THE ULTIMATE ERP GLOSSARY FOR AEC FIRMS

150 OF THE MOST COMMONLY USED ERP TERMS IN THE AEC INDUSTRY

BST GLOBAL

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ENTERPRISE RESOURCE PLANNING SOFTWARE FOR AEC FIRMS

The impact enterprise resource planning (ERP) software can have on a business is not limited to any particular industry. ERP solutions are available for industries of all kinds, such as: health care, retail, hospitality, nonprofit organizations, manufacturing – and the list goes on.

But, what is ERP exactly? ERP is software that integrates a suite of applications into a single system. This complete system supports and manages the day-to-day activities of various business divisions in a firm.

The architecture, engineering, and environmental consulting (AEC) industry is a prime example of an industry that can be well served by ERP software. From recording expenses, to capturing employee data, ERP software provides AEC firms with a multitude of functionalities that streamlines core business processes and keeps projects under control.

Although many ERP software solutions have similar functionalities, your solution should be tailored to include terminology specific to your industry. And because every AEC firm has its own unique needs and processes that an ERP solution supports, with that comes a set of unique terminology as well. But while the terms used from AEC firm to AEC firm may vary, there are also a set of universal terms that are shared across the board.

So, whether you're new to AEC or ERP, or want a refresher on one or both, let us introduce you to: **The Ultimate ERP Glossary for AEC Firms**. The answer to your endless online searches is finally here!

NOW YOU HAVE 150 OF THE MOST COMMONLY USED ERP TERMS IN THE AEC INDUSTRY, ALL IN ONE PLACE.

We know that as an AEC firm, your work is based on projects.

So, to make this glossary easy to follow, we organized it around the standard workflow of the project lifecycle. Each section includes terms relevant to a certain business area, as they pertain to your software solution. To help you visualize, we've created the graphic below representing the ecosystem of a project-based ERP software system. We'll start this glossary in the center of this graphic with Project Pursuit, and then make our way out to Infrastructure and Information Security.
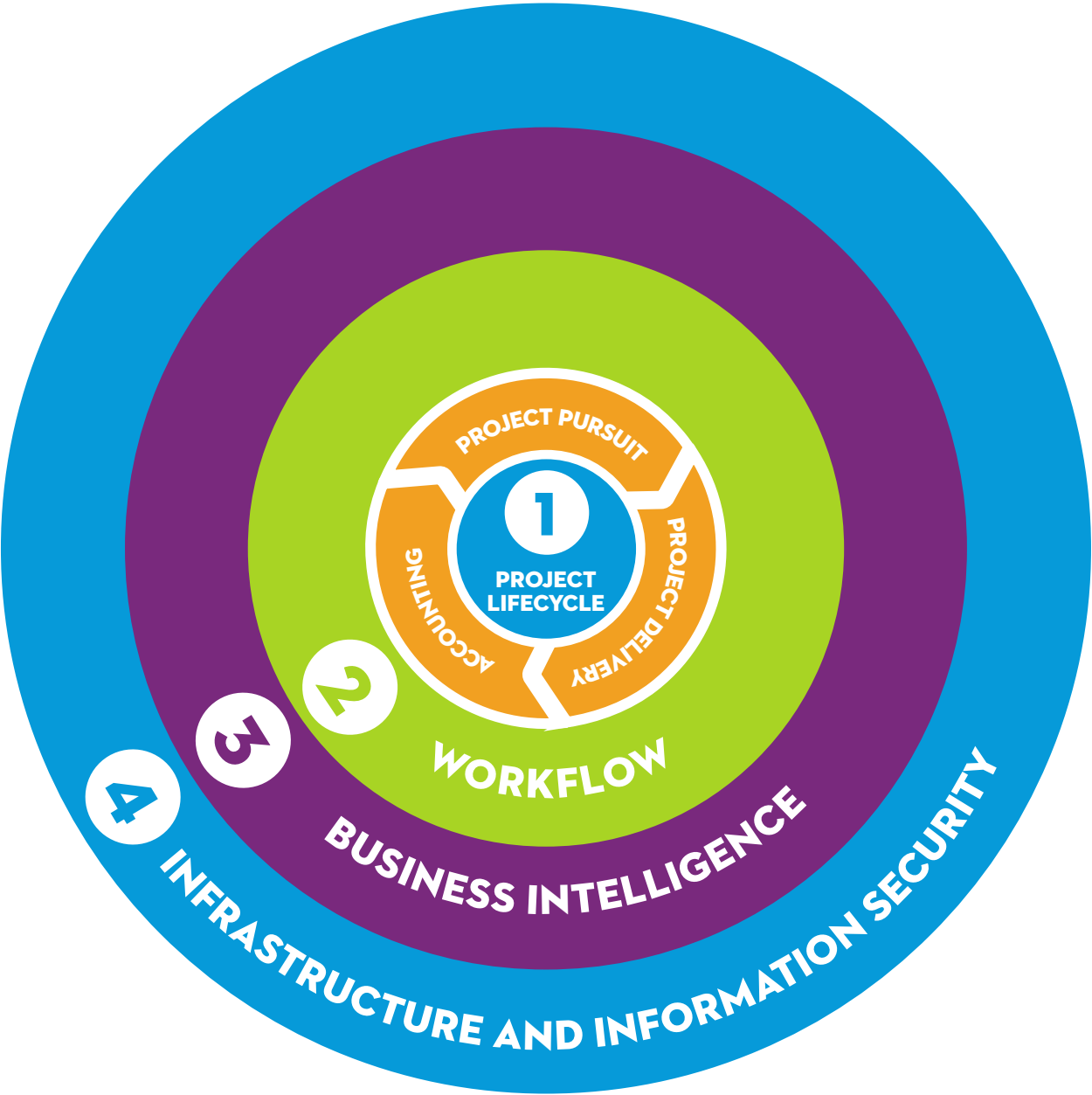
GLOSSARY STRUCTURE BREAKDOWN

The first section of the glossary begins with the project and financial lifecyle. Then, we'll move on to three elements that protect and support your project and financial data: security, reporting, and workflow measures.

1

PROJECT LIFECYCLE

Generally speaking, the project lifecycle for an AEC firm has three parts. While each part is presented independently in our graphic above, it's important to note that they work in tandem and are codependent on each other's success.

PROJECT PURSUIT:
HOW YOU FIND NEW SOURCES OF INCOME

Because how else would you expect to make a profit if your business development team isn't pursuing new work? From identifying opportunities to managing them through the sales cycle, all stages of the sales pipeline are tracked and assessed by your ERP solution.

PROJECT DELIVERY:
HOW YOU PRODUCE INCOME AND MAXIMIZE PROFIT

When your firm wins and begins a new project, your ERP software solution captures the necessary data to analyze the project's success, and manages the resources and financials until the project is complete.

ACCOUNTING:
HOW YOU RECORD YOUR COST, INCOME, AND PROFIT

To analyze financials and manage expenditures, AEC firms need a robust accounting tool. This part of the project lifecycle is used to track your cost of doing business, and the earned income as a result.

Imagine the project lifecycle as a continuous loop where one function constantly feeds into the next. For instance, as a company spends money to fund projects, the outcome is income and profit for the company's efforts. That income allows the spending of additional money to pursue and win more projects – which continues the circle, and starts the cycle over again.

Next in the glossary, we'll explore the methods by which you route, report, and secure the information contained in your ERP solution.

2

WORKFLOW

Within your ERP system, workflows are used to ensure proper approval of input data. Each area of the ecosystem has its own set of workflows, and each task performed within a workflow has the ability to be approved or validated. Through this validation process, it allows for the correction or removal of inaccurate data before being committed to the system.

3

BUSINESS INTELLIGENCE

Business intelligence is the ability to report on the status and performance of project pursuit, project delivery, and accounting. This captured data can be analyzed and presented in several formats, exposing information regarding your organization's successes and any areas of concern.

These insights contribute to not only the decisions made at every part of the project lifecycle, but they also summarize the productivity of the people and processes in your consultancy.

4

INFRASTRUCTURE AND INFORMATION SECURITY

Due to the sensitivity of project and financial data, it is crucial to ensure your solution has the proper security measures in place. For this reason, infrastructure and information security is the outermost circle as it constantly works to protect all the data in your ERP system.

Now that we've oriented you on how this paper will flow, let's go ahead and get started!

AND DON'T FORGET - BY HOLDING DOWN COMMAND OR CONTROL "F" ON YOUR KEYBOARD, YOU CAN SEARCH THIS DOCUMENT FOR ANY WORD OR PHRASE YOU WANT TO FIND!

FOR MACS: Command + F
FOR PCS: Ctrl + F

THE ULTIMATE ERP GLOSSARY FOR AEC FIRMS
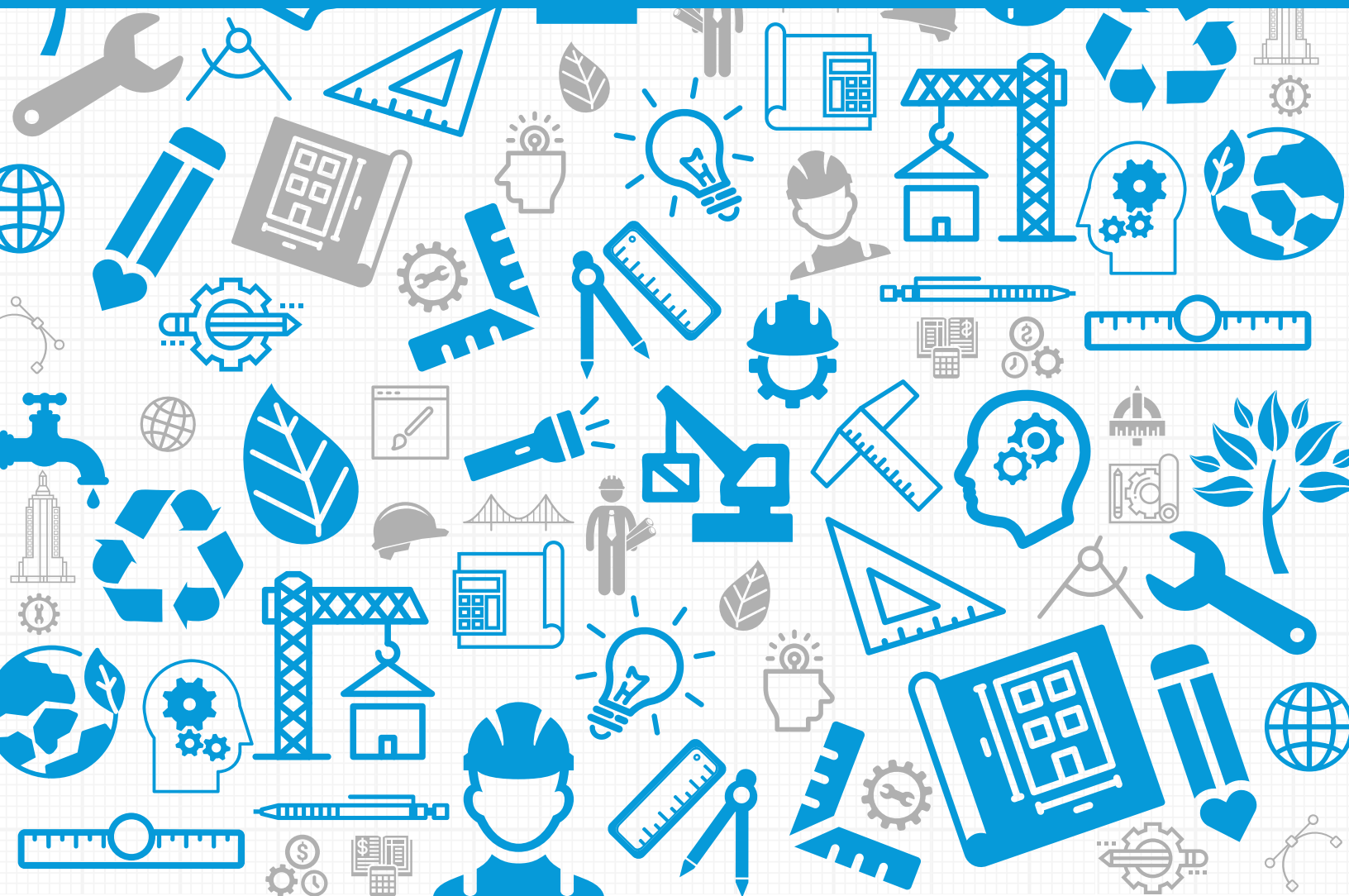
PROJECT PURSUIT

The process that allows AEC business professionals to document, track, analyze, and control potential projects through the various stages of the sales process – ultimately leading to project award and delivery.

Contact: A referenced associate of a business partner or prospect.

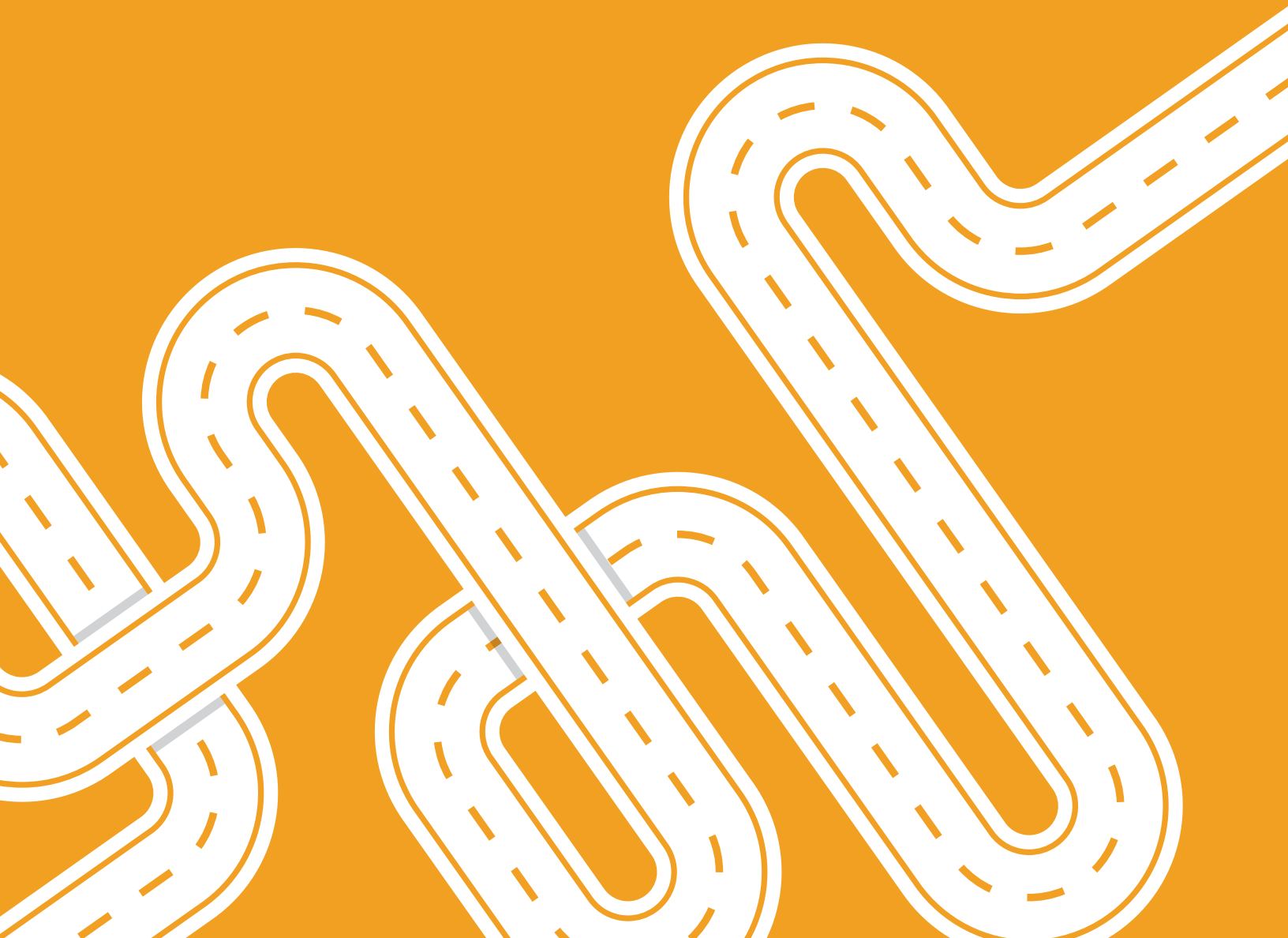**Go/No-Go:** A process that occurs during opportunity management to evaluate whether to move forward or not with an opportunity. This is sometimes accompanied by a scoring framework.

Lead: A prospective customer of a product or service.

Lead Identification: The process by which you identify new potential clients. This process is sometimes accompanied by an evaluation process or vetting of leads.

Opportunities: The pursuit of a potential project with a prospect or client.

Opportunity Management: A methodology for tracking sales opportunities and related criterion. This process assists with analyzing and storing the probability of a sale's likelihood to move to closure.

Opportunity Stages: A criterion set that qualifies an opportunity to move from one process to another process predefined in Opportunity Management.

Project Estimate: To quantify the cost, scope, and time it takes to deliver project task assignments for a potential job.

Project Proposal: A summary or preliminary version of the proposed contract detailing the terms and conditions, the scope of services, fee schedule, and other legal and project specific terms as required by the owner.

PROJECT DELIVERY

In this stage, projects and resources are managed in line with project expectations, as well as financial and operational goals, to deliver the project. A targeted focus must occur in each of these areas:

- **CONTRACT TERMS**

- **PROJECT MANAGEMENT**

- **RESOURCE MANAGEMENT**

- **PROJECT PROCUREMENT**

- **EARNED VALUE MANAGEMENT**

- **PROJECT ACCOUNTING**

CONTRACT TERMS

Completion Date: The date when all contract scope should be turned over to the client.

Contract: A formal and legally binding agreement.

Contract Types: An agreement between two or more parties to perform a service with specific terms and conditions. Here are examples of contract types:

- **Cost Plus (CP):** An agreement that the client pays the cost of all labor and materials, plus overhead and profit, at a specified rate.

- **Cost Plus Fixed Fee (CPFF):** A contractual agreement to pay all actual costs, including overhead, regardless of amount. This is in addition to paying a negotiated fee independent of actual cost.

- **Cost Plus Maximum (CPM):** An agreement that the client pays the cost of all labor and materials, plus overhead and profit at a specified rate, not to exceed an agreed contractual ceiling.

- **Lump Sum (LS):** An agreement to deliver services for a fixed price.

Joint Venture: A business arrangement where two or more companies agree to pool resources for the purpose of completing a specific task.

Master Service Agreements: An umbrella contractual agreement reached between parties, in which the parties agree to most of the terms that will govern future contracts.

Owner: The entity for which a project is delivered, also known as the client.

Prime Contractor: The owner of the project that holds full responsibility for the project's completion. Any other hired resource by the prime contractor is considered a subcontractor.

Project Milestone: A marker that shows an important achievement in a project. This may also represent a sequence of events that incrementally build up to a project's completion.

Schedule of Fees: An agreed rate or mark up of cost, quantity, or hours an owner will pay its prime contractor for labor, expenses, or subcontractor services. These are generally performed in line with a certain profession or title.

Terms and Conditions: A set of agreed upon rules that govern an agreement or contract.

PROJECT MANAGEMENT

Project Management Triangle: The three main constraints that affect project success. These constraints are cost, schedule, and scope.
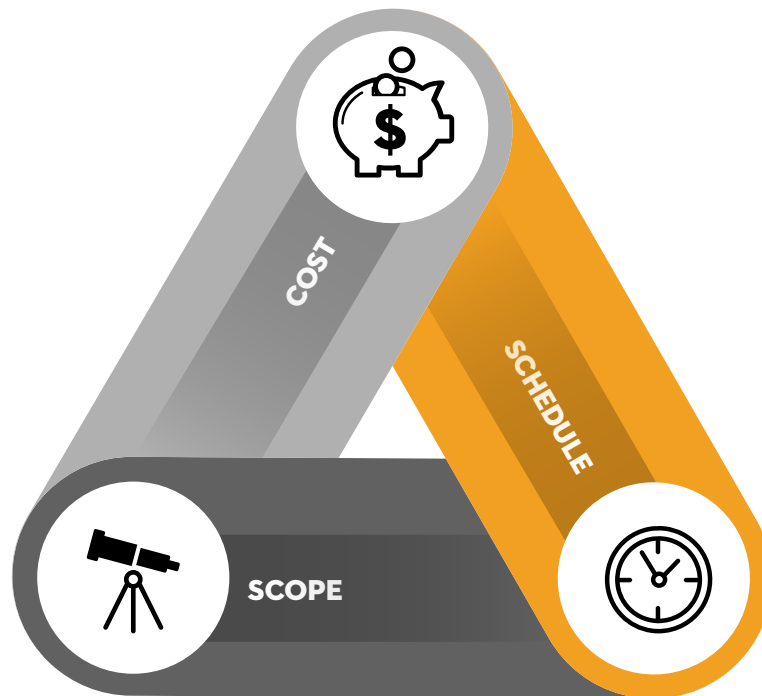
Project Scheduling: The process of identifying project milestones and deliverables for a designated time frame.

Risk Management: An uncertain event or condition that, if it occurs, has a positive or negative impact on a project's objectives.

Task: A descriptive component of work performed during the execution of a project.

Work Breakdown Structure (Scope of Services): A deliverable-oriented, hierarchical composition of the work to be executed by the project team.

RESOURCE MANAGEMENT

Discipline: A specialized branch of knowledge associated with a profession studied in higher education. For example: engineering is normally divided into four main disciplines of chemical, civil, electrical, and mechanical engineering. A discipline can also be further categorized into sub disciplines.

Employee: A person hired for a wage, salary, fee, or payment to perform work for an employer.

**Labor Classification:** A title granted to an employee that summarizes job duties and/or discipline.

Resource Management: The process of planning resources to meet project, organizational, and company objectives.

Resource Scheduling: To define staffing needs to a specific project or task within a specified time frame.

Sub Discipline: A categorization of engineering specialty within a discipline. For example, civil engineers can have sub disciplines of environmental engineer, structural engineer, or transportation engineer to name a few.

Time Tracking: The recording and tracking of number of hours worked on a specific project and task.

Utilization: The measurement of the rate of billable work performed by an employee.

ENGINEERING

ENVIRONMENTAL
ENGINEER

STRUCTURAL
ENGINEER

TRANSPORTATION
ENGINEER
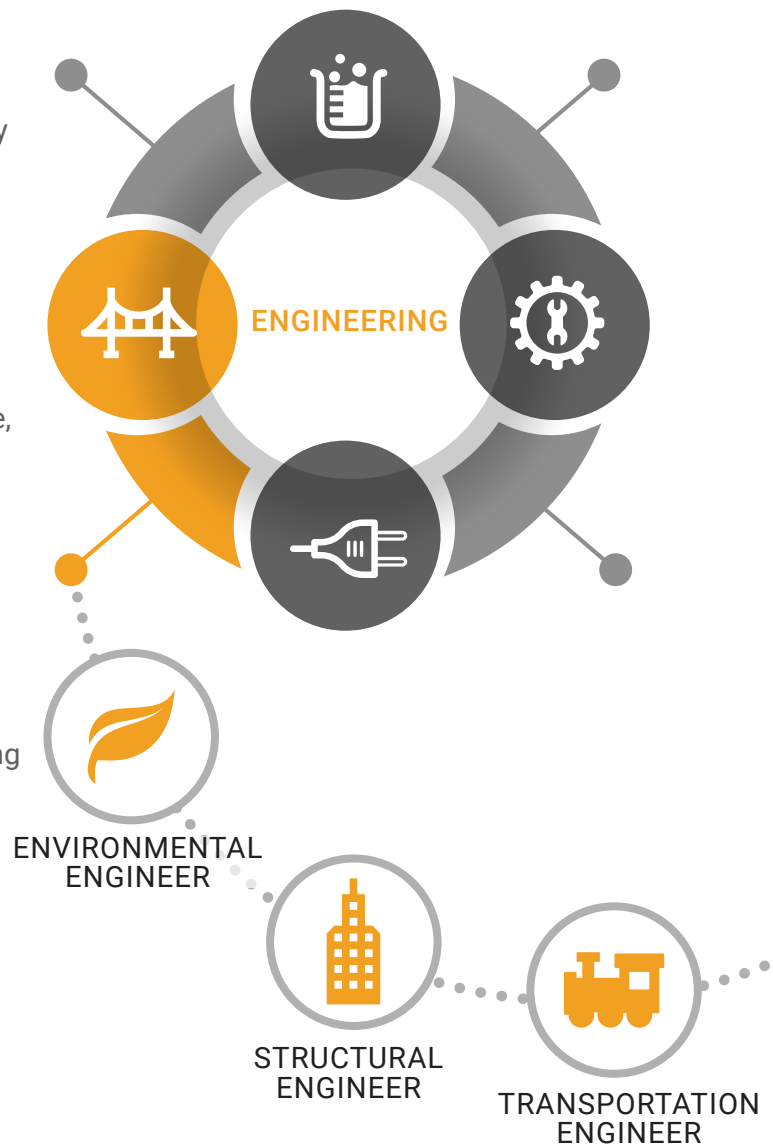
PROJECT PROCUREMENT

Committed Cost: An assured cost commitment that cannot be changed.

Equipment: The tangible property, other than land, that is used to operate a business.

Subcontractor: An external business, or non-employee person, that is hired to execute work under another company's contract.

Unit Billing: When a company sells products or non-labor services at a per unit rate. An example of selling a product would be if a company charged 25 cents ($.25) per sheet of paper for a copy order. For non-labor services, an example would be a per foot charge for the use of drilling equipment.

Unit Entry: A software system input that reallocates a cost originally associated with overhead, to a project related expense that may be billed to a client through unit billing.

EARNED VALUE MANAGEMENT

Actual Cost: The cost incurred for completed work. This cost includes the cost for employees or expenses, and overhead cost.

Ahead or Behind Schedule: A project's progress that is earlier or later than what was planned or scheduled.

Backlog: An accumulation of contractual work that has not yet been completed.

Budget: The amount of money allocated to implement a project and produce deliverables. This is also known as Planned Value.

Earned Value: The amount of work executed against the budget that is reported as revenue.

Earned Value Management: The ability to create performance metrics that determine the profitability of a project. The major factors considered when creating these formulas are the following: the contractual value of work, the value of work that has been earned, and the cost spent to complete the work.

This concept is made more robust by creating the formula on subsets of information such as: work breakdown structure, labor and expense, and other project attributes. In doing so, firms can calculate, evaluate, and manage the value earned for work executed.

Effort: The total of labor and expense charges based on the markup as described in the Schedule of Fees. Example: A schedule of fee rate per hour for a Project Manager is agreed at $150 per hour. If 10 hours were charged, the effort would calculate as $150 X 10 hours = $1,500.

Effort at Completion (EAC): The estimated value of work expended to complete a task or project.

Over Budget: A project that has accumulated more effort than the agreed contract budget.

Percent Complete: The progress of an activity or other element of the project structure plan. Expressed as a percentage, the calculation is Earned Value divided by Budget.

$$\text{PERCENT COMPLETE} = \text{EARNED VALUE} / \text{BUDGET}$$

Planned Value: The amount of income a firm expects to earn for work performed.

S-curve: A model that displays cumulative earned value management factors plotted against time. These earned value management factors are: planned value, earned value, and actual cost. This model describes the growth of one variable in terms of another variable over time.

The difference between earned value and actual cost shows if a project is over budget, under budget, or on budget. In this case, the S-curve shows that this project is over budget because more actual cost was spent than value earned. In addition, this S-curve shows that the earned value is lower than the planned value at this point in time – meaning the project is behind schedule. The S-curve allows for plotting items of concern against a plan to determine if the items of concern are meeting, exceeding, or failing expectations.
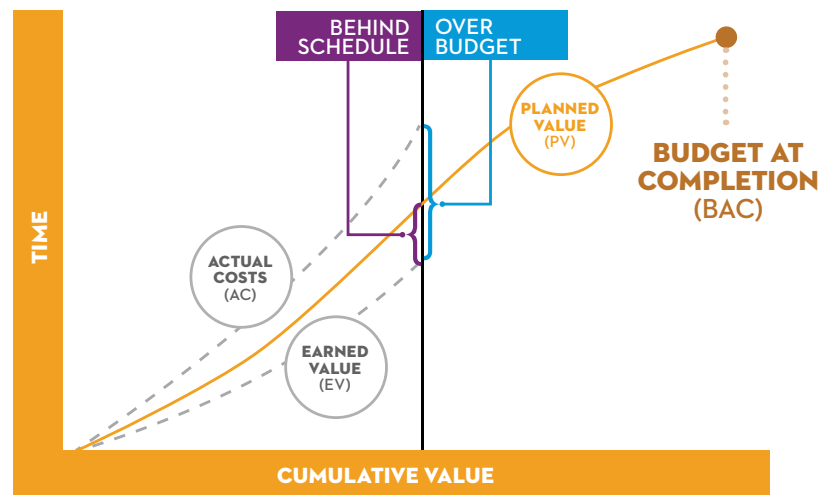
Variance: A calculation of Earned Value minus Effort. This calculates if the amount earned is greater or less than the effort expended to complete a task.

$$\text{VARIANCE} = \text{EARNED VALUE} - \text{EFFORT}$$

PROJECT ACCOUNTING

Days Sales Outstanding (DSO):
The calculation used to estimate the average collection period. The average collection period is the average number of days that receivables stay outstanding before they are collected.

General and Administrative (G&A):
Expenditures related to the day-to-day operation of a business.

$$DSO = \frac{ACCOUNTS\ RECEIVABLE}{EARNED\ VALUE} \times NUMBER\ OF\ DAYS$$

OR

$$DSO = \left[\frac{ACCOUNTS\ RECEIVABLE}{\left(\frac{EARNED\ VALUE}{NUMBER\ OF\ DAYS} \right)} \right]$$

Gross Profit: The profit earned by subtracting Direct Costs from Revenue.

GROSS PROFIT = REVENUE – DIRECT COSTS

Maximum Cost Rate: When invoicing a client based on hourly wage, this is the maximum wage a client will accept as a billable value. This rate is typically applicable when project effort is being calculated based on a multiplier and is used to ensure that a company's most expensive resources are not used on tasks that do not warrant their skills.

Net Labor Multiplier (NLM): The proportion of project profit generated from a project's direct labor investment.

NET LABOR MULTIPLIER = (REVENUE – DIRECT EXPENSE COSTS) / DIRECT LABOR COSTS

Net Profit: The amount of money earned by subtracting Direct Costs and Overhead Costs from Revenue.

NET PROFIT = REVENUE – (DIRECT COSTS + OVERHEAD COSTS)

Overhead Multiplier: A number used to multiply against project payroll cost to account for overhead charges incurred. Since overhead costs (such as rent, taxes, and insurance) are not project related, but are still part of the Actual Cost of doing business, the cost of overhead must be allocated to the project cost to report a more accurate picture of money spent to complete project work.

Example: If a firm spends $200,000 to run its business, and $100,000 in payroll cost, it's total Actual Cost is $300,000.

ACTUAL COST = COST TO RUN THE BUSINESS + PAYROLL COST
$300,000 = $200,000 + $100,000

The overhead multiplier is calculated by taking the cost of running the business and dividing by payroll cost.

OVERHEAD MULTIPLIER = COST TO RUN THE BUSINESS / PAYROLL COST
2 = $200,000 / $100,000

Then, by multiplying payroll cost by the overhead multiplier, the total cost of overhead is calculated.

So, if the total project system has payroll cost of $100,000 and an overhead multiplier of 2, this gives the project system an overhead cost of $200,000.

OVERHEAD COST = PAYROLL COST X OVERHEAD MULTIPLIER
$200,000 = $100,000 X 2

Summing payroll cost and overhead cost will show the Actual Cost of $300,000 distributed throughout projects in the firm.

ACTUAL COST = PAYROLL COST + OVERHEAD COST
$300,000 = $100,000 + $200,000

Using this method provides a more accurate depiction of Actual Cost spent on projects.

Profit Percentage: Expressed as a percent, it is the amount of money retained as profit from every dollar earned. This is calculated by dividing Profit by Revenue, and multiplying that value by 100 to express it as a percentage.

PROFIT PERCENTAGE = (PROFIT / REVENUE) X 100

Provisional Revenue: The calculation of revenue earned that can be adjusted due to certain taxation rules.

Revenue Factor: The measurement of how many units of revenue one gets for units of work. This is calculated by multiplying Utilization Percent and Net Labor Multiplier.

REVENUE FACTOR = UTILIZATION PERCENT X NET LABOR MULTIPLIER

Surcharge: A supplemental charge to cover office related expenses, such as: faxes, office supplies, and telephone use. This is normally a contractual agreement to calculate a percentage of labor charges that is then used to cover the aforementioned expenses.

ACCOUNTING

Accounting is the process of recording and tracking your company's financial transactions, so that the results of the transactions can be analyzed, audited, and reported in the form of financial statements.

Examples of these financial statements include: Income Statements, Balance Sheets, and Cash Flow Statements, which are used to help you determine your company's profitability and worth.

THIS SECTION WILL BE DIVIDED INTO THE FOLLOWING SUBSECTIONS:

- **GENERAL ACCOUNTING**

- **SUPPLY CHAIN**

- **BILLING**

- **CASH MANAGEMENT**
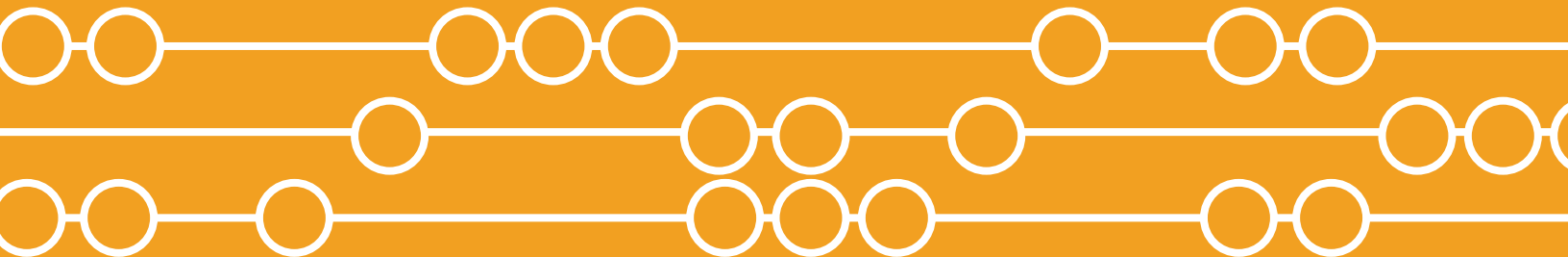
GENERAL ACCOUNTING

1099 Reporting: An IRS form used in the United States to report various types of income, excluding employee wages, that have been paid by a company. Examples include: dividends, interest paid, and rental income.

Accounts Receivable: A historical overview of invoices delivered to clients for goods and services that are satisfied or outstanding.

Accrual Basis Accounting: An accounting method that records revenues and expenses when they are incurred, regardless of when cash is exchanged.

Australian Tax Office (ATO) Reporting: An annual tax return that describes payments made to vendors when a company's principal business is construction services.

Balance Sheet: A key financial statement that illustrates the financial position of a company on a particular date. This statement details what assets the company owns, what the company owes, and what is owed to it.

Bank Reconciliation: A statement process that explains the difference between the balance on a bank statement and the amount in an organization's accounting records. This process exposes bank activity that has not been recorded, and the inverse, recorded transactions that have not been cashed.

Cash Basis Accounting: An accounting method where revenues and expenses are recorded when cash is exchanged.

Chart of Accounts: A listing of general ledger accounts used to classify the expense, revenue, assets, and liabilities of a company by using a standard numbering system.
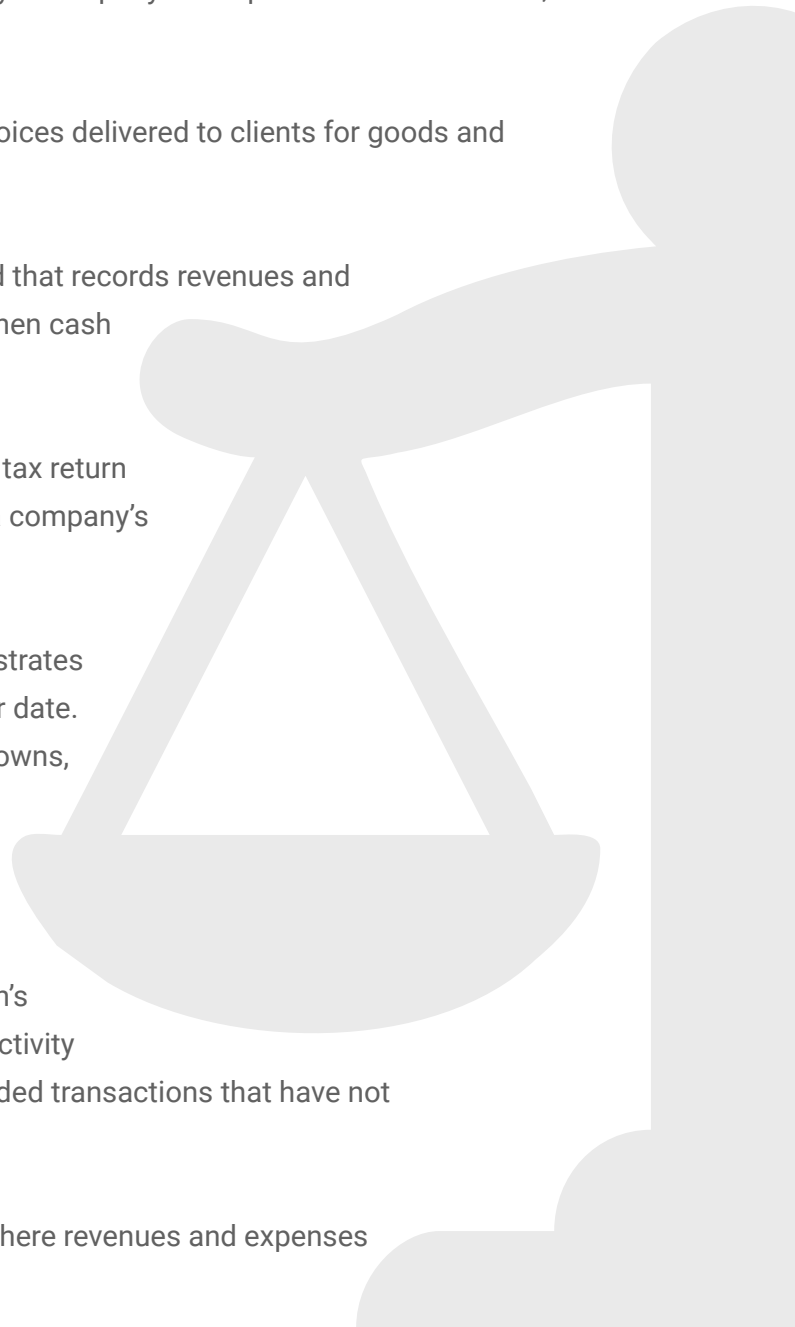
Expense Report: A report that tracks employee expenses incurred during the course of performing job functions. These expenses may be reimbursable to the employee or paid directly by the company.

Financial Allocation: A system of dividing income and expenses amongst various branches and departments of a business based on different criteria. Examples include: number of employees, square footage, and revenue earned.

Financial Budgeting: An estimate of income and expenses over a specified future period that attempts to consider future conditions and company objectives.

Foreign Exchange Accounting: The gain or loss difference between the expected and the actual amount received due to currency fluctuation. This occurs when a transaction is created in a currency that differs from the functional currency of a company. This accounting process documents which transactions, and/or accounts, gained or lost money when the company's currency was exchanged to satisfy the outstanding transaction.
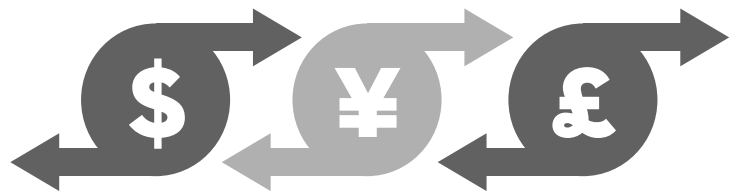
General Ledger: The main accounting record of a company, which holds all the financial transactions by accounting period. It is used as the primary source for a company's financial statements.

Generally Accepted Accounting Principles (GAAP): A collection of commonly-followed accounting rules and standards for financial reporting. These rules can differ by country. Examples of standard GAAP rules include: debits and credits must match, you must identify the currency of which a transaction occurred, and distinct time periods must be used.

Intercompany Transactions: Activities that are conducted between a parent company and its subsidiary, or between two subsidiaries of the same parent. These transactions are typically subject to elimination during group consolidation.

International Financial Reporting Standards (IFRS): A set of international accounting standards developed by an independent, not-for-profit organization called the International Accounting Standards Board (IASB). These standards describe how transactions or types of events should be treated when reporting. While GAAP defines the input rules of transactions, IFRS defines the output standards.

Overhead: Expenses that do not directly generate revenue, but are necessary to maintain business operations.

Payroll: A list of a company's employees and the amount of money they are to be paid.

Prevailing Wage: An acknowledgment to compare payroll cost to local average wages on public work projects for laborers and mechanics. When establishing the prevailing wage, the higher of the compared value of payroll cost versus local average wage is paid to the employee.

This was enacted by the United States Davis–Bacon Act of 1931. The aim is to ensure that all contractors bidding on public construction projects will pay family-supporting wages and that these projects will be built to the highest standards by skilled, safe, well-trained construction craftspeople.

Profit and Loss Statement: A financial statement that reports the revenues and expenses incurred by a business during a specific period of time.

Recurring Journals: A journal entry associated with a particular transaction that is recorded in every accounting period.

Sales Tax: A consumption tax imposed by the government on the sale of goods and services. Globally, types of sales tax categories include: Value Added Tax, Direct Sales Tax, and Excise Tax.

Statistical Accounts: Non-monetary accounts that hold statistical values that can be used for reporting purposes (e.g. hours worked, units sold) or for analyzing monetary accounts (e.g. revenue by employee).

Subsidiary Ledger: A supporting ledger providing more detailed information about individual accounts than a general ledger. Examples include Receivable, Payable, and Work In Progress (WIP) ledgers.

Tax Authority: A government entity that is authorized by law to assess, levy, and collect taxes.

Trial Balance Report: An internal report listing the ending balance in each account for a particular financial period. This report is primarily used to ensure that total debits equals total credits, with any difference being reported as a discrepancy on the report.

Uncompensated Overtime: The hours worked without additional compensation in excess of an average work week, as defined by local law, by direct charge employees who are exempt from overtime pay.

Value Added Tax: As a product moves through production or distribution, each seller involved in the process charges its buyer a tax on the value their participation has increased the product by.

Value Added Tax Reporting: A report alerting the taxing authority of the amount of tax collected versus the amount charged.

Work in Progress (WIP): The portion of revenue on projects that have yet to be billed.

SUPPLY CHAIN

Accounts Payable: Money owed by a company to its vendors.

Certificate of Insurance: A document issued by an insurance company that is used to verify the existence of insurance coverage under specific conditions granted to listed individuals.

Cost: The monetary value to acquire a good or service. Costs are usually split between direct and indirect costs, as well as labor and expenses.

Discounts: The portion that can be deducted from the amount owed to a vendor for prompt payment. The terms agreed with the vendor will usually describe what is considered prompt payment.

Electronic Fund Transfer (EFT) Payments: A payment method where a company pays their vendor by electronically instructing their bank to transfer money to the vendor's bank account without the need of a check or paper money changing hands.

Pay When Paid: A contractual clause that stipulates that a contractor is obligated to pay its subcontractors upon receipt of payment from the owner.

Procurement: Activities and processes in acquiring goods or services. It allows the documenting of activities such as vendor evaluation, product or market research, and the fee limitation of subcontractor contracts.

Purchase Order: A legally binding document that a buyer will issue to a vendor detailing the goods or services, the quantity and dates for delivery, and the price at which the goods and services will be provided.

Remittance: The action of sending a payment for goods or services to a vendor.

Requisition: A formal request to the purchasing function of a firm for something to be supplied, including its quantity and time frame.

Vendor: A business or individual that provides goods or services for sale.

Vendor Invoice Entry: The recording and tracking of an amount due to a vendor for goods or services delivered in fulfilling a project or overhead need.

Vendor Invoice Routing: A process of receiving and routing vendor invoices to appropriate company personnel for review and coding for posting to general ledger accounts and projects.

BILLING

Bill: A document issued to a client to request payment for goods or services provided. The bill will typically be formatted to complement fee type and work breakdown structures. To show services, a standard bill can include a detail of charges, quantity, price, and both previous and current billing with displayed fee limits.

Client: A business to which goods or services are sold.

Effort Write-Off: A decision to reduce the effort amount that is billable to a client. The write-off of effort could, depending on revenue rules, lead to a reduction in revenue.

Electronic Billing: A transfer of billing data from one computer system to another by standardized message formatting, without the need for human intervention.

Pre-Bill: A draft invoice used to verify validity of transactions prior to submitting an invoice to a client.

Retainage: An agreed portion of a bill that is withheld from requiring payment until a specified contractual obligation is met.

Retainer: A fee paid in advance to secure services when required.

Unbilled Effort: The value of services rendered or expenses incurred, but not yet invoiced to a client.
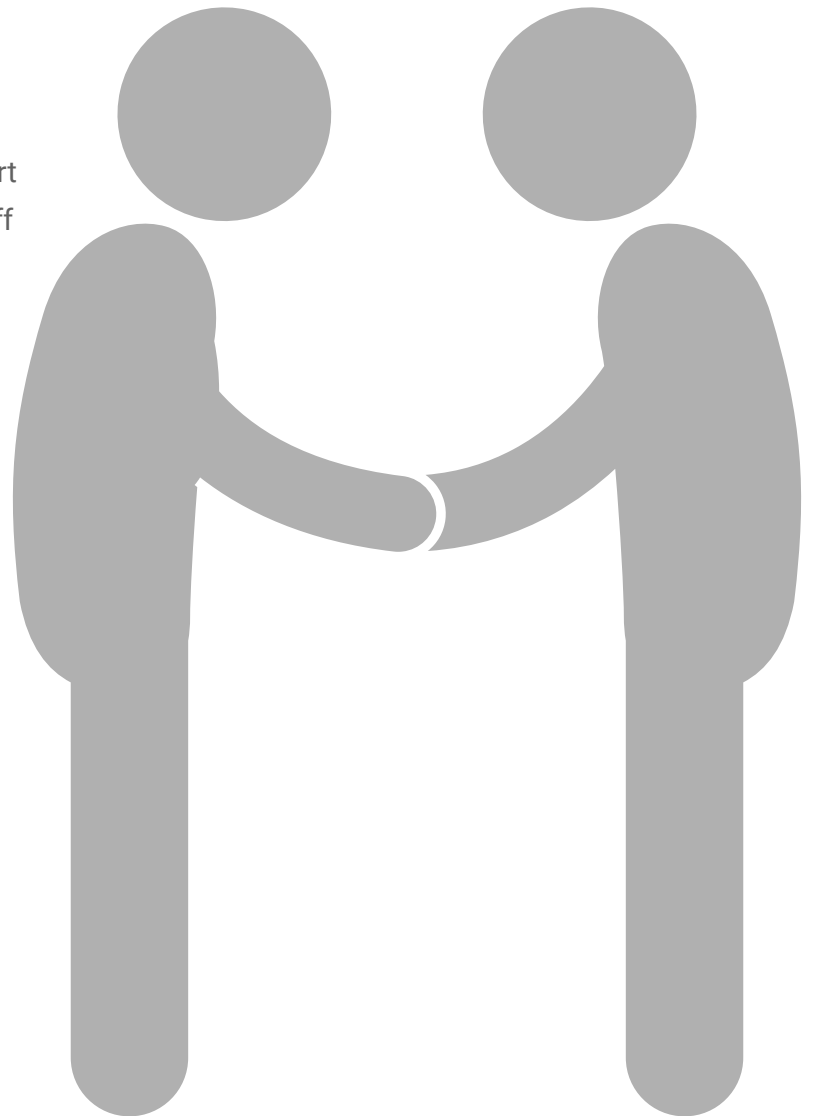
CASH MANAGEMENT

Accounts Receivable Collections: The process of recovering monies owed to a firm by its clients.

Cash Flow Statement: A financial statement that shows the amount of cash or cash equivalents that are entering or leaving a business.

WORKFLOW

Workflow is the execution and automation of business processes where duties, information, or documents are passed from one participant to another for action according to a set of procedural rules.

Action: A task to be performed as part of a series of duties within a process. As tasks move through a workflow, specific actions can be recorded such as submit for review, approve, or reject.

Responsibility: A compilation of actions or duties expected to be completed as a function of a user's role. A role can have several responsibilities.

Roles: A position or title assigned to an end user of ERP software.

User: An individual authorized to access ERP software.

BUSINESS INTELLIGENCE

Business intelligence captures, stores, and presents data critical to measuring business performance. The ability to capture and analyze information is central to measuring effectiveness and optimizing return on investment.
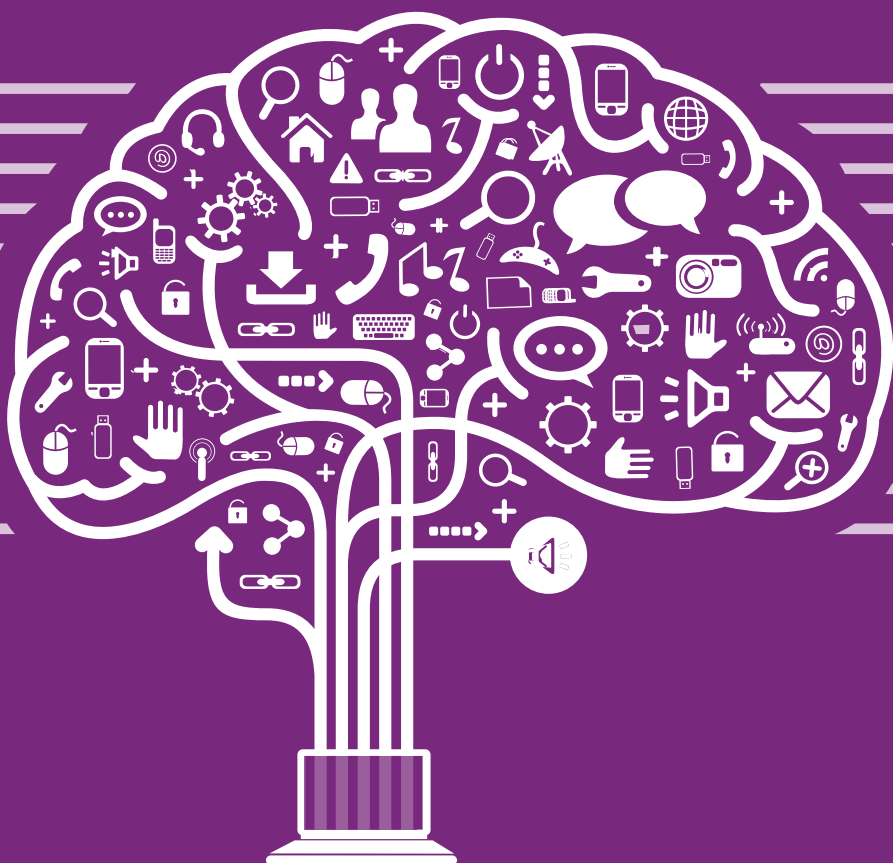
Aggregate: A result of grouped data. Examples include: minimum, maximum, count, and subtotal.

Analytical Services: Technology used to create business reporting and other data visualization tools by aggregating dimensions, attributes, and measures.

Analytics: The ability for users to perform ad hoc querying of data from a dimensional perspective. This includes both historical and forecast oriented analysis.

Attribute: A descriptive grouping of a business category by which data will be analyzed. For example: "fee type" would be an attribute to the business category "project" and "classification" would be an attribute to the business category "employee."

Dashboard: Dashboards allow you to monitor performance and status of your portfolio of responsibility. A dashboard illustration can show the projects a user manages, the people that report to a user, or the organizations a user is responsible for. This is provided through summary information, trends, exceptions, and detailed data.

Dimension: A business category or perspective by which data is analyzed. For example: project, client, employee, etc.

Extract Transform and Load (ETL): A process of extracting data from a data source, modifying, and then loading the data into a data mart, data warehouse, or multi-dimensional data cube.

Information Warehouse: A central repository that consolidates data from the disparate business systems in a firm to support enterprise reporting and analysis.

Inquiries: The dynamic querying of data that accommodates on-demand manipulation such as sorting and grouping. For example, searching for data about project financial status, receivables aging, or general ledger summary information.

Key Performance Indicators (KPI): A measurable value that indicates how effectively a company is in achieving its key business objectives.

Measure: A quantitative result from a business and/or project activity. Typical measures include cost, effort, revenue, hours, etc. This is mostly numeric data associated with a dimension.

Metric: The method of measuring an outcome.

Report: The structured querying of data presented in an organized format to support information requirements for business, project, and resource management. Examples include: organization income statements, balance sheets, trial balances, staff utilization, project status, etc.

Self-Service Reporting: The ability of a business user to create their own reports and analyses without the aid of a technical resource.

Transactional Data: A record of process activity and impact. Transactional data is usually three dimensional, which includes when, who is involved, and its quantitative effect. Standard dimensions in transactional data include cost, effort, hours, etc.

INFRASTRUCTURE AND INFORMATION SECURITY

As it relates to ERP software, infrastructure typically refers to the computer environment needed to support the installation and operation of the system. This includes software, hardware, network, data center, and other related services. ERP infrastructure can be deployed on-premise or in a cloud Software as a Service (SaaS) model.

Information security represents the processes and procedures used to protect computer infrastructure and information against unauthorized access or modification. Methods for information security include, but are not limited to: physical protection, awareness training, access control, encryption, preventative controls (intrusion detection), and security countermeasures (firewalls).

Authentication: A process that ensures and confirms a user's identity by comparing it to a database of authorized user credentials.

Cloud-Based: An internet accessible computer environment usually hosted at a centrally managed third-party data center. Access to cloud-based systems is typically through a browser or Smart Client.

Configuration: The arrangement or set-up of hardware and software that make up a computer system.

Customization: The modification of packaged software to meet company requirements.

Data Privacy: The aspect of information technology that deals with the protection of individual or organizational information as it relates to sharing with third parties. Recent data privacy standards include the General Data Protection Regulation (GDPR) and the Health Insurance Portability and Accountability Act (HIPAA).

Domain: A group of networks, servers, workstations, and users managed under one central security database.

Mobile Application: Software designed to run on a mobile device to meet the process and data needs of mobile users.

Network: The connection of people and/or computers in an organized manner. This connection can be associated with geography, business roles, security, and information systems.

On-Premise: The installation of computer software and/or hardware in the same facility of the person or organization using the resources.

Secured Socket Layering (SSL): A computing protocol that ensures the security of data sent via the internet by using encryption.

Smart Client: A computer application environment that allows web applications to have a desktop look and feel.

Software as a Service (SaaS): A subscription-based software license model where the application is typically hosted and maintained by a third-party organization in a cloud-based infrastructure.

Third Party Application: A reusable software component distributed by an entity other than the vendor offering the developed platform.
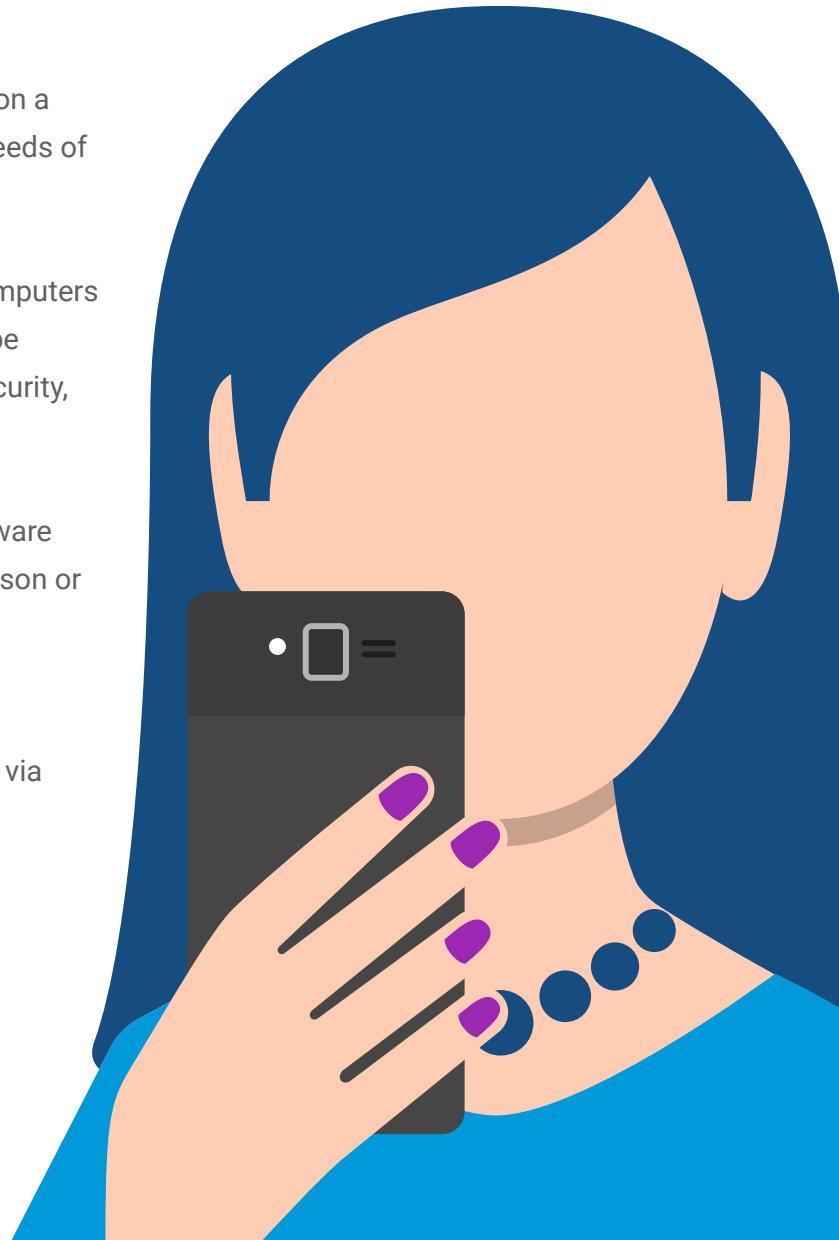
CONCLUSION

From healthcare to hospitality, ERP solutions provide firms with a number of advantages, such as making processes more efficient, data more secure, and IT costs lower – just to name a few. For the industries that use ERP software, they have their own distinct set of terms that, if using the right provider, can be customized for each solution. But the challenge is, this terminology changes constantly, and is sometimes used differently from firm to firm.

That's why we created this glossary specifically for your industry of architecture, engineering, and environmental consulting. We know it can be difficult to keep up with all these changes, so we wanted to make sure you're equipped with all the common terms you'll need to get the most out of your ERP software solution. No more guessing or searching necessary.

Now you, and your team, can start tackling projects confidently using your ERP software solution with this valuable tool on hand. Good luck!

Have a question or don't see a term you're looking for? No problem. Email us at hello@bstglobal.com and we will get back to you!

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