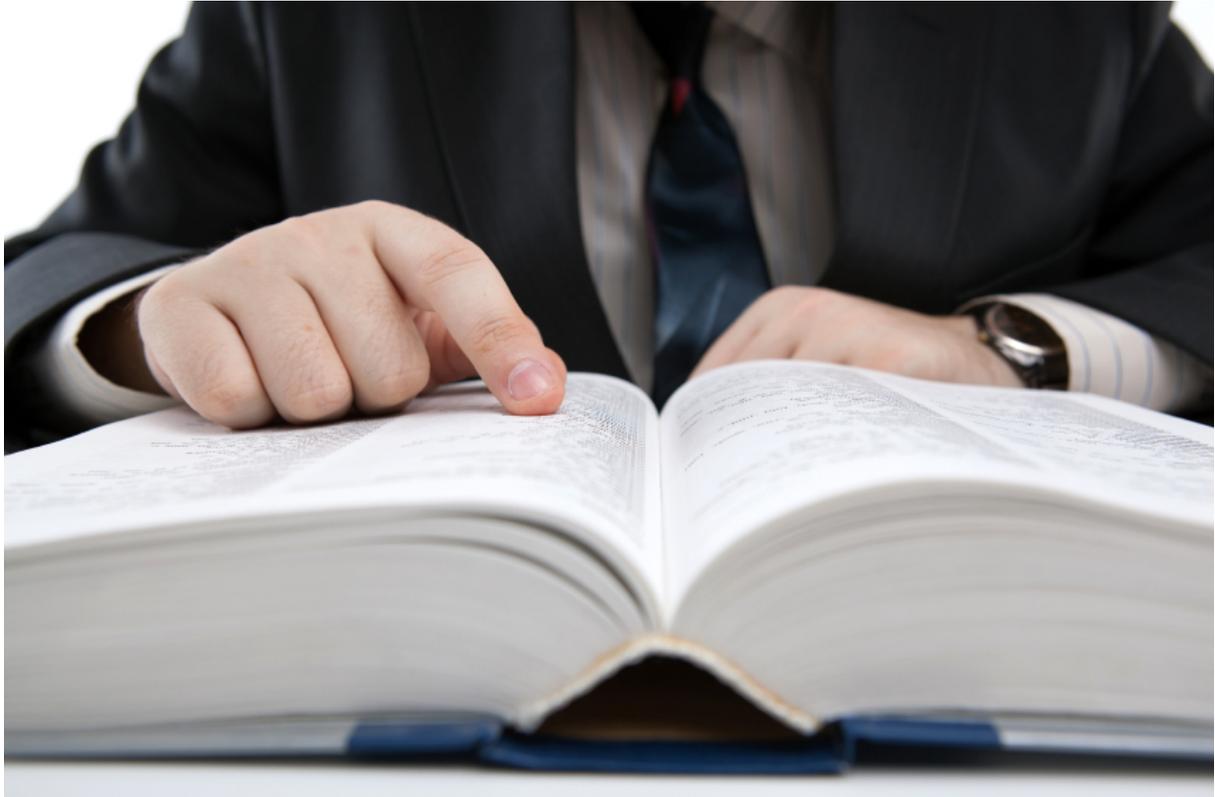

Project Management Glossary

Project Dictionary



Glossary of project management terms and acronyms used by project managers and business professionals. Understanding these terms and acronyms is an important first step towards success in project management.

Agile Project Management

The ideas from Agile software development applied to project management. Agile methods promote a process that encourages development iterations, teamwork, stakeholder involvement, objective metrics and effective controls.

Assumptions

Any factors that you are assuming to be in place that will contribute to the successful outcome of the project.

Balanced Scorecard

A performance management tool which began as a concept for measuring whether the smaller-scale operational activities of a company are aligned with its larger-scale objectives in terms of vision and strategy.

Baseline

A [baseline](#) is an approved configuration item, for example a [project plan](#) that has been signed off for execution. The baseline records the planned costs, schedule and technical requirements against which a project is measured.

BOSCARD

A strategic planning tool used to provide the terms-of-reference for new projects. The [BOSCARD](#) acronym stands for Background, Objectives, Scope, Constraints, Assumptions, Risks and Deliverables. These headings are commonly found in terms-of-reference and project initiation documents.

Business Case

A document recording the justification for starting a project. It describes the benefits, costs and impact, plus a calculation of the financial case.

CAPEX

Capital Expenditure (CAPEX) is the amount a company spends to buy fixed assets, or to add to the value of an existing fixed asset with a useful life that extends beyond the taxable year.

CAPM

Certified Associate in Project Management (CAPM) is a certification in project management managed by the Project Management Institute in accordance with their published ANSI standard A Guide to the Project Management Body of Knowledge, shortened to [PMBOK Guide](#).

Change Control

The practice of identifying, documenting, approving and carrying out changes within a project.

Constraints

The factors that you will need to consider during the life of the project that you cannot change. These may include deadlines, regulatory requirements and dependencies on other projects to deliver.

Cost Benefit Analysis

The [cost benefit analysis](#) is used to show the expected benefits of a project are sufficient to warrant the cost of carrying it out. Monetary units are usually used for the comparison.

Critical Chain Project Management (CCPM)

A method of planning and managing projects that puts more emphasis on the resources needed to carryout project tasks. It is the [Theory of Constraints \(TOC\)](#) applied to projects.

Critical Path

The [critical path](#) is the sequence of activities that must be completed on time for the entire project to be completed on schedule. It is the longest duration path through the work plan. If an activity on the critical path is delayed by one day, the entire project will be delayed by one day unless another activity on the critical path can be finished a day earlier than planned.

Critical Path Method (CPM)

A technique used to predict project duration by analysing which sequence of activities has the least amount of scheduling flexibility.

Critical Success Factor

A factor identified as essential to achieving a successful project.

Deliverable

A tangible or intangible object produced through project execution. A deliverable can be created from multiple smaller deliverables.

Delphi Technique

A method used to estimate the likelihood and outcome of future events. A group of experts exchange views, and each individually gives estimates and assumptions to a facilitator who reviews the data and issues a report. This process continues until consensus is reached.

Dependencies

Any events or work that are either dependent on the outcome of the project, or the project will depend on.

Earned Value

An approach where you monitor the project plan, actual work and work-completed value to see if a project is on track. [Earned Value](#) shows how much of the budget and time should have been spent, for work done.

Estimating

[Estimating](#) uses a number of tools and techniques to produce estimates. An estimate is an approximation of a projects timescale and cost that is refined throughout the project.

Float

The time a task can be delayed without delaying the project. Tasks on the critical path have no float.

Gantt Chart

A [Gantt chart](#) is a popular project management bar chart that tracks tasks across time. When first developed in 1917, the Gantt chart did not show the relationships between tasks. This has become common in current use, as both time and interdependencies between tasks are tracked.

Logic Network

A diagram showing the sequence of activities in a project across time. It shows which activity logically precedes or follows another activity. It can be used to identify the milestones and critical path of a project.

Milestone

A key event during the life of a project, usually completing project deliverables or other noteworthy achievement.

Monte Carlo Simulation

The [Monte Carlo Simulation](#) is a technique used to estimate the likely range of outcomes from a complex process by simulating the process under randomly selected conditions a large number of times.

MoSCoW

A prioritisation method is used to decide which project requirements must be implemented first and which come later or will not be implemented at all. [MoSCoW](#) stands for Must, Should, Could, Would. The o's are added to make the acronym pronounceable.

Murphy's Law

The law that says; "If anything can go wrong, it will" named after Capt. Edward A Murphy, an engineer working on US Air Force Project MX981 in 1949.

NPV

Net Present Value (NPV) is an estimate that helps organisations determine the financial benefits of long-term projects. NPV compares the value of a pound today to the value of that same pound in the future, taking inflation and returns into account.

P3M3

P3M3, also known as the Portfolio, Programme and Project Management Maturity Model is a reference guide for structured best practice. It breaks down the broad disciplines of portfolio, programme and project management into a hierarchy of Key Process Areas (KPAs). [P3M3](#) is owned by the Office of Government Commerce (OGC).

Pareto Principle

Named after Italian economist Vilfredo Pareto, the [Pareto Principle](#) is the idea that by doing 20% of the work you can produce 80% of the benefit of doing the whole job. Or for quality improvement, most problems are produced by a few key causes.

Parkinson's Law

The law that says; "Work expands so as to fill the time available for its completion" by Cyril Northcote Parkinson as the first sentence of a humorous essay published in The Economist in 1955.

PERT Chart

A tool used to schedule, organise and co-ordinate tasks within a project. [PERT](#) stands for Program Evaluation Review Technique, a method developed by the United States Navy in the 1950s to manage the Polaris submarine missile programme. Also known as a precedence diagram, a network chart and [logic diagram](#).

PEST Analysis

A strategic planning tool used to evaluate the impact Political, Economic, Social, and Technological factors might have on a project. It involves an organisation considering the external environment before starting a project.

PMBOK

Owned by the Project Management Institute (PMI) the Project Management Body of Knowledge ([PMBOK](#)) is a collection of processes and knowledge areas accepted as best practice within the project management discipline.

PMP

Project Management Professional (PMP) is a globally recognised certification in project management. It is managed by the Project Management Institute and is based on the [PMP](#) Examination Specification published by PMI in 2005. Most exam questions reference to PMI's ANSI standard A Guide to the Project Management Body of Knowledge, shortened to PMBOK Guide.

Portfolio Management

The co-ordinated management of a portfolio of projects to achieve a set of business objectives.

PRINCE2

[PRINCE2](#) is an approach to project management, released in 1996 as a generic project management method. It provides a method for managing projects within a clearly defined framework. PRINCE2 describes procedures to co-ordinate people and activities in a project, how to design and supervise the project, and what to do if the project has to be adjusted if it doesn't develop as planned.

Project Management

Project management is the discipline of planning, organising and managing resources to bring about the successful completion of specific project goals and objectives. The Project Management Institute (PMI) defines project management as, "The application of knowledge, skills, tools, and techniques to project activities in order to meet or exceed stakeholder needs and expectations."

Project Management Office (PMO)

An organisation or department that oversees and mentors groups of projects. Often the [PMO](#) is responsible for setting up policies and standards for the projects in the organisation, reviewing and consolidating project reports for external stakeholders, and checking project performance against the organisation's standards.

Project Manager

The person who has the overall responsibility for the successful planning, execution and closure of a project. Project Managers work in the construction industry, architecture, information technology and many different occupations that produce a product or service.

RACI Chart

A [RACI chart](#) is a matrix of all the activities or decision making authorities undertaken in an organisation set against all the people or roles. At each intersection of activity and role it is possible to assign somebody Responsible, Accountable, Consulted or Informed for that activity or decision.

RAID Log

A [RAID Log](#) is a simple project management tool, often in the form of a spreadsheet, used to track Risks, Assumptions, Issues and Dependencies.

Resources

Everything needed to complete the project, but in particular people and money.

Risk

There may be potential external events that will have a negative impact on your project if they occur. [Risk](#) refers to the combined likelihood the event will occur and the impact on the project if the event does occur. If the combined likelihood of the event happening and impact to the project are both high, you should identify the potential event as a risk and put a plan in place to manage it.

Risk Management

A subset of project management that includes risk identification, risk quantification, risk response development and risk response control used to identify, analyse and respond to [project risks](#).

Scope

The overall definition of what the project should achieve and a specific description of what the result should be. A major ingredient of [scope](#) is the quality of the final product.

Scope Creep

The uncontrolled growth of the project scope resulting from constant changes to requirements without consideration to the impact on resources or timescale.

Scrum

An agile methodology for software project management. Scrum was invented in 1993 by Jeff Sutherland, John Scumniotales and Jeff McKenna.

Six Sigma

[Six Sigma](#) is a management philosophy developed by Motorola that emphasises setting extremely high objectives, collecting data, and analysing results to a fine degree as a way to reduce defects in products and services. [See Six Sigma Terminology](#)

Sponsor

The person who has authority over the project, provides funding, approves scope changes, provides high-level direction and champions the project within an organisation.

Sprint

An iterative unit of time, typically a one, two, or four week period. The term and concept comes from agile project management techniques in the software industry. Sprints allow teams to leverage incremental improvements. When a company decides to work in two-week Sprints, it has the opportunity to reflect, make adjustments, and plan every fourteen days based on events and conditions.

Stakeholder

A [stakeholder](#) is anyone, internal or external to an organisation that has an interest in a project or will be affected by its deliverables.

Statement of Work (SOW)

The [Statement of Work](#) is the bible for the work the project must produce. The SOW is a key governance tool whether it is being used to direct work for a vendor or contractor, or used to direct the work internally, the SOW must contain a description of all the work that is expected.

Student Syndrome

The type of procrastination students are prone to when facing a test or exam, typically leaving their revision until the last minute no matter how much time they had to prepare.

SWOT Analysis

A strategic planning tool used to evaluate the Strengths, Weaknesses, Opportunities, and Threats to a project. It involves specifying the objective of the project and identifying the internal and external factors that are favourable and unfavourable to achieving that objective.

TCO

Total Cost of Ownership (TCO) is an estimate of all direct and indirect costs associated with an asset or acquisition over its entire life.

Theory of Constraints (TOC)

[Theory of Constraints](#) is a management philosophy of continuous improvement achieved by identifying and managing the most important constraint that affects quality and productivity.

Use Case

The specification of tests that are conducted from the end user perspective. Use cases focus on operating software as an end user would during their day-to-day activities.

Waterfall Model

A sequential development process, in which development flows steadily downwards (like a waterfall) through the phases of initiation, analysis, design, build, test and maintenance. To follow the [waterfall model](#), you move from one phase to the next sequentially, with no overlapping or iterative steps.

Work Breakdown Structure (WBS)

An exhaustive, hierarchical tree structure of deliverables and activities that need to be performed to complete a project. A [Work Breakdown Structure](#) is a common project management tool and the basis for much project planning.

About Project Smart

Project Smart is the project management resource that helps managers at all levels improve their performance. We provide an important knowledge base for those involved in managing projects of all kinds.

More information about project management can be found on our website www.projectsmart.co.uk

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