

Managing Consultants and Contractors Glossary

A

Activity: A task or set of tasks that are carried out in order to create a deliverable.

Addendum: Additional information about the Request, provided after the initial advertising date.

Advertise: To make a public announcement of the intention to purchase goods, services or construction with the intention of reaching a potentially larger provider pool, and hence increasing the response and enlarging the competition. The announcement must conform to the legal requirements imposed by established laws, rules, policies and procedures to inform the public.

Agency: Another word for organisation, and more specifically a department, organisational unit or instrumentality established under legislation of a government in Australia.

Agreement: A duly executed and legally binding contract; the act of agreeing.

Alignment: Correspondence or linkage between business objectives and goals to activities and supporting systems. Traceability between strategic planning and business activities. Ensuring the practices of the organisation are aligned with strategic management intent.

Alliance: *See* Strategic alliance

Amendment/Change Order: A written modification to a contract or purchase order or other agreements. *See also* variation

Annual Procurement Plan (APP): Most government agencies are required under the relevant directions such as Australian Procurement Guidelines (CPGs) to plan and publish, e.g., on AusTender, their proposed procurement for the forthcoming year. The APP should contain a short strategic procurement outlook for the agency and the details of any planned procurement.

APCC: *See* Australian Procurement and Construction Council

APP *See* Annual Procurement Plan

Approach to the market: Any notice inviting potential suppliers to participate in a procurement process. This may include a request for tender, request for expression of interest or request for application for inclusion on a multi-use list. *See also* Request.

Assignment: *See* Task

AusTender: The Australian Government's procurement information system. AusTender is managed on behalf of the Australian Government by the Department of Finance and Administration. It is a system with components allowing agencies to publish Annual Procurement Plans (APPs), advertise business opportunities, make tender documentation available for electronic download and receive tender submissions electronically, depending on their level of access. It also enables agencies to report, or gazette, all contracts entered into over the relevant reporting thresholds. See <https://www.tenders.gov.au/>

Australian Procurement and Construction Council (APCC): Founded in 1967 the Australian Procurement and Construction Council Inc (APCC) is the peak council

of departments responsible for procurement, construction and asset management policy for the Australian, State and Territory governments and the New Zealand government. The APCC reports to the Australian Procurement and Construction Ministerial Council (APCMC), comprising Ministers with direct responsibilities for procurement and construction matters. The APCMC is a Council Of Australian Governments (COAG) Ministerial Council. <http://www.apcc.gov.au>
Assesses tender cost = tendered price + assessed cost of rate only items + assessed cost of variations + any other special provisions

B

Baseline: The value or condition against which all future measurements will be compared.

Benefits: The returns or payback expected to be obtained from the successful completion of the project. Benefits can be tangible or intangible. Tangible benefits include reduced or avoided costs for existing procedures and increased revenue from new or improved products. Intangible benefits may include improved service to clients or improved competitive position.

Best value: A result intended in the acquisition of all goods and services. Price must be one of the evaluation criteria when acquiring goods and services. Other evaluation criteria may include, but are not limited to environmental considerations, quality, and vendor performance.

Business: A contractor, subcontractor, supplier, consultant, or provider of technical, administrative, or physical services organized as a sole proprietorship, partnership, association, corporation, or other entity formed for the purpose of doing business for profit.

Business Case: (or project proposal): A document that defines why the project is required and what the change is to be.

Note 1: It should include an outline of the project's objectives, in terms of outputs and outcomes, deliverables, time, cost, technical, safety, quality and other performance requirements, and the major project risks and upside opportunities. It might also include information on the competitive impact, resource requirements, organizational impacts, key performance indicators and critical success factors of the project and its outcome.

Note 2: The Business Case should be 'owned' by the project's sponsor, the person responsible for defining and developing the project against the business case.

C

Champion: The project champion is a highly placed person in the organisation who is also a strong supporter of the project. S/he will argue for the project with others when necessary and move to solve the problems at a high level if (when) they arise.

Cost: The cash value of project activity.

Chartered Institute of Purchasing and Supply: CIPS exists to promote and develop high standards of professional skill, ability and integrity among all those engaged in purchasing and supply chain management. CIPS assists individuals, organisations and the profession as a whole. <http://www.cips.org/>

CIPS: See Chartered Institute of Purchasing and Supply.
Common Use Arrangement (CUA): Usually in government procurement processes, a whole-of-government contract arrangement, established for use by a number of public authorities, and indicated as a Common Use Arrangement in the Specification.

Common-Use Government Procurement Arrangements: Where an agency, such as a smaller department, or municipality, does not have its own procurement arrangement for a particular good or service, common-use arrangements may be used. Where a common-use arrangement exists, tenders from other contractors may be sourced, however the invitation documents must state that a common-use government procurement arrangement exists for this item and will be considered as part of client organisation's tender process.

Constraint: Any known restrictions or limitations that may impact on the project, e.g. insufficient funding, immovable implementation date etc.

Consultant Panel: See Panel Contracts

Commonwealth Procurement Guidelines (CPGs): These establish the core procurement policy framework and articulate the Government's expectations of all departments and agencies, subject to the Financial Management and Accountability Act 1997 (FMA Act) and their officials, when performing duties in relation to procurement. The CPGs establish the procurement policy framework within which agencies determine their own specific procurement practices. The CPGs should be read in conjunction with the procurement related Finance Circulars. Updated Commonwealth Procurement Guidelines took effect from 1 December 2008, Available at <http://www.finance.gov.au/publications/fmg-series/docs/CPGs-2008.pdf>

Consortium: A closed set of organizations committed to reaching a goal. Consortium members have legal relationships as stated in consortium agreements

Consultant: Someone in a role to provide independent advisory service to a manager which facilitates decision making; as specific, one-off task or tasks; and involving skills/ perspectives not normally available within the organisation.

Consideration: Something of value given or done as recompense that is exchanged by two parties; that which binds a contract.

Contract: Legally binding agreement in the form of a written instrument or electronic document, resulting from acceptance of a bid or offer made by a prospective service provider, by the client organisation (contract authority), containing the elements of offer, acceptance, and consideration including such modifications that may have been agreed between the client organisation and the respondent or successful bidder before that acceptance.

Contract administration: The management of all actions after the award of a contract that must be taken to assure compliance with the contract; e.g., timely delivery, acceptance, payment, closing contract, etc.

Contract authority: The client organisation party to the contract.

Contractor: Respondent to a tendering process whose offer has been accepted by the client organisation with or without modification. An individual or organisation engaged to: provide goods, works/ services to implement a decision; perform all or part of a new or existing

ongoing function to assist an organisation carry out its function; and perform a function involving skills normally available within the organisation but which are not currently available

CPGs: See Commonwealth Procurement Guidelines

Critical Path: The sequence of inter-dependent tasks that aggregate to determine the minimum duration of the project. A delay in any task on the critical path can have a significant impact on the project deadline.

Critical Success Factors (CSF): A critical success factor is any element which is necessary for an organization or project to achieve its purpose, outputs and outcomes. CSFs vary with organisation and context. A project aimed at delivering value for an organisation may need to take into some of the following factors which may be critical to success—finance, market, customer satisfaction, quality, product or service development, intellectual capital, strategic relationships, employee attraction and retention, and sustainability. Although not itself a measure, each CSF should be measurable and be associated with a targeted outcome. *See also* Key Performance Indicator.

Critical Task: A task on the project's critical path.

CUA: See Common Use Arrangement

D

Deadline: The expected date upon which the project must have completed the development and implementation of the required outcomes.

Default: Failure by a party to a contract to comply with contractual requirements.

Deliverable: Something that can be provided as the product of development, or project; e.g., "under this contract the deliverables include both software and hardware" Also an output produced at the end of a task or project. Examples of deliverables are plans, reports, computer programs, policies and procedures etc. A project typically has interim as well as final deliverables. *See also* output

Delivery: The formal handing over of property; the transfer of possession, such as by carrier to purchaser.

Design Specification: A specification setting forth the required characteristics to be considered for award of contract, including sufficient detail to show how the product is to be manufactured.

Direct Costs: Outlay on resources that are used only in the project. Direct costs include salaries, materials, supplies, equipment, travel, sub-contracts for services. *See also* Indirect Costs

Duration: The length of time needed to complete an activity. Either The number of time units (not including holidays or other non-working periods) required to complete an activity or other project element. Usually expressed as work days or work weeks, or calendar elapsed time.

E

Escalation Clause: A contract provision which permits the adjustment of contract prices by an amount or percent if certain specified contingencies occur, such as changes in the vendor's raw material or labour costs.

Estimate: An informed prediction based on formal or documented experience or metrics. In the project context, estimates are made of effort (people's time), costs and benefits.

Evaluation of Responses: The examination of responses to a Request after opening to determine the vendor's capability, responsiveness to requirements, and other characteristics of the solicitation relating to the award of a contract.

Expression of Interest (EOI): Request for Expressions of Interest issued by client organisation and constituted by the Instructions, Specification, Form of Offer, form of response to Selection Criteria and other materials accompanying the Offer

Extended enterprise: Set of real organizations that may pool or share skills, resources, infrastructure and other means for doing business, such as information systems.

F

Formal Solicitation: A solicitation which requires a sealed response.

G

Gantt Chart: A chart that shows the duration of tasks against the project time-frame. It usually highlights milestones, dependencies and resources associated with particular tasks.

H

I

ICT: Information and Communications Technology

Indirect Costs: Expenditures that support project activities but aren't tracked as individual items. For example, overhead costs (e.g. office space, supplies from common storeroom, employee benefits) and administrative costs (e.g. salaries of people involved in the project for short periods of time, such as the CEO). Most organisations have a formula for estimating indirect costs. *See also Direct Costs*

Input: Staff, plant and equipment, energy, resources, data, etc, put into a system for conversion of some kind, through business activities, processes, or operations, usually for purposes of producing some form of modified output or result.

Institute of Management Consultants (IMC): The Institute of Management Consultants (IMC) is the professional body representing management consultants in Australia- www.imc.org.au

Insurance A contract between an insurance company and a person or group which provides for a money payment in case of covered loss, accident or death.

Invoice: A list of goods or services delivered to a purchaser showing information including prices, quantities and freight charges for payment.

Iteration: In project work, a distinct sequence of activities designed to float ideas or samples for review, or modules and components for testing, before solidifying them into the final work product. The essence of iteration

is to repeat the sequence to yield results successively closer to the required aim.

J

Joint Venture: The temporary association of two or more businesses to secure and fulfil a procurement bid award.

K

Key Performance Indicator: Quantitative measurement that helps an organization measure progress towards goals and identify areas for improvement, often associated with Critical Success Factors.

Key Success Criteria (KSC)

These are the objectives that we must meet when all else fails. If all other objectives are met and the KSC are not met, the project would not be considered a success.

KPI: *See Key Performance Indicator*

L

Liquidated Damages: A specific sum of money, agreed to as part of a contract to be paid by one party to the other in the event of a breach of contract in lieu of actual damages, unless otherwise provided by law.

Lodgement address: The address shown in the Request, to which an Offer must be addressed.

M

Management: The process of executing work through other people. The irreducible requirements of any manager involve four steps – Decide what to do; Decide how to do it; Give instructions to get it done; Check results

Manager: Someone in a role with accountabilities for – Output of others ('subordinates'); Maintaining and developing the work team so they can produce the expected outputs; Leading the team

Market: The aggregate forces (including economics) at work in trade and commerce in a specific service or commodity. To sell, analyze, advertise, package, etc.

Material Variance/Material Deviation: A variance or deviation in a response from specifications of conditions that allows a responder a substantial advantage or benefit not enjoyed by all other responders or that gives the state something significantly different from what the state requested in the solicitation document.

Mandatory Procurement Procedures (MPPs): These are outlined at Division 2 of the Commonwealth Procurement Guidelines (CPGs). They are a set of prescriptive rules and procedures which agencies must comply with when conducting any covered procurement.

Milestone: A major checkpoint in a project. Examples of milestones are 'Design Phase Completed ', 'User documentation completed', 'Hardware configured'. A milestone should be capable of validation by meeting all of the items prescribed in a defining checklist as agreed with the stakeholders, and so milestones often require sign-offs from the Project Sponsor or Steering Committee before proceeding.

Multi- stage procurement. *See two stage procurement*

Multi-use list. See panel

N

Negotiation: Requests for proposals are sometimes used as a starting point for negotiations to establish a contract. RFPs generally include more than just price considerations. This method is especially applicable when dealing with a single source supplier.

Net Price: Price after all discounts, rebates, etc., have been allowed.

Network diagram: Also PERT charts, Gantt charts, Precedence diagrams and Critical Path Method - CPM) A schematic display of the sequential and logical relationship of the activities which comprise the project.

No Bid: A response to a solicitation for bids stating that respondent does not wish to submit an offer. It usually operates as a procedure consideration to prevent suspension from the consultants panel for failure to submit a response.

O

Objectives: A statement of what the project is designed to achieve within the scope. They should be specific, measurable and identify business problems that are being solved. They should be stated with some benefit or end result in mind.

Open tender process/open approach to the market: An approach to all potential suppliers, usually in the form of an advertisement, seeking submissions from suppliers as to their ability to provide certain property or services.

Operational guidelines: The guidelines which outline an agency's procurement processes and procedures, tailored to the agency's needs, which agency officials need to follow in carrying out duties related to procurement.

Option To Extend/Renew: A provision (or exercise of a provision) which allows a continuance of the contract for an additional time according to permissible contractual conditions.

Organizational logic model: A way of describing organizations that defines and distinguishes the internal activities and results from the external results and impacts to enable clear judgments about whether or not an organisation is worth investing in, and for prioritising areas for improvement.. Includes specification of inputs, processes, products, outputs, and outcomes.

Outcome: The impact or influence of a program or service on the defined or intended beneficiaries, and the surrounding community of an organisation. Usually results from the delivery of a number of contributing outputs

Output: A generic term for a tangible good or an intangible service that is the end result of the production, or resource transformation process

P

Panel: A list of suppliers, intended for use in more than one procurement process, where the suppliers have already satisfied certain conditions for inclusion on the list and from which a select tender can be conducted. A number of suppliers, usually selected through a single procurement process, who each have a contract or deed of standing offer with an agency to supply property or

services to that agency, should the need arise, without further attracting the operation of the Mandatory Procurement Procedures (MPPs).

Panel contracts: Arrangements that establish a pre-selected list of suppliers that are able to meet the requirements of a Request, often with agreed rates.

Partial Payment: The payment authorized in a contract upon delivery of one or more units called for under the contract or upon completion of one or more distinct items of service called for there under.

Partnering: In context of managing consultants and contactors, is a commitment to collaboration beyond the minimum requirements of written contracts, and endeavour to align strategic intent, business practice and culture to enhance benefits for all parties to the arrangement. See also Relational Contracting.

Partnership: A type of business entity in which partners, as owners share with each other the profits or losses of the business undertaking in which all have invested.

Performance Bond: A contract of guarantee, executed subsequent to award by a successful vendor to protect the buyer from loss due to the vendor's inability to complete the contract as agreed.

Performance Specification: A specification setting forth performance requirements determined necessary for the item involved to perform and last as required.

PERT Chart: A chart that displays the sequence of tasks that form the project schedule. PERT charts are particularly useful for highlighting a project's critical path.

Post-Implementation Review (PIR): An evaluation of the project's goals and activity achievement as measured against the project plan, budget, timelines, and quality of deliverables, specifications and client satisfaction. The objective of the PIR is to identify the lessons learnt from the project and to share the information to improve the performance of future projects.

Prequalification Of Vendors: The screening of potential vendors in which such factors as financial capability, reputation and management are considered when developing a list of qualified vendors. See also panels.

Process: The set of activities required to achieve an output.

Procurement (1): The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, store keeping, and salvage and disposal operations.

Procurement (2): The acquisition of goods and/or services in the right quantity and quality, at the right time, in the right place and from the right source, and for the direct or indirect benefit of the organisation's primary beneficiaries such as the shareholders of a business, patients of a hospital, students of a school, etc.

Procurement plan: A document defining the products and services that an agency will obtain from external suppliers. A good Procurement Plan will go one step further by describing the process you will go through to appoint those suppliers contractually

Procurement threshold: The monetary value above which procurement, other than one which is subject to an exemption to the normal procurement policies should be treated as covered and conducted in accordance with the Mandatory Procurement Procedures (MPPs).

Project: A temporary endeavour undertaken to create a unique product, service or result. A group of tasks that are inter-related and are designed to change existing organisation structure, procedures, policy, systems or environment.

Project Approach: The approach to the way a project will be conducted eg. fast-track (minimum set of activities undertaken to implement the project quickly), concurrent development (breaking the project down into sub tasks that are developed in parallel).

Project Charter: A formal document that summarises the business, management and financial aspects of a project. It includes scope, objectives, benefits, costs, risks and plans. It is the basis of project change control and serves as a 'contract' between the Project Manager and Project Sponsor.

Project Plan: The project plan is a formal, approved document used to manage and control project execution. It typically contains scope statement, which includes the project deliverables and the project objectives; work breakdown structure (WBS) to the level at which control will be exercised; cost estimates, scheduled start dates, and responsibility assignments to the level of the WBS at which control will be exercised; performance measurement baselines for schedule and cost.

Project Risk Management: What the project manager does to counteract or prepare for the risks. The process of identification, assessment, allocation, and management of all project risks. Project risk management recognises a formal approach to the process as opposed to an intuitive approach. Risks are present in all projects, whatever their size or complexity and whatever industry or business sector. Project Management Institute (PMI) suggests that there are four main management processes to risk management: risk identification, quantification, response development and control.

Project Schedule: Planned dates for starting and completing activities and milestones.

Project Scope: A concise and accurate description of the end products or deliverables to be expected from the project and that meet specified requirements as agreed between the project's stakeholders. A combination of all individual tasks of a project and their goals. A description of the project's deliverables and objectives. What will be delivered, and more importantly, what will not be delivered in order to successfully fulfill the project's objective to stakeholder expectations

Project Scope Management: A subset of project management that includes initiation, scope planning, scope definition, scope verification and scope change control in an effort to ensure that the project has all of the necessary work required to complete it.

Project Sponsor: Primary risk-taker, the source of the project manager's authority. Could be owner, financier, client, etc.

Purchase Order: The signed written acceptance of the offer from the vendor. A purchase order serves as the legal and binding contract between both parties.

Purchasing: *See* procurement

Q

QQ/TRC: Quantity and Quality, within targeted completion Time, with allocated Resources and methods, and Cost limits. *See also* Task.

Qualified Vendor/Responsible Vendor: A vendor determined by a buying organization to meet minimum set standards of business competence, reputation, financial ability and product quality for placement on the vendor list.

R

Relational contracting: Relational Contracting is a transaction or contracting mechanism that seeks to give explicit recognition to the commercial "relationship" between the parties to the contract. Responsibilities and benefits of the contract are apportioned fairly and transparently, with mechanisms for delivery that focus on trust and partnership. At a project level, this can improve working relationships among all project stakeholders, can facilitate efficient and effective project execution, enhance financial returns and minimise the incidence and make easier the resolution of conflict. The adoption of relational contracting approaches can make a significant contribution to the development of social capital, so that partner organisations have a legacy of improved outcomes sustained beyond the particular project.

Request: Any request by client company, organisation or government agencies for the submission of tenders, offers, proposals, expressions of interest or other like submissions capable of resulting, with or without further negotiation, in a contract. *See also* RFQ, RFT, RFP or EOI.

Request For Bid (RFB): A solicitation in which the terms, conditions, and specifications are described and responses are not subject to negotiation.

Request for expressions of interest (RFI): A published notice inviting businesses to register an expression of interest in a procurement.

Request For Proposal (RFP): A solicitation in which it is not advantageous to set forth all the actual, detailed requirements at the time of solicitation and responses are subject to negotiation. Price must be a factor in the award but not the sole factor.

Request for tender (RFT): A published notice inviting businesses who satisfy the conditions for participation to submit a tender in accordance with requirements of the request for tender and other request documentation.

Respondent: Someone who has or intends to submit an Offer to an Agency.

Responder: One who submits a response to a solicitation document.

Response: The offer received from a vendor in response to a solicitation. A response includes submissions commonly referred to as "offers," "bids," "quotes," or "proposals."

Response to selection requirements: The form of response preferred client organisations or agencies, for the provision of information relating to the Selection Requirements, as contained in a Request.

RFP: *See* Request For Proposal

RFT: *See* Request for tender

Resources: People, equipment, materials or services needed to complete project tasks. The quantity of resources affects the scope and time of a project.

Risk: A potential future problem that has not yet occurred that prevents or limits the achievement of your project objectives.

Risk Management or Treatment Plan: A document defining how Project Risk Analysis and Management are to be implemented in the context of a particular project.

Risk mitigation plan: A plan which states how the risks will be monitored and managed during the project.

S

Sealed: A method determined by the client organisation procurement staff to prevent the contents being revealed or known before the deadline for submission of responses

Select tender process: A process where an organisation selects which potential suppliers are invited to submit tenders. For covered procurements, a select tender process may only be conducted in accordance with certain procedures and circumstances set out in the organisation's procurement policies and procedures

Selection requirements: The requirements used by the client organisation in evaluating respondents' responses.

Service provider: generic term used in this course to designate the use of external agents like consultants and contractors to execute work in the form of projects.

Services: The whole of the services, tasks, work and requisites to be supplied, rendered, provided or performed by a contractor under a contract and any variations provided for by the contract, and includes all and any goods, materials, plant, machinery or equipment supplied, provided or used by the contractor in performance of the contract. Unless otherwise indicated, both professional or technical services and service performed under a service contract.

Single Source: An acquisition where, after a search, only one supplier is determined to be reasonably available for the required product, service or construction item.

Solicitation: The process used to communicate procurement requirements and to request responses from interested vendors. A solicitation may be, but is not limited to a request for bid and request for proposal.

Specification: Sets out details of the performance required under a contract. A concise statement of a set of requirements to be satisfied by a product, material or process that indicates whenever appropriate the procedures to determine whether the requirements are satisfied. As far as practicable, it is desirable that the requirements are expressed numerically in terms of appropriate units, together with their limits. A specification may be a standard, a part of a standard, or independent of a standard.

Standard: An item's characteristic or set of characteristics generally accepted by the manufacturers and users of the item as a required characteristic for all such items.

Standardization: The process of defining and applying the conditions necessary to ensure that a given range of requirements can normally be met, with a minimum of variety, in a reproducible and economic manner based on the best current techniques.

Schedule: A time sequence of activities and events that represent an operating timetable. The schedule specifies the relative beginning and ending times of activities and the occurrence times of events. A schedule may be presented on a calendar framework or on an elapsed time scale. See also Project Schedule.

Scope Creep: The continual extension of the scope of a project, often leading to a runaway project. As some projects progress, especially through development, requirements continuously change incrementally, causing the project manager to add to the project objectives.

Slippage: The amount of time a task has been delayed from its original baseline plan. The slippage is the difference between the scheduled start or finish date for a task and the baseline start or finish date. Slippage can occur when a baseline plan is set and the actual dates subsequently entered for tasks are later than the baseline dates or the actual durations are longer than the baseline plan durations.

Stakeholder: Person, group, or organization that has direct or indirect interest in an organization because it can affect or be affected by the organization's actions, objectives, and policies. Key stakeholders in a business organization include creditors, customers, directors, employees, government and its agencies) owners or shareholders, suppliers, unions, and the community from which the business draws its resources.

Stakeholder Expectations: Those products, functionality, benefits, etc. resulting from the project that stakeholders look forward to with some degree of certainty, rightly or wrongly. Discrepancies between stakeholder needs, specified requirements, expectations and actual results can be a significant source of dissatisfaction with final project results. Hence the importance of good stakeholder communication throughout the project.

Stakeholder Need: The business or operational problem or opportunity that must be fulfilled in order to justify purchase or use.

Stakeholder Requirements: Those products, functionality, benefits, etc. resulting from the project that stakeholders have identified as essential, necessary and/or desirable.

Stakeholder Satisfaction: The measure of satisfaction with project results on the part of stakeholders is a measure of project success. Satisfaction is subjective, tends to vary with time and hence is difficult to measure effectively. For example, users of new software and faced with a new learning curve tend to be apprehensive with a consequent low level of satisfaction. After some time, the software is either abandoned, the ultimate in dissatisfaction, or is used extensively with varying degrees of praise.

Standards Australia: Australia's peak Standards body. It coordinates standardisation activities, develops internationally aligned Australian Standards®, and facilitates the accreditation of other Standards Development Organisations. Through the Australian International Design Awards it promotes excellence in design and innovation

Strategic alliance: A mutually beneficial long-term formal relationship formed between two or more parties to pursue a set of agreed upon goals or to meet a critical business need while remaining independent organizations. Usually aimed at achieving cooperatively

what the parties could achieve as well individually, through an arrangement whereby two or more organizations agree to cooperate in the carrying out of a business activity where each brings different strengths and capabilities to the arrangement.

Strategic Plan: Broadly-defined plan aimed at creating a desired future.

Strategic objective: Broadly defined target that an organization must achieve to make its strategy succeed. Strategic objectives are, in general, externally focused

T

Tabulation Of Responses: The recording of say tender responses for the purposes of comparison, analysis and record keeping.

Task: Assignment or work activity to produce a specified output, including Quantity and Quality, within targeted completion Time, with allocated Resources and methods, and Cost limits, and within prescribed limits of policies, procedures, rules , regulations, etc. Usually, each of these key highlighted elements of the assigned task to achieve each output should have its own Key Performance Indicator

Terms and Conditions: A phrase generally applied to the rules under which all bids must be submitted and the stipulations included in most purchase contracts; often published by the purchasing authorities for the information of all potential vendors.

Time: The measure of duration.

Time Management: The function required to maintain appropriate allocation of time to the overall conduct of the project through the successive phases of its life cycle.

Total contract value: The estimated total value of the contract for the entire life of the contract, including extensions.

U

Unit Price: The price of a selected unit of a good or service (e.g., pound, labour hours, etc.).

UNSPSC: United Nations Standard Products and Services Code. UNSPSC is a procurement systems classification scheme for identifying goods and services.

Unsuccessful Vendor: A vendor whose response is not accepted for reasons such as price, quantity, failure to comply with specifications, etc.

V

Value: In general usage: Price times quantity (price x quantity). In accounting: monetary 'worth' of an asset, business entity, good sold or service rendered, or liability or obligation acquired.

In economics: Worth of all the benefits and rights arising from ownership. Two types of economic value are (1) the utility of a good or service, and (2) power of a good or service to command other goods, services, or money, involuntary exchange. In marketing: Extent to which a good or service is perceived by its customer to meet their needs or wants, measured by customer's willingness to pay for it. It commonly depends more on the customer's

perception of the worth of the product than on any actual 'intrinsic value'.

Value Analysis: An organized effort directed at analyzing the function of systems, products, specifications, standards, practices, and procedures for the purpose of satisfying the required function at the lowest total cost of effective ownership consistent with the requirements for performance, reliability, quality and maintainability.

Variation: Approved change in a specification or project.

Vendor: Someone who sells something; a "seller."

Vendors List: A list of names and addresses of suppliers from whom bids, proposals and quotations might be expected. The list, maintained by the purchasing office, should include all suppliers who have expressed interest in doing business with the government.

W

Warranty: The representation, either expressed or implied, that a certain fact regarding the subject matter of a contract is presently true or will be true. Not to be confused with "guarantee," which means a contract or promise by one person to answer for the performance of another person.

Work Breakdown Structure (WBS): A detailed breakdown of the work of the project which defines the work tasks.

X Y Z