THE COMPLETE BOOK OF

Project-Related Terms & Definitions

The Complete Book of Project-Related Terms and Definitions: Mysteries Explained

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Overview of TenStep

We hope that you enjoy this book from TenStep, Inc. We specialize in business methodology development, training and consulting. Our focus is to provide value to our clients in the areas of project management, program management, Project Management Office, portfolio management, the development life-cycle and application support.

Our products and services fill an important gap that exists in most organizations. For instance, let's assume that your organization needs to become much better at managing projects successfully. Once you decide you need to be better, you are probably not going to run out and buy software tools. The first thing you will probably do is realize that you need to have a good, common set of processes, best practices, templates and other components of a common methodology.

This is where our products and services come in. When you realize that you need a good set of common processes, you can either spend months and months creating them from scratch, or you can use our products as your base, and make the minor customizations that are needed for your specific organization.

Building a methodology from scratch could take months (or years) and require a large expenditure of money and time. Using our products and services allows you to have the basic methodology in place immediately. We can train your people in using the methodology and we can help you with training and implementation services, such as:

- Basic and advanced project/program management and project lifecycle classes
- Project Management Office and Portfolio Management workshops
- Methodology deployment services
- Methodology customization
- Coaching and mentoring
- Project assessments and quality assurance
- Much, much more

Our products and services cover project/program management, Project Management Offices, portfolio management, the development life-cycle and application support.

Our value proposition is simple - we take the time and effort to develop these important business processes so that you don't have to. We also update and enhance these important business processes so that you don't have to.

How can we best help you meet your important business objectives? Contact us for more information.

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Overview of this Book

The purpose of this book is to provide easy to understand definitions and explanations for many of the terms commonly used in connection with projects. These terms are used in our TenStep product line. The terms are arranged alphabetically and each term references the TenStep product where the term is generally used. There are six TenStep products referenced.

- Project management, www.TenStep.com (The TenStep® Project Management Process)
- IT development lifecycle, www.LifecycleStep.com (The LifecycleStep™ Project Lifecycle Process)
- Program management, www.ProgramStep.com (The ProgramStep™ Program Management Process)
- Project Management Office, www.PMOStep.com (The PMOStep™ Project Management Office Framework)
- Portfolio Management, www.PortfolioStep.com (The PortfolioStep™ Portfolio Management Framework)
- Application Support, www.SupportStep.com (The SupportStep™ Application Support Framework)

Rather than provide a quick definition like you might see in a dictionary, this book attempts to define the terms in a way that is easy to understand and comprehend. In some cases, this requires the definition to be multiple paragraphs or even a page or more.

We will be adding new terms and definitions to this book in future editions. If you have terms that you think would be valuable, please email us at info@tenstep.com.

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Acceptance Criteria

(Product: TenStep Project Management Process)

Acceptance Criteria is a quality assurance technique. The Acceptance Criteria should describe the processes and checkpoints that need to take place before the solution is considered complete. Does the system have to be perfect? You better hope not. But the Acceptance Criteria should define how the acceptance decision will be made. For instance, the sponsor may accept a system with certain minor types of errors remaining, but there may be other levels of errors that will render the system unacceptable. Part of the Acceptance Criteria may specify the types of testing that take place. For instance, the client may want to thoroughly test security in a separate and focused test, something that may not have been in the original plans of the project team. However, after defining the Acceptance Criteria, the project manager knows that this extra test should be planned and scheduled.

Examples of the types of events or activities that would be in the Acceptance Criteria are:

- Ensuring the requirements are formally approved
- Proving (through traceability or Requirements Testing) that all requirements are accounted for in the final solution
- Accounting of budget and expenses on the project
- Specifying the testing criteria and/or specific types of testing to perform
- Defining implementation options - for instance, first running a pilot test
- Ensuring that the solution is stable
- Validating that the training is completed
- Specifying how long the project team must support the solution before turning it over to the support organization
- Fixing all major bugs and errors, although minor bugs and nuisance errors could be unresolved
- Collecting certain metrics and validating against predefined targets

The Acceptance Criteria should be defined in writing and approved by the sponsor. All things being equal, if the Acceptance Criteria are met, there should be no reason that the sponsor would not approve and accept the final solution.

Acceptance Testing

(Product: LifecycleStep Project Lifecycle Process)

Your project is getting close to the end. The programmers have unit tested the code, and the entire team has participated in the series of agreed upon testing: interface, system tests, performance tests, etc. Now you only have one major test to go – user acceptance testing. Ultimately, the client owns and must live with the solution being developed. The purpose of

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acceptance testing is to allow the client to validate that the solution meets his or her requirements. In fact, depending on how your others tests were performed, this final test may not be necessary. If the clients and users participated in system tests such as requirements testing and usability testing, they may not see a need to perform a formal acceptance test. However, it is very likely this additional test is necessary for the client to give final approval for the system.

This is the last opportunity the client has to make sure that the system is what they expect. When this final test is complete, the team expects that the client will formally approve the system or point out any problems that still need to be resolved. Therefore, unlike all the other tests performed so far, acceptance testing is the responsibility of the client. Of course, unless the clients are very savvy in testing techniques, they will need the participation of the project team as well.

Action Items

(Product: TenStep Project Management Process)

An action item is work that requires follow-up execution. By their nature, action items normally cannot be planned for in advance. They arise on an ad-hoc basis during meetings or as a by-product of working on something else. An action item is assigned because there is not enough knowledge, expertise or time to resolve the item at the time it originally surfaces.

In many cases, action items are trivial in nature, but in other cases they can require substantial work to complete. Action items need to be assigned, worked on later and completed. (If they are not going to be completed, they should not be called action items. Instead, simply note that the item will not be followed up.) Examples of action items include forwarding specific information to someone, arranging a meeting and providing a quick estimate on a piece of work.

Sometimes an action item is established to investigate an area where there may be a potential problem. Because of this, action items are sometimes wrongly mixed in with issues. An action item should not be confused with an issue. An issue is a problem that will have a detrimental impact on the project if left unresolved. An action item may lead to the discovery of an issue or a risk (a potential issue in the future), but the action item itself is not an issue.

There are two common approaches used to manage action items. The best approach is to document the items as activities in the project schedule. A resource and end date is assigned as well, and the activity is then managed and tracked like any normal activity. In general, this is the better approach to follow because it keeps the work items in one place, and it allows the project manager to enforce the discipline of knowing 'if it's not on the project schedule, it will not be worked on.'

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Another popular approach is to track and manage action items on a separate Action Item Log. This can make sense to some project managers because typically action items are small enough that you may not want to track them on your real project schedule. If you use this approach, action items can be identified, documented, assigned and resolved using the following process:

Action items may be identified by anyone on the project team. They often arise out of interactions between and among project team members, particularly at meetings.

The project manager or a designated person enters the action item in the Action Item Log. This records its existence to ensure that it receives attention and is carried out.

The project manager or designated person assigns the action item to a team member who assumes responsibility for the action item and takes the necessary steps to complete it. The project manager may be assigned action items as well.

A date for the completion of each action item should be entered into the log, along with an estimate of the amount of effort required.

If completing an action item involves more work than anticipated, it should be brought to the attention of the project manager.

The Action Item Log should be reviewed at regular intervals during project team meetings to ensure that action items have been completed successfully.

A separate Action Item Log only makes sense if the work activities are one or two hours of effort. If the effort is much more than that, you probably want to place the action item in the project schedule. It takes effort to work on and close an action item. If the work effort is anything other than trivial (one or two hours), the project manager should track the activity on the project schedule, not on a separate Action Item Log. Remember that team members should all be fully allocated. If team members are assigned action items that take more than a couple hours of effort, it can have a negative impact on their previously assigned work. If the action item is placed on the project schedule, the project manager will be able to see the detrimental impact that may occur with the assignment of this extra work. Action items are normally time sensitive. If an action item has not been completed in a reasonable timeframe, it should be closed and eliminated.

The project manager (or designated person) must follow up to ensure that action items are closed. In general, if they are not assigned to a specific person, have no target date or are not followed-up, there is a good likelihood that the action item will not be completed. If it is not going to be completed, there is no use in documenting and tracking it at all.

Activation

(Product: PortfolioStep Portfolio Management Framework)

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Activation is a step in a portfolio management process. Managers build schedules to start and complete as much of the approved work as possible. Operations and support staff are in place at the start of the year and will be in place all year. Projects and leadership initiatives, however, need to be scheduled throughout the year based on business urgency and available staff. It is not efficient to try to start all projects at the beginning of the year - if you schedule all of your projects at once, you will have to hire excess staff during the peak workload, and then have staff idle during the slower time.

The Activation step contains a mini-Business Plan Process to account for new work that surfaces during the year. This work needs to be selected, prioritized and authorized. If new work is authorized, it may mean that some work that was previously authorized will need to be canceled or delayed. It ensures that all the authorized work is scheduled appropriately based on business priorities and available staff.

Active Listening

(Product: LifecycleStep Project Lifecycle Process)

It has been said that the best communicators are actually the best listeners, not the best speakers. Remember that communication is a two-way process of expressing and receiving meaning between a speaker and a receiver. The speaking part is only half of the communication model.

In a sense, speaking is the easier of the two sides of the conversation. When you talk, you know what you are trying to say. However, when you listen, you must understand what the other person is saying. This requires you to use your understanding of the background, context and assumptions behind the communication. For many people, this is the harder part of the communication model.

When you are gathering requirements, active listening is the most dominant skill. This is especially true when you are using interviewing and group interviewing techniques. Your role as a speaker is typically to set up the questions. The most important part is to listen to the responses. The responses will contain requirements (or portions of them). The responses will also dictate the type of follow-up questions you will ask or where you take the discussion.

"Active listening" is the term used to describe this proactive listening process. You need to really focus on what is being said to know how to respond and to make sure you are identifying and capturing requirements accurately. There are a number of techniques associated with active listening.

Look at the speaker. This is important to help make the speaker feel at ease. Make eye contact when you talk, and let the interviewee make eye contact with you when he/she talks. Of course, there will be times when you will be taking notes, and, in fact, you will spend a lot of time writing during the discussion. However, it is important to make eye contact as often as possible during the discussion.

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Show an interest. One of the worst things that an interviewer can do is act like he/she really would rather be somewhere else. The interviewee can pick up the clues that say that the interviewer is not really interested in the discussion. When that happens, the interviewee will tend to shut down and you will not end up with the requirements and insight you are looking for.

Draw the information out. Remember that your active listening techniques have two major purposes. First, you want to make sure that you recognize any requirements that the speaker is providing. Second, you need to hear the responses to understand the direction that the conversation should go next. Your active listening and ability to ask good questions will allow you to draw the information out of the interviewee. In many cases, the interviewee has a hard time expressing the requirements. This may be because he/she does not have good communication skills, doesn't feel comfortable with the discussion, or perhaps does not really want to be there. In any case, active listening and good follow-up questions can help you get the information that you need.

Activity

(Product: TenStep Project Management Process)

Activities are typically the smallest unit of work identified on the project schedule. They are small enough that it is clear what is meant by the activity and it can be discreetly managed by the project manager. More than one person can be assigned to an activity. (Activities can be broken down further into "tasks" but that level of detail is generally too low for effective project management.)

Actual Cost (Earned Value)

(Product: TenStep Project Management Process)

Actual Cost (AC) is a part of "Earned Value" calculations. To calculate this number, add up the actual cost for all the work that has been completed up to that point in the project. This could include the internal and external labor costs, as well as invoices paid (or perhaps purchase orders approved). If you have an automated financial system that will crank these numbers out, it is not too hard of a task. If you cannot capture all of the costs automatically, it could be very time consuming. If your project only consists of labor, then the cost and the effort will track along the same lines. If you have a lot of non-labor costs in your budget, then the project costs don't directly tie to the labor used.

Alignment

(Product: PortfolioStep Portfolio Management Framework)

Alignment means that every organization and every person is trying to move the company in the same direction and toward a common vision. Alignment is established through the creation of consistent goals and objectives for every organization and every person in the company.

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A company's mission statement provides a concise description of the purpose for the company being in business, and usually speaks of the value the company is trying to deliver to its customers. In other words, the mission statement describes the reason for the existence of the company. The company mission is defined at a high level and typically does not change from year to year. It might get tweaked once in a while, but it is not substantially changed unless your company has a major change in business focus.

Each year, companies also create goals. Yearly goals are outcomes the company wants to achieve to help it meet its mission. Goals are also written at a high-level and may take more than one year to achieve. Company goals can change from year to year, although they are written at a high-enough level that many can be similar from one year to the next. Company goals provide more detail and guidance to the organization on what is important to achieve in the next one to three years. As an example, let's say part of your company's mission is to "… be the leading supplier of high-quality widgets to the aerospace industry…" One of your company goals might be to increase your market share of widgets in the aerospace industry, while another might be to have the highest quality widgets in the industry.

Alignment is created by first having the company create overall company goals, strategies and objectives. Each high level organization then creates more specific goals, strategies and objectives that make sense for their organization, while also allowing their organization to contribute toward the company goals, strategies and objectives. Likewise, each lower level organization creates goals, strategies and objectives that are very specific and tactical, while still helping them contribute to the organization they are within. This process continues down to each individual person. Each person should receive specific objectives that will help their organization, which helps the organization above them, which ultimately helps the company.

Alignment is all about having the resources in your company striving toward the same general purpose. Alignment comes from making sure that people and organizations know what is important to the company. It also means that people have incentives to move the company in that one direction and not in directions that are counter to the general strategy.

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Analogy (Estimating Technique)

(Product: TenStep Project Management Process)

Even though all projects are unique, some projects are very close to others. In this technique, you compare your project to past projects with similar characteristics. This is a great way to estimate work since it allows you to reuse prior history. For example, let's say you are upgrading to a new release of your accounting software. Is this the first time you have implemented a new release? If it is, then you have no prior history. However, if you have upgraded releases before, you should have a pretty good idea of what it will take to upgrade this time. Even though the project is unique, it is very similar to work that was done previously.

Analyst

(Product: LifecycleStep Project Lifecycle Process)

In general, the analyst is responsible for ensuring that the requirements set forth by the business are captured and documented correctly before the solution is developed and implemented. In some companies, this person might be called a Business Analyst, Business Systems Analyst, Systems Analyst or Requirements Analyst. While each of these titles has its particular nuances, the main responsibility of each is the same - to capture and document the requirements needed to implement a solution to meet the clients' business needs. If requirements are not captured and documented, the analyst is accountable. If the solution meets the documented requirements, but the solution still does not adequately represent the requirements of the client, the analyst is accountable.

Application (Software Development)

(Product: LifecycleStep Project Lifecycle Process)

The term "application" or "business application" refers to the software systems that are used to automate otherwise manual business processes within your company. Examples of applications include payroll, accounts payable, Customer Relationship Management (CRM) software, time reporting, inventory management, etc. In some companies, these entities might be referred to as "systems." Applications can be internally developed, or they can be packages purchased from an outside vendor.

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