

◆ TERMINOLOGY ◆

Acceptance Criteria

A prioritised list of criteria that the final product(s) must meet before the customer will accept them; a measurable definition of what must be done for the final product to be acceptable to the customer. They should be defined as part of the Project Brief and agreed between customer and supplier no later than the project initiation stage. They should be documented in the Project Initiation Document.



Activity Network

A flow diagram showing the activities of a plan and their interdependencies. The network shows each activity's duration, earliest start and finish times, latest start and finish times and float. Also known as 'planning network'. See also Critical path.

Baseline

A snapshot: a position or situation that is recorded. Although the position may be updated later, the baseline remains unchanged and available as a reminder of the original state and as a comparison against the current position. Products that have passed their quality checks and are approved are baselined products. Anything 'baselined' should be under version control in configuration management and 'frozen', i.e. no changes to that version are allowed.

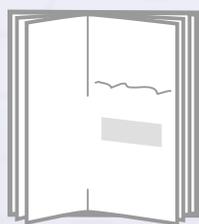
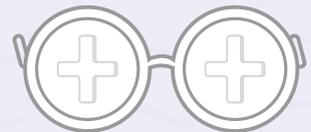


Benefits

The positive outcomes, quantified or unquantified, that a project is being undertaken to deliver and that justify the investment.

Benefits realization

The practice of ensuring that the outcome of a project produces the projected benefits claimed in the Business Case.



Business Case

Information that describes the justification for setting up and continuing a PRINCE2 project. It provides the reasons (and answers the question: 'Why?') for the project. An outline Business Case should be in the Project Mandate. Its existence is checked as part of the Project Brief, and a revised, fuller version appears in the Project Initiation Document. It is updated at key points, such as end stage assessments, throughout the project.

Change authority

A group to which the Project Board may delegate responsibility for the consideration of Requests for Change. The change authority is given a budget and can approve changes within that budget.



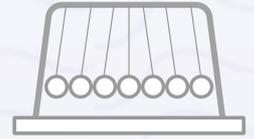
Change budget

The money allocated to the change authority to be spent on authorised Requests for Change.

◆ TERMINOLOGY ◆

Change control

The procedure to ensure that the processing of all Project Issues is controlled, including submission, analysis and decision making.



Checkpoint

A team-level, time-driven review of progress, usually involving a meeting.

Checkpoint Report

A progress report of the information gathered at a checkpoint meeting which is given by a team to the Project Manager and provides reporting data as defined in the Work Package.



Communication Plan

Part of the Project Initiation Document describing how the project's stakeholders and interested parties will be kept informed during the project.

Concession

Off-Specification that is accepted by the Project Board without corrective action.



Configuration audit

A comparison of the latest version number and status of all products shown in the configuration library records against the information held by the product authors.

Configuration control

Configuration control is concerned with physically controlling receipt and issue of products, keeping track of product status, protecting finished products and controlling any changes to them.



Configuration management

A discipline, normally supported by software tools, that gives management precise control over its assets (for example, the products of a project), covering planning, identification, control, status accounting and verification of the products.

Contingency budget

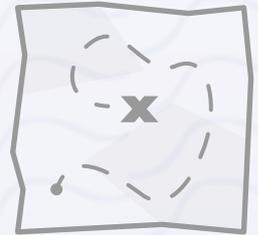
The amount of money required to implement a contingency plan. If the Project Board approves a contingency plan, it would normally set aside a contingency budget, which would only be called upon if the contingency plan had to be implemented when the associated risk occurs. See also Contingency plan.



◆ TERMINOLOGY ◆

Contingency plan

A plan that provides details of the measures to be taken if a defined risk should occur. The plan is only implemented if the risk occurs. A contingency plan is prepared where other actions (risk prevention, reduction or transfer) are not possible, too expensive or the current view is that the cost of the risk occurring does not sufficiently outweigh the cost of taking avoiding action – but the risk cannot be simply accepted. The Project Board can see that, should the risk occur, there is a plan of action to counter it. If the Project Board agrees that this is the best form of action, it would put aside a contingency budget, the cost of the contingency plan, only to be used if the risk occurs.



Critical path

This is the line connecting the start of an activity network with the final activity in that network through those activities with zero float, i.e. those activities where any delay will delay the time of the entire end date of the plan. There may be more than one such path. The sum of the activity durations on the critical path will determine the end date of the plan.

Customer

The person or group who commissioned the work and will benefit from the end results.

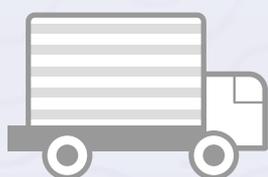


Customer's quality expectations

A statement from the customer about the quality expected from the final product. This should be obtained during the start-up of a project in Preparing a Project Brief as an important feed into Planning Quality, where it is matched against the Project Approach and the standards that will need to be applied in order to achieve that quality.

Daily Log

A record of jobs to do or to check that others have done, commitments from the author or others, important events, decisions or discussions. A Daily Log should be kept by the Project Manager and any Team Managers.



Deliverable

An item that the project has to create as part of the requirements. It may be part of the final outcome or an intermediate element on which one or more subsequent deliverables are dependent. According to the type of project, another name for a deliverable is 'product'.

Earned value analysis

Earned value analysis is a method for measuring project performance. It indicates how much of the budget should have been spent in view of the amount of work done so far and the task, assignment or resources.



◆ TERMINOLOGY ◆

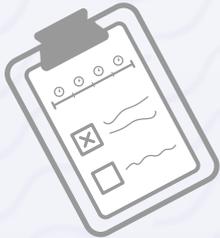
End Project Report

A report given by the Project Manager to the Project Board that confirms the handover of all products and provides an updated Business Case and an assessment of how well the project has done against its Project Initiation Document.



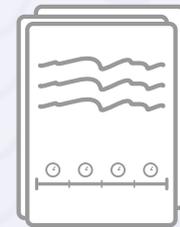
End stage assessment

The review by the Project Board and Project Manager of the End Stage Report to decide whether to approve the next Stage Plan (unless the last stage has now been completed). According to the size and criticality of the project, the review may be formal or informal. The approval to proceed should be documented as an important management product.



End Stage Report

A report given by the Project Manager to the Project Board at the end of each management stage of the project. This provides information about the project performance during the stage and the project status at stage end.



Exception

A situation where it can be forecast that there will be a deviation beyond the tolerance levels agreed between the Project Manager and the Project Board (or between the Project Board and corporate or programme management, or between a Team Manager and the Project Manager).



Exception assessment

This is a meeting of the Project Board to approve (or reject) an Exception Plan.



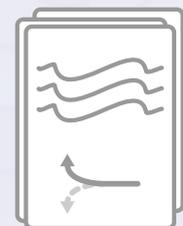
Exception Plan

This is a plan that often follows an Exception Report. For a Team Plan exception, it covers the period from the present to the end of the Work Package; for a Stage Plan exception, it covers the period from the present to the end of the current stage. If the exception were at a project level, the Project Plan would be replaced.



Exception Report

Description of the exception situation, its impact, options, recommendation and impact of the recommendation to the Project Board. This report is prepared by the relevant manager to inform the next higher level of management of the situation.



Executive

The single individual with overall responsibility for ensuring that a project meets its objectives and delivers the projected benefits. This individual should ensure that the project or programme maintains its business focus, that it has clear authority and that the work, including risks, is actively managed. The Executive is the chairperson of the Project Board, representing the customer, and is the owner of the Business Case.



◆ TERMINOLOGY ◆

Feasibility study

A feasibility study is an early study of a problem to assess if a solution is feasible. The study will normally scope the problem, identify and explore a number of solutions, and make a recommendation on what action to take. Part of the work in developing options is to calculate an outline Business Case for each as one aspect of comparison.

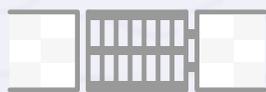
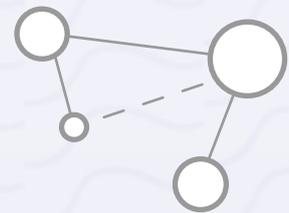


Follow-on Action Recommendations

A report that can be used as input to the process of creating a Business Case/Project Mandate for any follow-on PRINCE2 project and for recording any follow-on instructions covering incomplete products or outstanding Project Issues.

Gantt chart

This is a diagram of a plan's activities against a time background, showing start and end times and resources required.

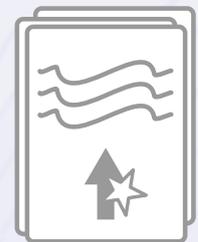


Gate review

A generic term, rather than a PRINCE2 term, meaning a point at the end of a stage or phase where a decision is made whether to continue with the project. In PRINCE2 this would equate to an end stage assessment.

Highlight Report

Time-driven report from the Project Manager to the Project Board on stage progress.

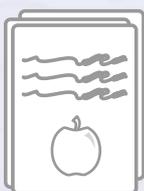


Issue Log

Contains all Project Issues including Requests for Change raised during the project. Project Issues are each allocated a unique number and are filed in the Issue Log under the appropriate status. See also Project Issue.

Lessons Learned Log

An informal collection of good and bad lessons learned about the management and specialist processes and products as the project progresses. At the end of the project, it is formalised and structured into a Lessons Learned Report. See also Lessons Learned Report.



Lessons Learned Report

A report that describes the lessons learned in undertaking the project and includes statistics from the quality control of the project's management products. It is approved by the Project Board and then held centrally for the benefit of future projects.

Off-Specification

Something that should be provided by the project, but currently is not (or is forecast not to be) provided. This might be a missing product or a product not meeting its specifications. It is one type of Project Issue.



◆ TERMINOLOGY ◆

Operational and maintenance acceptance

Acceptance by the person/group who will support the product during its useful life that it is accepted into the operational environment. The format of the acceptance will depend on the product itself – it could be in the form of an acceptance letter signed by the appropriate authority, or a more complex report detailing the operational and maintenance arrangements that have been put in place.



Outcome

The term used to describe the totality of what the project is set up to deliver, consisting of all the specialist products. For example, this could be an installed computer system with trained staff to use it, backed up by new working practices and documentation, a refurbished and equipped building with all the staff moved in and working, or it could be a new product launched with a recruited and trained sales and support team in place.

Peer review

Specific reviews of a project or any of its products where personnel from within the organisation and/or from other organisations carry out an independent assessment of the project. Peer reviews can be done at any point within a project but are often used at stage-end points.



Phase



A part, section or segment of a project, similar in meaning to a PRINCE2 stage. The key meaning of stage in PRINCE2 terms is the use of management stages, i.e. sections of the project to which the Project Board commits one at a time. A phase might be more connected to a time slice, change of skills required or change of emphasis.

Post-implementation review

See Post-project review.



Post-project review

One or more reviews held after project closure to determine if the expected benefits have been obtained. Also known as post-implementation review.

PRINCE2

A method that supports some selected aspects of project management. The acronym stands for PProjects IN Controlled Environments.



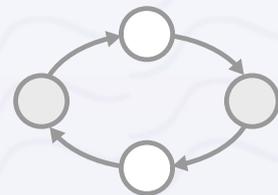
PRINCE2 project

A project whose product(s) can be defined at its start sufficiently precisely so as to be measurable against predefined metrics and that is managed according to the PRINCE2 method.

◆ TERMINOLOGY ◆

Process

That which must be done to bring about a particular result in terms of information to be gathered, decisions to be made and results to be achieved.

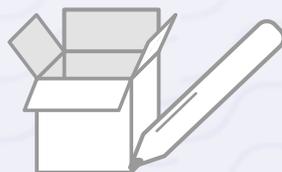


Producer

This role represents the creator(s) of a product that is the subject of a quality review. Typically, it will be filled by the person who has produced the product or who has led the team.

Product

Any input to or output from a project. PRINCE2 distinguishes between management products (which are produced as part of the management or quality processes of the project) and specialist products (which are those products that make up the final deliverable). A product may itself be a collection of other products.



Product-based planning

A four-step technique leading to a comprehensive plan based on creation and delivery of required outputs. The technique considers prerequisite products, quality requirements and the dependencies between products.

Product Breakdown Structure

A hierarchy of all the products to be produced during a plan.

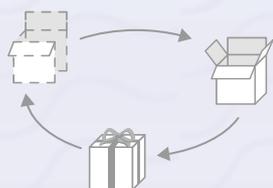


Product Checklist

A list of the major products of a plan, plus key dates in their delivery.

Product Description

A description of a product's purpose, composition, derivation and quality criteria. It is produced at planning time, as soon as possible after the need for the product is identified.



Product Flow Diagram

A diagram showing the sequence of production and interdependencies of the products listed in a Product Breakdown Structure.

Product life span

This term is used in this manual to define the total life of a product from the time of the initial idea for the product until it is removed from service. It is likely that there will be many projects affecting the product during its life, such as a feasibility study and development, enhancement or correction projects.



◆ TERMINOLOGY ◆

Product Status Account

A report on the status of products. The required products can be specified by identifier or the part of the project in which they were developed.



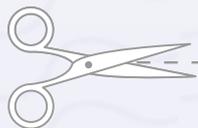
Programme

A portfolio of projects selected, planned and managed in a co-ordinated way.



Project

A temporary organisation that is created for the purpose of delivering one or more business products according to a specified Business Case.



Project Approach

A description of the way in which the work of the project is to be approached. For example: Are we building a product from scratch or buying in a product that already exists? Are the technology and products that we can use constrained by decisions taken at programme level?

Project Assurance

The Project Board's responsibilities to assure itself that the project is being conducted correctly.



Project Brief

A description of what the project is to do: a refined and extended version of the Project Mandate, which the Project Board approves and which is input to project initiation.

Project closure notification

Advice from the Project Board to inform all stakeholders and the host location that the project resources can be disbanded and support services, such as space, equipment and access, demobilised. It should indicate a closure date for costs to be charged to the project.



Project closure recommendation

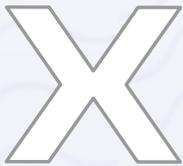
A recommendation prepared by the Project Manager for the Project Board to send as a project closure notification when the board is satisfied that the project can be closed.



◆ TERMINOLOGY ◆

Project Initiation Document (PID)

A logical document that brings together the key information needed to start the project on a sound basis and to convey that information to all concerned with the project.

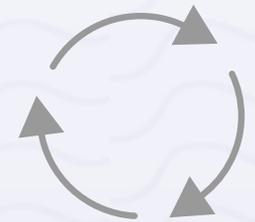


Project Issue

A term used to cover any concern, query, Request for Change, suggestion or Off-Specification raised during the project. They can be about anything to do with the project.

Project life cycle

This term is used in the manual to define the period from the start-up of a project to the handover of the finished product to those who will operate and maintain it.



Project management

The planning, monitoring and control of all aspects of a project and the motivation of all those involved in it to achieve the project objectives on time and to the specified cost, quality and performance.

Project management team

Covers the entire management structure of Project Board, Project Manager, plus any Team Manager, Project Assurance and Project Support roles.

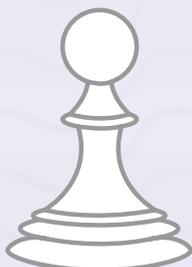


Project Manager

The person given the authority and responsibility to manage the project on a day-to-day basis to deliver the required products within the constraints agreed with the Project Board.

Project Mandate

Information created externally to the project that forms the terms of reference and is used to start up the PRINCE2 project.



Project Plan

A high-level plan showing the major products of the project, when they will be delivered and at what cost. An initial Project Plan is presented as part of the Project Initiation Document. This is revised as information on actual progress appears. It is a major control document for the Project Board to measure actual progress against expectations.

◆ TERMINOLOGY ◆

Project Quality Plan

A plan defining the key quality criteria, quality control and audit processes to be applied to project management and specialist work in the PRINCE2 project. It will be part of the text in the Project Initiation Document.



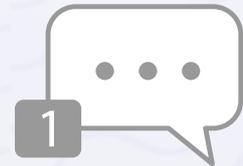
Project records

A collection of all approved management and specialist products and other material, which is necessary to provide an auditable record of the project. Note: This does not include working files.



Project start-up notification

Advice to the host location that the project is about to start and requesting any required Project Support services.



Project Support

An administrative role in the project management team. Project Support can be in the form of advice and help with project management tools, guidance, administrative services such as filing, and collection of actual data. The provision of any Project Support on a formal basis is optional. Tasks either need to be done by the Project Manager or delegated to a separate body and this will be driven by the needs of the individual project and Project Manager. A full description of the role can be found in Project management team roles, Appendix B. One support function that must be considered is that of configuration management. Depending on the project size and environment, there may be a need to formalise this and it quickly becomes a task with which the Project Manager cannot cope without support. Details of the Configuration Librarian role can be found in Project management team roles, Appendix B.



Project Support Office

A group set up to provide certain administrative services to the Project Manager. Often the group provides its services to many projects in parallel.



Proximity (of risk)

Reflects the timing of the risk, i.e. is the threat (or opportunity) stronger at a particular time, does it disappear some time in the future, or does the probability or impact change over time?



Quality

The totality of features and characteristics of a product or service that bear on its ability to satisfy stated needs. Also defined as 'fitness for purpose' or 'conforms to requirements'.



Quality Log

Contains all planned and completed quality activities. The Quality Log is used by the Project Manager and Project Assurance as part of reviewing progress.



◆ TERMINOLOGY ◆

Quality management system

The complete set of quality standards, procedures and responsibilities for a site or organisation.



Quality review

A quality review is a quality checking technique with a specific structure, defined roles and procedure designed to ensure a product's completeness and adherence to standards. The participants are drawn from those with an interest in the product and those with the necessary skills to review its correctness. An example of the checks made by a quality review is: 'Does the document match the quality criteria in the Product Description?'

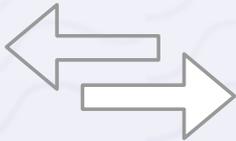
Quality system

See Quality management system.



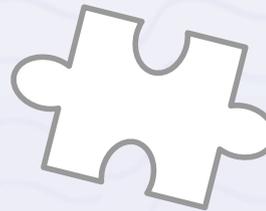
Request for Change

A means of proposing a modification to the current specification of a product. It is one type of Project Issue.



Requirements

A description of the user's needs. See also Specification.



Reviewer

A person asked to review a product that is the subject of a quality review.

Risk

Risk can be defined as uncertainty of outcome, whether positive opportunity or negative threat. Every project has risks associated with it. Project management has the task of identifying risks that apply and taking appropriate steps to take advantage of opportunities that may arise and avoid, reduce or react to threats.



Risk Log

Contains all information about the risks, their analysis, countermeasures and status. Also known as Risk Register.

Risk profile

A graphical representation of information normally found in the Risk Log.



◆ TERMINOLOGY ◆

Risk register

See Risk Log.

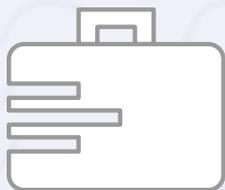


Risk tolerance line

The risk tolerance line is one drawn between risks that can be accepted or for which suitable actions have been planned, and risks that that are considered sufficiently serious to require referral to the next higher level of project authority.

Senior responsible owner

This is not a PRINCE2 term, but is used in many organisations. Its equivalent in PRINCE2 terms would be the 'Executive' role. See also Executive.

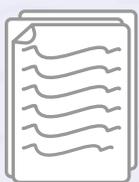
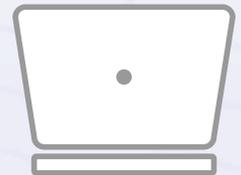


Senior Supplier

The Project Board role that provides knowledge and experience of the main discipline(s) involved in the production of the project's deliverable(s). Represents the supplier interests within the project and provides supplier resources.

Senior User

The Project Board role accountable for ensuring that user needs are specified correctly and that the solution meets those needs.



Specification

A detailed statement of what the user wants in terms of products, what these should look like, what they should do and with what they should interface.

Sponsor

Not a specific PRINCE2 role but often used to mean the major driving force of a project. May be the equivalent of Executive or corporate/programme management.



Stage

A detailed statement of what the user wants in terms of products, what these should look like, what they should do and with what A stage is the section of the project that the Project Manager is managing on behalf of the Project Board at any one time, at the end of which the Project Board wishes to review progress to date, the state of the Project Plan, Business Case and risks, and the next Stage Plan in order to decide whether to continue with the project.



◆ TERMINOLOGY ◆

Stakeholders

Parties with an interest in the execution and outcome of a project. They would include business streams affected by or dependent on the outcome.



Supplier

The group or groups responsible for the supply of the project's specialist products.

Team Manager

A role that may be employed by the Project Manager or Senior Supplier to manage the work of project team members.

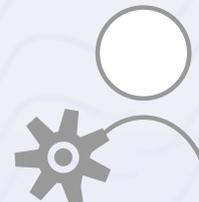


Tolerance

The permissible deviation above and below a plan's estimate of time and cost without escalating the deviation to the next level of management. Separate tolerance figures should be given for time and cost. There may also be tolerance levels for quality, scope, benefit and risk. Tolerance is applied at project, stage and team levels.

User(s)

The person or group who will use the final deliverable(s) of the project.



Work Package

The set of information relevant to the creation of one or more products. It will contain a description of the work, the Product Description(s), details of any constraints on production such as time and cost, interfaces, and confirmation of the agreement between the Project Manager and the person or Team Manager who is to implement the Work Package that the work can be done within the constraints.