

# The Project Business Glossary

Version 1



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### Creator

- Oliver F. Lehmann, Germany

### Contributors

- David Odigie, Canada
- Sarah Schütte, UK
- Stanimir Sotirov, Bulgaria

## Introduction

Misunderstandings and confusing use of terminology are a continuous threat to successful project business. They are deeply frustrating and often have the effect that customers do not receive what they had ordered and what they are prepared to pay for, while their contractors miss the opportunity to have a satisfied customer, perform a profitable project, and protect their credit lines.

The [Project Business Foundation](#) hopes that this *Project Business Glossary* will help avoid misunderstandings and enable organizations and individuals to have more success.



Another application of the *Project Business Glossary* is education.

We see a major gap between the challenges that practitioners face in project business, and the specific education that they have received to perform in this field. We would like to encourage Academia, professional training providers, and instructors to become experts in this discipline and use their knowledge to help their students and customers increase their success rates. If they need help develop their skills in Project Business Management, the [Project Business Foundation](#) is happy to provide it.

The *Project Business Glossary* may be freely distributed. Contract parties can use it to ensure a common understanding of terminology, e.g. by adding it as an appendix to a project contract, and instructors can use it to underpin and support their classes. Any use that helps improve cross-corporate project business is welcome.

Also welcome is feedback: [info@project-business.org](mailto:info@project-business.org)

Good luck in project business!

A handwritten signature in blue ink, appearing to read 'Oliver F. Lehmann'.

Oliver F. Lehmann  
President – [Project Business Foundation](#)  
26 November 2020

# Notes and Disclaimer

The Project Business Glossary is provided for use free of charge.

This Glossary for Project Business Management is provided by the Project Business Foundation for the purpose of supporting project professionals and organizations from all industries and disciplines to do better project business. It has been written for a global community of practitioners and experts. To make sure that anyone anywhere can use it, the glossary is "jurisdiction blind" to the degree that this is possible. Where this is not possible, it is denoted in the document.

After finishing its development, this document has been given the version number 1. Feedback and inputs are welcome at [info@project-business.org](mailto:info@project-business.org).

We observed that cross-corporate project business is best done when the words and acronyms are commonly understood. Confusion on terminology can lead to expensive misunderstandings and damage the relationships of people and organizations involved. The main purpose of this glossary is to ensure a common understanding by providing either a) an authoritative resource for methodology development, training, and contracting, or b) a baseline that helps develop one's own glossary.

Whilst we believe the Project Business Glossary to be comprehensive, it is not "definitive" or "final", nor claims to be. It is "live" in the sense that it may be updated by the Project Business Foundation as a result of suggestions by the user community, which we welcome. A clear versioning process ensures that despite future changes, the glossary can be used as a reference in methodology development, education, and contracting. You can submit your suggestions by sending a message to [info@project-business.org](mailto:info@project-business.org).

Users of the Project Business Glossary should remember that certain industry sectors and organizations may use (by choice, law, or convention) specific definitions, abbreviations or acronyms in their methodologies and contracts that are different from this glossary. In such cases, we recommend that the definition to be used and understood in the specific situation should be discussed and the decision made should be documented. However, even in these situations, the Project Business Glossary can be helpful by providing a baseline easing discussion, documentation, and decision making.

We believe the Project Business Glossary supports a general cross-industry understanding and enables better collaboration through the avoidance of confusion, misunderstandings, or false assumptions.

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# The Glossary

Term, Acronym	Meaning	Notes
Acceptance testing	Here: Formal testing conducted to provide evidence that a product, service, or other kind of result satisfies contractually agreed acceptance criteria	Successful acceptance testing leads to validation or sign off by the customer.
Agile methods	A family of frameworks and methods to improve -> Agility in projects	Generally developed for internal projects. Nevertheless, they are often adapted and used for customer projects.
Agility	The ability to respond quickly to changing requirements, wishes, and needs	Contrasts with -> Predictiveness.
Alternative dispute resolution (ADR)	Conciliation, mediation, expert determination, or arbitration (binding, non-binding) to resolve conflicts between contract parties unable to find a solution in negotiations with the purpose of avoiding a lawsuit	Uses a third party to assist resolving the conflict or decide upon it.
Assets	Things of value, such as money, buildings, reputation, skilled and unskilled people, that may be used in projects or not	Project business management means to tap into the assets of other organizations and turn them into project resources.
Audit	-> Review of documentation	Preaudits precede the reviewed activities, postaudits or revisions follow them. Contrasts with -> inspection.

Backlog	Here A list of work items (user stories) to be prioritized and completed based on the ranking done by a product owner reflecting the needs of the customer	In project business: Reflecting the various wants and needs of the customer relating to the project's results.
Benefit engineering	Approach to resolve a project conflict, dispute, or crisis by adding benefits for the other party	Contrasts with -> Cost engineering.
Bid	Here: Response to an -> Invitation for bid (IfB)	Often used confusingly.
Bid & proposal management	The discipline of developing offers, such as -> bids, -> proposals, -> pitches, etc.	Commonly done during -> Business development.
Bid bond	Insurance or deposit to compensate the buyer in case the seller withdraws the offer before the contract is concluded	Also see -> Performance bond, -> Warranty bond.
Bidders conference	A customer-sponsored event with vendors from different disciplines and industries attending to present the project, and respond to questions by the attendees	Often used in government projects to make the project's vendor selection protest-proof.
Bidding documents	Documents used for any kind of business development	May be documents provided by the customer or by the contractor.
Brain storming	A technique used to generate divergent ideas on a particular subject	Customer and contractor can jointly be involved to generate ideas that will add value for both.
Breach of contract	Violation of contract terms by at least one party	Depending on the jurisdiction, a breach may be immaterial, material, or repudiatory.

Build-Operate-Transfer (BOT)	A contractor designs and builds a product and operates it for an agreed-upon period, then hands it over to the final owner	Commonly used -> Project finance scheme in public infrastructure projects. The Build phase is an investment by the contractor, the Operate phase must bring the payback, which is ended with Transfer.
Burn-down chart	A chart showing the rate (story points/day) at which user stories or tasks are being completed or burned down	It is a communication tool a contractor can use to report project progress to the customer.
Burn-up chart	A chart showing the rate (story points/day) at which business value is growing	Visualizes the impact and value of changes to the scope.
Business acumen	Here: The ability to make and implement profitable project business decisions in a given situation and environment	An essential skill in project business. Compare with -> Business spirit.
Business agility	The quick realization of business value in an environment with low predictably	In project business: Builds on mutual understanding and the speed and decisiveness of the players. Achieving business agility is often a driving force of -> Project business management.
Business case	Here: A document discussing the benefits, costs, risks, and other aspects of a project, developed to support and justify decision making during project selection	Mandatory projects may not have a business case but follow a regulatory requirement. For -> Contractors in -> Customer projects, the business justification is mostly income generation.
Business development	The phase in -> project business management, when entering a contract is intended but before the contract has been agreed upon	

Business spirit	Here: The preparation to consider, make, and implement profitable project business decisions in a given situation environment	An essential trait in project business. Compare with -> Business acumen.
Business value	Here: tangible or intangible return the customer or contractor anticipates to realize.	Contractual business value is what the Customer is willing to pay for.
Buyer	Here: Any person or organization in project business that buys project work and/or results from outside. After contract closure synonym with -> Customer	Contrasts with -> seller.
Call-off contract	A contract for works or services, which is entered into ("called off") pursuant to a -> Framework agreement	May contain specific terms for the works and services required, but in general the applicable terms will be those of the framework (i.e. pre-agreed).
Capture strategy	A plan describing steps to win a business during business development	Well developed and implemented capture strategies are often the key to successful business development on contractor side. -> Delivery strategy.
Cash flow	Income minus cost in the customer project over time	It is an aspect of the often delicate balance between money coming in and flowing out.
Cash-flow analysis	Assessment and forecasts of -> Cash flow	
Certification	A formal validation of a person, organization, product, or a process by a third party against specified criteria	A project contract may include clauses that require the use of certified people or subcontractors by the contractor.
Change control	Another term for -> Change request management	

Change management	The management function to apply changes to an entire organization	Often confused with -> Change request management and -> Change control.
Change request	Request by either contract party to the other(s) to change scope, schedule, and other elements of the project plan	Parties should have a process in place to manage change requests across the corporate borders.
Change request management	The management function to manage change requests	Also called Change control.
Civil law	Legal system based on strict separation of powers	Characterized by the existence of a Civil code. Contrasts with -> Common law.
Claim	Here: Demands in money, rework, and other items of worth, mostly based on construed disruptions, changes, or other alterations to the contractually agreed project work	
Claim manager	Role on -> contractor or -> customer side tasked with identifying situations that justify -> claims against the other party	A "war of claims" between contract parties can be damaging to a -> cross-corporate project.
Client	Synonym for -> Customer	
Code analysis	The process of validating that software code conforms to guidelines and standards.	May be contractually required as an integrity check on how well the contractor is working according to agreed upon design and coding rules.
Code of conduct	Collection of rules that explains acceptable and unacceptable behavior, often with a mechanism to make it enforceable	
Collocated team	-> Team with members in physical proximity	Contrasts with -> Virtual team.

Common law	Legal system based on the English mediaeval system of jurisprudence	Also called Anglo-American law. Contrasts with -> Civil law.
"Completing over competing"	Paradigm to develop and jointly follow a -> "Mission Success First" motto	Implements the understanding that project success in a cross-corporate project is often damaged by competitive behavior of the parties involved.
Concurrent delay	Here: Discord among contract parties	Causes may be differing business interests and corporate cultures, incompatible egos, differing values, and many more.
Conflict	Here: Discord among contract parties	Causes may be differing business interests and corporate cultures, incompatible egos, differing values, and many more.
Consideration	Here: Disadvantages, obligations entered into by contract parties when concluding the contract	In Common law: All parties must have consideration to consider a contract valid.
Consortium	Here: A temporary joint venture between -> contractors to do the project jointly. The shareholders (= members, venturers) of the consortium are commonly also its subcontractor.	-> Teaming agreement. Certain consortia include the customer as a shareholder. See also -> Project alliance.
Constructive acceptance	A non-formal, implicit acceptance by complaint-free usage of contractual deliverables over a period of time	Often leads to -> claims and conflicts.
Constructive change	A change construed from hindsight into project work	Often leads to -> claims and conflicts.
Contract	Agreement between two or more players (organizations, individuals) that is mutually binding, valid, and enforceable at court <sup>[1]</sup>	

Contract change	A requested and approved change that leads to an amendment or addendum to the contract	
Contracting	Here: The process of developing, concluding, performing, maintaining, changing, validating, and finally closing down of a contract in project business management	Includes legal and commercial aspects.
Contract scope	The work, services, products, and other obligations by the parties that are part of the contract	May include obligations of the customer, such as -> provisions and -> enabling services.
Contract statement of work (CSOW)	A -> Statement of work (SOW) that has become part of the project contract	Often: The procurement SOW made binding by appending it to the contract.
Contractual work breakdown Structure (CWBS)	A Work breakdown structure (WBS) that has become part of the project contract	May refer to the entire WBS or to parts of it.
Corruption	Here: Application of undue influence on one or more individuals or organizations to gain an unjustified benefit	Includes bribery and blackmailing.
Cost(s)	Amount of money that it costs an organization to do a project, e.g. a contractor to do the project for the customer	Contrasts with -> price.
Cost engineering	Approach to resolve a project problem, in most cases a cost overrun, by reducing functions, features, or other costly elements	Contrasts with -> Benefit engineering.
Cost reimbursable contract	A contract type with a variable price depending on the costs for availability of resources, work done, and goods delivered that have been outlaid by the contractor and are reimbursed by the customer	Reimbursement may include various forms of fees paid on top of the reimbursed outlays.

Cross-corporate project	A -> Project performed by a -> Cross-corporate team.	Contrasts with -> Cross-functional project.
Cross-corporate team	A -> Team with members employed by different organizations	Contrasts with -> Cross-functional team.
Cross-functional project	A -> Project performed by a -> Cross-functional team.	Contrasts with -> Cross-corporate project.
Cross-functional team	A -> Team with members employed by different units (departments, divisions, etc.) inside the same organization	Contrasts with -> Cross-corporate team.
Customer	Synonym for -> client. Chiefly: Person or organization buying project work and/or results under contract against payment	This definition excludes "internal customers" or "internal clients".
Customer-facing project	-> Customer project	
Customer project	Project done by one or more contractors for one or more paying customers	See also -> Cross-corporate project. Contrasts with -> Internal project.
Deadline	A due date (latest date) for a completion or delivery. Often combined with liquidated damages or penalties	Often confused with -> Milestone and -> Phase gate.
Daily Stand-up	Here: A daily stand-up meeting of a -> Cross-corporate team where status is exchanged, progress is reported, and impediments are discussed and removed	Typical duration: 15 minutes.
Dashboard	Here: A type of information radiator that provides customers and contractors with graphs and reports	Indicates progress and trends and helps identify problems early.
Delivery strategy	A plan describing steps to ensure customer happiness, profitability of, and cash flow from the project on contractor side	Well developed and implemented delivery strategies are often the key to doing the business successfully. -> Capture strategy.

Design-Bid-Build (DBB)	A project, where a contractor develops the design, but the subsequent implementation is done by another one	Common in construction and infrastructure projects. Contrasts with -> Design-Build (DB) and -> Design-Build-Operate (DBO).
Design-Build (DB)	A project, where a contractor develops the design and also does the implementation	Common in construction and infrastructure projects. Contrasts with -> Design-Bid-Build (DBB) and -> Design-Build-Operate (DBO).
Design-Build-Operate (DBO)	A project, where a contractor develops the design, does the implementation, and operates the results.	Common in construction and infrastructure projects. Contrasts with -> Design-Build (DB) and -> Design-Bid-Build (DBB).
Disruption notice	Message mostly by a contractor to a customer that work could not be performed due to disruptions outside the influence or responsibility of the contractor	Can lead to -> Claims and -> Concurrent delay.
Done	The criteria for accepting a product, feature, story, or other result as finished	In project business, "doneness" criteria are mostly set by the customer to be satisfied by the contractor.
Earned value method	Method for standardizing progress measurement against baseline schedule and costs	Sometimes used in -> Project business for incentive models.
Enabling services	Services provided by the customer to the contractor to enable the latter to do its work	Compare with -> Provisions.
Effectiveness	Here: The ability to deliver what has been agreed upon and is needed and helpful	An example: In a fixed price project, effectiveness is what the contractor owes the customer. Contrasts with ->Efficacy and -> Efficiency.

Efficacy	Here: Efficiency and effectiveness under controlled conditions	An example: The performance of a product in a lab environment. Contrasts with -> Effectiveness and -> Efficiency.
Efficiency	Efficacy and effectiveness weighted against costs and efforts occurring to develop or operate it	An example: In a fixed price project, efficiency is what the contractor-side project manager owes his/her employer. Contrasts with -> Effectiveness and -> Efficacy.
E-procurement	Electronic procurement using online media	Often by utilization of portal systems.
Estimation	Process of forecasting of costs, time, work, and other quantitative items	Based on analogies, mostly from past projects.
Expert judgment	Utilizing -> Subject Matter Experts for decision making	May also utilize -> Focus groups.
FIDIC	Fédération Internationale Des Ingénieurs-Conseils, International federation of consulting engineers	FIDIC offers a range of standard form contracts for project business in engineering.
Field change	A change done during implementation, often in response to an emergency or the identified need for technical safeguards.	Commonly circumvents change request processes.
Fixed price contract	A contract type with a predefined price for the customer, in which the contractor assumes most or all cost risks	May include some variable elements, such as price adjustments (e.g. for raw material costs or exchange rates), incentives, penalties, and award fees.
Focus group	Here: A cross-functional, cross-disciplinary, or cross-corporate group of -> Subject matter experts.	
Forecasts	Here: Predictions of future cash-flows, work, milestones, etc.	May be long-term or short-term.

Framework agreement	Here: Long term agreement, which includes prices, terms, and other contract clauses that apply when the goods and services are ordered.	Often used in combination with -> Purchase orders (POs) or -> Call-off contracts.
Freebie project	Customer project that is done by the contractor free of charge	Binds the customer for some time to use products or services of the contractor and pays back over time when these are invoiced.
Freelancer	Self-employed one-person contractor	
Gemba	The place where value-added work is being done: a work cell, the developer team room, the help desk, the customer's office.	In project business: Customers and contractors meet at gembas to observe, evaluate, coach, and engage with the team. Contrasts with formal status meetings.
General contractor	-> Prime contractor	
Gentlemen's agreement	Private agreement that in case of a conflict is not intended to be remedied at court <sup>[2]</sup>	
Good faith	Principle that each contract party assumes extended responsibility for the other parties' success from the contract	In civil law: Chiefly a legal requirement; in Common law: Possibly a contractual requirement.
Health check	A review by a qualified auditor, where the auditee is the contractor, and the audit client is the customer to ensure project management is sufficiently developed to meet the customer's requirements	Another word is Project management audit.
Hit rate	Percentage of -> offers that win the customer's acceptance and become business	
Incentives	Here: Models used to motivate contractors to meet customer's objectives	

Information	<ol style="list-style-type: none"> <li>1. Content of communications</li> <li>2. Response to a -&gt; Request for information (RfI)</li> <li>3. Processed and understood data</li> </ol>	
Information radiator	A visual control that displays information in a place where customers, contractors, and other stakeholders can see it	To be effective, the information must be current with sufficient detail to explain status.
Inspection	-> Review of work results	Partially or full finished work results can be inspected. Contrasts with -> Audit.
Interface	The point at which physical, system or information boundaries occur.	Care should be taken to scope / describe this carefully in the contract specification to avoid costly misunderstandings.
Internal project	A project done by an organization for its own purposes	See also -> Cross-functional project. Contrasts with -> Customer project.
International Project Management Association (IPMA®)	Umbrella association constituted by a group of National project management associations	Focusses on internal projects. See also -> PMI.
Invitation for bid (IfB)	Requesting offers from sellers for a price-driven competition (-> bid), based on clear specifications of project work and results	Often confused with -> Invitation to pitch (ItP), -> Invitation to tender (ItT), -> Request for proposal (RfP), -> Request for quotation (RfQ).
Invitation to bargain	-> Invitation to treat	
Invitation to pitch (ItP)	Requesting offers from sellers for a solution-driven competition (-> pitch), based on a project price that has been fixed by the buyer before the competition started ("budget")	Often confused with -> Invitation for bid (IfB), -> Invitation to tender (ItT), -> Request for proposal (RfP), -> Request for quotation (RfQ).

Invitation to tender (ItT)	Requesting offers from sellers for a mostly price-driven competition (-> tender) with unclear specification	Often confused with -> Invitation for bid (IfB), -> Invitation to pitch (ItP), -> Request for proposal (RfP), -> Request for quotation (RfQ).
Invitation to treat (ItT)	Non-binding -> offer	Also called Invitation to bargain. Commercially considered an offer but not legally, acceptance of the non-binding offer does not constitute a contract.
Iteration	A period during which the team is focused on producing a demonstrable interim result	Contractual terms may state that the result will be shown to the customer, potentially be delivered, implemented, and paid. See -> "sprint".
Iteration planning	The activity to prioritize and identify the stories and concrete tasks for the next -> iteration	Contract terms may state that the customer prioritizes the tasks based on -> business value.
Kaizen	Incremental, gradual, and unending improvement by doing little things better and achieving increasingly higher standards	Also called "Continuous improvement". Kaizen in a project may be contractually mandated.
Kick-off meeting	Meeting to present a mostly mature project plan to supervisors and other stakeholders to gain final approval	A contractor may have a Kick-off meeting with the customer and a second, internal one. Often confused with -> On-boarding meeting.
Lead time	Here: Time that a booking, a PO, a dispatch, etc. to ensure timely availability of an -> asset or a -> resource	Lead time calculation helps schedule the latest moment when an activity needs to be performed.

Lean	The approach that produces value quickly through a focus on reducing delays and eliminating waste	Application of certain lean methods may be contractually mandated in a project.
Letter contract	Fully negotiated but not yet signed contract, which is used as if it were signed to accelerate implementation	See also -> Letter of intent.
Letter of intent (LOI)	Legal document to drive a running negotiation forward by placing first enforceable obligations on the parties	Contrasts with -> Memorandum of understanding. See also -> Letter contract.
Liquidity	Ability of an organization to meet financial obligations, such as paying wages and invoices, repaying loans, etc.	
Main contractor	-> Prime contractor	
Management attention	An -> asset of the performing organization(s) used as a -> resource by the project	Assigning a management attention for project work to a contractor is often a driving force of -> Project business management.
Make-or-buy decision	Here: The decision by an organization to use own resources for the project ("Make") or outsource it partially or in full ("Buy")	Choosing the "Buy" option is commonly the starting point for project business.
Margin	Difference of a contractor's price to the customer minus assignable costs to do the project. In a portfolio of customer projects, the sum of the margins of the projects minus costs that cannot be assigned to individual projects represent profit	Margin is sometimes calculated as $1 - \text{price/costs}$ . A project with a price of \$ 1,000,000 and costs of \$ 800,000 would have a margin of 20%.
Memorandum of understanding (MOU)	Diplomatic document to capture the status of a running negotiation	Contrasts with -> Letter of intent.

Milestone	A moment during the course of a project with duration zero, when something important has been achieved or has happened	Often confused with -> Deadline and -> Phase gate.
“Mission Success First”	An overarching paradigm or motto for a -> cross-corporate project	Reduces the various priorities in a project to just one: Mission success.
Naming	Here: A single customer-approved vendor, which the contractor must use as sub-contractor	Contrasts with -> Nominating.
Nominating	Here: A list of customer-approved vendors, from which the contractor has to select a sub-contractor	Contrasts with -> Naming.
Non-disclosure agreement (NDA)	Contractual or private agreement to keep information confidential and not disclose it to the public	May precede the actual project contract or be included in it.
Offer	Any form of -> Bid, -> Pitch, -> Proposal, -> Quotation that is submitted to a prospective customer or contractor with the intention to enter a mutually binding contract	
Offer/no-offer decision	The decision on the side of a -> seller to respond to a -> Request for quotation (RfQ), -> Invitation for bid (IfB), etc. with a formal offer or not.	
On-boarding meeting	Meeting to bring internal and external team members together, discussing roles, rules, and more details	A customer may have on-boarding meetings with contractors and internal ones. Often confused with -> Kick-off meeting.
Outsourcing	-> Procurement	
Owner	Here: The final buyer/customer on tier 0 of the project	

Performance bond	Insurance or deposit to compensate the buyer and or subcontractors, when the contractor is not able or prepared to meet contractual obligations	See -> Bid bond, -> Warranty bond.
Phase gate	A process in a phase model, when one phase has been ended, and before the next can begin. Commonly a time of review of the previous phase, risk assessment of the next phase, and final approval to go on with the project	Often confused with -> Deadline and -> Milestone.
Pitch	Here: Response to an -> Invitation to pitch (ItP)	Often used confusingly.
Portfolio	Here: A group of customer projects under a common supervision domain and with a joint intention to make paying customers happy, ensure profitability and contribute positively to the organization's liquidity.	See also -> Project business management office (PBMO).
Predictiveness	The ability to make long-term forecasts and plans	Contrasts with -> Agility.
Prequalification questionnaire (PQQ)	A self-disclosure form attached to a -> Request for information (RfI) or following it as a next step before entering the actual competition. Often used to shortlist vendors	
Price	Here: Amount of money that the customer pays to the contractor according to the contract	Contrasts with -> Costs.
Prime contractor	A person or organization who acts as contractor to one or more customers and as a customer to one or more subcontractors	Also called main contractor or general contractor.
Private finance initiative (PFI)	A -> Project finance scheme whereby a public asset is long-leased (e.g. 25 years) to a private organization, who leases it back to a public user (e.g. school or hospital).	The obligations to upgrade and maintain the asset is with the private organization.

Privity of contracts	A legal doctrine that a contractual relationship must be direct; e.g.: a -> customer has a contractual relation with a -> prime contractor but not with -> subcontractors	Seems to be valid in all legal systems.
Procurement	Process to buy project work and results from outside the organization	
Procurement statement of work	A statement of work used to inform sellers during a project business development process of the required and intended work and results to be offered. May be turned into a -> Contract statement of work (CSOW), when the contract is agreed upon	
Product	Here: A collection of tangible and intangible features that are integrated and packaged into releases that offer value to the customer or another project stakeholder	The value of the product is validated during -> acceptance testing.
Product contract	A contract type obliging the contractor to deliver work results	A contract type in -> Civil law environments. Contrasts with -> Service contract.
Profitability (Portfolio)	The degree to which payments from the project customers exceed costs of the contractor to perform the portfolio	Includes the costs of winning new business and other costs that cannot be directly assigned to individual projects ("Corporate overhead").
Profitability (Project)	The degree to which payments from the project customer exceed costs of the contractor for the project.	Includes the costs of winning the specific business.
Program	Here: A set of projects done (mostly) by contractors that are coordinated and combined to an overarching endeavor by the customer	The project goals to be met by the contractors add up to a joint program mission that is managed by the customer.

Project	Here: A temporary agreement (internal or cross-corporate) to invest assets as resources for the creation of unique results.	
Project alliance	A multilateral contract between one or more customers and a number of contractors.	May have the form of a temporary joint venture and is then also called a “customer-led -> consortium”.
Project business	The business of doing projects for other organizations or mandating projects to other organizations under contract, assuming that the organizations involved are independent,	This definition includes both sides customers and contractors.
Project Business Foundation	The home association for organizations and individuals involved in -> Project business	This definition includes both sides customers and contractors.
Project business healing day	A moderated event bringing customers and contractors together with a focus on problem solution and performance improvement	
Project business management	The management discipline and the set of tools, techniques, management approaches, and artifacts employed to manage -> project business	This definition includes both sides customers and contractors.
Project business management office (PBMO)	Operational unit that unifies language and approaches across a -> Portfolio of customer projects and supervises profitability of the projects and their positive or negative impact on the organization's liquidity.	An evolution of the Project management office (PMO) commonly found in organizational portfolios with internal projects.
Project charter	Foundation document of the project and formal authorization of the project manager	
Project contract	-> Contract	

Project finance	A set of schemes that finance projects based on the expectation of monetary benefits gained from its results	Examples are -> Build-operate-transfer (BOT) and -> Private financial initiative (PFI).
Project management	The management discipline and the set of tools, techniques, management approaches, and artifacts employed to manage a -> project	This definition includes internal and cross-corporate projects.
Project management audit	-> Health check	
Project Management Institute (PMI®)	Association for project managers	Focusses on internal projects. See also -> IPMA.
Project owner	The final (= tier 0) customer of a -> Project supply network	
Project supply network (PSN)	Cross-corporate multi-contract system with customer(s), contractors, subcontractors, and so on, possibly spanning multiple -> Tiers, working together to achieve the project mission	The last part of the definition may be wishful thinking in many PSNs. Compare with Supply chain management (SCM) in operations.
Proof of concept (POC) contract	A contract to develop a functional model or prototype before the actual product or service is contracted out	A form of solution analysis and feasibility study. Legally a separate contract, in the project regarded as a (pre)phase or a project on its own.
Proposal	Here: Response to a -> Request for proposal (RfP)	Often used confusingly.
Prospective customer (prospect)	The buyer during the time of business development	
Provisions	Here: Deliveries by the customer to the contractor to enable the latter to do its work	Compare with -> Enabling services.

Public-private partnership (PPP)	A set of contract types between public customers and private contractors	A common example is -> Build-operate-transfer (BOT).
Purchase order (PO)	Offer by a buyer to enter a contract for the purchase of goods or services. Acceptance by the seller and conclusion of the contract is expected by delivering what was requested	Often used in the context of a -> Framework agreement, which provides the -> Terms & conditions (T&Cs).
Quotation	Here: Response to a -> Request for quotation (RfQ)	
Release	Here: A version of a -> product that is approved to be handed over to the customer or other stakeholders.	
Relational contracting	An approach to contracting that focuses on partnership among the parties more than on competition	
Request for information (RfI)	Requesting self-disclosure from sellers before the actual competition (-> bid, -> pitch, -> proposal) is entered, often intended to shortlist vendors and to announce a coming competition to them	
Request for proposal (RfP)	Requesting offers from sellers for a solution- & price-driven competition (-> proposal), based on a rough description of project work and results	Often confused with -> Invitation for bid (IfB), -> Invitation to pitch (ItP), -> Invitation to tender (ItT) -> Request for quotation (RfQ).
Request for quotation (RfQ)	Request for offer(s) from one (or a small number of) seller(s) without entering a competition (-> quotation), commonly for small procurement items that do not justify the costs and time	Often confused with -> Invitation for bid (IfB), -> Invitation to pitch (ItP), -> Invitation to tender (ItT), -> Request for proposal (RfP).

Resources	Own or someone else's assets that are used for the project	Project business management means to tap into the -> assets of other organizations and turn them into project resources.
Retrospection	Here: The structured reflective practice with either customer or contractor team, or both, to learn and improve based on what has already been done	In iterative approaches, retrospections must be done at the end of every -> iteration.
Review	-> Audit of documentation or -> Inspection of work results.	
Rework	The need to work again on a work result that has previously been considered finished	Often a major cost driver in project business and a common cause for losses made by contractors.
Risk	Uncertainty, that matters	In project business management, commercial and legal risks should be managed in addition to project risks.
Scope	The amount and contents of the work that needs to be done and of the results that the project must produce	
Scope statement	Document developed by the project team(s) describing and specifying the scope of the project and often additional information such as management approach	
Seller	Here: Any person or organization in project business selling goods and services to a ->project buyer. A seller may be a prospective contractor during business development and becomes a contractor, when the contract is agreed upon.	Contrasts with -> Buyer.

Service contract	A contract type obliging the contractor to provide services and the availability of resources	A contract type in -> Civil law environments. Contrasts with -> Product contract.
Situational Project Management	The ability to call upon different practices, methods, and behaviors to respond adequately to changing situations, contexts, and requirements.	
Sprint	A time-boxed -> iteration	Used in methods such as Scrum.
Staged deliveries	An approach to hand over project deliverables to the customer in a number of increments over time	May be used as a proactive business approach or to respond to delays by delivering what is finished, handing over unfinished items at a later moment.
Stakeholder	Every person, group of people, or organization that the team(s) should be aware of and consider during decision making	The term is often otherwise used, depending on organizational traditions and applied methods.
Stakeholder register	List of identified stakeholders including relevant information for their consultation, engagement, and management	
Statement of work (SOW)	In procurement: A document describing or specifying the needs, wants, and other intentions of the buyer during business development to allow one or more sellers to develop an -> offer. Can become a -> Contract statement of work (CSOW)	There is also an internal statement of work with a different function.
Story	Here: An invitation for a conversation about customer-side requirements, features, and/or units of business value that can be estimated and tested	Stories may be the basic unit of communication, planning, and negotiation between customer and contractor.

Subcontractor	A -> Contractor working under contract for a -> Prime contractor	The Subcontractor may assign work to sub-subcontractors, which can lead to a complex -> Project supply network.
Subject matter expert (SME)	A specialist used for -> Expert judgment	May also attend -> Focus groups.
Submission date	Here: The -> deadline for submission of a -> bid, -> proposal, or other form of -> offer	Steps planned to make best use of the time available until the submission date are often a core element of a -> Capture strategy.
Target cost contract (TCC)	Form of -> Cost reimbursable contract, in which the fee varies depending on cost over-/underruns	The variable fee is typically calculated through a sharing of cost over-/underruns between contractor and customer.
Team	A group of people working together with a dedication to help each other and achieve a common goal	
Teaming	Here: Cooperation of two or more vendors to do a customer project together that one alone would be unable to do	
Tender	Response to an -> Invitation to tender (ItT)	Often used confusingly.
Terms & conditions (T&Cs)	A series of clauses which is signed by the parties thus making a -> contract or becoming part of it.	It can be dangerous territory if you have unwittingly signed up to someone else's T&Cs.
Tier	Here: Distance of a -> contractor to the final -> customer, which represents Tier 0. Used to describe -> Project supply networks.	Similar to the use in Supply chain management (SCM) in operations.
Time and material contract (T&M)	A contract type with a variable price depending on the amount of work done and goods delivered by the contractor	

Turnkey project contract	Form of contract, mostly in plant engineering and construction for the outsourcing of a project from beginning to final delivery	Various other names are used across industries, e.g. -> Engineering, procurement, construction (EPC) contract.
United Nations Convention on Contracts for the International Sale of Goods (CISG)	A body of commercial law that can be used for international project contracts as a "third party" law.	Not applicable in all countries, application limited.
Value stream	Here: The set of actions that take place to incrementally add value to a customer from the initial request to final value realization	Contrasts with -> Collocated team. Often achieved through intensive use of communication technology.
Virtual team	-> Team with members in distant locations	Contrasts with -> Collocated team. Often achieved through intensive and disciplined use of communication technology.
Voice of the customer	The term used to describe the stated and unstated needs or requirements of the customer	Commonly needs to go through a translation process to develop requirement statements that the contractor must understand and meet.
Warranty	The guarantee of a fault-free, fit-for-use, and specification-compliant product promising free repairs, replacement, or reimbursement for errors found during a predefined period	May be legal warranty or contractual warranty.
Warranty bond	Insurance or deposit to compensate the buyer and or subcontractors, when the contractor is not able or prepared to meet contractual warranty obligations	See -> Bid bond, Performance bond.

Waste	Here: Any activity that consumes resources, without adding value to the product or service a customer receives, or to another stakeholder	Also known as negative value.
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[1] Some legal systems know the concept of valid but unenforceable contracts.

[2] Some legal systems have a constitutional guarantee that agreements can be remedied at court and do not allow for such agreements.

[3] The SCRUM method, to give an example, uses a different definition of the term “stakeholders”.

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