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Australian STANDARD®

STANDARDS Australia

Project, programme and portfolio management — Vocabulary



AS ISO 21506:2025

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How to read this Standard

This page explains the meaning of the language and structure of this Standard.

Refer to Standards Australia's Standardisation Guide 006 for more details about drafting rules.

Australian and Australian/New Zealand Standards are voluntary unless they are referenced in legislation or called up in contracts.

Requirements

To conform to a Standard, all requirements in the Standard need to be met.

A requirement is any statement in the Standard which uses the word "shall".

Recommendations, permissions and possibilities

The following words are commonly used in Standards, but statements using them do not have to be followed to conform to the Standard:

(a) "should" means that something is recommended.

(b) "may" means that something is permitted.

(c) "can" means that something is possible.

Structure of Standards

A Standard always has the following parts:

(i) The Preface states who developed the Standard, what the Standard is aiming to do, and how it relates to other documents.

(ii) The Scope states what the Standard is about, what it covers and what it does not cover.

(iii) The Normative references clause lists other documents that are referenced in the Standard as part of requirements.

(iv) The Terms and definitions clause defines important terms to help with understanding the Standard.

A Standard may also include other parts, such as the following:

(1) A normative appendix sets additional requirements that need to be conformed to.

(2) An informative appendix provides additional information or guidance. They usually do not contain requirements. If an informative appendix does contain requirements, the Standard will explain when those requirements apply

(3) A Bibliography lists documents referenced in the Standard but not as part of requirements.

Many Standards include notes. Notes provide recommendations and/or guidance only. They never contain requirements.

Preface

This Standard was prepared by the Standards Australia Committee MB-012, Project, programme and portfolio management, to supersede SA TR ISO 21506:2024.

The objective of this document is to define terms used in the field of project, programme and portfolio management.

This document is applicable to any type of organization, including public or private, and any size or sector, as well as any type of project, programme or portfolio in terms of complexity, size or duration.

This document is identical with and has been reproduced from ISO 21506:2024, *Project, programme and portfolio management — Vocabulary*.

As this document has been reproduced from an international document, a full point substitutes for a comma when referring to a decimal marker.

Australian or Australian/New Zealand Standards that are identical adoptions of international normative references may be used interchangeably. Refer to the online catalogue for information on specific Standards.

The terms “normative” and “informative” are used in Standards to define the application of the appendices or annexes to which they apply. A “normative” appendix or annex is an integral part of a Standard, whereas an “informative” appendix or annex is only for information and guidance.

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO document should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

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Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 258, *Project, programme and portfolio management*.

This first edition cancels and replaces ISO/TR 21506:2018, which has been technically revised.

The main changes are as follows:

— the terminological entries have been updated in accordance with ISO 9000:2015, ISO 21502:2020, ISO 21503:2022, ISO 21504:2022, ISO 21505:2017, ISO 21508:2018, ISO 21511:2018 and ISO 21512:2024.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

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Introduction

This document is intended to be used by people involved in project, programme and portfolio management. It defines terms that are used in documents prepared by Technical Committee ISO/TC 258, *Project, programme and portfolio management*, and that meet any of the following criteria, in that they are:

— specific terms used in project, programme and portfolio management;

— part of common language, but used with a specific and exclusive meaning in the context.

This document includes the definition used by most project management organizations, most of the time. A term may have a different meaning within an organization that is not consistent with this document.

The target audience of this document includes, but is not limited to:

a) executive managers and people involved in sponsoring projects, programmes or portfolios;

b) people managing projects, programmes or portfolios;

c) people involved in the management or performance of project management offices;

d) developers of national or organizational standards.

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Australian Standard®

Project, programme and portfolio management — Vocabulary

1 Scope

This document defines terms used in the field of project, programme and portfolio management.

This document is applicable to any type of organization, including public or private, and any size or sector, as well as any type of project, programme or portfolio in terms of complexity, size or duration.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at https://www.iso.org/obp

— IEC Electropedia: available at http://www.electropedia.org/

3.1
100 % rule
child level of *decomposition* (3.20) of a *work breakdown structure* (3.96) element, which represents 100 % of the work applicable to the parent level

3.2
activity
identified piece of work that is required to be undertaken to complete a *project* (3.61), *programme* (3.54), *portfolio* (3.46) or other related work

Note 1 to entry: It may also be considered as a work element.

3.3
actual cost
actual cost of work performed
cost incurred for work performed

3.4
baseline
reference basis for comparison against which performance is monitored and controlled

3.5
basis of estimate
documentation that supports the calculation of resources required to perform activities

3.6
benefit
created advantage, value or other positive effect

3.7
budget at completion
total forecasted cost for accomplishing the work related to a *work package (3.99, 3.100)*, *activity* (3.2) or *control account* (3.14)

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