

Project management —

Part 2: Vocabulary

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Foreword

The preparation of this British Standard was entrusted to Technical Committee MS/2, Project management. It is a revision of BS 4335:1987, which is withdrawn.

The purpose of this British Standard is to standardize the terminology and symbols used in project management to facilitate communication and the spread of knowledge of the subject.

The changes made are in support of the other parts of BS 6079 which have extended the requirements for standardized terminology from the basic use in project network techniques to project management and its specialized use of other management techniques. Wherever possible the definitions given in BS 4335:1987 have been retained, although some have been deleted because they are no longer in use and others have been revised to reflect current usage or to improve clarity. No term has been included where its sense and usage in project management are adequately defined in *The Shorter Oxford English Dictionary*.

BS 6079 is now issued in three parts:

- BS 6079-1:2000, *Project management — Guide to project management*;
- BS 6079-2:2000, *Project management — Vocabulary*;
- BS 6079-3:2000, *Project management — Guide to the management of business related project risk*.

Because the vocabulary now covers a much wider field it has been decided for ease of use to present the terms in alphabetic order (rather than grouped in separate specialist sections, as was the case in the 1987 edition). The three annexes to this standard contain graphical illustrations, line of balance terminology and a list of commonly used acronyms respectively. The presentation of graphical illustrations in annex A is virtually the same as that in the 1987 edition.

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Summary of pages

This document comprises a front cover, an inside front cover, pages i and ii, pages 1 to 21 and a back cover.

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Introduction

The vocabulary has been arranged alphabetically in the main body of this standard. Where applicable informative reference has been made to other publications that give further guidance on the project management and associated general management techniques defined herein.

The annexes contain information on network symbols, Line of Balance terminology and a consolidated list of acronyms.

1 Scope

This standard defines the terms used in project management and network planning. It has a broad relevance to projects in many industries, commerce and the public sector and was prepared in support of the other parts of BS 6079.

2 Project management terminology

2.1

abstract resource

imaginary **resource** (2.139) introduced so that its availability and **activity** (2.5) requirement gives an extra means of control

NOTE For example, two jobs not being worked upon simultaneously in order to obviate an accident hazard.

2.2

acceptance criteria

performance requirements and essential conditions that have to be achieved before **project** (2.116) **deliverables** (2.46) are accepted

2.3

acceptance test

formal, predefined test conducted to determine the conformity of the **deliverable** (2.46) with the **acceptance criteria** (2.2)

2.4

accrued costs

costs that are earmarked for the **project** (2.116) and for which payment is due, but has not been made

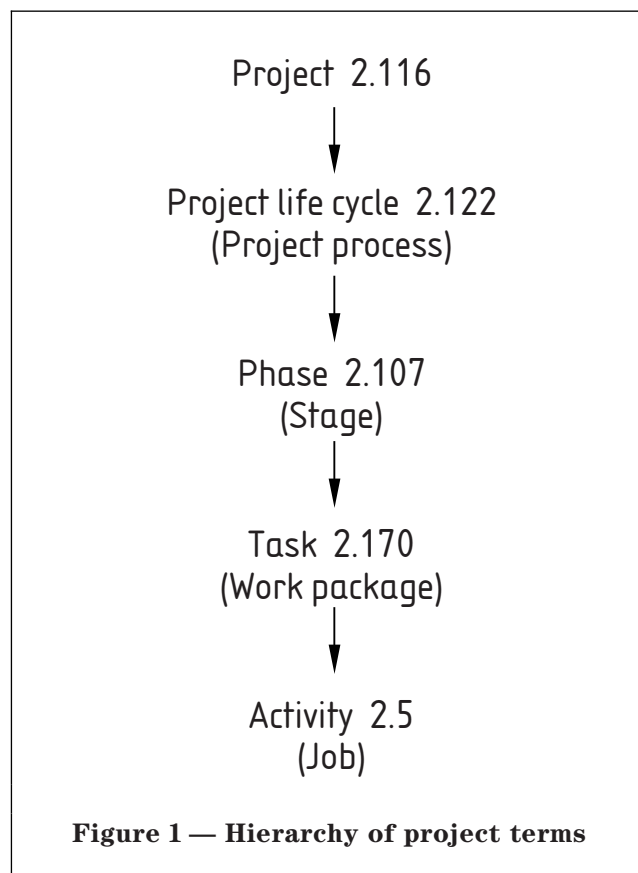
2.5

activity

job

operation or **process** (2.113) consuming time and possibly other **resources** (2.139)

NOTE The position of **activity** (2.5) within the hierarchy of **project** (2.116) terms is shown in Figure 1.



2.6

activity-on-arrow network

arrow diagram

network in which the **arrows** (2.11) symbolize the **activities** (2.5)

2.7

activity-on-node network

precedence diagram

network in which the **nodes** (2.99) symbolize the **activities** (2.5)

2.8

actual cost of work performed

cumulative cost of work accrued on the **project** (2.116) in a specific period or up to a specific **stage** (2.165)

NOTE For some purposes cost may be measured in labour hours rather than money.

2.9

actual costs

incurred costs (2.78) that are charged to the **project** (2.116) **budget** (2.20) and for which payment has been made, or accrued

2.10**AND relationship**

logical relationship between two or more **activities (2.5)** that converge on or diverge from an **event (2.61)**

NOTE The **AND relationship (2.10)** indicates that every one of the **activities (2.5)** has to be undertaken.

2.11**arrow**

directed connecting line between two **nodes (2.99)** in a network

NOTE 1 It symbolizes an **activity (2.5)** in an **activity-on-arrow network (2.6)**.

NOTE 2 It symbolizes a **dependency (2.47)** relationship in an **activity-on-node network (2.7)**.

2.12**arrow diagram**

see **activity-on-arrow network (2.6)**

2.13**associated revenue**

that part of a **project (2.116)** cost that is of a revenue nature and therefore charged as incurred to the profit and loss account

NOTE **Associated revenue (2.13)** differs from the capital element of the **project (2.116)** in that the capital element is taken as an asset to the balance sheet and depreciated over future accounting periods.

2.14**audit**

systematic retrospective examination of the whole, or part, of a **project (2.116)** or function to measure conformance with predetermined standards

NOTE **Audit (2.14)** is usually qualified, for example financial audit, quality audit, design audit, project audit, health and safety audit.

2.15**automatic decision event**

decision event (2.44) where the decision depends only on the outcome of the preceding **activities (2.5)** and which can be programmed or made automatic

2.16**backward pass**

procedure whereby the latest **event (2.61)** times or the latest finish and start times for the **activities (2.5)** of a network are calculated

2.17**bar chart**

chart on which **activities (2.5)** and their durations are represented by lines drawn to a common time scale

NOTE 1 A **Gantt chart (2.72)** is a specific type of **bar chart (2.17)** and should not be used as a synonym for **bar chart (2.17)**.

NOTE 2 See also **cascade chart (2.25)**.

2.18**baseline**

reference levels against which the **project (2.116)** is monitored and controlled

2.19**branching logic**

conditional logic

alternative **paths (2.105)** in a **probabilistic network (2.112)**

2.20**budget**

quantification of resources needed to achieve a **task (2.170)** by a set time, within which the **task (2.170)** owners are required to work

NOTE A **budget (2.20)** consists of a financial and/or quantitative statement, prepared and approved prior to a defined period, for the purpose of attaining a given objective for that period.

2.21**budgetary control**

system of creating **budgets (2.20)**, monitoring progress and taking appropriate action to achieve budgeted performance

NOTE A **budget (2.20)** should provide the information necessary to enable approval, authorization and policy making bodies to assess a project proposal and reach a rational decision.

2.22**business case**

information necessary to enable approval, authorization and policy making bodies to assess a **project (2.116)** proposal and reach a reasoned decision

2.23**capital cost**

the carrying cost in a balance sheet of acquiring an asset and bringing it to the condition where it is capable of performing its intended function over a future series of periods

NOTE See also **revenue cost (2.148)**.

2.24**capital employed**

amount of investment in an organization or **project (2.116)**, normally the sum of fixed and current assets, less current liabilities at a particular date

2.25**cascade chart**

bar chart (2.17) on which the vertical order of **activities (2.5)** is such that each **activity (2.5)** is dependent only on **activities (2.5)** higher in the list

2.26**cash flow**

cash receipts and payments in a specified period

NOTE See also **net cash flow (2.95)**.



2.27**change control**

process (2.113) that ensures potential changes to the **deliverables (2.46)** of a **project (2.116)** or the sequence of work in a **project (2.116)**, are recorded, evaluated, authorized and managed

2.28**child activity**

subordinate **task (2.170)** belonging to a **parent activity (2.104)** existing at a higher level in the **work breakdown structure (2.179)**

2.29**commissioning**

advancement of an installation from the **stage (2.165)** of static completion to full working order and achievement of the specified operational requirements

2.30**committed costs**

costs that are legally committed even if delivery has not taken place, with invoices neither raised nor paid

2.31**configuration**

functional and physical characteristics of a product as defined in technical documents and achieved in the product

NOTE In a **project (2.116)** this should contain all items that can be identified as being relevant to the **project (2.116)** and that should only be modified after authorization by the relevant manager.

2.32**configuration management**

technical and administrative **activities (2.5)** concerned with the creation, maintenance and controlled change of **configuration (2.31)** throughout the life of the product

NOTE See BS EN ISO 10007:1997 for guidance on **configuration management (2.32)**, including specialist terminology.

2.33**contingency plan**

mitigation plan

alternative course(s) of action devised to cope with **project (2.116) risks (2.149)**

2.34**cost breakdown structure**

hierarchical breakdown of a **project (2.116)** into cost elements

2.35**cost centre**

location, person, **activity (2.5)** or **project (2.116)** in respect of which costs may be ascertained and related to cost units

2.36**cost code**

unique identity for a specified element of work

2.37**cost performance index**

a measure, expressed as a percentage or other ratio, of actual cost to **budget (2.20)**/plan

2.38**cost variance**

the difference (positive or negative) between the actual expenditure and the planned/budgeted expenditure

2.39**cost-benefit analysis**

analysis of the relationship between the costs of undertaking a **task (2.170)** or **project (2.116)**, initial and recurrent, and the benefits likely to arise from the changed situation, initially and recurrently

NOTE The hard tangible readily measurable benefits may sometimes be accompanied by soft benefits which may be real but difficult to isolate, measure and value.

2.40**credited resource**

resource (2.139) that is created by an **activity (2.5)** or **event (2.61)** and can then be used by the **project (2.116)**

2.41**critical path**

sequence of **activities (2.5)** through a **project network (2.129)** from start to finish, the sum of whose durations determines the overall **project (2.116)** duration

NOTE There may be more than one such **path (2.105)**.

2.42**critical path analysis**

procedure for calculating the **critical path (2.41)** and **floats (2.68)** in a network

2.43**cycle**

path (2.105) that emanates from a **decision event (2.44)** and intentionally leads back to itself or to a prior **event (2.61)**

NOTE The **path (2.105)** may be traversed more than once.

2.44**decision event**

state in the progress of a **project (2.116)** when a decision is required before the start of any succeeding **activity (2.5)**

NOTE The decision determines which of a number of alternative **paths (2.105)** is to be followed.

2.45**deliberate decision event**

decision event (2.44) where the decision is made as a result of the outcomes of the preceding **activities** (2.5) and possibly other information but which cannot be made automatically

2.46**deliverable**

end-product of a **project** (2.116) or the measurable results of intermediate **activities** (2.5) within the **project organization** (2.131)

NOTE **Deliverables** (2.46) may be in the form of hardware, software, services, **processes** (2.113), documents or any combination of these.

2.47**dependency**

precedence relationship

restriction that one **activity** (2.5) has to precede, either in part or in total, another **activity** (2.5)

2.48**dependency arrow**

link

arrow (2.11) used in an **activity-on-node network** (2.7) to represent the interrelationships of **activities** (2.5) in a **project** (2.116)

2.49**deterministic network**

network containing **paths** (2.105), all of which have to be followed and whose durations are fixed

NOTE **Deterministic network** (2.49) is a term used to distinguish traditional networking from probabilistic networking.

2.50**direct cost**

costs that are specifically attributable to an **activity** (2.5) or group of **activities** (2.5) without apportionment

2.51**discounted cash flow**

concept of relating future cash inflows and outflows over the life of a **project** (2.116) or operation to a common base value thereby allowing more validity to comparison of **projects** (2.116) with different durations and rates of **cash flow** (2.26)

2.52**dummy activity**

logical link in **activity-on-arrow network** (2.6) that may require time but no other resource

NOTE There are three uses for a **dummy activity** (2.52) in **activity-on-arrow network** (2.6): logic, time delay and uniqueness.

2.53**earliest event time**

earliest time by which an **event** (2.61) can occur within the logical and imposed constraints of the network

2.54**earliest finish time**

earliest possible time by which an **activity** (2.5) can finish within the logical and imposed constraints of the network

2.55**earliest start time**

earliest possible time by which an **activity** (2.5) can start within the logical and imposed constraints of the network

2.56**earned value**

budgeted cost of work performed

the value of the useful work done at any given point in a **project** (2.116)

NOTE The **budget** (2.20) may be expressed in cost or labour hours.

2.57**earned value management**

earned value analysis

technique for assessing whether the **earned value** (2.56) in relation to the amount of work completed, is ahead, on, or behind plan

2.58**end event**

<project> **event** (2.61) with preceding, but no succeeding **activities** (2.5), within a **project** (2.116)

NOTE There may be more than one **end event** (2.58).

2.59**environmental factoring**

use of data relating to an external factor (such as the weather) to modify or bias the value of parameters concerned

2.60**equivalent activity**

activity (2.5) that is equivalent, in the probabilistic sense, to any combination of series and parallel **activities** (2.5)

2.61**event**

state in the progress of a **project** (2.116) after the completion of all preceding **activities** (2.5), but before the start of any succeeding **activity** (2.5)