Best Management Practice portfolio: common glossary of terms and definitions

Version 1, October 2012

This glossary:

- Is subject to terms and conditions agreed to by downloading the glossary
- Uses international English, which has been adopted to reflect and facilitate the international usage of the products
- Follows the recent trend in the Best Management Practice publications to move away from capitalization other than in normal English usage
- Does not include every term that is defined or explained in the main guide
- Is therefore a transitional product reflecting the trend discussed above but still includes definitions from the glossaries of some publications that don't comply with the trend.

Acknowledgements

Best Management Practice would like to thank Adrian Dooley (APMG), Alan Ferguson (AFA), Andy Murray (Outperform) and Graham Williams (GSW Consultancy Ltd), who produced the original PPM common glossary.

Best Management Practice would also like to thank Ashley Hanna (HP) and Stuart Rance (HP), who produced the original ITIL glossary (in English) in May 2007. (It was updated by Ashley Hanna in July 2011.)

Trade marks

Glossary of terms and definitions

Term	Definition
abstraction	The level of a function in a hierarchy.
accept (risk response)	A risk response to a threat where a conscious and deliberate decision is taken to retain the threat, having discerned that it is more economical to do so than to attempt a risk response action. The threat should continue to be monitored to ensure that it remains tolerable.
acceptance	**Generic –** the act of accepting or the state of being accepted or acceptable. **ITIL –** Formal agreement that an IT service, process, plan or other deliverable is complete, accurate, reliable and meets its specified requirements. Acceptance is usually preceded by change evaluation or testing and is often required before proceeding to the next stage of a project or process. For example, the term service acceptance criteria in *ITIL Service Transition* is defined as 'a set of criteria used to ensure that an IT service meets its functionality and quality requirements and that the IT service provider is ready to operate the new IT service when it has been deployed'. **PPM –** The formal act of acknowledging that the project has met agreed acceptance criteria and thereby met the requirements of its stakeholders. For example, in PRINCE2 the term acceptance criteria is defined as 'a prioritized list of criteria that the project product must meet before the customer will accept it, i.e. measurable definitions of the attributes required for the set of products to be acceptable to key stakeholders'.
access management	The process responsible for allowing users to make use of IT services, data or other assets. Access management helps to protect the confidentiality, integrity and availability of assets by ensuring that only authorized users are able to access or modify them. Access management implements the policies of information security management and is sometimes referred to as rights management or identity management.
account manager	A role that is very similar to that of the business relationship manager, but includes more commercial aspects. Most commonly used by Type III service providers when dealing with external customers.
accountable	Personally answerable for an activity. Accountability cannot be delegated, unlike responsibility.

Term	Definition
accounting	The process responsible for identifying the actual costs of delivering IT services, comparing these with budgeted costs, and managing variance from the budget.
accounting officer	A public sector role. Has personal responsibility for the propriety and regularity of the finances for which he or she is answerable; for the keeping of proper accounts; for prudent and economical administration; for avoidance of waste and extravagance; and for the efficient and effective use of resources. This brings with it a responsibility for governance issues, and includes custodianship of risk management and its adoption throughout the organization.
accounting period	A period of time (usually one year) for which budgets, charges, depreciation and other financial calculations are made. *See also* financial year.
accredited	Officially authorized to carry out a role. For example, an accredited body may be authorized to provide training or to conduct audits.
active monitoring	Monitoring of a configuration item or an IT service that uses automated regular checks to discover the current status. *See also* passive monitoring.
activity	**Generic –** A function, mission, action or collection of actions. **ITIL –** A set of actions designed to achieve a particular result. Activities are usually defined as part of processes or plans, and are documented in procedures. **PPM –** A process, function or task that occurs over time, has recognizable results and is managed. It is usually defined as part of a process or plan.
aggregated risk	The overall level of risk to the programme or portfolio when all the risks are viewed as a totality rather than individually. This could include the outputs of particular scenarios or risk combinations.
agile methods	Principally, software development methods that apply the project approach of (often) using short time-boxed iterations where products are incrementally developed. PRINCE2 and MoV are compatible with agile principles.
agreed service time (AST)	A synonym for service hours, commonly used in formal calculations of availability. *See also* downtime.

Term	Definition
agreement	A document that describes a formal understanding between two or more parties. An agreement is not legally binding, unless it forms part of a contract. *See also* operational level agreement; service level agreement.
alert	A notification that a threshold has been reached, something has changed, or a failure has occurred. Alerts are often created and managed by system management tools and are managed by the event management process.
analytical modelling	A technique that uses mathematical models to predict the behaviour of IT services or other configuration items. Analytical models are commonly used in capacity management and availability management. *See also* modelling; simulation modelling.
application	Software that provides functions which are required by an IT service. Each application may be part of more than one IT service. An application runs on one or more servers or clients. *See also* application management; application portfolio.
application management	The function responsible for managing applications throughout their lifecycle.
application portfolio	A database or structured document used to manage applications throughout their lifecycle. The application portfolio contains key attributes of all applications. The application portfolio is sometimes implemented as part of the service portfolio, or as part of the configuration management system.
application service provider (ASP)	An external service provider that provides IT services using applications running at the service provider's premises. Users access the applications by network connections to the service provider.
application sizing	The activity responsible for understanding the resource requirements needed to support a new application, or a major change to an existing application. Application sizing helps to ensure that the IT service can meet its agreed service level targets for capacity and performance.
approval	The formal confirmation that a product is complete and meets its requirements (less any concessions) as defined by its product description.

Term	Definition
approver	The person or group (e.g. a project board) who is identified as qualified and authorized to approve a (management or specialist) product as being complete and fit for purpose.
architecture	The structure of a system or IT service, including the relationships of components to each other and to the environment they are in. Architecture also includes the standards and guidelines that guide the design and evolution of the system.
as-is state	The current operating structure and performance of the parts of the business which will be impacted by a programme.
assembly	A configuration item that is made up of a number of other CIs. For example, a server CI may contain CIs for CPUs, disks, memory etc.; an IT service CI may contain many hardware, software and other CIs. *See also* build; component CI.
assessment	Inspection and analysis to check whether a standard or set of guidelines is being followed, that records are accurate, or that efficiency and effectiveness targets are being met. *See also* audit.
asset	Any resource or capability. The assets of a service provider include anything that could contribute to the delivery of a service. Assets can be one of the following types: management, organization, process, knowledge, people, information, applications, infrastructure or financial capital. *See also* customer asset; service asset; strategic asset.
asset management	A generic activity or process responsible for tracking and reporting the value and ownership of assets throughout their lifecycle. *See also* service asset and configuration management; fixed-asset management; software asset management.
asset register	A list of fixed assets that includes their ownership and value. *See also* fixed-asset management.
asset specificity	One or more attributes of an asset that make it particularly useful for a given purpose. Asset specificity may limit the use of the asset for other purposes.
assumption	A statement that is taken as being true for the purposes of planning, but which could change later. An assumption is made where some facts are not yet known. There is a risk that assumptions are not correct.

Term	Definition
assurance	All the systematic actions necessary to provide confidence that the target (system, process, organization, programme, project, outcome, benefit, capability, product output, deliverable) is appropriate. Appropriateness might be defined subjectively or objectively in different circumstances. The implication is that assurance will have a level of independence from that which is being assured. *See also* project assurance; quality assurance.
attribute	**Generic –** A quality or characteristic inherent in or ascribed to someone or something. **ITIL –** A piece of information about a configuration item. Examples are name, location, version number and cost. Attributes of CIs are recorded in a configuration management database (CMDB) and maintained as part of a configuration management system (CMS). *See also* relationship; configuration management system. **PPM –** A characteristic or inherent feature.
audit	Formal inspection and verification to check whether a standard or set of guidelines is being followed, that records are accurate, or that efficiency and effectiveness targets are being met. An audit may be carried out by internal or external groups. *See also* assessment; certification.
audit committee	A body of independent directors who are responsible for monitoring the integrity of the financial statement of the company; the effectiveness of the company's internal audit function; the external auditor's independence and objectivity; and the effectiveness of the audit process.
authority	The right to allocate resources and make decisions (applies to project, stage and team levels).
authority matrix	*See* RACI.
authorization	The point at which an authority is granted.
automatic call distribution (ACD)	Use of information technology to direct an incoming telephone call to the most appropriate person in the shortest possible time. ACD is sometimes called automated call distribution.

Term	Definition
availability	Ability of an IT service or other configuration item to perform its agreed function when required. Availability is determined by reliability, maintainability, serviceability, performance and security. Availability is usually calculated as a percentage. This calculation is often based on agreed service time and downtime. It is best practice to calculate availability of an IT service using measurements of the business output.
availability management (AM)	The process responsible for ensuring that IT services meet the current and future availability needs of the business in a cost-effective and timely manner. Availability management defines, analyses, plans, measures and improves all aspects of the availability of IT services, and ensures that all IT infrastructures, processes, tools, roles etc. are appropriate for the agreed service level targets for availability. *See also* availability management information system.
availability management information system (AMIS)	A set of tools, data and information that is used to support availability management. *See also* service knowledge management system.
availability plan	A plan to ensure that existing and future availability requirements for IT services can be provided cost-effectively.
avoid (risk response)	A risk response to a threat where the threat either can no longer have an impact or can no longer happen.
back-out	An activity that restores a service or other configuration item to a previous baseline. Back-out is used as a form of remediation when a change or release is not successful.
backup	Copying data to protect against loss of integrity or availability of the original.
balanced scorecard	A management tool developed by Drs Robert Kaplan (Harvard Business School) and David Norton. A balanced scorecard enables a strategy to be broken down into key performance indicators. Performance against the key performance indicators (KPIs) is used to demonstrate how well the strategy is being achieved. A balanced scorecard has four major areas, each of which has a small number of KPIs. The same four areas are considered at different levels of detail throughout the organization.

Term	Definition
baseline	**Generic –** A measurement, calculation, or location used as a basis for comparison. **ITIL –** A snapshot that is used as a reference point. Many snapshots may be taken and recorded over time but only some will be used as baselines. For example: • An ITSM baseline can be used as a starting point to measure the effect of a service improvement plan • A performance baseline can be used to measure changes in performance over the lifetime of an IT service • A configuration baseline can be used as part of a back-out plan to enable the IT infrastructure to be restored to a known configuration if a change or release fails. *See also* benchmark. **PPM –** A reference level against which an entity is monitored and controlled.
baseline management product	A type of management product that defines aspects of the project and, once approved, is subject to change control.
basic function	The primary purpose of an output, the one function that never changes unless the product or service itself does. If it is not satisfied, the output is worthless. For example, the purpose of a bus stop is to provide a point where people waiting are easily visible to the bus driver, so they can hail the bus. If it doesn't meet this need, it might as well not be built.
benchmark	**Generic –** A standard by which something can be measured or judged. **ITIL –** A baseline that is used to compare related data sets as part of a benchmarking exercise. For example, a recent snapshot of a process can be compared to a previous baseline of that process, or a current baseline can be compared to industry data or best practice. *See also* benchmarking; baseline. **PPM –** A product or process against which other products or processes may be compared.
benchmarking	The process responsible for comparing a benchmark with related data sets such as a more recent snapshot, industry data or best practice. The term is also used to mean creating a series of benchmarks over time, and comparing the results to measure progress or improvement. This process is not described in detail within the core ITIL publications.

Term	Definition
benefit	The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders, and which contributes towards one or more organizational objective(s).
benefits distribution matrix	An illustration of the distribution of benefits against dis-benefits across the organization, i.e. the winners and losers in a change.
benefits management	The identification, definition, tracking, realization and optimization of benefits, usually within a programme which can incorporate benefits identified via an MoV study.
benefits realization	For projects, the practice of aligning the outcome associated with the project with the projected benefits claimed in the business case.
benefits register	Summary document that contains key information from the benefit profiles.
benefits review plan	A plan that defines how and when a measurement of the achievement of the project's benefits can be made. If the project is being managed within a programme, this information may be created and maintained at the programme level.
benefits tolerance	The permissible deviation in the expected benefit that is allowed before the deviation needs to be escalated to the next level of management. Benefits tolerance is documented in the business case. *See also* tolerance.
Best Management Practice	The Best Management Practice portfolio is owned by the Cabinet Office, part of HM Government. Formerly owned by CCTA and then OGC, the Best Management Practice functions moved to the Cabinet Office in June 2010. The Best Management Practice portfolio includes guidance on IT service management and project, programme, risk, portfolio and value management. There is also a management maturity model as well as related glossaries of terms.
best practice	**Generic –** Proven approaches, activities, methods or processes that produce better results than other approaches. **ITIL –** Proven activities or processes that have been successfully used by multiple organizations. ITIL is an example of best practice. **PPM –** A defined and proven method of managing events effectively.

Term	Definition
billing	Part of the charging process. Billing is the activity responsible for producing an invoice or a bill and recovering the money from customers. *See also* pricing.
border	The time-bound limitations of a tranche, i.e. when end-of-tranche reviews are held and the programme receives endorsement to move into the next tranche.
boundary	The scope of what a programme will cover; the extent of its influence and authority.
brainstorming	A technique that helps a team to generate ideas. Ideas are not reviewed during the brainstorming session, but at a later stage. Brainstorming is often used by problem management to identify possible causes.
briefing meeting	A meeting at the outset of an MoV activity where the study leader or participants in an MoV activity receive information on the subject under review.
British Standards Institution (BSI)	The UK national standards body, responsible for creating and maintaining British standards. See www.bsi-global.com for more information. *See also* International Organization for Standardization.
budget	A list of all the money an organization or business unit plans to receive, and plans to pay out, over a specified period of time. *See also* budgeting; planning.
budgeting	The activity of predicting and controlling the spending of money. Budgeting consists of a periodic negotiation cycle to set future budgets (usually annual) and the day-to-day monitoring and adjusting of current budgets.
build	The activity of assembling a number of configuration items to create part of an IT service. The term is also used to refer to a release that is authorized for distribution – for example, server build or laptop build. *See also* configuration baseline.
build environment	A controlled environment where applications, IT services and other builds are assembled prior to being moved into a test or live environment.

Term	Definition
business	An overall corporate entity or organization formed of a number of business units. In the context of ITSM, the term includes public-sector and not-for-profit organizations, as well as companies. An IT service provider provides IT services to a customer within a business. The IT service provider may be part of the same business as its customer (internal service provider) or part of another business (external service provider).
business as usual (BAU)	The way the business normally achieves its objectives.
business capacity management	In the context of ITSM, business capacity management is the sub-process of capacity management responsible for understanding future business requirements for use in the capacity plan. *See also* service capacity management; component capacity management.
business case	**Generic –** A business case captures the reasoning for initiating a project or task. It is often presented in a well-structured written document, but may also sometimes come in the form of a short verbal argument or presentation. The logic of the business case is that, whenever resources or effort are consumed, they should be in support of a specific business need. **ITIL –** Justification for a significant item of expenditure. The business case includes information about costs, benefits, options, issues, risks and possible problems. *See also* cost–benefit analysis. **PPM –** The justification for an organizational activity (strategic, programme, project or operational) which typically contains costs, benefits, risks and timescales, and against which continuing viability is tested.
business case management	The manner in which a programme's rationale, objectives, benefits and risks are balanced against the financial investment, and how this balance is maintained, adjusted and assessed during the programme.
business change authority	An individual who represents a group of business change managers, similar to a senior business change manager (BCM) or business change sponsor.
business change lifecycle	A generic name used to represent any organizational process or framework which helps to guide the delivery of programmes and projects using a collection of repeatable processes and decision points.

Term	Definition
business change manager (BCM)	The role responsible for benefits management, from identification through to realization, and for ensuring that the implementation and embedding of the new capabilities are delivered by the projects. Typically allocated to more than one individual and also known as 'change agent'.
business change team	A group of specialists appointed to support a business change manager in the business change management aspects of benefits realization.
business continuity management	**ITIL –** The business process responsible for managing risks that could seriously affect the business. Business continuity management safeguards the interests of key stakeholders, reputation, brand and value-creating activities. The process involves reducing risks to an acceptable level and planning for the recovery of business processes should a disruption to the business occur. Business continuity management sets the objectives, scope and requirements for IT service continuity management. **PPM –** A holistic management process that identifies potential impacts that threaten an organization and provides a framework for building resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities. The management of recovery or continuity in the event of a disaster. Also the management of the overall process through training, rehearsals and reviews, to ensure the business continuity plan stays current and up to date.
business continuity plan (BCP)	**Generic –** Planning which identifies the organization's exposure to internal and external threats and synthesizes hard and soft assets to provide effective prevention and recovery for the organization, whilst maintaining competitive advantage and value-system integrity. **ITIL –** A plan defining the steps required to restore business processes following a disruption. The plan also identifies the triggers for invocation, people to be involved, communications etc. IT service continuity plans form a significant part of business continuity plans. **PPM –** A plan for the fast and efficient resumption of essential business operations by directing recovery actions of specified recovery teams.

Term	Definition
business customer	A recipient of a product or a service from the business. For example, if the business is a car manufacturer, then the business customer is someone who buys a car.
business impact analysis (BIA)	Business impact analysis is the activity in business continuity management that identifies vital business functions and their dependencies. These dependencies may include suppliers, people, other business processes, IT services etc. Business impact analysis defines the recovery requirements for IT services. These requirements include recovery time objectives, recovery point objectives and minimum service level targets for each IT service.
business objective	The objective of a business process, or of the business as a whole. Business objectives support the business vision, provide guidance for the IT strategy, and are often supported by IT services.
business operations	The day-to-day execution, monitoring and management of business processes.
business perspective	An understanding of the service provider and IT services from the point of view of the business, and an understanding of the business from the point of view of the service provider.
business process	A process that is owned and carried out by the business. A business process contributes to the delivery of a product or service to a business customer. For example, a retailer may have a purchasing process that helps to deliver services to its business customers. Many business processes rely on IT services.
business relationship management	The process responsible for maintaining a positive relationship with customers. Business relationship management identifies customer needs and ensures that the service provider is able to meet these needs with an appropriate catalogue of services. This process has strong links with service level management.
business relationship manager (BRM)	A role responsible for maintaining the relationship with one or more customers. This role is often combined with the service level manager role.
business risk	Failure to achieve business objectives/benefits.

Term	Definition
business service	A service that is delivered to business customers by business units. For example, delivery of financial services to customers of a bank, or goods to the customers of a retail store. Successful delivery of business services often depends on one or more IT services. A business service may consist almost entirely of an IT service – for example, an online banking service or an external website where product orders can be placed by business customers. *See also* customer-facing service.
business service management	The management of business services delivered to business customers. Business service management is performed by business units.
business unit	**Generic –** A logical element or component of a company. **ITIL –** A segment of the business that has its own plans, metrics, income and costs. Each business unit owns assets and uses these to create value for customers in the form of goods and services. **PPM –** A discrete component of an organization.
call	A telephone call to the service desk from a user. A call could result in an incident or a service request being logged.
call centre	An organization or business unit that handles large numbers of incoming and outgoing telephone calls. *See also* service desk.
call type	A category that is used to distinguish incoming requests to a service desk. Common call types are incident, service request and complaint.
capability	**Generic –** Usually taken to mean the qualities, attributes and features that can be used or developed. **ITIL –** The ability of an organization, person, process, application, IT service or other configuration item to carry out an activity. Capabilities are intangible assets of an organization. *See also* resource. **PPM –** The completed set of project outputs required to deliver an outcome; this exists prior to transition. It is a service, function or operation that enables the organization to exploit opportunities.

Term	Definition
Capability Maturity Model Integration (CMMI)	A process improvement approach developed by the Software Engineering Institute (SEI) of Carnegie Mellon University, US. CMMI provides organizations with the essential elements of effective processes. It can be used to guide process improvement across a project, a division or an entire organization. CMMI helps integrate traditionally separate organizational functions, set process improvement goals and priorities, provide guidance for quality processes, and provide a point of reference for appraising current processes. See www.sei.cmu.edu/cmmi for more information. *See also* maturity.
capacity	The maximum throughput that a configuration item or IT service can deliver. For some types of CI, capacity may be the size or volume – for example, a disk drive.
capacity management	The process responsible for ensuring that the capacity of IT services and the IT infrastructure is able to meet agreed capacity- and performance-related requirements in a cost-effective and timely manner. Capacity management considers all resources required to deliver an IT service, and is concerned with meeting both the current and future capacity and performance needs of the business. Capacity management includes three sub-processes: business capacity management, service capacity management, and component capacity management. *See also* capacity management information system.
capacity management information system (CMIS)	A set of tools, data and information that is used to support capacity management. *See also* service knowledge management system.
capacity plan	A plan used to manage the resources required to deliver IT services. The plan contains details of current and historic usage of IT services and components, and any issues that need to be addressed (including related improvement activities). The plan also contains scenarios for different predictions of business demand and costed options to deliver the agreed service level targets.
capacity planning	The activity within capacity management responsible for creating a capacity plan.
capital budgeting	The present commitment of funds in order to receive a return in the future in the form of additional cash inflows or reduced cash outflows.

Term	Definition
capital cost	The cost of purchasing something that will become a financial asset – for example, computer equipment and buildings. The value of the asset depreciates over multiple accounting periods. *See also* operational cost.
capital expenditure (CAPEX)	*See* capital cost.
capitalization	Identifying major cost as capital, even though no asset is purchased. This is done to spread the impact of the cost over multiple accounting periods. The most common example of this is software development, or purchase of a software licence.
categorization	Splitting a portfolio into organizationally appropriate categories or segments – for example, by initiative type or investment objective. The organization's investment criteria can be tailored to suit each category of investment.
category	A named group of things that have something in common. Categories are used to group similar things together. For example, cost types are used to group similar types of cost. Incident categories are used to group similar types of incident, while CI types are used to group similar types of configuration item.
centre of excellence	A coordinating function for all or part of P3RM ensuring change is delivered consistently and well, through standard processes and competent staff. It may provide standards, consistency of methods and processes, knowledge management, assurance and training. It may also provide strategic oversight, scrutiny and challenge across an organization's portfolio of programmes and projects. It may be a function within a wider scope of P3O or may be the only function of a P3O. This function provides a focal point for driving the implementation of improvements to increase the organization's capability and capacity in programme and project delivery.
certification	Issuing a certificate to confirm compliance to a standard. Certification includes a formal audit by an independent and accredited body. The term is also used to mean awarding a certificate to provide evidence that a person has achieved a qualification.

Term	Definition
champion–challenger model	A technique whereby everyone is expected to comply with the defined portfolio processes (the current 'champion') but anyone can recommend a change (a 'challenger'). Once adopted, the 'challenger' becomes the new 'champion' process. Such challengers should be encouraged as a way of ensuring engagement across the organization, and the number of submissions received should be monitored on a regular basis.
change	The addition, modification or removal of anything that could have an effect on IT services. The scope should include changes to all architectures, processes, tools, metrics and documentation, as well as changes to IT services and other configuration items.
change advisory board (CAB)	A group of people who support the assessment, prioritization, authorization and scheduling of changes. A change advisory board is usually made up of representatives from: all areas within the IT service provider; the business; and third parties such as suppliers.
change authority	A person or group to which the project board may delegate responsibility for the consideration of requests for change or off-specifications. The change authority may be given a change budget and can approve changes within that budget.
change budget	The money allocated to the change authority available to be spent on authorized requests for change.
change control	The procedure that ensures that all changes that may affect the project's agreed objectives are identified, assessed and either approved, rejected or deferred.
change evaluation	The process responsible for formal assessment of a new or changed IT service to ensure that risks have been managed and to help determine whether to authorize the change.
change history	Information about all changes made to a configuration item during its life. Change history consists of all those change records that apply to the CI.
change initiative	A programme or project.
change management	The process responsible for controlling the lifecycle of all changes, enabling beneficial changes to be made with minimum disruption to IT services.

Term	Definition
change manager	Reports to the business change manager (BCM) and may operate at a project level to support benefits realization, namely focus on the realization of a particular benefit.
change model	A repeatable way of dealing with a particular category of change. A change model defines specific agreed steps that will be followed for a change of this category. Change models may be very complex with many steps that require authorization (e.g. major software release) or may be very simple with no requirement for authorization (e.g. password reset). *See also* change advisory board; standard change.
change proposal	A document that includes a high-level description of a potential service introduction or significant change, along with a corresponding business case and an expected implementation schedule. Change proposals are normally created by the service portfolio management process and are passed to change management for authorization. Change management will review the potential impact on other services, on shared resources, and on the overall change schedule. Once the change proposal has been authorized, service portfolio management will charter the service.
change record	A record containing the details of a change. Each change record documents the lifecycle of a single change. A change record is created for every request for change that is received, even those that are subsequently rejected. Change records should reference the configuration items that are affected by the change. Change records may be stored in the configuration management system, or elsewhere in the service knowledge management system.
change request	*See* request for change.
change schedule	A document that lists all authorized changes and their planned implementation dates, as well as the estimated dates of longer-term changes. A change schedule is sometimes called a forward schedule of change, even though it also contains information about changes that have already been implemented.
change window	A regular, agreed time when changes or releases may be implemented with minimal impact on services. Change windows are usually documented in service level agreements.
chargeable item	A deliverable of an IT service that is used in calculating charges to customers – for example, number of transactions, number of desktop PCs.

Term	Definition
charging	Requiring payment for IT services. Charging for IT services is optional, and many organizations choose to treat their IT service provider as a cost centre. *See also* charging process; charging policy.
charging policy	A policy specifying the objective of the charging process and the way in which charges will be calculated. *See also* cost.
charging process	The process responsible for deciding how much customers should pay (pricing) and recovering money from them (billing). This process is not described in detail within the core ITIL publications.
charter	A document that contains details of a new service, a significant change or other significant project. Charters are typically authorized by service portfolio management or by a project management office. The term charter is also used to describe the act of authorizing the work required to complete the service change or project. *See also* change proposal; service charter; project portfolio.
checkpoint	A team-level, time-driven review of progress.
checkpoint report	A progress report of the information gathered at a checkpoint, which is given by a team to the project manager and which provides reporting data as defined in the work package.
chief executive officer (CEO)	Describes the role in a commercial organization with the highest level of authority for the total management of the business.
chief financial officer (CFO)	Describes the role in a commercial organization with the highest level of authority for the management of the financial risks, planning and reporting for a business. This role will generally report to the CEO.
chief information officer (CIO)	Describes the role in a commercial organization with the highest level of authority for the management of information technology for the business. This role will generally report to the CEO but may also report to the CFO in smaller organizations.
chief operating officer (COO)	Describes the role in a commercial organization with the highest level of authority for the development, design, management and improvement of the open systems that create and deliver the organization's products and/or services. This role will generally report to the CEO.

Term	Definition
chronological analysis	A technique used to help identify possible causes of problems. All available data about the problem is collected and sorted by date and time to provide a detailed timeline. This can make it possible to identify which events may have been triggered by others.
CI type	A category that is used to classify configuration items. The CI type identifies the required attributes and relationships for a configuration record. Common CI types include hardware, document, user etc.
classification	The act of assigning a category to something. Classification is used to ensure consistent management and reporting. Configuration items, incidents, problems, changes etc. are usually classified.
clear line of sight	A technique that seeks to ensure a transparent chain from strategic intent through to benefits realization.
client	A generic term that means a customer, the business or a business customer. For example, 'client manager' may be used as a synonym for 'business relationship manager'. The term is also used to mean: • A computer that is used directly by a user – for example, a PC, a handheld computer or a workstation • The part of a client/server application that the user directly interfaces with – for example, an email client.
closed	The final status in the lifecycle of an incident, problem, change etc. When the status is closed, no further action is taken.
closure	The act of changing the status of an incident, problem, change etc. to closed.
closure notification	Advice from the project board to inform all stakeholders and the host sites that the project resources can be disbanded and support services, such as space, equipment and access, demobilized. It should indicate a closure date for costs to be charged to the 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.

Term	Definition
COBIT	*See* Control OBjectives for Information and related Technology (COBIT).
code of practice	A guideline published by a public body or a standards organization, such as ISO or BSI. Many standards consist of a code of practice and a specification. The code of practice describes recommended best practice.
cold standby	*See* gradual recovery.
commercial off the shelf (COTS)	Pre-existing application software or middleware that can be purchased from a third party.
communication management strategy	A description of the means and frequency of communication between the project and the project's stakeholders.
communications plan	A plan of the communications activities during the organizational activity (strategic, programme, project or operational) that will be established and maintained. Typically contains when, what, how and with whom information flows.
competence	The ability of an individual to do something well.
compliance	Ensuring that a standard or set of guidelines is followed, or that proper, consistent accounting or other practices are being employed.
component	A general term that is used to mean one part of something more complex. For example, a computer system may be a component of an IT service, and an application may be a component of a release unit. Components that need to be managed should be configuration items.
component capacity management (CCM)	The sub-process of capacity management responsible for understanding the capacity, utilization and performance of configuration items. Data is collected, recorded and analysed for use in the capacity plan. *See also* business capacity management; service capacity management.
component CI	A configuration item that is part of an assembly – for example, a CPU or memory CI may be part of a server CI.

Term	Definition
component failure impact analysis (CFIA)	A technique that helps to identify the impact of configuration item (CI) failure on IT services and the business. A matrix is created with IT services on one axis and CIs on the other. This enables the identification of critical CIs (that could cause the failure of multiple IT services) and fragile IT services (that have multiple single points of failure).
computer telephony integration (CTI)	Computer telephony integration is a general term covering any kind of integration between computers and telephone systems. It is most commonly used to refer to systems where an application displays detailed screens relating to incoming or outgoing telephone calls. *See also* automatic call distribution; interactive voice response.
concession	An off-specification that is accepted by the project board without corrective action.
concurrency	A measure of the number of users engaged in the same operation at the same time.
confidentiality	A security principle that requires that data should only be accessed by authorized people.
configuration	**Generic –** A generic term used to describe a group of products or items that work together to deliver a product or service. **ITIL –** A generic term used to describe a group of configuration items that work together to deliver an IT service, or a recognizable part of an IT service. Configuration is also used to describe the parameter settings for one or more configuration items. **PPM –** A generic term used to describe a group of products or items that work together to deliver a product or service, or a recognizable part of a product or service. A configuration may be a configuration item of a larger configuration.
configuration baseline	The baseline of a configuration that has been formally agreed and is managed through the change management process. A configuration baseline is used as a basis for future builds, releases and changes.
configuration control	The activity responsible for ensuring that adding, modifying or removing a configuration item is properly managed – for example, by submitting a request for change or service request.

Term	Definition
configuration identification	The activity responsible for collecting information about configuration items and their relationships, and loading this information into the configuration management database (CMDB). Configuration identification is also responsible for labelling the configuration items themselves, so that the corresponding configuration records can be found.
configuration item (CI)	**Generic –** Component item that is under change control. **ITIL –** Any component or other service asset that needs to be managed in order to deliver an IT service. Information about each configuration item is recorded in a configuration record within the configuration management system (CMS) and is maintained throughout its lifecycle by service asset and configuration management. Configuration items are under the control of change management. They typically include IT services, hardware, software, buildings, people and formal documentation such as process documentation and service level agreements. **PPM –** An entity (asset) that is subject to configuration management. The entity (asset) may be a component of a product, a product, or a set of products in a release.
configuration item record	A record that describes the status, version and variant of a configuration item, and any details of important relationships between them.
configuration management	**Generic –** The means of controlling changes to a set of configuration items. **ITIL –** *See* service asset and configuration management. **PPM –** Technical and administrative activities concerned with the creation, maintenance and controlled change of configuration throughout the life of a product.
configuration management database (CMDB)	A database used to store configuration records throughout their lifecycle. The configuration management system (CMS) maintains one or more configuration management databases (CMDBs), and each database stores attributes of configuration items, and relationships with other configuration items.
configuration management strategy	A description of how and by whom the project's products will be controlled and protected.

Term	Definition
configuration management system (CMS)	**Generic –** A set of tools, data or information that is used to support configuration management. **ITIL –** A set of tools, data and information that is used to support service asset and configuration management. The CMS is part of an overall service knowledge management system and includes tools for collecting, storing, managing, updating, analysing and presenting data about all configuration items and their relationships. The CMS may also include information about incidents, problems, known errors, changes and releases. The CMS is maintained by service asset and configuration management and is used by all IT service management processes. *See also* configuration management database. **PPM –** The set of processes, tools and databases that are used to manage configuration data. Typically, a project will use the configuration management system of either the customer or supplier organization.
configuration record	A record containing the details of a configuration item. Each configuration record documents the lifecycle of a single configuration item. Configuration records are stored in a configuration management database and maintained as part of a configuration management system.
configuration structure	The hierarchy and other relationships between all the configuration items that comprise a configuration.
constraints	The restrictions or limitations that a project is bound by. These may be challenged during an MoV study.
consult	To give groups or individuals the opportunity to contribute to and make recommendations on an action or document.
contingency	Something that is held in reserve, typically to handle time and cost variances, or risks. PRINCE2 does not advocate the use of contingency because estimating variances are managed by setting tolerances, and risks are managed through appropriate risk responses (including the fallback response that is contingent on the risk occurring).
contingency planning	The process of identifying and planning appropriate responses to be taken when a risk actually occurs.
contingent plan	Plans intended for use only if required, e.g. if a risk response is not successful. Often called fallback plans.

Term	Definition
continual service improvement (CSI)	A stage in the lifecycle of a service. Continual service improvement ensures that services are aligned with changing business needs by identifying and implementing improvements to IT services that support business processes. The performance of the IT service provider is continually measured and improvements are made to processes, IT services and IT infrastructure in order to increase efficiency, effectiveness and cost-effectiveness. Continual service improvement includes the seven-step improvement process. Although this process is associated with continual service improvement, most processes have activities that take place across multiple stages of the service lifecycle. *See also* Plan-Do-Check-Act.
continual service improvement (CSI) register	A database or structured document used to record and manage improvement opportunities throughout their lifecycle.
continuous availability	An approach or design to achieve 100% availability. A continuously available IT service has no planned or unplanned downtime.
continuous operation	An approach or design to eliminate planned downtime of an IT service. Note that individual configuration items may be down even though the IT service is available.
contract	A legally binding agreement between two or more parties.
control	A means of managing a risk, ensuring that a business objective is achieved or that a process is followed. Examples of control include policies, procedures, roles, RAID, door locks etc. A control is sometimes called a countermeasure or safeguard. Control also means to manage the utilization or behaviour of a configuration item, system or IT service.
Control OBjectives for Information and related Technology (COBIT)	COBIT provides guidance and best practice for the management of IT processes. It is published by ISACA in conjunction with the IT Governance Institute (ITGI). See www.isaca.org for more information.
control perspective	An approach to the management of IT services, processes, functions, assets etc. There can be several different control perspectives on the same IT service, process etc., allowing different individuals or teams to focus on what is important and relevant to their specific role. Examples of control perspective include reactive and proactive management within IT operations, or a lifecycle view for an application project team.

Term	Definition
control processes	The ISO/IEC 20000 process group that includes change management and configuration management.
core service	A service that delivers the basic outcomes desired by one or more customers. A core service provides a specific level of utility and warranty. Customers may be offered a choice of utility and warranty through one or more service options. *See also* enabling service; enhancing service; IT service; service package.
corporate or programme standards	These are overarching standards that the project must adhere to. They will influence the four project strategies (communication management strategy, configuration management strategy, quality management strategy and risk management strategy) and the project controls.
corporate portfolio	The totality of the change initiatives within an organization; it may comprise a number of programmes, standalone projects and other initiatives that achieve congruence of change.
corporate portfolio board	One name for the body within the organization that has authority to make decisions about the composition and prioritization of the organization's portfolio of programmes and projects. This may be the corporate board, and in MoP (*Management of Portfolios*) it is also referred to as the 'portfolio direction group' or 'investment committee'.
corrective action	A set of actions to resolve a threat to a plan's tolerances or a defect in a product.
cost	The amount of money spent on a specific activity, IT service or business unit. Costs consist of real cost (money), notional cost (such as people's time) and depreciation.
cost centre	**Generic –** An accounting term for a part of an organization to which costs can be allocated. **ITIL –** A business unit or project to which costs are assigned. A cost centre does not charge for services provided. An IT service provider can be run as a cost centre or a profit centre. **PPM –** An accounting term used to describe a division, business unit or part of an organization that does not directly contribute to achieving profit for a company. It indirectly contributes to the organization by providing a service or support function to profit-making parts of the organization.
cost driver	An activity that results in a cost.

Term	Definition
cost element	The middle level of category to which costs are assigned in budgeting and accounting. The highest-level category is cost type. For example, a cost type of 'people' could have cost elements of payroll, staff benefits, expenses, training, overtime etc. Cost elements can be further broken down to give cost units. For example, the cost element 'expenses' could include cost units of hotels, transport, meals etc.
cost management	A general term that is used to refer to budgeting and accounting, and is sometimes used as a synonym for financial management.
cost model	A framework used in budgeting and accounting in which all known costs can be recorded, categorized and allocated to specific customers, business units or projects. *See also* cost type; cost element; cost unit.
cost tolerance	The permissible deviation in a plan's cost that is allowed before the deviation needs to be escalated to the next level of management. Cost tolerance is documented in the respective plan. *See also* tolerance.
cost type	The highest-level category to which costs are assigned in budgeting and accounting – for example, hardware, software, people, accommodation, external and transfer. *See also* cost element; cost unit.
cost unit	The lowest-level category to which costs are assigned, cost units are usually things that can be easily counted (e.g. staff numbers, software licences) or things easily measured (e.g. CPU usage, electricity consumed). Cost units are included within cost elements. For example, a cost element of 'expenses' could include cost units of hotels, transport, meals etc. *See also* cost type.
cost–benefit analysis	An activity that analyses and compares the costs and the benefits involved in one or more alternative courses of action. *See also* business case; internal rate of return; net present value; return on investment; value on investment.
cost-effectiveness	A measure of the balance between the effectiveness and cost of a service, process or activity. A cost-effective process is one that achieves its objectives at minimum cost. *See also* key performance indicator; return on investment; value for money.

Term	Definition
countermeasure	Can be used to refer to any type of control. The term is most often used when referring to measures that increase resilience, fault tolerance or reliability of an IT service.
course corrections	Changes made to a plan or activity that has already started, to ensure that it will meet its objectives. Course corrections are made as a result of monitoring progress.
crisis management	Crisis management is the process responsible for managing the wider implications of business continuity. A crisis management team is responsible for strategic issues such as managing media relations and shareholder confidence, and decides when to invoke business continuity plans.
critical path	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 affect the end date of the entire 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.
critical success factor (CSF)	**Generic –** An event or measure defining success. **ITIL –** Something that must happen if an IT service, process, plan, project or other activity is to succeed. Key performance indicators are used to measure the achievement of each critical success factor. For example, a critical success factor of 'protect IT services when making changes' could be measured by key performance indicators such as 'percentage reduction of unsuccessful changes', 'percentage reduction in changes causing incidents' etc. **PPM –** An event or measure of activity defining successful delivery by a project, business unit or organization.
cross-cutting	A term used in the public sector to describe issues that affect more than one policy department.
cross-organizational programme	A programme requiring the committed involvement of more than one organization to achieve the desired outcomes; also referred to as a 'cross-cutting' programme.
CSI register	*See* continual service improvement (CSI) register.
culture	A set of values that is shared by a group of people, including expectations about how people should behave, their ideas, beliefs and practices. *See also* vision.

Term	Definition
customer	**Generic –** The person who is paying. May also be known as the client, buyer or purchaser. **ITIL –** Someone who buys goods or services. The customer of an IT service provider is the person or group who defines and agrees the service level targets. The term is also sometimes used informally to mean user – for example, 'This is a customer-focused organization.' **PPM –** The person or group who commissioned the work and will benefit from the end results.
customer agreement portfolio	A database or structured document used to manage service contracts or agreements between an IT service provider and its customers. Each IT service delivered to a customer should have a contract or other agreement that is listed in the customer agreement portfolio. *See also* customer-facing service; service catalogue; service portfolio.
customer asset	Any resource or capability of a customer. *See also* asset.
customer portfolio	A database or structured document used to record all customers of the IT service provider. The customer portfolio is the business relationship manager's view of the customers who receive services from the IT service provider. *See also* customer agreement portfolio; service catalogue; service portfolio.
customer's quality expectations	A statement about the quality expected from the project product, captured in the project product description.
customer-facing service	An IT service that is visible to the customer. These are normally services that support the customer's business processes and facilitate one or more outcomes desired by the customer. All live customer-facing services, including those available for deployment, are recorded in the service catalogue along with customer-visible information about deliverables, prices, contact points, ordering and request processes. Other information such as relationships to supporting services and other CIs will also be recorded for internal use by the IT service provider.
daily log	Used to record problems/concerns that can be handled by the project manager informally.

Term	Definition
dashboard	**Generic –** Graphical representation of large amount of decision-supporting information. **ITIL –** A graphical representation of overall IT service performance and availability. Dashboard images may be updated in real time, and can also be included in management reports and web pages. Dashboards can be used to support service level management, event management and incident diagnosis. **PPM –** A technique to represent vast amounts of decision-support information at an amalgamated level using tabular and graphic representation such as graphs and traffic lights. *See also* management dashboard.
Data-to-Information-to-Knowledge-to-Wisdom (DIKW)	A way of understanding the relationships between data, information, knowledge and wisdom. DIKW shows how each of these builds on the others.
decision point	A point in the progress of a programme or project at which significant decisions are made.
decision-conferencing	A technique whereby managers consider and debate in a facilitated workshop: the relative weightings to attach to the organization's strategic objectives; the criteria to be used to assess strategic contribution in each case; and the scores to allocate to individual initiatives. In this way the portfolio governance body comes to a collective decision on the composition of the portfolio. This has been found to be very effective in terms of optimizing portfolio returns and also results in enhanced commitment to the portfolio and to the portfolio management processes.
definitive media library (DML)	One or more locations in which the definitive and authorized versions of all software configuration items are securely stored. The definitive media library may also contain associated configuration items such as licences and documentation. It is a single logical storage area even if there are multiple locations. The definitive media library is controlled by service asset and configuration management and is recorded in the configuration management system.

Term	Definition
deliverable	**Generic –** The end result arising from an endeavour. **ITIL –** Something that must be provided to meet a commitment in a service level agreement or a contract. It is also used in a more informal way to mean a planned output of any process. **PPM –** A specialist product (the tangible or intangible artefact) that is produced, constructed or created as a result of a planned activity and handed over to a user(s). *See also* output.
demand management	The process responsible for understanding, anticipating and influencing customer demand for services. Demand management works with capacity management to ensure that the service provider has sufficient capacity to meet the required demand. At a strategic level, demand management can involve analysis of patterns of business activity and user profiles, while at a tactical level it can involve the use of differential charging to encourage customers to use IT services at less busy times, or require short-term activities to respond to unexpected demand or the failure of a configuration item.
Deming Cycle	*See* Plan-Do-Check-Act.
dependencies (plan)	The relationship between products or activities. For example, the development of Product C cannot start until Products A and B have been completed. Dependencies can be internal or external. Internal dependencies are those under the control of the project manager. External dependencies are those outside the control of the project manager – for example, the delivery of a product required by this project from another project.
dependency	**Generic –** A direct or indirect reliance of one thing on another. **ITIL –** The direct or indirect reliance of one process or activity on another. **PPM –** An activity, output or decision that is required to achieve some aspect of the programme. It can be internal or external to the programme.
deployment	The activity responsible for movement of new or changed hardware, software, documentation, process etc. to the live environment. Deployment is part of the release and deployment management process.

Term	Definition
depreciation	A measure of the reduction in value of an asset over its life. This is based on wearing out, consumption or other reduction in the useful economic value.
design	An activity or process that identifies requirements and then defines a solution that is able to meet these requirements. *See also* service design.
design authority	A role or function (permanent, temporary or virtual) that provides expert specialist advice or owns some corporate function, service, standard or strategy that will be affected, or a major programme outcome or change that needs to be controlled. This could be an IT or property infrastructure design, or a major service contract; it could also be a business process model or the programme or corporate blueprint. The design authority provides expertise and guidance on a specific area to ensure there is appropriate alignment and control when changes are being planned and implemented. At a programme level this role may advise or own the business blueprint management on behalf of the programme manager. At the enterprise level, this role may manage the enterprise architecture of the organization.
design coordination	The process responsible for coordinating all service design activities, processes and resources. Design coordination ensures the consistent and effective design of new or changed IT services, service management information systems, architectures, technology, processes, information and metrics.
detection	A stage in the expanded incident lifecycle. Detection results in the incident becoming known to the service provider. Detection can be automatic or the result of a user logging an incident.
development	The process responsible for creating or modifying an IT service or application ready for subsequent release and deployment. Development is also used to mean the role or function that carries out development work. This process is not described in detail within the core ITIL publications.
development environment	An environment used to create or modify IT services or applications. Development environments are not typically subjected to the same degree of control as test or live environments. *See also* development.
development pipeline	The initiatives under development, concept and feasibility testing, prior to formal inclusion in the portfolio as 'live' programmes and projects.

Term	Definition
diagnosis	A stage in the incident and problem lifecycles. The purpose of diagnosis is to identify a workaround for an incident or the root cause of a problem.
diagnostic script	A structured set of questions used by service-desk staff to ensure they ask the correct questions, and to help them classify, resolve and assign incidents. Diagnostic scripts may also be made available to users to help them diagnose and resolve their own incidents.
differential charging	A technique used to support demand management by charging different amounts for the same function of an IT service under different circumstances – for example, reduced charges outside peak times, or increased charges for users who exceed a bandwidth allocation.
direct cost	The cost of providing an IT service which can be allocated in full to a specific customer, cost centre, project etc. – for example, the cost of providing non-shared servers or software licences. *See also* indirect cost.
directory service	An application that manages information about IT infrastructure available on a network, and corresponding user access rights.
disaster recovery planning	A series of processes that focus on recovery, principally in response to physical disasters. This activity forms part, but not the whole, of business continuity planning.
dis-benefit	Outcomes perceived as negative by one or more stakeholders. Dis-benefits are actual consequences of an activity whereas, by definition, a risk has some uncertainty about whether it will materialize.
document	Information in readable form. A document may be paper or electronic – for example, a policy statement, service level agreement, incident record or diagram of a computer-room layout. *See also* record.
downtime	The time when an IT service or other configuration item is not available during its agreed service time. The availability of an IT service is often calculated from agreed service time and downtime.
driver	Something that influences strategy, objectives or requirements – for example, new legislation or the actions of competitors.

Term	Definition
DSDM Atern	An agile project delivery framework developed and owned by the DSDM consortium. Atern uses a time-boxed and iterative approach to product development and is compatible with PRINCE2.
early life support (ELS)	A stage in the service lifecycle that occurs at the end of deployment and before the service is fully accepted into operation. During early life support, the service provider reviews key performance indicators, service levels and monitoring thresholds and may implement improvements to ensure that service targets can be met. The service provider may also provide additional resources for incident and problem management during this time.
early warning indicator (EWI)	A leading indicator for an organizational objective measured ultimately by a key performance indicator (KPI).
earned value analysis	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.
economies of scale	The reduction in average cost that is possible from increasing the usage of an IT service or asset. *See also* economies of scope.
economies of scope	The reduction in cost that is allocated to an IT service by using an existing asset for an additional purpose – for example, delivering a new IT service from an existing IT infrastructure. *See also* economies of scale.
effectiveness	A measure of whether the objectives of a process, service or activity have been achieved. An effective process or activity is one that achieves its agreed objectives. *See also* key performance indicator.
efficiency	A measure of whether the right amount of resource has been used to deliver a process, service or activity. An efficient process achieves its objectives with the minimum amount of time, money, people or other resources. *See also* key performance indicator.

Term	Definition
embedding	**Generic –** The act of making something an integral part of a bigger whole. **MoV –** The consolidation of skills and concepts in a given organization. **PRINCE2 –** What an organization needs to do to adopt PRINCE2 as its corporate project management method. *See also*, in contrast, tailoring, which defines what a project needs to do to apply the method to a specific project environment.
emergency change	A change that must be introduced as soon as possible – for example, to resolve a major incident or implement a security patch. The change management process will normally have a specific procedure for handling emergency changes. *See also* emergency change advisory board.
emergency change advisory board (ECAB)	A subgroup of the change advisory board that makes decisions about emergency changes. Membership may be decided at the time a meeting is called, and depends on the nature of the emergency change.
emergent programme	A programme that subsumes one or more pre-existing projects into a coherent alignment with corporate policy and strategy.
enabling service	A service that is needed in order to deliver a core service. Enabling services may or may not be visible to the customer, but they are not offered to customers in their own right. *See also* enhancing service.
end goal	The ultimate objective of a programme – the same as the 'to-be state' or 'future state'.
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 performed against its project initiation documentation.
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. According to the size and criticality of the project, the review may be formal or informal. The authority to proceed should be documented as a formal record.

Term	Definition
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.
end user	The person who uses the final output of a project or delivered service.
enhance (risk response)	A risk response for an opportunity that seeks to increase the probability and/or impact to make it more certain.
enhancing service	A service that is added to a core service to make it more attractive to the customer. Enhancing services are not essential to the delivery of a core service but are used to encourage customers to use the core services or to differentiate the service provider from its competitors. *See also* enabling service; excitement factor.
enterprise financial management	The function and processes responsible for managing the overall organization's budgeting, accounting and charging requirements. Enterprise financial management is sometimes referred to as the 'corporate' financial department. *See also* financial management for IT services.
enterprise project (or P3RM) management (EPM)	A term usually referred to by software vendors in relation to software (i.e. EPM tools) that assists an organization to manage across multiple projects and programme delivery using a common resource pool through to strategic analysis of investment through portfolio management. This term does not reflect the actual offerings of the tools in that they generally can support at portfolio, programme and project (P3RM) level.
environment	A subset of the IT infrastructure that is used for a particular purpose – for example, live environment, test environment, build environment. Also used in the term 'physical environment' to mean the accommodation, air conditioning, power system etc. Environment is used as a generic term to mean the external conditions that influence or affect something.
error	A design flaw or malfunction that causes a failure of one or more IT services or other configuration items. A mistake made by a person or a faulty process that impacts a configuration item is also an error.

Term	Definition
escalation	An activity that obtains additional resources when these are needed to meet service level targets or customer expectations. Escalation may be needed within any IT service management process, but is most commonly associated with incident management, problem management and the management of customer complaints. There are two types of escalation: functional escalation and hierarchic escalation.
eSourcing Capability Model for Client Organizations (eSCM-CL)	A framework to help organizations in their analysis and decision-making on service sourcing models and strategies. It was developed by Carnegie Mellon University in the US. *See also* eSourcing Capability Model for Service Providers.
eSourcing Capability Model for Service Providers (eSCM-SP)	A framework to help IT service providers develop their IT service management capabilities from a service sourcing perspective. It was developed by Carnegie Mellon University in the US. *See also* eSourcing Capability Model for Client Organizations.
esteem value	An attribute of an article or service that is desired purely for reasons of personal interest or preference, or for the social cachet it bestows.
estimation	The use of experience to provide an approximate value for a metric or cost. Estimation is also used in capacity and availability management as the cheapest and least accurate modelling method.
evaluation criteria	A means by which to assess the relative value or performance of different options.
event	A change of state that has significance for the management of an IT service or other configuration item. The term is also used to mean an alert or notification created by any IT service, configuration item or monitoring tool. Events typically require IT operations personnel to take actions, and often lead to incidents being logged.
event management	The process responsible for managing events throughout their lifecycle. Event management is one of the main activities of IT operations.
event-driven control	A control that takes place when a specific event occurs. This could be, for example, the end of a stage, the completion of the project initiation documentation, or the creation of an exception report. It could also include organizational events that may affect the project, such as the end of the financial year.

Term	Definition
exception	A situation where it can be forecast that there will be a deviation beyond the tolerance levels agreed between project manager and project board (or between project board and corporate or programme management).
exception assessment	This is a review by the project board to approve (or reject) an exception plan.
exception plan	This is a plan that often follows an exception report. For a stage plan exception, it covers the period from the present to the end of the current stage. If the exception were at project level, the project plan would be replaced.
exception report	A document containing details of one or more key performance indicators or other important targets that have exceeded defined thresholds. Examples include service level agreement targets being missed or about to be missed, and a performance metric indicating a potential capacity problem.
exchange value	The value of a particular article or service considered as its worth in exchange for another item, such as gold.
excitement attribute	*See* excitement factor.
excitement factor	An attribute added to something to make it more attractive or more exciting to the customer. For example, a restaurant may provide a free drink with every meal. *See also* enhancing service.
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 maintains its business focus, that it has clear authority and that the work, including risks, is actively managed. The executive is the chair of the project board. He or she represents the customer and is responsible for the business case.
expanded incident lifecycle	Detailed stages in the lifecycle of an incident. The stages are detection, diagnosis, repair, recovery and restoration. The expanded incident lifecycle is used to help understand all contributions to the impact of incidents and to plan for how these could be controlled or reduced.
expected value	This is calculated by multiplying the estimated average impact by the estimated probability percentage. Also known as expected monetary value where the estimated average impact is a cost.

Term	Definition
expenditure	Consumption of resources.
expert reference group	A team of subject-matter experts that can be used in a P3RM organization to provide input, advice and challenge to the role accountable for an output or outcome to ensure that it reflects the wider experience rather than an individual's perspective only. It is important to note that the role accountable for the output or outcome maintains the final decision and should not treat an expert reference group as a committee. An expert reference group may be drawn together at points in time or may be fully allocated to a project or programme.
exploit (risk response)	A risk response for an opportunity that seeks to make the uncertain situation certain.
external customer	A customer who works for a different business from the IT service provider. *See also* external service provider; internal customer.
external metric	A metric that is used to measure the delivery of IT service to a customer. External metrics are usually defined in service level agreements and reported to customers. *See also* internal metric.
external service provider	An IT service provider that is part of a different organization from its customer. An IT service provider may have both internal and external customers. *See also* outsourcing; Type III service provider.
facilitation	A technique by which a study leader takes a team through a series of processes or techniques in a collaborative manner, resulting in their taking ownership of the outputs.
facilities management	The function responsible for managing the physical environment where the IT infrastructure is located. Facilities management includes all aspects of managing the physical environment – for example, power and cooling, building access management, and environmental monitoring.
failure	Loss of ability to operate to specification, or to deliver the required output. The term may be used when referring to IT services, processes, activities, configuration items etc. A failure often causes an incident.
fallback (risk response)	A risk response to a threat by putting in place a fallback plan for the actions that will be taken to reduce the impact of the threat should the risk occur.

Term	Definition
fallback plan	*See* contingent plan.
fast recovery	A recovery option that is also known as hot standby. Fast recovery normally uses a dedicated fixed facility with computer systems and software configured ready to run the IT services. Fast recovery typically takes up to 24 hours but may be quicker if there is no need to restore data from backups.
fault	*See* error.
fault tolerance	The ability of an IT service or other configuration item to continue to operate correctly after the failure of a component part. *See also* countermeasure; resilience.
fault tree analysis (FTA)	A technique that can be used to determine a chain of events that has caused an incident, or may cause an incident in the future. Fault tree analysis represents a chain of events using Boolean notation in a diagram.
feasibility study	An early study of a problem to assess whether or not 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.
feedback log	A document that is used to capture, track and ensure that all stakeholder feedback is dealt with.
financial management	A generic term used to describe the function and processes responsible for managing an organization's budgeting, accounting and charging requirements. Enterprise financial management is the specific term used to describe the function and processes from the perspective of the overall organization. Financial management for IT services is the specific term used to describe the function and processes from the perspective of the IT service provider.
financial management for IT services	The function and processes responsible for managing an IT service provider's budgeting, accounting and charging requirements. Financial management for IT services secures an appropriate level of funding to design, develop and deliver services that meet the strategy of the organization in a cost-effective manner. *See also* enterprise financial management.

Term	Definition
financial year	An accounting period covering 12 consecutive months. A financial year may start on any date (for example, 1 April to 31 March).
first-line support	The first level in a hierarchy of support groups involved in the resolution of incidents. Each level contains more specialist skills, or has more time or other resources. *See also* escalation.
fishbone diagram	*See* Ishikawa diagram.
fit for purpose	The ability to meet an agreed level of utility. Fit for purpose is also used informally to describe a process, configuration item, IT service etc. that is capable of meeting its objectives or service levels. Being fit for purpose requires suitable design, implementation, control and maintenance.
fit for use	The ability to meet an agreed level of warranty. Being fit for use requires suitable design, implementation, control and maintenance.
fixed asset	A tangible business asset that has a long-term useful life – for example, a building, a piece of land, a server or a software licence. *See also* service asset; configuration item.
fixed cost	A cost that does not vary with IT service usage – for example, the cost of server hardware. *See also* variable cost.
fixed facility	A permanent building, available for use when needed by an IT service continuity plan. *See also* portable facility; recovery option.
fixed-asset management	The process responsible for tracking and reporting the value and ownership of fixed assets throughout their lifecycle. Fixed-asset management maintains the asset register and is usually carried out by the overall business, rather than by the IT organization. Fixed-asset management is sometimes called financial asset management and is not described in detail within the core ITIL publications.
follow the sun	A methodology for using service desks and support groups around the world to provide seamless 24/7 service. Calls, incidents, problems and service requests are passed between groups in different time zones.

Term	Definition
follow-on action recommendations	Recommended actions related to unfinished work, ongoing issues and risks, and any other activities needed to take a product to the next phase of its life. These are summarized and included in the end stage report (for phased handover) and end project report.
fulfilment	Performing activities to meet a need or requirement – for example, by providing a new IT service, or meeting a service request.
full-time equivalent (FTE)	A technique used to measure human-resource involvement in a project, programme or operational activities. It is generally required where human resources are allocated across multiple roles (e.g. 70% allocated to a project and 30% allocated to business operations). An FTE of 1 means that a person or the sum of all people's effort is 100% allocated to an activity, based on the number of working hours available, treatment of overtime and other parameters.
function	**Generic –** An action carried out by a device, person or a department within an organization. **ITIL –** A team or group of people and the tools or other resources they use to carry out one or more processes or activities – for example, the service desk. The term also has two other meanings: • An intended purpose of a configuration item, person, team, process or IT service. For example, one function of an email service may be to store and forward outgoing mails, while the function of a business process may be to despatch goods to customers. • To perform the intended purpose correctly, as in 'The computer is functioning.' **PPM –** What something does, expressed as an active verb and a measurable noun (as closely as possible). It may be tangible (e.g. bears weight) or intangible (e.g. operates intuitively).
function analysis	A method of analysing functions to show appropriate linkages.
Function Analysis Systems Technique	Abbreviated to FAST, this technique uses a hierarchy of functions, expressed in one direction to address 'how' they are delivered, and in another to address 'why'.
function diagram	A diagram expressing a hierarchy of functions.

Term	Definition
functional escalation	Transferring an incident, problem or change to a technical team with a higher level of expertise to assist in an escalation.
gap analysis	An activity that compares two sets of data and identifies the differences. Gap analysis is commonly used to compare a set of requirements with actual delivery. *See also* benchmarking.
gated review	A structured review of a project, programme or portfolio as part of formal governance arrangements carried out at key decision points in the lifecycle to ensure that the decision to invest as per agreed business cases and plans remains valid.
gateway reviews	Independent assurance reviews that occur at key decision points within the lifecycle of a programme or project.
given	A precondition on the scope of an MoV study, which must be satisfied.
governance	Ensures that policies and strategy are actually implemented, and that required processes are correctly followed. Governance includes defining roles and responsibilities, measuring and reporting, and taking actions to resolve any issues identified.
governance (corporate)	The ongoing activity of maintaining a sound system of internal control by which the directors and officers of an organization ensure that effective management systems, including financial monitoring and control systems, have been put in place to protect assets, earning capacity and the reputation of the organization.
governance (portfolio)	Encompasses the structures, accountabilities and policies, standards and processes for decision-making within an organization in order to answer the key strategic questions 'Are we doing the right things?', 'Are we doing them the right way?' and 'Are we realizing the benefits?'
governance (programme)	The functions, responsibilities, processes and procedures that define how a programme is set up, managed and controlled.
governance (project)	Those areas of corporate governance that are specifically related to project activities. Effective governance of project management ensures that an organization's project portfolio is aligned to the organization's objectives, is delivered efficiently and is sustainable.

Term	Definition
government policy	The translation of a government's political priorities and principles into programmes and courses of action to deliver desired changes.
gradual recovery	A recovery option that is also known as cold standby. Gradual recovery typically uses a portable or fixed facility that has environmental support and network cabling, but no computer systems. The hardware and software are installed as part of the IT service continuity plan. Gradual recovery typically takes more than three days, and may take significantly longer.
guideline	A document describing best practice, which recommends what should be done. Compliance with a guideline is not normally enforced. *See also* standard.
handover	The transfer of ownership of a set of products to the respective user(s). The set of products is known as a release. There may be more than one handover in the life of a project (phased delivery). The final handover takes place in the Closing a Project process.
hard value analysis	A subset of value engineering for a project that seeks to maximize the value of a physical output. *See also* value engineering.
health check	A health check is a quality tool that provides a snapshot of the status of a project, programme or the portfolio. The purpose of a health check is to gain an objective assessment of how well the project, programme or portfolio is performing relative to its objectives and any relevant processes or standards. A health check differs from a gated review in that it is a tool used for assurance purposes by the P3O to inform specific actions or capability maturity development plans, whereas a gated review is part of formal governance arrangements.
hierarchic escalation	Informing or involving more senior levels of management to assist in an escalation.
high availability	An approach or design that minimizes or hides the effects of configuration-item failure from the users of an IT service. High-availability solutions are designed to achieve an agreed level of availability and make use of techniques such as fault tolerance, resilience and fast recovery to reduce the number and impact of incidents.

Term	Definition
highlight report	A time-driven report from the project manager to the project board on stage progress.
horizon scanning	The systematic examination of potential threats, opportunities and likely future developments which are at the margins of current thinking and planning.
host site	A site where project work is being undertaken (for example, an office or construction site).
hot standby	*See* fast recovery; immediate recovery.
hub and spoke	A term to describe a system of organizational design for P3O where there is a centralized office (the hub) connected to a number of smaller decentralized offices (the spokes) each with a sub-set of the centralized office's business objectives, functions and services. All information and processes (connections) are arranged so that they move along spokes to the hub at the centre. A hub-and-spoke model provides the benefit of scalability for large organizations and supports business ownership by maintaining a level of decentralization.
hurdle rate of return	The target rate of return set by an organization, which potential investments need to achieve in order to be considered for funding. Also used as the discount rate to convert future cash flows into the net present value.
ICT	Information and communications technology.
identity	A unique name that is used to identify a user, person or role. The identity is used to grant rights to that user, person or role. Example identities might be the username SmithJ or the role 'change manager'.
immediate recovery	A recovery option that is also known as hot standby. Provision is made to recover the IT service with no significant loss of service to the customer. Immediate recovery typically uses mirroring, load balancing and split-site technologies.
impact	A measure of the effect of an incident, problem or change on business processes. Impact is often based on how service levels will be affected. Impact and urgency are used to assign priority.
impact (of risk)	Impact is the result of a particular threat or opportunity actually occurring.

Term	Definition
incident	An unplanned interruption to an IT service or reduction in the quality of an IT service. Failure of a configuration item that has not yet affected service is also an incident – for example, failure of one disk from a mirror set.
incident management	The process responsible for managing the lifecycle of all incidents. Incident management ensures that normal service operation is restored as quickly as possible and the business impact is minimized.
incident record	A record containing the details of an incident. Each incident record documents the lifecycle of a single incident.
indirect cost	The cost of providing an IT service which cannot be allocated in full to a specific customer – for example, the cost of providing shared servers or software licences. Also known as overhead. *See also* direct cost.
inform	In the context of a RACI table, to advise a group or individual of a change or a decision. In MSP, this is typically used in the context of something that affects activities or document creation.
information hub	The centralized element of the hub-and-spoke model for P3O in terms of information flows. It supports highlight and exception-based reporting for projects, programmes and/or portfolios by amalgamating information with the process and information owned by the central office. *See also* hub and spoke.
information security management (ISM)	The process responsible for ensuring that the confidentiality, integrity and availability of an organization's assets, information, data and IT services match the agreed needs of the business. Information security management supports business security and has a wider scope than that of the IT service provider, and includes handling of paper, building access, phone calls etc. for the entire organization. *See also* security management information system.
information security management system (ISMS)	The framework of policy, processes, functions, standards, guidelines and tools that ensures an organization can achieve its information security management objectives. *See also* security management information system.
information security policy	The policy that governs the organization's approach to information security management.

Term	Definition
information system	*See* management information system.
information technology (IT)	The use of technology for the storage, communication or processing of information. The technology typically includes computers, telecommunications, applications and other software. The information may include business data, voice, images, video etc. Information technology is often used to support business processes through IT services.
Information Technology Infrastructure Library (ITIL)	*See* ITIL.
informed customer	An individual, team or group with functional responsibility within an organization for ensuring that spend on IS/IT or other procurement is directed to best effect, i.e. that the business is receiving value for money and continues to achieve the most beneficial outcome. The term is often used in relation to the outsourcing of IT/IS. Sometimes also called 'intelligent customer'.
infrastructure service	A type of supporting service that provides hardware, network or other data-centre components. The term is also used as a synonym for supporting service.
inherent risk	The exposure arising from a specific risk before any action has been taken to manage it.
initiation stage	The period from when the project board authorizes initiation to when it authorizes the project (or decides not to go ahead with the project). The detailed planning and establishment of the project management infrastructure is covered by the Initiating a Project process.
insourcing	Using an internal service provider to manage IT services. The term insourcing is also used to describe the act of transferring the provision of an IT service from an external service provider to an internal service provider. *See also* service sourcing.
integrity	A security principle that ensures data and configuration items are modified only by authorized personnel and activities. Integrity considers all possible causes of modification, including software and hardware failure, environmental events and human intervention.
interactive voice response (IVR)	A form of automatic call distribution that accepts user input, such as key presses and spoken commands, to identify the correct destination for incoming calls.

Term	Definition
intermediate recovery	A recovery option that is also known as warm standby. Intermediate recovery usually uses a shared portable or fixed facility that has computer systems and network components. The hardware and software will need to be configured, and data will need to be restored, as part of the IT service continuity plan. Typical recovery times for intermediate recovery are one to three days.
internal customer	A customer who works for the same business as the IT service provider. *See also* external customer; internal service provider.
internal metric	A metric that is used within the IT service provider to monitor the efficiency, effectiveness or cost-effectiveness of the IT service provider's internal processes. Internal metrics are not normally reported to the customer of the IT service. *See also* external metric.
internal rate of return (IRR)	A technique used to help make decisions about capital expenditure. It calculates a figure that allows two or more alternative investments to be compared. A larger internal rate of return indicates a better investment. *See also* net present value; return on investment.
internal service provider	An IT service provider that is part of the same organization as its customer. An IT service provider may have both internal and external customers. *See also* insourcing; Type I service provider; Type II service provider.
International Organization for Standardization (ISO)	The International Organization for Standardization (ISO) is the world's largest developer of standards. ISO is a non-governmental organization that is a network of the national standards institutes of 156 countries. See www.iso.org for further information about ISO.
International Standards Organization	*See* International Organization for Standardization (ISO).
internet service provider (ISP)	An external service provider that provides access to the internet. Most ISPs also provide other IT services, such as web hosting.
investment decision	The decision to proceed with a programme or project. Also describes the entire lifecycle of a programme or project from inception (pre-start-up) to use (closure).
invocation	Initiation of the steps defined in a plan – for example, initiating the IT service continuity plan for one or more IT services.

Term	Definition
Ishikawa diagram	A technique, originally devised by Kaoru Ishikawa, that helps a team to identify all the possible causes of a problem. The output of this technique is a diagram that looks like a fishbone.
ISO 9000	A generic term that refers to a number of international standards and guidelines for quality management systems. See www.iso.org for more information. *See also* International Organization for Standardization.
ISO 9001	An international standard for quality management systems. *See also* ISO 9000; standard.
ISO/IEC 20000	An international standard for IT service management.
ISO/IEC 27001	An international specification for information security management. The corresponding code of practice is ISO/IEC 27002. *See also* standard.
ISO/IEC 27002	An international code of practice for information security management. The corresponding specification is ISO/IEC 27001. *See also* standard.
issue	A relevant event that has happened, was not planned and requires management action. It could be a problem, benefit, query, concern, change request or risk that has occurred.
issue actionee	A role or individual responsible for the management and control of all aspects of individual issues, including the implementation of the measures taken in respect of each issue.
issue register	A register used to capture and maintain information on all of the issues that are being managed formally. The issue register should be monitored by the project manager on a regular basis.
issue report	A report containing the description, impact assessment and recommendations for a request for change, off-specification or a problem/concern. It is created only for those issues that need to be handled formally.
IT accounting	*See* accounting.

Term	Definition
IT infrastructure	All of the hardware, software, networks, facilities etc. that are required to develop, test, deliver, monitor, control or support applications and IT services. The term includes all of the information technology but not the associated people, processes and documentation.
IT operations	Activities carried out by IT operations control, including console management/operations bridge, job scheduling, backup and restore, and print and output management. IT operations is also used as a synonym for service operation.
IT operations control	The function responsible for monitoring and control of the IT services and IT infrastructure. *See also* operations bridge.
IT operations management	The function within an IT service provider that performs the daily activities needed to manage IT services and the supporting IT infrastructure. IT operations management includes IT operations control and facilities management.
IT service	A service provided by an IT service provider. An IT service is made up of a combination of information technology, people and processes. A customer-facing IT service directly supports the business processes of one or more customers and its service level targets should be defined in a service level agreement. Other IT services, called supporting services, are not directly used by the business but are required by the service provider to deliver customer-facing services. *See also* core service; enabling service; enhancing service; service; service package.
IT service continuity management (ITSCM)	The process responsible for managing risks that could seriously affect IT services. IT service continuity management ensures that the IT service provider can always provide minimum agreed service levels, by reducing the risk to an acceptable level and planning for the recovery of IT services. IT service continuity management supports business continuity management.
IT service continuity plan	A plan defining the steps required to recover one or more IT services. The plan also identifies the triggers for invocation, people to be involved, communications etc. The IT service continuity plan should be part of a business continuity plan.
IT service management (ITSM)	The implementation and management of quality IT services that meet the needs of the business. IT service management is performed by IT service providers through an appropriate mix of people, process and information technology. *See also* service management.

Term	Definition
IT Service Management Forum (itSMF)	The IT Service Management Forum is an independent organization dedicated to promoting a professional approach to IT service management. The itSMF is a not-for-profit membership organization with representation in many countries around the world (itSMF chapters). The itSMF and its membership contribute to the development of ITIL and associated IT service management standards. See www.itsmf.com for more information.
IT service provider	A service provider that provides IT services to internal or external customers.
IT steering group (ISG)	A formal group that is responsible for ensuring that business and IT service provider strategies and plans are closely aligned. An IT steering group includes senior representatives from the business and the IT service provider. Also known as IT strategy group or IT steering committee.
ITIL®	A set of best-practice publications for IT service management. Owned by the Cabinet Office (part of HM Government), ITIL gives guidance on the provision of quality IT services and the processes, functions and other capabilities needed to support them. The ITIL framework is based on a service lifecycle and consists of five lifecycle stages (service strategy, service design, service transition, service operation and continual service improvement), each of which has its own supporting publication. There is also a set of complementary ITIL publications providing guidance specific to industry sectors, organization types, operating models and technology architectures. See www.itil-officialsite.com for more information.
job description	A document that defines the roles, responsibilities, skills and knowledge required by a particular person. One job description can include multiple roles – for example, the roles of configuration manager and change manager may be carried out by one person.
job scheduling	Planning and managing the execution of software tasks that are required as part of an IT service. Job scheduling is carried out by IT operations management, and is often automated using software tools that run batch or online tasks at specific times of the day, week, month or year.

Term	Definition
Kano model	A model, developed by Noriaki Kano, that is used to help understand customer preferences. The Kano model considers attributes of an IT service grouped into areas such as basic factors, excitement factors and performance factors.
Kepner and Tregoe analysis	A structured approach to problem solving. The problem is analysed in terms of what, where, when and to what extent. Possible causes are identified, the most probable cause is tested, and the true cause is verified.
key performance indicator (KPI)	**Generic –** A measure of performance. **ITIL –** A metric that is used to help manage an IT service, process, plan, project or other activity. Key performance indicators are used to measure the achievement of critical success factors. Many metrics may be measured, but only the most important of these are defined as key performance indicators and used to actively manage and report on the process, IT service or activity. They should be selected to ensure that efficiency, effectiveness and cost-effectiveness are all managed. **PPM –** A measure of performance that is used to help an organization define and evaluate how successful it is in making progress towards its organizational objectives.
knowledge base	A logical database containing data and information used by the service knowledge management system.
knowledge management	The process responsible for sharing perspectives, ideas, experience and information, and for ensuring that these are available in the right place and at the right time. The knowledge management process enables informed decisions, and improves efficiency by reducing the need to rediscover knowledge. *See also* Data-to-Information-to-Knowledge-to-Wisdom; service knowledge management system.
known error	A problem that has a documented root cause and a workaround. Known errors are created and managed throughout their lifecycle by problem management. Known errors may also be identified by development or suppliers.
known error database (KEDB)	A database containing all known error records. This database is created by problem management and used by incident and problem management. The known error database may be part of the configuration management system, or may be stored elsewhere in the service knowledge management system.

Term	Definition
known error record	A record containing the details of a known error. Each known error record documents the lifecycle of a known error, including the status, root cause and workaround. In some implementations, a known error is documented using additional fields in a problem record.
leadership	The ability to direct, influence and motivate others towards a better outcome.
Lean	A management process aimed at eliminating waste in the supply chain.
lessons log	An informal repository for lessons that apply to this project or future projects.
lessons report	A report that documents any lessons that can be usefully applied to other projects. The purpose of the report is to provoke action so that the positive lessons from a project become embedded in the organization's way of working and the organization is able to avoid the negative lessons on future projects.
lifecycle	The various stages in the life of an IT service, configuration item, incident, problem, change etc. The lifecycle defines the categories for status and the status transitions that are permitted. For example: • The lifecycle of an application includes requirements, design, build, deploy, operate, optimize • The expanded incident lifecycle includes detection, diagnosis, repair, recovery and restoration • The lifecycle of a server may include: ordered, received, in test, live, disposed etc.
line of service (LOS)	A core service or service package that has multiple service options. A line of service is managed by a service owner and each service option is designed to support a particular market segment.
live	Refers to an IT service or other configuration item that is being used to deliver service to a customer.
live environment	A controlled environment containing live configuration items used to deliver IT services to customers.

Term	Definition
logs	Informal repositories managed by the project manager that do not require any agreement by the project board on their format and composition. PRINCE2 has two logs: the daily log and the lessons log.
lower-order function	A function contributing to the delivery of a basic function. These are often important to a successful product or service.
maintainability	A measure of how quickly and effectively an IT service or other configuration item can be restored to normal working after a failure. Maintainability is often measured and reported as mean time to restore service (MTRS). Maintainability is also used in the context of software or IT service development to mean ability to be changed or repaired easily.
major incident	The highest category of impact for an incident. A major incident results in significant disruption to the business.
manageability	An informal measure of how easily and effectively an IT service or other component can be managed.
management board	A generic term used to describe either project management boards, programme management boards or portfolio management boards, or any combination based on the P3O context.
management by exception	A technique by which variances from plan that exceed a pre-set control limit are escalated for action – for example, where spends exceed budget by 10%.
management dashboard	A technique to represent vast amounts of decision-support information at an amalgamated level using tabular and graphic representation such as graphs and traffic lights.
management information	Information that is used to support decision-making by managers. Management information is often generated automatically by tools supporting the various IT service management processes. Management information often includes the values of key performance indicators, such as 'percentage of changes leading to incidents' or 'first-time fix rate'.

Term	Definition
management information system (MIS)	A set of tools, data and information that is used to support a process or function. Examples include the availability management information system and the supplier and contract management information system. *See also* service knowledge management system.
Management of Risk (M_o_R®)	Systemic application of policies, procedures, methods and practices to the tasks of identifying and assessing risks, and then planning and implementing risk responses. This provides a disciplined environment for proactive decision-making.
Management of Value (MoV®)	A systematic method to define what value means for organizations, and to communicate it clearly to maximize value across portfolios, programmes, projects and operations.
Management of Value (MoV) board	A group of senior managers who advise the MoV senior practitioner on the delivery of the MoV implementation plan.
Management of Value (MoV) implementation plan	The plan for delivering the MoV strategy.
Management of Value (MoV) programme	A series of interrelated MoV studies across a major project or large organization's service review.
Management of Value (MoV) programme plan	The plan for applying MoV to a programme.
Management of Value (MoV) progress report	A regular report describing the current progress that has been made in delivering the benefits of a value-improving proposal.
Management of Value (MoV) project plan	The plan for applying MoV to a project.
Management of Value (MoV) steering group	*See* Management of Value (MoV) board.
Management of Value (MoV) study	A combination of activities including preparation, analysis workshop(s), decision building, reporting and implementation.
Management of Value (MoV) study handbook	A collation by the study leader of all the information required for successful team participation in an MoV study.
Management of Value (MoV) study team	The people who actively contribute to an MoV study.

Term	Definition
Management of Value (MoV) workshop	A gathering of stakeholders and disciplines relating to a particular study, facilitated to guide participants through the MoV approach.
management product	A product that will be required as part of managing the project, and establishing and maintaining quality (for example, highlight report, end stage report etc.). The management products stay constant, whatever the type of project, and can be used as described, or with any relevant modifications, for all projects. There are three types of management product: baselines, records and reports.
management stage	The section of a 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 will wish to review progress to date, the state of the project plan, the business case and risks, and the next stage plan in order to decide whether to continue with the project.
management system	The framework of policy, processes, functions, standards, guidelines and tools that ensures an organization or part of an organization can achieve its objectives. This term is also used with a smaller scope to support a specific process or activity – for example, an event management system or risk management system. *See also* system.
Managing Successful Programmes (MSP®)	A Best Management Practice publication/method representing proven programme management good practice in successfully delivering transformational change, drawn from the experiences of both public- and private-sector organizations.
mandate	Information created externally to a project or programme that forms the terms of reference and is used to start up a PRINCE2 project or identify an MSP programme. A mandate may be initiated through an unstructured approach, or it may be derived from strategic planning, business planning or portfolio management processes.
manual workaround	A workaround that requires manual intervention. Manual workaround is also used as the name of a recovery option in which the business process operates without the use of IT services. This is a temporary measure and is usually combined with another recovery option.
margin	The flexibility that a programme has for achieving its blueprint, benefits and business case.

Term	Definition
marginal cost	The increase or decrease in the cost of producing one more, or one less, unit of output – for example, the cost of supporting an additional user.
market space	Opportunities that an IT service provider could exploit to meet the business needs of customers. Market spaces identify the possible IT services that an IT service provider may wish to consider delivering.
matrix management	A type of organizational management in which human resources with similar skills are pooled together for the assignment of work to other parts of an organization. In this approach, there is a separation between line management and line of authority in that a person may report to several project, programme or business managers to undertake multiple work assignments at different times but have a line of authority to a different manager altogether.
maturity	A measure of the reliability, efficiency and effectiveness of a process, function, organization etc. The most mature processes and functions are formally aligned to business objectives and strategy, and are supported by a framework for continual improvement.
maturity level	**Generic –** A recognized position within a model assessing performance. **ITIL –** A named level in a maturity model, such as the Carnegie Mellon Capability Maturity Model Integration. **PPM –** A well-defined evolutionary plateau towards achieving a mature process (five levels are often cited: initial, repeatable, defined, managed and optimizing).
maturity model	A method of assessing organizational capability in a given area of skill.
mean time between failures (MTBF)	A metric for measuring and reporting reliability. MTBF is the average time that an IT service or other configuration item can perform its agreed function without interruption. This is measured from when the configuration item starts working, until it next fails.
mean time between service incidents (MTBSI)	A metric used for measuring and reporting reliability. It is the average time from when a system or IT service fails, until it next fails. MTBSI is equal to MTBF plus MTRS.

Term	Definition
mean time to repair (MTTR)	The average time taken to repair an IT service or other configuration item after a failure. MTTR is measured from when the configuration item fails until it is repaired. MTTR does not include the time required to recover or restore. It is sometimes incorrectly used instead of mean time to restore service.
mean time to restore service (MTRS)	The average time taken to restore an IT service or other configuration item after a failure. MTRS is measured from when the configuration item fails until it is fully restored and delivering its normal functionality. *See also* maintainability; mean time to repair.
metric	Something that is measured and reported to help manage a process, IT service or activity. *See also* key performance indicator.
middleware	Software that connects two or more software components or applications. Middleware is usually purchased from a supplier, rather than developed within the IT service provider. *See also* commercial off the shelf.
milestone	A significant event in a plan's schedule, such as completion of key work packages, a technical stage or a management stage.
mission	A short but complete description of the overall purpose and intentions of an organization. It states what is to be achieved, but not how this should be done. *See also* vision.
model	A representation of a system, process, IT service, configuration item etc. that is used to help understand or predict future behaviour.
modelling	A technique that is used to predict the future behaviour of a system, process, IT service, configuration item etc. Modelling is commonly used in financial management, capacity management and availability management.
monitor control loop	Monitoring the output of a task, process, IT service or other configuration item; comparing this output to a predefined norm; and taking appropriate action based on this comparison.
monitoring	Repeated observation of a configuration item, IT service or process to detect events and to ensure that the current status is known.
MoV	*See* Management of Value.

Term	Definition
MSP	*See* Managing Successful Programmes.
near-shore	Provision of services from a country near the country where the customer is based. This can be the provision of an IT service, or of supporting functions such as a service desk. *See also* offshore; onshore.
needs	The benefits that are either essential or desired from the resources applied to a given project.
net present value (NPV)	A technique used to help make decisions about capital expenditure. It compares cash inflows with cash outflows. Positive net present value indicates that an investment is worthwhile. *See also* internal rate of return; return on investment.
normal change	A change that is not an emergency change or a standard change. Normal changes follow the defined steps of the change management process.
normal service operation	An operational state where services and configuration items are performing within their agreed service and operational levels.
notional charging	An approach to charging for IT services. Charges to customers are calculated and customers are informed of the charge, but no money is actually transferred. Notional charging is sometimes introduced to ensure that customers are aware of the costs they incur, or as a stage during the introduction of real charging.
objective	**Generic –** The intended outcome or goal. **ITIL –** The outcomes required from a process, activity or organization in order to ensure that its purpose will be fulfilled. Objectives are usually expressed as measurable targets. The term is also informally used to mean a requirement. **PPM –** The intended outcome or goal of a programme, project or organization.
off the shelf	*See* commercial off the shelf.
Office of Government Commerce (OGC)	OGC (former owner of Best Management Practice) and its functions have moved into the Cabinet Office as part of HM Government. See www.cabinetoffice.gov.uk

Term	Definition
off-project specialist or expert	Someone with knowledge and experience in the subject of the MoV activities who is not involved in the programme project. May be invited to contribute to an MoV study to challenge the MoV study team members and improve the objectivity of their proposals.
offshore	Provision of services from a location outside the country where the customer is based, often on a different continent. This can be the provision of an IT service, or of supporting functions such as a service desk. *See also* near-shore; onshore.
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 issue.
OGC Gateway™ reviews	OGC Gateway is the mainstay of the Major Projects Authority (MPA) assurance process. It is a peer review of the progress and delivery confidence at key 'gates' in the project lifecycle, and provides recommendations to the senior responsible owner (SRO) on which he/she is accountable to the MPA. This is an interview-based review completed, including the report, in less than a week.
one version of the truth	A technique whereby each element of portfolio progress reporting (costs, benefits, progress etc.) is derived from an agreed source managed by the portfolio office. Individual initiatives and other organizational functions will provide data inputs in relation to cost, benefit, delivery progress, resource requirements, dependency and risk status – and to an agreed schedule. The resulting consolidated data will be recognized as the authoritative source of information on portfolio progress used for monitoring, reporting and management decision-making.
onshore	Provision of services from a location within the country where the customer is based. *See also* near-shore; offshore.
operate	To perform as expected. A process or configuration item is said to operate if it is delivering the required outputs. Operate also means to perform one or more operations. For example, to operate a computer is to do the day-to-day operations needed for it to perform as expected.

Term	Definition
operation	Day-to-day management of an IT service, system or other configuration item. Operation is also used to mean any predefined activity or transaction – for example, loading a magnetic tape, accepting money at a point of sale, or reading data from a disk drive.
operational	The lowest of three levels of planning and delivery (strategic, tactical, operational). Operational activities include the day-to-day or short-term planning or delivery of a business process or IT service management process. The term is also a synonym for live.
operational and maintenance acceptance	A specific type of acceptance by the person or group who will support the product once it is handed over into the operational environment.
operational cost	The cost resulting from running the IT services, which often involves repeating payments – for example, staff costs, hardware maintenance and electricity. Also known as current expenditure or revenue expenditure. *See also* capital expenditure.
operational expenditure (OPEX)	*See* operational cost.
operational level agreement (OLA)	An agreement between an IT service provider and another part of the same organization. It supports the IT service provider's delivery of IT services to customers and defines the goods or services to be provided and the responsibilities of both parties. For example, there could be an operational level agreement between: • The IT service provider and a procurement department to obtain hardware in agreed times • The service desk and a support group to provide incident resolution in agreed times. *See also* service level agreement.
operational risk	Failure to achieve business/organizational objectives due to human error, system failures and inadequate procedure and controls.
operations	Business as usual in an organization.
operations bridge	A physical location where IT services and IT infrastructure are monitored and managed.
operations control	*See* IT operations control.

Term	Definition
operations management	*See* IT operations management.
opportunity	An uncertain event that would have a favourable impact on objectives or benefits if it occurred.
opportunity cost	A cost that is used in deciding between investment choices. Opportunity cost represents the revenue that would have been generated by using the resources in a different way. For example, the opportunity cost of purchasing a new server may include not carrying out a service improvement activity that the money could have been spent on. Opportunity cost analysis is used as part of a decision-making process, but opportunity cost is not treated as an actual cost in any financial statement.
optimism bias	Defined by the HM Treasury *Green Book* as the demonstrated systematic tendency for appraisers to be over-optimistic about key project parameters, including capital costs, operating costs, works duration and benefits delivery. To address this, adjustments should be made to the estimates of programme and project costs, benefits and works duration based on empirical data. Standard adjustments are included in the HM Treasury's *Green Book* and on the HM Treasury's website.
optimize	Review, plan and request changes, in order to obtain the maximum efficiency and effectiveness from a process, configuration item, application etc.
order	The relative level of a function in a hierarchy (higher or lower).
organization	A company, legal entity or other institution. The term is sometimes used to refer to any entity that has people, resources and budgets – for example, a project or business unit.
Organization Portfolio Office	A type of P3O model that is designed to centrally manage the investment process, strategic alignment, prioritization and selection, progress tracking and monitoring, optimization and benefits achieved by an organization's projects and programmes on behalf of its senior management.
organizational energy	The extent to which an organization (division or team) has mobilized its emotional, cognitive and behavioural potential to pursue its goals.

Term	Definition
outcome	**Generic –** The result of carrying out an activity. **ITIL –** The result of carrying out an activity, following a process, or delivering an IT service etc. The term is used to refer to intended results as well as to actual results. *See also* objective. **PPM –** The result of change, normally affecting real-world behaviour or circumstances. Outcomes are desired when a change is conceived. Outcomes are achieved as a result of the activities undertaken to effect the change; they are the manifestation of part or all of the new state conceived in the blueprint.
output	A specialist product (the tangible or intangible artefact) that is produced, constructed or created as a result of a planned activity and handed over to a user(s).
outsourcing	Using an external service provider to manage IT services. *See also* service sourcing.
overhead	*See* indirect cost.
P3M3	*See* Portfolio, Programme and Project Management Maturity Model (P3M3).
P3O sponsor	A senior manager with appropriate authority who champions the establishment and evolving operation of the P3O. They will ideally be a member of the main board. *See also* Portfolio, Programme and Project Offices (P3O).
P3RM	Portfolio, programme, project and risk management.
pain value analysis	A technique used to help identify the business impact of one or more problems. A formula is used to calculate pain value based on the number of users affected, the duration of the downtime, the impact on each user, and the cost to the business (if known).
Pareto principle/rule	**Generic –** The Pareto principle says that 80% of the value of any activity is created with 20% of the effort. **ITIL –** A technique used to prioritize activities. The Pareto principle says that 80% of the value of any activity is created with 20% of the effort. Pareto analysis is also used in problem management to prioritize possible problem causes for investigation. **PPM –** Also known as the '80/20 rule', which states that 80% of gains will come from 20% of study activity.

Term	Definition
partnership	A relationship between two organizations that involves working closely together for common goals or mutual benefit. The IT service provider should have a partnership with the business and with third parties who are critical to the delivery of IT services. *See also* value network.
passive monitoring	Monitoring of a configuration item, an IT service or a process that relies on an alert or notification to discover the current status. *See also* active monitoring.
pattern of business activity (PBA)	A workload profile of one or more business activities. Patterns of business activity are used to help the IT service provider understand and plan for different levels of business activity. *See also* user profile.
peer review	Specific review of a project or any of its products where personnel from within the organization and/or from other organizations 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.
percentage utilization	The amount of time that a component is busy over a given period of time. For example, if a CPU is busy for 1,800 seconds in a one-hour period, its utilization is 50%.
performance	A measure of what is achieved or delivered by a system, person, team, process or IT service.
performance management	Activities to ensure that something achieves its expected outcomes in an efficient and consistent manner.
performance targets	A plan's goals for time, cost, quality, scope, benefits and risk.
PESTLE	Acronym for 'political, economic, social, technological, legal and environmental'. A technique used generally in organizational change management to undertake an environmental scan at a strategic level.
pet project	A project that is championed by an executive in an organization that may be aligned to an individual goal or goals for a specific part of the business, but not necessarily aligned to the strategic imperatives of the organization as a whole.

Term	Definition
pilot	A limited deployment of an IT service, a release or a process to the live environment. A pilot is used to reduce risk and to gain user feedback and acceptance. *See also* change evaluation; test.
plan	**Generic –** A detailed proposal. **ITIL –** A detailed proposal that describes the activities and resources needed to achieve an objective – for example, a plan to implement a new IT service or process. ISO/IEC 20000 requires a plan for the management of each IT service management process. **PPM –** A detailed proposal for doing or achieving something which specifies the what, when, how and by whom. In PRINCE2 there are only the following types of plan: project plan, stage plan, team plan, exception plan and benefits review plan.
Plan-Do-Check-Act (PDCA)	A four-stage cycle for process management, attributed to Edward Deming. Plan-Do-Check-Act is also called the Deming Cycle. Plan – design or revise processes that support the IT services; Do – implement the plan and manage the processes; Check – measure the processes and IT services, compare with objectives and produce reports; Act – plan and implement changes to improve the processes.
planned closure	The PRINCE2 activity to close a project.
planned downtime	Agreed time when an IT service will not be available. Planned downtime is often used for maintenance, upgrades and testing. *See also* change window; downtime.
planning	An activity responsible for creating one or more plans – for example, capacity planning.
planning horizon	The period of time for which it is possible to plan accurately.
plastic project	A project in which dependencies have been minimized (often by creating a shared platform) so that decisions can be taken at the last responsible moment. Often used under fast-changing conditions, or where the problem and/or solution spaces are subject to a high degree of uncertainty.

Term	Definition
policy	**Generic –** A statement of principle and intent. **ITIL –** Formally documented management expectations and intentions. Policies are used to direct decisions, and to ensure consistent and appropriate development and implementation of processes, standards, roles, activities, IT infrastructure etc. **PPM –** A course of action (or principle) adopted by an organization. A business statement of intent, setting the tone for an organization's culture.
portable facility	A prefabricated building, or a large vehicle, provided by a third party and moved to a site when needed according to an IT service continuity plan. *See also* fixed facility; recovery option.
portfolio	The totality of an organization's investment (or segment thereof) in the changes required to achieve its strategic objectives.
portfolio dashboard	A technique to represent decision support information at an amalgamated level using tabular and graphical representation such as graphs and traffic lights.
portfolio definition cycle	One of the two continuous cycles within the portfolio management model containing portfolio management practices related to defining a portfolio, i.e. understand, categorize, prioritize, balance and plan.
portfolio delivery cycle	One of the two continuous cycles within the portfolio management model containing portfolio management practices related to delivering a portfolio, i.e. management control, benefits management, financial management, risk management, organizational governance, stakeholder engagement, and resource management.
portfolio delivery plan	A collection of tactical information regarding the planned delivery of the portfolio based on the overarching portfolio strategy. The portfolio delivery plan usually focuses on the forthcoming year in detail in terms of schedule, resource plans, costs, risks and benefits to be realized.
portfolio management	Portfolio management is a coordinated collection of strategic processes and decisions that together enable the most effective balance of organizational change and business as usual.
portfolio management framework	The central repository containing a description of the agreed portfolio management practices adopted by the organization and its governance arrangements.

Term	Definition
portfolio management model	A logical diagram describing the relationship between the portfolio management principles, cycles and practices.
portfolio office	An office which is established centrally to manage the investment process, strategic alignment, prioritization and selection, progress tracking and monitoring, optimization and benefits achieved by an organization's projects and programmes on behalf of its senior management.
portfolio principles	The portfolio management principles represent the foundations upon which effective portfolio management is built – by providing the organizational culture and environment in which the portfolio definition and delivery practices can operate effectively. They are: senior management commitment; alignment with organizational strategy; alignment with the organizational governance framework; a portfolio office; and an energized change culture. These are generic principles – the way in which they are applied should be tailored to suit the organizational circumstances so long as the underlying rationale is maintained.
Portfolio, Programme and Project Management (PPM)	A collective term used for a series of guides aimed at improving the performance of those involved in portfolio, programme and project management. PPM is the accepted term in the industry and covers portfolio as well as programme and project management.
Portfolio, Programme and Project Management Maturity Model (P3M3®)	A framework with which organizations can assess their current performance and put in place improvement plans.
Portfolio, Programme and Project Offices (P3O®)	The decision-enabling and support business model for all business change within an organization. This will include single or multiple physical or virtual structures, i.e. offices (permanent and/or temporary), providing a mix of central and localized functions and services, and integration with governance arrangements and the wider business such as other corporate support functions.
portfolio strategy	A collection of top-level strategic information that provides total clarity to all stakeholders regarding the content and long-term objectives of the portfolio. The portfolio strategy is an important communication tool and as such should be motivational to the reader.

Term	Definition
post-implementation review (PIR)	**Generic –** A formal review of a programme or project. It is used to answer the question 'Did we achieve what we set out to do, in business terms, and if not, what should be done?' **ITIL –** A review that takes place after a change or a project has been implemented. It determines whether the change or project was successful, and identifies opportunities for improvement. **PPM –** The process of determining the nature and value of benefits achieved and lessons learned from the project. This would need to be repeated at intervals to collate full results.
PPM	*See* Portfolio, Programme and Project Management (PPM).
practice	A way of working, or a way in which work must be done. Practices can include activities, processes, functions, standards and guidelines. *See also* best practice.
practitioner	Someone who is competent in and regularly leads MoV activities.
premature closure	The PRINCE2 activity to close a project before its planned closure. The project manager must ensure that work in progress is not simply abandoned, but that the project salvages any value created to date, and checks that any gaps left by the cancellation of the project are raised to corporate or programme management.
prerequisite for success (PFS)	An activity that needs to be completed, or a condition that needs to be met, to enable successful implementation of a plan or process. It is often an output from one process that is a required input to another process.
prerequisites (plan)	Any fundamental aspects that must be in place, and remain in place, for a plan to succeed.
pricing	Pricing is the activity for establishing how much customers will be charged.
primary function	A function with a close and direct link to the study objectives. *See also* value driver.
PRINCE2	*See* PRojects IN Controlled Environments (PRINCE2).
PRINCE2 principles	The guiding obligations for good project management practice that form the basis of a project being managed using PRINCE2.

Term	Definition
PRINCE2 project	A project that applies the PRINCE2 principles.
priority	A category used to identify the relative importance of an incident, problem or change. Priority is based on impact and urgency, and is used to identify required times for actions to be taken. For example, the service level agreement may state that Priority 2 incidents must be resolved within 12 hours.
proactive monitoring	Monitoring that looks for patterns of events to predict possible future failures. *See also* reactive monitoring.
proactive problem management	Part of the problem management process. The objective of proactive problem management is to identify problems that might otherwise be missed. Proactive problem management analyses incident records, and uses data collected by other IT service management processes to identify trends or significant problems.
probability	This is the evaluated likelihood of a particular threat or opportunity actually happening, including a consideration of the frequency with which this may arise.
problem	A cause of one or more incidents. The cause is not usually known at the time a problem record is created, and the problem management process is responsible for further investigation.
problem management	The process responsible for managing the lifecycle of all problems. Problem management proactively prevents incidents from happening and minimizes the impact of incidents that cannot be prevented.
problem record	A record containing the details of a problem. Each problem record documents the lifecycle of a single problem.
problem/concern	A type of issue (other than a request for change or off-specification) that the project manager needs to resolve or escalate.
procedure	**Generic –** A series of steps taken to achieve something. **ITIL –** A document containing steps that specify how to achieve an activity. Procedures are defined as part of processes. *See also* work instruction. **PPM –** A series of actions for a particular aspect of project management established specifically for the project – for example, a risk management procedure.

Term	Definition
process	**Generic –** A structured set of activities designed to accomplish a specific objective. **ITIL –** A structured set of activities designed to accomplish a specific objective. A process takes one or more defined inputs and turns them into defined outputs. It may include any of the roles, responsibilities, tools and management controls required to reliably deliver the outputs. A process may define policies, standards, guidelines, activities and work instructions if they are needed. **PPM –** A structured set of activities designed to accomplish a specific objective. A process takes one or more defined inputs and turns them into defined outputs.
process control	The activity of planning and regulating a process, with the objective of performing the process in an effective, efficient and consistent manner.
process manager	A role responsible for the operational management of a process. The process manager's responsibilities include planning and coordination of all activities required to carry out, monitor and report on the process. There may be several process managers for one process – for example, regional change managers or IT service continuity managers for each data centre. The process manager role is often assigned to the person who carries out the process owner role, but the two roles may be separate in larger organizations.
process owner	The person who is held accountable for ensuring that a process is fit for purpose. The process owner's responsibilities include sponsorship, design, change management and continual improvement of the process and its metrics. This role can be assigned to the same person who carries out the process manager role, but the two roles may be separate in larger organizations.
producer	The person or group responsible for developing a product.
product	An input or output, whether tangible or intangible, that can be described in advance, created and tested. Also known as an output or deliverable.
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.

Term	Definition
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 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.
product-based planning	A technique leading to a comprehensive plan based on the creation and delivery of required outputs. The technique considers prerequisite products, quality requirements and the dependencies between products.
production environment	*See* live environment.
profit centre	A business unit that charges for services provided. A profit centre can be created with the objective of making a profit, recovering costs, or running at a loss. An IT service provider can be run as a cost centre or a profit centre.
pro-forma	A template or example document containing sample data that will be replaced with real values when these are available.
programme	**Generic –** A number of activities or projects that are planned and managed together. **ITIL –** A number of projects and activities that are planned and managed together to achieve an overall set of related objectives and other outcomes. **PPM –** A temporary flexible organization structure created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to the organization's strategic objectives. A programme is likely to have a life that spans several years.
programme assurance	Independent assessment and confirmation that the programme as a whole or any one of its aspects is on track, that it is applying relevant practices and procedures, and that the projects, activities and business rationale remain aligned to the programme's objectives. *See also* gated review.

Term	Definition
programme board	A group that is established to support a senior responsible owner (SRO) in delivering a programme.
programme brief	A statement that describes the specific objectives, required benefits, potential risks, outline costs, timescales and potentially options for delivery for a programme.
programme management	The coordinated organization, direction and implementation of a dossier of projects and transformation activities (i.e. the programme) to achieve outcomes and realize benefits of strategic importance.
programme manager	The role responsible for the set-up, management and delivery of the programme, typically allocated to a single individual.
programme office	The function providing the information hub for the programme and its delivery objectives; could provide support for more than one programme.
programme organization	How a programme will be managed throughout its lifecycle, the roles and responsibilities of individuals involved in the programme, and personnel management or human-resources arrangements. Also known as programme organization structure.
programme risk	Risk concerned with transforming high-level strategy into new ways of working to deliver benefits to the organization.
project	**Generic –** An undertaking requiring concerted effort. **ITIL –** A temporary organization, with people and other assets, that is required to achieve an objective or other outcome. Each project has a lifecycle that typically includes initiation, planning, execution and closure. Projects are usually managed using a formal methodology such as Projects IN Controlled Environments (PRINCE2) or the Project Management Body of Knowledge (PMBOK). *See also* charter; project management office; project portfolio. **PPM –** A temporary organization that is created for the purpose of delivering one or more business products according to an agreed 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?

Term	Definition
project assurance	The project board's responsibilities to assure itself that the project is being conducted correctly. The project board members each have a specific area of focus for project assurance, namely business assurance for the executive, user assurance for the senior user(s), and supplier assurance for the senior supplier(s).
project authorization notification	Advice from the project board to inform all stakeholders and the host sites that the project has been authorized and to request any necessary logistical support (e.g. communication facilities, equipment and any project support) sufficient for the duration of the project.
project brief	Statement that describes the purpose, cost, time and performance requirements, and constraints for a project. It is created pre-project during the Starting up a Project process and is used during the Initiating a Project process to create the project initiation documentation and its components. It is superseded by the project initiation documentation and not maintained.
project charter	*See* charter.
project control tool	A process or technique for informing management to enable them to maintain control over the progress of a project.
project executive	The individual who is ultimately responsible for a project. Their role is to ensure that the project is focused throughout its lifecycle on achieving its objectives and delivering a product that will achieve the forecast benefits.
project initiation documentation (PID)	A logical set of documents that brings together the key information needed to start the project on a sound basis and that conveys the information to all concerned with the project.
project initiation notification	Advice from the project board to inform all stakeholders and the host sites that the project is being initiated and to request any necessary logistical support (e.g. communication facilities, equipment and any project support) sufficient for the initiation stage.
project lifecycle	The period from the start-up of a project to the acceptance of the project product.

Term	Definition
project management	The planning, delegating, monitoring and control of all aspects of the project, and the motivation of those involved, to achieve the project objectives within the expected performance targets for time, cost, quality, scope, benefits and risks.
Project Management Body of Knowledge (PMBOK®)	A project management standard maintained and published by the Project Management Institute. See www.pmi.org for more information. *See also* PRojects IN Controlled Environments (PRINCE2).
Project Management Institute (PMI)	A membership association that advances the project management profession through globally recognized standards and certifications, collaborative communities, an extensive research programme, and professional development opportunities. PMI is a not-for-profit membership organization with representation in many countries around the world. PMI maintains and publishes the Project Management Body of Knowledge (PMBOK). See www.pmi.org for more information. *See also* PRojects IN Controlled Environments (PRINCE2).
project management office (PMO)	A function or group responsible for managing the lifecycle of projects. *See also* charter; project portfolio.
project management team	The entire management structure of the project board, and project manager, plus any team manager, project assurance and project support roles.
project management team structure	An organization chart showing the people assigned to the project management team roles to be used, and their delegation and reporting relationships.
project manager	The person with authority and responsibility to manage a project on a day-to-day basis to deliver the required products within the constraints agreed by the project board.
project mandate	An external product generated by the authority commissioning the project that forms the trigger for Starting up a Project.
project office	A temporary office set up to support the delivery of a specific change initiative being delivered as a project. If used, the project office undertakes the responsibility of the project support role.

Term	Definition
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 documentation. 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.
project portfolio	A database or structured document used to manage projects throughout their lifecycle. The project portfolio is used to coordinate projects and ensure that they meet their objectives in a cost-effective and timely manner. In larger organizations, the project portfolio is typically defined and maintained by a project management office. The project portfolio is important to service portfolio management as new services and significant changes are normally managed as projects. *See also* charter.
project product	What the project must deliver in order to gain acceptance.
project product description	A special type of product description used to gain agreement from the user on the project's scope and requirements, to define the customer's quality expectations, and to define the acceptance criteria for the project.
project register	An alternative term for 'projects dossier' – the document that records the list of projects.
project risk	Project risks are those concerned with the successful completion of the project. Typically these risks include personal, technical, cost, schedule, resource, operational support, quality and supplier issues.
project sponsor	The main driving force behind a project.
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 the collection of actual data.
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.

Term	Definition
projected service outage (PSO)	A document that identifies the effect of planned changes, maintenance activities and test plans on agreed service levels.
PRojects IN Controlled Environments (PRINCE2)	The standard UK government methodology for project management. See www.prince-officialsite.com for more information. *See also* Project Management Body of Knowledge (PMBOK).
proposal implementation plan	A plan for implementing value-improving proposals to realize their expected benefits.
proposal owner	The individual responsible for developing value-improving proposals.
proximity (of risk)	The time factor and how close an event is: risks will occur at particular times, and the severity of their impact will vary depending on when they occur.
public sector	Activities undertaken without a profit motive for the greater good and/or for which specific usage cannot be monitored (e.g. street lighting), paid for by the public at large via taxation.
qualification	An activity that ensures that the IT infrastructure is appropriate and correctly configured to support an application or IT service. *See also* validation.
quality	**Generic –** The degree to which a set of defined characteristics fulfil the requirement. **ITIL –** The ability of a product, service or process to provide the intended value. For example, a hardware component can be considered to be of high quality if it performs as expected and delivers the required reliability. Process quality also requires an ability to monitor effectiveness and efficiency, and to improve them if necessary. *See also* quality management system. **PPM –** The degree to which the features and inherent or assigned characteristics of a product, person, process, service and/or system bear on its ability to show that it meets expectations or stated needs, requirements or specification.

Term	Definition
quality assurance (QA)	**Generic –** The planned systematic process that will be used to provide confidence that outputs will match their defined quality criteria. **ITIL –** The process responsible for ensuring that the quality of a service, process or other service asset will provide its intended value. Quality assurance is also used to refer to a function or team that performs quality assurance. This process is not described in detail within the core ITIL publications. *See also* service validation and testing.
quality control	The process of monitoring specific project results to determine whether they comply with relevant standards and of identifying ways to eliminate causes of unsatisfactory performance.
quality criteria	A description of the quality specification that the product must meet, and the quality measurements that will be applied by those inspecting the finished product.
quality inspection	A systematic, structured assessment of a product carried out by two or more carefully selected people (the review team) in a planned, documented and organized fashion.
quality management	The coordinated activities to direct and control an organization with regard to quality.
quality management strategy	A strategy defining the quality techniques and standards to be applied, and the various responsibilities for achieving the required quality levels, during a project.
quality management system (QMS)	The framework of policy, processes, functions, standards, guidelines and tools that ensures an organization is of a suitable quality to meet business objectives or service levels reliably. *See also* ISO 9000.
quality records	Evidence kept to demonstrate that the required quality assurance and quality control activities have been carried out.
quality register	A register containing summary details of all planned and completed quality activities. The quality register is used by the project manager and project assurance as part of reviewing progress.
quality review	*See* quality inspection.

Term	Definition
quality review technique	A quality inspection technique with defined roles and a specific structure. It is designed to assess whether a product that takes the form of a document (or similar, e.g. a presentation) is complete, adheres to standards and meets the quality criteria agreed for it in the relevant product description. The participants are drawn from those with the necessary competence to evaluate its fitness for purpose.
quality tolerance	The tolerance identified for a product for a quality criterion defining an acceptable range of values. Quality tolerance is documented in the project product description (for the project-level quality tolerance) and in the product description for each product to be delivered.
quick win	An improvement activity that is expected to provide a return on investment in a short period of time with relatively little cost and effort. *See also* Pareto principle.
RACI	A model used to help define roles and responsibilities. RACI stands for responsible, accountable, consulted and informed.
reactive monitoring	Monitoring that takes place in response to an event. For example, submitting a batch job when the previous job completes, or logging an incident when an error occurs. *See also* proactive monitoring.
real charging	A charging policy where actual money is transferred from the customer to the IT service provider in payment for the delivery of IT services. *See also* notional charging.
reciprocal arrangement	A recovery option. An agreement between two organizations to share resources in an emergency – for example, high-speed printing facilities or computer room space.
record	A document containing the results or other output from a process or activity. Records are evidence of the fact that an activity took place and may be paper or electronic – for example, an audit report, an incident record or the minutes of a meeting.
records	Dynamic management products that maintain information regarding project progress.

Term	Definition
recovery	Returning a configuration item or an IT service to a working state. Recovery of an IT service often includes recovering data to a known consistent state. After recovery, further steps may be needed before the IT service can be made available to the users (restoration).
recovery option	A strategy for responding to an interruption to service. Commonly used strategies are manual workaround, reciprocal arrangement, gradual recovery, intermediate recovery, fast recovery and immediate recovery. Recovery options may make use of dedicated facilities or third-party facilities shared by multiple businesses.
recovery point objective (RPO)	The maximum amount of data that may be lost when service is restored after an interruption. The recovery point objective is expressed as a length of time before the failure. For example, a recovery point objective of one day may be supported by daily backups, and up to 24 hours of data may be lost. Recovery point objectives for each IT service should be negotiated, agreed and documented, and used as requirements for service design and IT service continuity plans.
recovery time objective (RTO)	The maximum time allowed for the recovery of an IT service following an interruption. The service level to be provided may be less than normal service level targets. Recovery time objectives for each IT service should be negotiated, agreed and documented. *See also* business impact analysis.
reduce (risk response)	A response to a risk where proactive actions are taken to reduce the probability of the event occurring by performing some form of control, and/or to reduce the impact of the event should it occur.
redundancy	Use of one or more additional configuration items to provide fault tolerance. The term also has a generic meaning of obsolescence, or no longer needed.
reference-class forecasting	A technique where forecasts of an initiative's duration, costs and benefits are derived from what actually occurred in a reference class of similar projects. Alternatively, estimates can be built up in the traditional manner and then adjusted by set percentages based on past performance – this is the approach used in the UK central government, where a standard set of optimism-bias adjustments are included in the HM Treasury's *Green Book*.

Term	Definition
register	A formal repository managed by the project manager that requires agreement by the project board on its format, composition and use. PRINCE2 has three registers: issue register, risk register and quality register.
reject (risk response)	A response to a risk (opportunity) where a conscious and deliberate decision is taken not to exploit or enhance an opportunity, having discerned that it is more economical to do so than to attempt a risk response action. The opportunity should continue to be monitored.
relationship	A connection or interaction between two people or things. In business relationship management, it is the interaction between the IT service provider and the business. In service asset and configuration management, it is a link between two configuration items that identifies a dependency or connection between them. For example, applications may be linked to the servers they run on, and IT services have many links to all the configuration items that contribute to that IT service.
relationship processes	The ISO/IEC 20000 process group that includes business relationship management and supplier management.
release	**Generic –** The controlled implementation of change. **ITIL –** One or more changes to an IT service that are built, tested and deployed together. A single release may include changes to hardware, software, documentation, processes and other components. **PPM –** The set of products in a handover. The contents of a release are managed, tested and deployed as a single entity. *See also* handover.
release and deployment management	The process responsible for planning, scheduling and controlling the build, test and deployment of releases, and for delivering new functionality required by the business while protecting the integrity of existing services.
release identification	A naming convention used to uniquely identify a release. The release identification typically includes a reference to the configuration item and a version number – for example, Microsoft Office 2010 SR2.
release management	*See* release and deployment management.

Term	Definition
release package	A set of configuration items that will be built, tested and deployed together as a single release. Each release package will usually include one or more release units.
release record	A record that defines the content of a release. A release record has relationships with all configuration items that are affected by the release. Release records may be in the configuration management system or elsewhere in the service knowledge management system.
release unit	Components of an IT service that are normally released together. A release unit typically includes sufficient components to perform a useful function. For example, one release unit could be a desktop PC, including hardware, software, licences, documentation etc. A different release unit may be the complete payroll application, including IT operations procedures and user training.
release window	*See* change window.
reliability	A measure of how long an IT service or other configuration item can perform its agreed function without interruption. Usually measured as mean time between failures (MTBF) or mean time between service incidents (MTBSI). The term can also be used to state how likely it is that a process, function etc. will deliver its required outputs. *See also* availability.
remediation	Actions taken to recover after a failed change or release. Remediation may include back-out, invocation of service continuity plans, or other actions designed to enable the business process to continue.
repair	The replacement or correction of a failed configuration item.
reports	Management products providing a snapshot of the status of certain aspects of the project.
request for change (RFC)	A formal proposal for a change to be made. It includes details of the proposed change, and may be recorded on paper or electronically. The term is often misused to mean a change record, or the change itself.
request fulfilment	The process responsible for managing the lifecycle of all service requests.

Term	Definition
request model	A repeatable way of dealing with a particular category of service request. A request model defines specific agreed steps that will be followed for a service request of this category. Request models may be very simple, with no requirement for authorization (e.g. password reset), or may be more complex with many steps that require authorization (e.g. provision of an existing IT service). *See also* request fulfilment.
requirement(s)	**Generic –** A formal statement of what is needed. **ITIL –** A formal statement of what is needed – for example, a service level requirement, a project requirement or the required deliverables for a process. *See also* statement of requirements. **PPM –** A description of the user's needs.
residual risk	The risk remaining after the risk response has been successfully applied.
resilience	The ability of an IT service or other configuration item to resist failure or to recover in a timely manner following a failure. For example, an armoured cable will resist failure when put under stress. *See also* fault tolerance.
resolution	Action taken to repair the root cause of an incident or problem, or to implement a workaround. In ISO/IEC 20000, resolution processes is the process group that includes incident and problem management.
resolution processes	The ISO/IEC 20000 process group that includes incident and problem management.
resource	**Generic –** An organization's physical or virtual entities, human or otherwise. **ITIL –** A generic term that includes IT infrastructure, people, money or anything else that might help to deliver an IT service. Resources are considered to be assets of an organization. *See also* capability; service asset. **PPM –** An organization's physical or virtual entities (human or otherwise) that are of limited availability and can be used to undertake operations or business change.

Term	Definition
response time	A measure of the time taken to complete an operation or transaction. Used in capacity management as a measure of IT infrastructure performance, and in incident management as a measure of the time taken to answer the phone or to start diagnosis.
responsible	Used to describe the individual who has the authority and is expected to deliver a task or activity; responsibility can be delegated.
responsible authority	The person or group commissioning the project (typically corporate or programme management) who has the authority to commit resources and funds on behalf of the commissioning organization.
responsiveness	A measurement of the time taken to respond to something. This could be the response time of a transaction, or the speed with which an IT service provider responds to an incident or request for change etc.
restoration of service	*See* restore.
restore	Taking action to return an IT service to the users after repair and recovery from an incident. This is the primary objective of incident management.
retire	Permanent removal of an IT service, or other configuration item, from the live environment. Being retired is a stage in the lifecycle of many configuration items.
return on assets (ROA)	A measurement of the profitability of a business unit or organization. Return on assets is calculated by dividing the annual net income by the total value of assets. *See also* return on investment.
return on investment (ROI)	A measurement of the expected benefit of an investment. In the simplest sense, it is the net profit of an investment divided by the net worth of the assets invested. *See also* net present value; value on investment.
return to normal	The phase of an IT service continuity plan during which full normal operations are resumed. For example, if an alternative data centre has been in use, then this phase will bring the primary data centre back into operation, and restore the ability to invoke IT service continuity plans again.

Term	Definition
review	An evaluation of a change, problem, process, project etc. Reviews are typically carried out at predefined points in the lifecycle, and especially after closure. The purpose of a review is to ensure that all deliverables have been provided, and to identify opportunities for improvement. *See also* change evaluation; post-implementation review.
reviewer	A person or group independent of the producer who assesses whether a product meets its requirements as defined in its product description.
rights	Entitlements, or permissions, granted to a user or role – for example, the right to modify particular data, or to authorize a change.
risk	**Generic –** An uncertain event or set of events. **ITIL –** A possible event that could cause harm or loss, or affect the ability to achieve objectives. A risk is measured by the probability of a threat, the vulnerability of the asset to that threat, and the impact it would have if it occurred. Risk can also be defined as uncertainty of outcome, and can be used in the context of measuring the probability of positive outcomes as well as negative outcomes. **PPM –** An uncertain event or set of events that, should it occur, will have an effect on the achievement of objectives. A risk is measured by a combination of the probability of a perceived threat or opportunity occurring, and the magnitude of its impact on objectives.
risk actionee	Some actions may not be within the remit of the risk owner to control explicitly; in that situation there should be a nominated owner of the action to address the risk. He or she will need to keep the risk owner apprised of the situation.
risk appetite	The amount of risk the organization, or subset of it, is willing to accept.
risk assessment	**Generic –** The identification and evaluation of risks. **ITIL –** The initial steps of risk management: analysing the value of assets to the business, identifying threats to those assets, and evaluating how vulnerable each asset is to those threats. Risk assessment can be quantitative (based on numerical data) or qualitative. **PPM –** The identification and evaluation of risks.

Term	Definition
risk capacity	The maximum amount of risk that an organization, or subset of it, can bear, linked to factors such as its reputation, capital, assets and ability to raise additional funds.
risk cause	A description of the source of the risk, i.e. the event or situation that gives rise to the risk.
risk committee	A body of independent directors who are responsible for reviewing the company's internal control and risk management systems.
risk effect	A description of the impact that the risk would have on the organizational activity should the risk materialize.
risk estimation	The estimation of probability and impact of an individual risk, taking into account predetermined standards, target risk levels, interdependencies and other relevant factors.
risk evaluation	The process of understanding the net effect of the identified threats and opportunities on an activity when aggregated together.
risk event	A description of the area of uncertainty in terms of the threat or the opportunity.
risk exposure	The extent of risk borne by the organization at that time.
risk identification	The determination of what could pose a risk; a process to describe and list sources of risk (threats and opportunities).
risk log	*See* risk register.
risk management	**Generic –** The process responsible for identifying, assessing and controlling risks. **ITIL –** The process responsible for identifying, assessing and controlling risks. Risk management is also sometimes used to refer to the second part of the overall process after risks have been identified and assessed, as in 'risk assessment and management'. This process is not described in detail within the core ITIL publications. *See also* risk assessment. **PPM –** The systematic application of principles, approach and processes to the tasks of identifying and assessing risks, and then planning and implementing risk responses. *See also* Management of Risk (M_o_R).

Term	Definition
risk management policy	A high-level statement showing how risk management will be handled throughout the organization.
risk management process guide	Describes the series of steps (from identify through to implement) and their respective associated activities, necessary to implement risk management.
risk management strategy	Describes the goals of applying risk management to the activity, the process that will be adopted, the roles and responsibilities, risk thresholds, the timing of risk management interventions, the deliverables, the tools and techniques that will be used, and the reporting requirements. It may also describe how the process will be coordinated with other management activities.
risk manager	A role or individual responsible for the implementation of risk management for each activity at each of the organizational levels.
risk owner	A role or individual responsible for the management and control of all aspects of individual risks, including the implementation of the measures taken in respect of each risk.
risk perception	The way in which a stakeholder views a risk, based on a set of values or concerns.
risk potential assessment (RPA)	A standard set of high-level criteria against which the intrinsic characteristics and degree of difficulty of a proposed project are assessed. Used in the UK public sector to assess the criticality of projects and so determine the level of OGC Gateway review required.
risk profile	Describes the types of risk that are faced by an organization and its exposure to those risks.
risk register	A record of all identified risks relating to an initiative, including their status and history. Also called a risk log.
risk response	Actions that may be taken to bring the situation to a level where the exposure to risk is acceptable to the organization. These responses fall into one of a number of risk response options.
risk response category	A category of risk response. For threats, the individual risk response category can be avoid, reduce, transfer, accept or share. For opportunities, the individual risk response category can be exploit, enhance, reject or share.

Term	Definition
risk tolerance	The threshold levels of risk exposure that, with appropriate approvals, can be exceeded, but which when exceeded will trigger some form of response (e.g. reporting the situation to senior management for action).
risk tolerance line	A line drawn on the summary risk profile. Risks that appear above this line cannot be accepted (lived with) without referring them to a higher authority. For a project, the project manager would refer these risks to the project board.
role	A set of responsibilities, activities and authorities assigned to a person or team. A role is defined in a process or function. One person or team may have multiple roles – for example, the roles of configuration manager and change manager may be carried out by a single person. Role is also used to describe the purpose of something or what it is used for.
role description	A description of the set of responsibilities specific to a role.
root cause	The underlying or original cause of an incident or problem.
root cause analysis (RCA)	An activity that identifies the root cause of an incident or problem. Root cause analysis typically concentrates on IT infrastructure failures. *See also* service failure analysis.
running cost	*See* operational cost.
Sarbanes-Oxley (SOX)	US law that regulates financial practice and corporate governance.
scalability	The ability of an IT service, process, configuration item etc. to perform its agreed function when the workload or scope changes.
scale of risk	A standard technique for estimating the probability and impact of a risk across an organization, portfolio, programme or project. This may be provided as part of a risk management standard (external) or a risk management strategy or policy.
scenario	A package of value-improving proposals.

Term	Definition
schedule	Graphical representation of a plan (for example, a Gantt chart), typically describing a sequence of tasks, together with resource allocations, which collectively deliver the plan. In PRINCE2, project activities should only be documented in the schedules associated with a project plan, stage plan or team plan. Actions that are allocated from day-to-day management may be documented in the relevant project log (i.e. risk register, daily log, issue register, quality register) if they do not require significant activity.
scope	**Generic –** The boundary or extent of something. **ITIL –** The boundary or extent to which a process, procedure, certification, contract etc. applies. For example, the scope of change management may include all live IT services and related configuration items; the scope of an ISO/IEC 20000 certificate may include all IT services delivered out of a named data centre. **PPM –** For a plan, the sum total of its products and the extent of their requirements. It is described by the product breakdown structure for the plan and associated product descriptions.
scope tolerance	The permissible deviation in a plan's scope that is allowed before the deviation needs to be escalated to the next level of management. Scope tolerance is documented in the respective plan in the form of a note or reference to the product breakdown structure for that plan. *See also* tolerance.
second-line support	The second level in a hierarchy of support groups involved in the resolution of incidents and investigation of problems. Each level contains more specialist skills, or has more time or other resources.
security	*See* information security management.
security management	*See* information security management.
security management information system (SMIS)	A set of tools, data and information that is used to support information security management. The security management information system is part of the information security management system. *See also* service knowledge management system.
security policy	*See* information security policy.
senior management	Top management responsible for embedding or running MoV activities.

Term	Definition
senior Management of Value (MoV) practitioner	The individual charged with leading the implementation of the MoV plan. See Management of Value (MoV).
senior responsible owner (SRO)	The single individual with overall responsibility for ensuring that a project or programme meets its objectives and delivers the projected benefits.
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). The senior supplier 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.
sensitivity analysis	A technique for testing the robustness of a calculation or model by assessing the impact of varying the input, to reflect the risk that the calculation or model might not be accurate.
separation of concerns (SoC)	An approach to designing a solution or IT service that divides the problem into pieces that can be solved independently. This approach separates what is to be done from how it is to be done.
server	A computer that is connected to a network and provides software functions that are used by other computers.
service	A means of delivering value to customers by facilitating outcomes customers want to achieve without the ownership of specific costs and risks. The term 'service' is sometimes used as a synonym for core service, IT service or service package. *See also* utility; warranty.
service acceptance criteria (SAC)	A set of criteria used to ensure that an IT service meets its functionality and quality requirements and that the IT service provider is ready to operate the new IT service when it has been deployed. *See also* acceptance.
service analytics	A technique used in the assessment of the business impact of incidents. Service analytics models the dependencies between configuration items, and the dependencies of IT services on configuration items.
service asset	Any resource or capability of a service provider. *See also* asset.

Term	Definition
service asset and configuration management (SACM)	The process responsible for ensuring that the assets required to deliver services are properly controlled, and that accurate and reliable information about those assets is available when and where it is needed. This information includes details of how the assets have been configured and the relationships between assets. *See also* configuration management system.
service capacity management (SCM)	The sub-process of capacity management responsible for understanding the performance and capacity of IT services. Information on the resources used by each IT service and the pattern of usage over time is collected, recorded and analysed for use in the capacity plan. *See also* business capacity management; component capacity management.
service catalogue	A database or structured document with information about all live IT services, including those available for deployment. The service catalogue is part of the service portfolio and contains information about two types of IT service: customer-facing services that are visible to the business; and supporting services required by the service provider to deliver customer-facing services. *See also* customer agreement portfolio; service catalogue management.
service catalogue management	The process responsible for providing and maintaining the service catalogue and for ensuring that it is available to those who are authorized to access it.
service change	*See* change.
service charter	A document that contains details of a new or changed service. New service introductions and significant service changes are documented in a charter and authorized by service portfolio management. Service charters are passed to the service design lifecycle stage, where a new or modified service design package will be created. The term charter is also used to describe the act of authorizing the work required by each stage of the service lifecycle with respect to the new or changed service. *See also* change proposal; service portfolio; service catalogue.
service continuity management	*See* IT service continuity management.
service contract	A contract to deliver one or more IT services. The term is also used to mean any agreement to deliver IT services, whether this is a legal contract or a service level agreement. *See also* customer agreement portfolio.

Term	Definition
service culture	A customer-oriented culture. The major objectives of a service culture are customer satisfaction and helping customers to achieve their business objectives.
service design	A stage in the lifecycle of a service. Service design includes the design of the services, governing practices, processes and policies required to realize the service provider's strategy and to facilitate the introduction of services into supported environments. Service design includes the following processes: design coordination, service catalogue management, service level management, availability management, capacity management, IT service continuity management, information security management, and supplier management. Although these processes are associated with service design, most processes have activities that take place across multiple stages of the service lifecycle. *See also* design.
service design package (SDP)	Document(s) defining all aspects of an IT service and its requirements through each stage of its lifecycle. A service design package is produced for each new IT service, major change or IT service retirement.
service desk	The single point of contact between the service provider and the users. A typical service desk manages incidents and service requests, and also handles communication with the users.
service failure analysis (SFA)	A technique that identifies underlying causes of one or more IT service interruptions. Service failure analysis identifies opportunities to improve the IT service provider's processes and tools, and not just the IT infrastructure. It is a time-constrained, project-like activity, rather than an ongoing process of analysis.
service hours	An agreed time period when a particular IT service should be available. For example, 'Monday–Friday 08:00 to 17:00 except public holidays'. Service hours should be defined in a service level agreement.
service improvement plan (SIP)	A formal plan to implement improvements to a process or IT service.

Term	Definition
service knowledge management system (SKMS)	A set of tools and databases that is used to manage knowledge, information and data. The service knowledge management system includes the configuration management system, as well as other databases and information systems. The service knowledge management system includes tools for collecting, storing, managing, updating, analysing and presenting all the knowledge, information and data that an IT service provider will need to manage the full lifecycle of IT services. *See also* knowledge management.
service level	Measured and reported achievement against one or more service level targets. The term is sometimes used informally to mean service level target.
service level agreement (SLA)	An agreement between an IT service provider and a customer. A service level agreement describes the IT service, documents service level targets, and specifies the responsibilities of the IT service provider and the customer. A single agreement may cover multiple IT services or multiple customers. *See also* operational level agreement.
service level management (SLM)	The process responsible for negotiating achievable service level agreements and ensuring that these are met. It is responsible for ensuring that all IT service management processes, operational level agreements and underpinning contracts are appropriate for the agreed service level targets. Service level management monitors and reports on service levels, holds regular service reviews with customers, and identifies required improvements.
service level package (SLP)	*See* service option.
service level requirement (SLR)	A customer requirement for an aspect of an IT service. Service level requirements are based on business objectives and used to negotiate agreed service level targets.
service level target	A commitment that is documented in a service level agreement. Service level targets are based on service level requirements, and are needed to ensure that the IT service is able to meet business objectives. They should be SMART, and are usually based on key performance indicators.

Term	Definition
service lifecycle	An approach to IT service management that emphasizes the importance of coordination and control across the various functions, processes and systems necessary to manage the full lifecycle of IT services. The service lifecycle approach considers the strategy, design, transition, operation and continual improvement of IT services. Also known as service management lifecycle.
service maintenance objective (SMO)	The expected time that a configuration item will be unavailable due to planned maintenance activity.
service management	A set of specialized organizational capabilities for providing value to customers in the form of services.
service management lifecycle	*See* service lifecycle.
service manager	A generic term for any manager within the service provider. Most commonly used to refer to a business relationship manager, a process manager or a senior manager with responsibility for IT services overall.
service model	A model that shows how service assets interact with customer assets to create value. Service models describe the structure of a service (how the configuration items fit together) and the dynamics of the service (activities, flow of resources and interactions). A service model can be used as a template or blueprint for multiple services.
service operation	A stage in the lifecycle of a service. Service operation coordinates and carries out the activities and processes required to deliver and manage services at agreed levels to business users and customers. Service operation also manages the technology that is used to deliver and support services. Service operation includes the following processes: event management, incident management, request fulfilment, problem management, and access management. Service operation also includes the following functions: service desk, technical management, IT operations management, and application management. Although these processes and functions are associated with service operation, most processes and functions have activities that take place across multiple stages of the service lifecycle. *See also* operation.
service option	A choice of utility and warranty offered to customers by a core service or service package. Service options are sometimes referred to as service level packages.

Term	Definition
service owner	A role responsible for managing one or more services throughout their entire lifecycle. Service owners are instrumental in the development of service strategy and are responsible for the content of the service portfolio. *See also* business relationship management.
service package	Two or more services that have been combined to offer a solution to a specific type of customer need or to underpin specific business outcomes. A service package can consist of a combination of core services, enabling services and enhancing services. A service package provides a specific level of utility and warranty. Customers may be offered a choice of utility and warranty through one or more service options. *See also* IT service.
service pipeline	A database or structured document listing all IT services that are under consideration or development, but are not yet available to customers. The service pipeline provides a business view of possible future IT services and is part of the service portfolio, which is not normally published to customers.
service portfolio	The complete set of services that is managed by a service provider. The service portfolio is used to manage the entire lifecycle of all services, and includes three categories: service pipeline (proposed or in development), service catalogue (live or available for deployment) and retired services. *See also* customer agreement portfolio; service portfolio management.
service portfolio management (SPM)	The process responsible for managing the service portfolio. Service portfolio management ensures that the service provider has the right mix of services to meet required business outcomes at an appropriate level of investment. Service portfolio management considers services in terms of the business value that they provide.
service potential	The total possible value of the overall capabilities and resources of the IT service provider.
service provider	An organization supplying services to one or more internal customers or external customers. Service provider is often used as an abbreviation for IT service provider. *See also* Type I service provider; Type II service provider; Type III service provider.

Term	Definition
service provider interface (SPI)	An interface between the IT service provider and a user, customer, business process or supplier. Analysis of service provider interfaces helps to coordinate end-to-end management of IT services.
service reporting	Activities that produce and deliver reports of achievement and trends against service levels. The format, content and frequency of reports should be agreed with customers.
service request	A formal request from a user for something to be provided – for example: a request for information or advice; to reset a password; or to install a workstation for a new user. Service requests are managed by the request fulfilment process, usually in conjunction with the service desk. Service requests may be linked to a request for change as part of fulfilling the request.
service sourcing	The strategy and approach for deciding whether to provide a service internally, to outsource it to an external service provider, or to combine the two approaches. Service sourcing also means the execution of this strategy. *See also* insourcing; internal service provider; outsourcing.
service strategy	A stage in the lifecycle of a service. Service strategy defines the perspective, position, plans and patterns that a service provider needs to execute to meet an organization's business outcomes. Service strategy includes the following processes: strategy management for IT services, service portfolio management, financial management for IT services, demand management, and business relationship management. Although these processes are associated with service strategy, most processes have activities that take place across multiple stages of the service lifecycle.
service transition	A stage in the lifecycle of a service. Service transition ensures that new, modified or retired services meet the expectations of the business as documented in the service strategy and service design stages of the lifecycle. Service transition includes the following processes: transition planning and support, change management, service asset and configuration management, release and deployment management, service validation and testing, change evaluation, and knowledge management. Although these processes are associated with service transition, most processes have activities that take place across multiple stages of the service lifecycle. *See also* transition.

Term	Definition
service validation and testing	The process responsible for validation and testing of a new or changed IT service. Service validation and testing ensures that the IT service matches its design specification and will meet the needs of the business.
service valuation	A measurement of the total cost of delivering an IT service, and the total value to the business of that IT service. Service valuation is used to help the business and the IT service provider agree on the value of the IT service.
serviceability	The ability of a third-party supplier to meet the terms of its contract. This contract will include agreed levels of reliability, maintainability and availability for a configuration item.
seven-step improvement process	The process responsible for defining and managing the steps needed to identify, define, gather, process, analyse, present and implement improvements. The performance of the IT service provider is continually measured by this process and improvements are made to processes, IT services and IT infrastructure in order to increase efficiency, effectiveness and cost-effectiveness. Opportunities for improvement are recorded and managed in the CSI register.
severity of risk	The degree to which the risk could affect the situation.
share (risk response)	A risk response to either a threat or an opportunity through the application of a pain/gain formula: both parties share the gain (within pre-agreed limits) if the cost is less than the cost plan; and both share the pain (again within pre-agreed limits) if the cost plan is exceeded.
shared service unit	*See* Type II service provider.
shift	A group or team of people who carry out a specific role for a fixed period of time. For example, there could be four shifts of IT operations control personnel to support an IT service that is used 24 hours a day.
simulation modelling	A technique that creates a detailed model to predict the behaviour of an IT service or other configuration item. A simulation model is often created by using the actual configuration items that are being modelled with artificial workloads or transactions. They are used in capacity management when accurate results are important. A simulation model is sometimes called a performance benchmark. *See also* analytical modelling; modelling.

Term	Definition
single point of contact	Providing a single consistent way to communicate with an organization or business unit. For example, a single point of contact for an IT service provider is usually called a service desk.
single point of failure (SPOF)	Any configuration item that can cause an incident when it fails, and for which a countermeasure has not been implemented. A single point of failure may be a person or a step in a process or activity, as well as a component of the IT infrastructure. *See also* failure.
Six Sigma	A management process aimed at minimizing defects and increasing efficiency.
SLAM chart	A service level agreement monitoring (SLAM) chart is used to help monitor and report achievements against service level targets. A SLAM chart is typically colour-coded to show whether each agreed service level target has been met, missed or nearly missed during each of the previous 12 months.
SMART	An acronym for helping to remember that targets in service level agreements and project plans should be specific, measurable, achievable, relevant and time-bound.
snapshot	The current state of a configuration item, process or any other set of data recorded at a specific point in time. Snapshots can be captured by discovery tools or by manual techniques such as an assessment. *See also* baseline; benchmark.
soft value analysis	A subset of value analysis for a project that seeks to maximize the value of an intangible output. Commonly associated with service delivery. *See also* value analysis.
soft value management	MoV aimed at messy, strategic and conceptual decision-making, with an emphasis on integrated (rather than merely coordinated) outcomes from projects and a need for wider involvement.
software asset management (SAM)	The process responsible for tracking and reporting the use and ownership of software assets throughout their lifecycle. Software asset management is part of an overall service asset and configuration management process. This process is not described in detail within the core ITIL publications.
source	*See* service sourcing.

Term	Definition
specialist product	A product whose development is the subject of the plan. The specialist products are specific to an individual project (for example, an advertising campaign, a car-park ticketing system, foundations for a building, a new business process etc.). Also known as a deliverable or output.
specification	**Generic –** A formal definition of requirements. **ITIL –** A formal definition of requirements. A specification may be used to define technical or operational requirements, and may be internal or external. Many public standards consist of a code of practice and a specification. The specification defines the standard against which an organization can be audited. **PPM –** 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	The main driving force behind a programme or project. Not a PRINCE2 or MSP term but equates to executive or senior responsible owner (SRO).
sponsoring group	The driving force behind a programme, which provides the investment decision and top-level endorsement for the rationale and objectives of the programme.
stage	*See* management stage; technical stage.
stage plan	A detailed plan used as the basis for project management control throughout a stage.
stage/phase gate review	Structured reviews of a project, programme or portfolio as part of formal governance arrangements that are carried out at key decision points in the lifecycle to ensure that the decision to invest as per agreed business cases and plans remains valid.
stakeholder	**Generic –** A person or group with an interest or concern in something. **ITIL –** A person who has an interest in an organization, project, IT service etc. Stakeholders may be interested in the activities, targets, resources or deliverables. Stakeholders may include customers, partners, employees, shareholders, owners etc. *See also* RACI. **PPM –** Any individual, group or organization that can affect, be affected by, or perceive itself to be affected by an initiative (programme, project, activity, risk).

Term	Definition
stakeholder analysis	A method of assessing the impact of a study on people's concerns and attitudes with regard to a given issue and their influence on its outcome.
stakeholder map	A diagrammatic representation of the stakeholders relevant to an organizational activity and their respective interests.
stakeholder register	A document that contains a summary of the information in the stakeholder profiles.
standard	A mandatory requirement. Examples include ISO/IEC 20000 (an international standard), an internal security standard for Unix configuration, or a government standard for how financial records should be maintained. The term is also used to refer to a code of practice or specification published by a standards organization such as ISO or BSI. *See also* guideline.
standard change	A pre-authorized change that is low risk, relatively common and follows a procedure or work instruction – for example, a password reset or provision of standard equipment to a new employee. Requests for change are not required to implement a standard change, and they are logged and tracked using a different mechanism, such as a service request. *See also* change model.
standard operating procedures (SOP)	Procedures used by IT operations management.
standby	Used to refer to resources that are not required to deliver the live IT services, but are available to support IT service continuity plans. For example, a standby data centre may be maintained to support hot standby, warm standby or cold standby arrangements.
start gate	A stage/phase gate review which applies at the early stages of the policy-to-delivery lifecycle. It offers departments the opportunity to gain independent assurance on how well practical delivery issues are being addressed in preparing for implementation.
start-up	The pre-project activities undertaken by the executive and the project manager to produce the outline business case, project brief and initiation stage plan.

Term	Definition
statement of internal control	A narrative statement by the board of directors of a company disclosing that there is an ongoing process for the identification and management of significant risks faced by the company.
statement of requirements (SOR)	A document containing all requirements for a product purchase, or a new or changed IT service. *See also* terms of reference.
status	The name of a required field in many types of record. It shows the current stage in the lifecycle of the associated configuration item, incident, problem etc.
status accounting	The activity responsible for recording and reporting the lifecycle of each configuration item.
storage management	The process responsible for managing the storage and maintenance of data throughout its lifecycle.
strategic	The highest of three levels of planning and delivery (strategic, tactical, operational). Strategic activities include objective setting and long-term planning to achieve the overall vision.
strategic asset	Any asset that provides the basis for core competence, distinctive performance or sustainable competitive advantage, or which allows a business unit to participate in business opportunities. Part of service strategy is to identify how IT can be viewed as a strategic asset rather than an internal administrative function.

Term	Definition
strategic objectives	The measurable outcomes that demonstrate progress in relation to an organization's mission and to which the portfolio should contribute. According to Peter Drucker they fall into eight types: • Market standing: desired share of the present and new markets • Innovation: development of new goods and services, and of skills and methods required to supply them • Human resources: selection and development of employees • Financial resources: identification of the sources of capital and their use • Physical resources: equipment and facilities and their use • Productivity: efficient use of the resources relative to the output • Social responsibility: awareness of and responsiveness to the effects on the wider community of the stakeholders • Profit requirements: achievement of measurable financial well-being and growth.
strategic risk	Risk concerned with where the organization wants to go, how it plans to get there, and how it can ensure survival.
strategy	**Generic –** An approach or plan designed to achieve long-term aims and objectives. **ITIL –** A strategic plan designed to achieve defined objectives. **PPM –** An approach or line to take, designed to achieve a long-term aim. Strategies can exist at all levels – portfolio, programme and project.
strategy management for IT services	The process responsible for defining and maintaining an organization's perspective, position, plans and patterns with regard to its services and the management of those services. Once the strategy has been defined, strategy management for IT services is also responsible for ensuring that it achieves its intended business outcomes.
study definition	Clear articulation of objectives.
study leader	A qualified practitioner who organizes and/or facilitates an MoV study or programme of studies. This term is also used for the individual responsible for planning and conducting a study.

Term	Definition
study leader's handbook	Guidance for study leaders prepared by the senior MoV practitioner.
subject	The process or product under review during MoV activities.
summary risk profile	A simple mechanism to increase the visibility of risks. It is a graphical representation of information normally found on an existing risk register.
super user	A user who helps other users, and assists in communication with the service desk or other parts of the IT service provider. Super users are often experts in the business processes supported by an IT service and will provide support for minor incidents and training.
supplier	**Generic –** A party who supplies goods or services. **ITIL –** A third party responsible for supplying goods or services that are required to deliver IT services. Examples of suppliers include commodity hardware and software vendors, network and telecom providers, and outsourcing organizations. *See also* supply chain; underpinning contract. **PPM –** The person, group or groups responsible for the supply of the project's specialist products.
supplier and contract management information system (SCMIS)	A set of tools, data and information that is used to support supplier management. *See also* service knowledge management system.
supplier management	The process responsible for obtaining value for money from suppliers, ensuring that all contracts and agreements with suppliers support the needs of the business, and that all suppliers meet their contractual commitments. *See also* supplier and contract management information system.
supply chain	The activities in a value chain carried out by suppliers. A supply chain typically involves multiple suppliers, each adding value to the product or service. *See also* value network.
support group	A group of people with technical skills. Support groups provide the technical support needed by all of the IT service management processes. *See also* technical management.

Term	Definition
support hours	The times or hours when support is available to the users. Typically these are the hours when the service desk is available. Support hours should be defined in a service level agreement, and may be different from service hours. For example, service hours may be 24 hours a day, but the support hours may be 07:00 to 19:00.
support office	A formal or informal group of people who can provide services to support the implementation of MoV within the organization in its application to projects.
supporting service	An IT service that is not directly used by the business, but is required by the IT service provider to deliver customer-facing services (for example, a directory service or a backup service). Supporting services may also include IT services only used by the IT service provider. All live supporting services, including those available for deployment, are recorded in the service catalogue along with information about their relationships to customer-facing services and other CIs.
swimlane	A method for documenting business process flows that separates each process step into a row (or lane) of accountability for individual roles or groups.
SWOT analysis	**Generic –** SWOT stands for strengths, weaknesses, opportunities and threats. **ITIL –** A technique that reviews and analyses the internal strengths and weaknesses of an organization and the external opportunities and threats that it faces. SWOT stands for strengths, weaknesses, opportunities and threats. **PPM –** Acronym for 'strengths, weaknesses, opportunities and threats'. A technique to determine favourable and unfavourable factors in relation to business change or current state.

Term	Definition
system	A number of related things that work together to achieve an overall objective. For example: • A computer system including hardware, software and applications • A management system, including the framework of policy, processes, functions, standards, guidelines and tools that are planned and managed together – for example, a quality management system • A database management system or operating system that includes many software modules which are designed to perform a set of related functions.
system management	The part of IT service management that focuses on the management of IT infrastructure rather than process.
tactical	The middle of three levels of planning and delivery (strategic, tactical, operational). Tactical activities include the medium-term plans required to achieve specific objectives, typically over a period of weeks to months.
tailoring	The appropriate use of PRINCE2 on any given project, ensuring that there is the correct amount of planning, control, governance and use of the processes and themes (whereas the adoption of PRINCE2 across an organization is known as 'embedding').
taxonomy	A classification of things, or the principles underlying such a classification. The term may be applied to relationship schemes such as parent–child hierarchies and network structures. A taxonomy might also be a simple organization of kinds of things into groups, or even an alphabetical list.
team leader	The person appointed from time to time by the senior MoV practitioner to be responsible for leading and managing a group of people through a process to deliver an output, e.g. a health check.
team manager	The person responsible for the production of those products allocated by the project manager (as defined in a work package) to an appropriate quality, timescale and at a cost acceptable to the project board. This role reports to, and takes direction from, the project manager. If a team manager is not assigned, then the project manager undertakes the responsibilities of the team manager role.

Term	Definition
team plan	An optional level of plan used as the basis for team management control when executing work packages.
technical management	The function responsible for providing technical skills in support of IT services and management of the IT infrastructure. Technical management defines the roles of support groups, as well as the tools, processes and procedures required.
technical observation (TO)	A technique used in service improvement, problem investigation and availability management. Technical support staff meet to monitor the behaviour and performance of an IT service and make recommendations for improvement.
technical stage	A method of grouping work together by the set of techniques used, or the products created. This results in stages covering elements such as design, build and implementation. Such stages are technical stages and are a separate concept from management stages.
technical support	*See* technical management.
technique	A procedure used to accomplish a specific activity or task.
tension metrics	A set of related metrics, in which improvements to one metric have a negative effect on another. Tension metrics are designed to ensure that an appropriate balance is achieved.
terms of reference (TOR)	A document specifying the requirements, scope, deliverables, resources and schedule for a project or activity.
test	An activity that verifies that a configuration item, IT service, process etc. meets its specification or agreed requirements. *See also* acceptance; service validation and testing.
test environment	A controlled environment used to test configuration items, releases, IT services, processes etc.
theme	An aspect of project management that needs to be continually addressed, and that requires specific treatment for the PRINCE2 processes to be effective.

Term	Definition
third party	A person, organization or other entity that is not part of the service provider's own organization and is not a customer – for example, a software supplier or a hardware maintenance company. Requirements for third parties are typically specified in contracts that underpin service level agreements. *See also* underpinning contract.
third sector	The not-for-profit organizations outside the public sector. These include volunteer organizations and charities.
third-line support	The third level in a hierarchy of support groups involved in the resolution of incidents and investigation of problems. Each level contains more specialist skills, or has more time or other resources.
threat	**Generic –** Impending danger or harm. **ITIL –** A threat is anything that might exploit a vulnerability. Any potential cause of an incident can be considered a threat. For example, a fire is a threat that could exploit the vulnerability of flammable floor coverings. This term is commonly used in information security management and IT service continuity management, but also applies to other areas such as problem and availability management. **PPM –** An uncertain event that could have a negative impact on objectives or benefits.
three-point estimating	A technique whereby project estimates are prepared on three bases: best-case scenario; worst case; and most likely. Estimates can then be calculated by multiplying the most likely estimate by 4, adding the best and worst case estimates, and dividing the total by 6.
threshold	The value of a metric that should cause an alert to be generated or management action to be taken. For example, 'Priority 1 incident not solved within four hours', 'More than five soft disk errors in an hour' or 'More than 10 failed changes in a month'.
throughput	A measure of the number of transactions or other operations performed in a fixed time – for example, 5,000 e-mails sent per hour, or 200 disk I/Os per second.
time tolerance	The permissible deviation in a plan's time that is allowed before the deviation needs to be escalated to the next level of management. Time tolerance is documented in the respective plan. *See also* tolerance.

Term	Definition
time-driven control	A management control that is periodic in nature, to enable the next higher authority to monitor progress – e.g. a control that takes place every two weeks. PRINCE2 offers two key time-driven progress reports: checkpoint report and highlight report.
to-be state	The future planned state of an organization as described by the blueprint.
tolerance	The permissible deviation above and below a plan's target for time and cost without escalating the deviation to the next level of management. There may also be tolerance levels for quality, scope, benefit and risk. Tolerance is applied at project, stage and team levels.
total cost of ownership (TCO)	A methodology used to help make investment decisions. It assesses the full lifecycle cost of owning a configuration item, not just the initial cost or purchase price. *See also* total cost of utilization.
total cost of utilization (TCU)	A methodology used to help make investment and service sourcing decisions. Total cost of utilization assesses the full lifecycle cost to the customer of using an IT service. *See also* total cost of ownership.
total quality management (TQM)	A methodology for managing continual improvement by using a quality management system. Total quality management establishes a culture involving all people in the organization in a process of continual monitoring and improvement.
trade-off	In the context of MoV, transferring from one attribute to another to add more value.
tranche	A programme management term describing a group of projects structured around distinct step changes in capability and benefit delivery.
transaction	A discrete function performed by an IT service – for example, transferring money from one bank account to another. A single transaction may involve numerous additions, deletions and modifications of data. Either all of these are completed successfully or none of them is carried out.
transfer (risk response)	A risk response whereby a third party takes on responsibility for an aspect of the risk.

Term	Definition
transfer cost	A cost type which records expenditure made on behalf of another part of the organization. For example, the IT service provider may pay for an external consultant to be used by the finance department and transfer the cost to them. The IT service provider would record this as a transfer cost.
transformation	A distinct change to the way an organization conducts all or part of its business.
transition	A change in state, corresponding to a movement of an IT service or other configuration item from one lifecycle status to the next.
transition plan	The schedule of activities to cover the 'transition' phase of the benefits realization plan.
transition planning and support	The process responsible for planning all service transition processes and coordinating the resources that they require.
trend analysis	Analysis of data to identify time-related patterns. Trend analysis is used in problem management to identify common failures or fragile configuration items, and in capacity management as a modelling tool to predict future behaviour. It is also used as a management tool for identifying deficiencies in IT service management processes.
trigger	An event or decision that triggers a PRINCE2 process.
tuning	The activity responsible for planning changes to make the most efficient use of resources. Tuning is most commonly used in the context of IT services and components. Tuning is part of capacity management, which also includes performance monitoring and implementation of the required changes. Tuning is also called optimization, particularly in the context of processes and other non-technical resources.
Type I service provider	An internal service provider that is embedded within a business unit. There may be several Type I service providers within an organization.
Type II service provider	An internal service provider that provides shared IT services to more than one business unit. Type II service providers are also known as shared service units.
Type III service provider	A service provider that provides IT services to external customers.

Term	Definition
underpinning contract (UC)	A contract between an IT service provider and a third party. The third party provides goods or services that support delivery of an IT service to a customer. The underpinning contract defines targets and responsibilities that are required to meet agreed service level targets in one or more service level agreements.
unit cost	The cost to the IT service provider of providing a single component of an IT service. For example, the cost of a single desktop PC, or of a single transaction.
urgency	A measure of how long it will be until an incident, problem or change has a significant impact on the business. For example, a high-impact incident may have low urgency if the impact will not affect the business until the end of the financial year. Impact and urgency are used to assign priority.
usability	The ease with which an application, product or IT service can be used. Usability requirements are often included in a statement of requirements.
use case	A technique used to define required functionality and objectives, and to design tests. Use cases define realistic scenarios that describe interactions between users and an IT service or other system.
user	**Generic –** Someone who uses the service or product. **ITIL –** A person who uses the IT service on a day-to-day basis. Users are distinct from customers, as some customers do not use the IT service directly. **PPM –** The person or group who will use one or more of the project's products.
user acceptance	A specific type of acceptance by the person or group who will use the product once it is handed over into the operational environment.
user profile (UP)	A pattern of user demand for IT services. Each user profile includes one or more patterns of business activity.
utility	The functionality offered by a product or service to meet a particular need. Utility can be summarized as 'what the service does', and can be used to determine whether a service is able to meet its required outcomes, or is 'fit for purpose'. The business value of an IT service is created by the combination of utility and warranty. *See also* service validation and testing.

Term	Definition
utility value	The utility value of an item is the primary requirement that an individual has of that item, which must be addressed for the item to have any worth.
validation	An activity that ensures a new or changed IT service, process, plan or other deliverable meets the needs of the business. Validation ensures that business requirements are met even though these may have changed since the original design. *See also* acceptance; qualification; service validation and testing; verification.
value	The benefits delivered in proportion to the resources put into acquiring them.
value analysis	A method of analysing value within a product, building or process. Commonly abbreviated to VA. *See also* value engineering.
value chain	A sequence of processes that creates a product or service that is of value to a customer. Each step of the sequence builds on the previous steps and contributes to the overall product or service. *See also* value network.
value driver	A function that must be delivered to contribute to the project objectives. Value drivers must, in aggregate, be necessary and sufficient to achieve the project objectives in full. A primary value driver is equivalent to a primary function.
value engineering	A method of maximizing value within a design. Commonly abbreviated to VE. *See also* value analysis.
value for money	An informal measure of cost-effectiveness. Value for money is often based on a comparison with the cost of alternatives. *See also* cost–benefit analysis.
value-for-money ratio	The ratio of benefits, monetary or non-monetary, to investment made or resources committed. A measure of value for money.
value index	A measure of how well an option, project or product satisfies an individual value driver or the aggregate of all value drivers. It represents a measure of customer satisfaction.

Term	Definition
value management	Widely used term that is synonymous with management of value (MoV). A systematic method to define what value means for organizations, and to communicate it clearly to maximize value across portfolios, programmes, projects and operations.
value metrics	Attributes used for measuring performance against value drivers.
value network	A complex set of relationships between two or more groups or organizations. Value is generated through exchange of knowledge, information, goods or services. *See also* partnership; value chain.
value on investment (VOI)	A measurement of the expected benefit of an investment. Value on investment considers both financial and intangible benefits. *See also* return on investment.
value profile	A representation of the relative importance of the primary value drivers to the client body and end users.
value ratio	The ratio between benefits, monetary or non-monetary, and expenditure of resources. A measure of value.
value score	The product of the performance of an option or proposal, assessed on a scale of 1–10, and the weighting of a value driver against which it is being assessed.
value tree	A diagram that shows the relationship between, and the hierarchy of, value drivers.
value-improving proposal	A statement setting out a description of a proposed improvement, the advantages and disadvantages of implementation and its impact on cost, time and performance.
variable cost	A cost that depends on how much the IT service is used, how many products are produced, the number and type of users, or something else that cannot be fixed in advance.
variance	The difference between a planned value and the actual measured value. Commonly used in financial management, capacity management and service level management, but could apply in any area where plans are in place.
variant	A variation on a baselined product. For example, an operations manual may have an English variant and a Spanish variant.

Term	Definition
verification	An activity that ensures that a new or changed IT service, process, plan or other deliverable is complete, accurate, reliable and matches its design specification. *See also* acceptance; validation; service validation and testing.
verification and audit	The activities responsible for ensuring that information in the configuration management system is accurate and that all configuration items have been identified and recorded. Verification includes routine checks that are part of other processes – for example, verifying the serial number of a desktop PC when a user logs an incident. Audit is a periodic, formal check.
version	**Generic –** A specific baseline of a product. **ITIL –** A version is used to identify a specific baseline of a configuration item. Versions typically use a naming convention that enables the sequence or date of each baseline to be identified. For example, payroll application version 3 contains updated functionality from version 2. **PPM –** A specific baseline of a product. Versions typically use naming conventions that enable the sequence or date of the baseline to be identified. For example, project plan version 2 is the baseline after project plan version 1.
vision	**Generic –** The annunciation of a desired future state. **ITIL –** A description of what the organization intends to become in the future. A vision is created by senior management and is used to help influence culture and strategic planning. *See also* mission. **PPM –** A picture of a better future that will be delivered by the programme.
vital business function (VBF)	Part of a business process that is critical to the success of the business. Vital business functions are an important consideration of business continuity management, IT service continuity management and availability management.
vulnerability	A weakness that could be exploited by a threat – for example, an open firewall port, a password that is never changed, or a flammable carpet. A missing control is also considered to be a vulnerability.
warm standby	*See* intermediate recovery.

Term	Definition
warranty	Assurance that a product or service will meet agreed requirements. This may be a formal agreement such as a service level agreement or contract, or it may be a marketing message or brand image. Warranty refers to the ability of a service to be available when needed, to provide the required capacity, and to provide the required reliability in terms of continuity and security. Warranty can be summarized as 'how the service is delivered', and can be used to determine whether a service is 'fit for use'. The business value of an IT service is created by the combination of utility and warranty. *See also* service validation and testing.
waterfall method	A development approach that is linear and sequential, with distinct goals for each phase of development. Once a phase of development is completed, the development proceeds to the next phase and earlier phases are not revisited (hence the analogy that water flowing down a mountain cannot go back).
weighting	A method of prioritizing attributes or functions.
work in progress (WIP)	A status that means activities have started but are not yet complete. It is commonly used as a status for incidents, problems, changes etc.
work instruction	A document containing detailed instructions that specify exactly what steps to follow to carry out an activity. A work instruction contains much more detail than a procedure and is only created if very detailed instructions are needed.
work order	A formal request to carry out a defined activity. Work orders are often used by change management and by release and deployment management to pass requests to technical management and application management functions.
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, 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.
workaround	Reducing or eliminating the impact of an incident or problem for which a full resolution is not yet available – for example, by restarting a failed configuration item. Workarounds for problems are documented in known error records. Workarounds for incidents that do not have associated problem records are documented in the incident record.

Term	Definition
workload	The resources required to deliver an identifiable part of an IT service. Workloads may be categorized by users, groups of users, or functions within the IT service. This is used to assist in analysing and managing the capacity, performance and utilization of configuration items and IT services. The term is sometimes used as a synonym for throughput.
workstream	The logical grouping of projects and activities that together enable effective management. Workstreams may delineate projects against a variety of criteria.
zero-based budgeting	A technique for determining the next period's budget, whereby rather than adjusting the previous year's funding, all material activities are examined to justify the scale of funding for each, 'bottom up' from a zero base.
zero-based cost centre	Similar to a cost centre, except that the division, business unit or part of the organization cross-charges other parts of the organization for some or all of its services or activities to achieve a spend of zero when its costs and income from cross-charging are added up.