

A Quick Guide to Business Glossaries

What Is a Business Glossary?

A business glossary governs an organization's business concepts along with the associated definitions and relationships between those terms.

Business glossaries provide clear definitions, accessible across an enterprise to technical and non-technical stakeholders alike, in order to keep terms consistent and help all stakeholders stay on the same page.

What's the Difference Between a Business Glossary and a Data Dictionary?

A data dictionary¹ is a collection of descriptions of data objects or items in a data model. Data dictionaries provide information about your data. It is a collection of terms, definitions, and attributes about data elements that are being used or captured in an information system or database.

A business glossary explains those terms (as well as those from an enterprise's data catalog and other terms) and their relationships. Each term only occurs once in a business glossary.

Why Do I Want a Business Glossary?

It's common for different teams to define the same data in terms that are meaningful to their own activities but not outside of their silo. When this data is shared, these different understandings increase the chances of inconsistencies in the use of or misinterpretations of the data.

A business glossary with unique definitions for each term relevant to a business brings a common understanding of each term, underlying concepts, and the relationships between terms and concepts, preventing misinterpretations and creating opportunities for synergies.

In addition to improving the ability to leverage data, a business glossary adds value by improving users' knowledge of what data is available, the source of data, and who the relevant data stewards are.

How Do I Create a Business Glossary?

At a high level, a data steward creates a business glossary by:

1. identifying the concepts or terms that will constitute the business glossary,
2. defining each term consistently, applying best practices for semantic clarity and simplicity to ensure that users who are and are not familiar with the concept derive the same understanding of the concept,
3. organizing terms by grouping them into categories, and
4. link related terms by establishing the relationships between them (above and beyond those implied by their organization into categories).

¹ See *A Quick Guide to Data Dictionary*, CMS Data Architecture and Engineering Services, 2020. [Online]. Available: <https://www.cms.gov/ActualURLToBeUpdatedWhenPublished>

What Does a Business Glossary Entry Look Like?

The following is an example of a business glossary entry for the term “Advance Premium Tax Credit.”

Business Term	Advance Premium Tax Credit (“APTC”)
Business Definition	A tax credit a Marketplace customer with a household income between 100 percent and 400 percent of the Federal Poverty Line for his or her household size can use, before filing his or her tax return, to lower his or her monthly health insurance payment (or “premium”).
Business Category	Marketplace
Related Terms	Premium, Modified Adjusted Gross Income, Silver Plan, Subsidy, IRS Form 8962, Cost-sharing Reduction
Source of the Term	Healthcare.gov
Data Domain	Financial
Linkage to Data	Marketplace Open Enrollment Period Public Use Files, Average Advanced Premium Tax (APTC) Credit by State, Total Effectuated Enrollment and Financial Assistance by State
Term Stewardship	Division of Marketplace Eligibility Policy and Operations