



PMI

Exam Questions PfMP

Portfolio Management Professional (PfMP)

NEW QUESTION 1

You are mid-way through your portfolio and you are approaching a major milestone where multiple components will be authorized for execution and implementation. For informed decision making, as a portfolio manager, you will be communicating reports that will be viewed and analyzed, and used as critical information for taking a decision for the authorization of components. After passing through the authorization process, multiple reports are generated and others are updated. What type of reports is generated from this process?

- A. Performance
- B. Resources
- C. Value
- D. Resources, Assets and governance decisions

Answer: D

NEW QUESTION 2

Communication is one of the largest activities that the portfolio manager does along the portfolio lifecycle. As an experienced portfolio manager, you know that communication and information needs vary between portfolios, programs and projects. How do you define the difference in those three levels of Project Management?

- A. Communications at a Program level are more diversified than at project and portfolio levels Communications at a Portfolio level are more diversified than at project and program levels
- B. Communications at a Project level are more diversified than at portfolio and program levels
- C. Criticality of the communication with relation to the organization is highest at a project level as the business value is acquired at this level

Answer: B

NEW QUESTION 3

Values assist in guiding actions, evaluations, and decisions. Assume your organization is considering entering into a consortium to produce a helium-controlled car. Once the helium is supplied, additional amounts will not be needed. The car is to be personally appealing with a focus on an inexpensive cost to increase marketability. The consortium will enable each firm to capitalize on the expertise of the other firms in it, but the customer will view it as a separate entity. If your organization enters into the consortium, it must justify the value to the portfolio of doing so. In addition to ensure benefits are realized a focus is needed on:

- A. Organizational value
- B. Sustainable value
- C. Managerial value
- D. Employee value

Answer: C

NEW QUESTION 4

You have been asked to be the manager for a governmental portfolio, and your starting point should be tendering a strategic plan to the board for validation and approval for continuation. Which documents/artifacts do you have debuting the portfolio that you can use to develop the strategic plan?

- A. Prioritization analysis, portfolio process assets, portfolio roadmap
- B. EEF's, portfolio component inventory, organizational process assets
- C. Organizational strategy and objectives, inventory of work, portfolio process assets
- D. Portfolio charter, portfolio roadmap, organizational strategy and objectives

Answer: C

NEW QUESTION 5

In a portfolio, data is an abundant asset, and managing the information aiming for a a better decision making is critical. For this you use a variety of Quantitative and Qualitative analysis methods. These methods are performed in 4 of the portfolio management processes and serve a slightly different purpose in each and every one of them. When it comes to the optimizing portfolio, what is the purpose of using this analysis?

- A. Performing Status and trend analysis, Rebalancing methods, Investment choice tools, exposure charts
- B. Performing resource leveling, project sequencing techniques and dependency analysis
- C. Performing Quantitative analysis and Sensitivity analysis
- D. Performing Cost-benefit analysis, quantitative analysis, scenario analysis, probability analysis, SWOT analysis, Market/competitor analysis and business value analysis

Answer: D

NEW QUESTION 6

You prepared a portfolio risk management plan when you replaced the previous portfolio manager three years ago. However, recent structural and execution risks have affected the portfolio adversely, resulting in lost opportunities and a decrease in overall return on investment. You are updating the risk management plan as now stakeholders can see its value. In doing so, you can use some portfolio process assets such as:

- A. Lessons learned
- B. Portfolio algorithms
- C. Vision statements
- D. Risk categories

Answer: B

NEW QUESTION 7

The portfolio management information system (PMIS) is often a collection of spreadsheets rather than automated tools. An effective PMIS enables the portfolio manager to define, analyze, design, produce, and manage systems to support a successful portfolio. Which of the following is a trait of a PMIS?

- A. Recording Stakeholder opinion
- B. Archiving legal data
- C. All of the options
- D. Learning hub

Answer: B

NEW QUESTION 8

During one of the review meetings, the governance board asked to know the progress with relation to benefits of one of the major programs in your portfolio; in this case you will advise the program manager to present

- A. Program Benefits Report
- B. Program Business Case
- C. The status of his program to you and you will aggregate the information with information from other components and present it to the Governance board
- D. Program Management Plan

Answer: A

NEW QUESTION 9

As soon as you complete the portfolio risk management plan, and you have been working on it now with a team, you realize you need to update some organizational process assets such as:

- A. Risk checklists
- B. Risk register
- C. Lessons learned
- D. Risk interview guide

Answer: A

NEW QUESTION 10

A big strategic change occurred at the organization level and has impacted multiple portfolios in the organization including yours. The sponsor has asked you to analyze the change and update the needed documents. You managed this change and are currently updating the Portfolio Management Plan. Which of the following are part of this update

- A. Portfolio Organizational Structure
- B. Communication and Performance Management
- C. Stakeholder Engagement
- D. All of the options

Answer: D

NEW QUESTION 10

Communication requirements are analyzed and documented in the portfolio communication management plan to be used by other processes as needed. Which of the processes use this information in order to provide accurate information in a timely manner?

- A. Portfolio Authorization
- B. Manage Portfolio Information
- C. Manage Portfolio Value
- D. Develop Portfolio Communication Management Plan

Answer: B

NEW QUESTION 15

You are working to optimize your portfolio and determine a priority list of components to pursue. In your product development company, of the triple constraints, quality and scope dominate. This does not imply that schedule and budget are not important, but since the company requires regulatory approval for its products, quality dominates the company. Quality goals that are too low may lead to end-user dissatisfaction; however, goals that are too high may be too costly to the company. Therefore it is important to consider:

- A. Market analysis
- B. The value proposition
- C. Cash-flow requirements
- D. Risk analysis and assessment

Answer: A

NEW QUESTION 19

Each year, you update the portfolio roadmap so people within the organization can see component status, interdependencies, constraints, and business value, among other things. This year, however, two major programs in the portfolio were cancelled as they were government contracts, and the government lacked funds to complete them. Your management then had to reduce staffing. These two programs had dependencies with other components in the portfolio. This means that:

- A. The other components may need to be cancelled
- B. The proposed benefits from the other components require analysis to see if they can be realized and sustained
- C. The value measurement criteria for portfolio components require updates
- D. The overall value of the portfolio is affected adversely

Answer: D

NEW QUESTION 20

In order to guide the work and correctly manage the portfolio, one of the major documents to be prepared is the Portfolio Management Plan acting as guideline for portfolio management. What are the tools and techniques you could use while developing this plan?

- A. Integration of Subsidiary Plans, Organizational Structure Analysis, Elicitation techniques
- B. Capability & Capacity Analysis, Weighted Ranking and scoring techniques, Graphical Analytical Methods, Quantitative & Qualitative Analysis, PMIS
- C. Capability & Capacity Analysis, Weighted Ranking and scoring techniques, Graphical Analytical Methods, Quantitative & Qualitative Analysis
- D. Weighted Ranking and scoring techniques, Portfolio Component inventory, Categorization

Answer: A

NEW QUESTION 23

Portfolio Governance Model is developed as part of the Portfolio management plan and defines the way the organizational assets and resources are planned to be managed within the portfolio according to the specific environment of the organization. Which of the following is correct regarding the Governance Model purpose and content?

- A. Establishes and tailors the decision-making rights and authorities
- B. Ensures benefits are comprehensively and holistically taken into consideration
- C. Contains criteria to ensure alignment to strategic goals, expected return on investment (ROI), investment risks, and dependencies
- D. All of the options

Answer: A

NEW QUESTION 28

You are the portfolio management for a big corporate with existence in 3 continents. While planning the performance management and in particular the dashboards and reporting tools, which of the following options is the most important to account for the different geographical locations?

- A. Organizational Process Assets
- B. Portfolio Process Assets
- C. Enterprise Environmental Factors (EEFs)
- D. A good sponsor to back you up

Answer: C

NEW QUESTION 32

You are approaching a major checkpoint and right before the review meeting, one of the key stakeholders asked you to add a small component which is of high interest to her and requires minimal effort and spans a short duration. What should you, as a portfolio manager do?

- A. Find out its strategic alignment and present it to the steering committee
- B. Add it directly to the portfolio after prioritization because it is a quick project and it will have high value to a key stakeholder
- C. Directly reject the request as it is unethical
- D. Propose the request during the upcoming steering committee meeting

Answer: A

NEW QUESTION 34

When initiating portfolio components and terminating other, you come up with updates to budget, funding and resources allocations. Where should these updates be recorded?

- A. Portfolio Process Assets updates
- B. Portfolio Management Plan updates
- C. Portfolio Reports
- D. Portfolio Updates

Answer: C

NEW QUESTION 36

Assume you are the portfolio manager for a legacy software company. For many years, your company was one of the top five leaders in software development, but as newer and more efficient software was invented, it began to lose market share. Your company then found its services were needed as legacy systems were converted, especially since Cloud computing now is so popular. But it has lost revenues increasingly over the years. To gain market share and provide greater portfolio value, the executive team decided it should:

- A. Focus on channel partnerships
- B. Hire people with competencies in Cloud computing and enter this market
- C. Recognize change takes time but retrain employees to enhance customer satisfaction
- D. Focus on supplier value by partnering agreements

Answer: A

NEW QUESTION 41

After the second shutdown of the Government, your Agency Administrator realized that some essential programs had to continue even during the shutdown, some existing work along with some programs and projects in the pipeline perhaps were not needed, and resources may require reallocation. This example shows the:

- A. Need to reconsider portfolio selection criteria
- B. Need to revise the portfolio mix
- C. Importance of regular reviews by the Portfolio Review Committee
- D. Need to reevaluate the entire portfolio management cycle

Answer: B

NEW QUESTION 43

Working to prepare the communications plan, a best practice to follow is to use the roadmap. By doing so, it:

- A. Shows the overall portfolio timeline, useful for determining the frequency of reporting
- B. Provides information about interdependencies that may affect objectives
- C. Emphasizes milestones and the timing of key benefits
- D. Shows applicable constraints

Answer: B

NEW QUESTION 47

You have been recently assigned to manage a new portfolio that is supposed to shift the company from silo-based to a projectized one. You are in the process of initiating the portfolio. You are currently developing the strategic plan. Upon finishing it, you are expected to present

- A. Portfolio Strategic Plan and Portfolio Process Assets updates
- B. Portfolio Strategic Plan and Portfolio
- C. Portfolio Strategic Plan
- D. Portfolio Strategic Plan and Inventory of Work

Answer: B

NEW QUESTION 52

The company's management is not happy with the bared risk for the expected Portfolio value return and has reached a subject matter expert to try to re-align the risk level with the management expectations. The expert stated that it is preferable to diversify the portfolio components in order to get more results. In that case, you

- A. Disagree with the expert because the company should have came to you before reaching an outside-party
- B. Disagree with the expert because diversification will bring more complexity, thus more risks
- C. Agree with the expert because he is the expert and you should abide by his recommendations
- D. Agree with the expert because diversification in a portfolio may allow for the same portfolio expected return with reduced risk

Answer: D

NEW QUESTION 53

You are the manager of a major portfolio with a critical strategic objective. You have just finalized the roadmap development and wanted to have a quick discussion on it with the team. One of your team members asks you your opinion on the relation between Portfolio roadmap and Strategic Objectives. What would your answer be?

- A. The roadmap shows alignment from the components to the strategic objectives or highlights the gaps between the components and the strategic objectives that need to be analyzed
- B. The roadmap highlights the gaps between the components and the strategic objectives that need to be analyzed
- C. None of the options
- D. The roadmap shows alignment from the components to the strategic objectives

Answer: A

NEW QUESTION 57

While Optimizing your portfolio, you need to present to the governance board how your components will be ranked and balanced in a quantifiable way. How will you do this?

- A. Graphical analytical methods
- B. Value measurement and scoring
- C. Scenario Analysis
- D. Weighted ranking and scoring

Answer: D

NEW QUESTION 59

The portfolio management process ensures the components are aligned to goals. However, it is driven by:

- A. Viability
- B. Value and benefits
- C. Organizational strategy and objectives
- D. Interdependencies and resource constraints

Answer: C

NEW QUESTION 60

One of your components' managers came to you stating that she cannot find a key stakeholder by email and if she cannot find him, a major decision will be delayed, thus affecting the entire portfolio. What should you, as a portfolio manager do?

- A. Tell her that she needs to try to send him one more e-mail, and in the case the problem persists, she needs to send him a formal letter
- B. Tell her that she needs to carefully monitor this risk
- C. Tell her that she needs to escalate this issue directly to the executive management
- D. Go and meet this stakeholder face to face and collaborate with him to solve this communication issue

Answer: D

NEW QUESTION 63

You have set a series of meetings with your portfolio team members as an answer to the identification and update of the organization near-term budget and plans. As a result you have defined and developed the portfolio strategic goals, near-term budgets, and plans, and you now want to start managing ongoing portfolio activities. What is the focus of what you are doing?

- A. Authorizing the portfolio
- B. All of the options
- C. Achieving Results
- D. Initiating the portfolio

Answer: C

NEW QUESTION 67

Portfolios include a lot of work and as a portfolio manager you need to keep an eye on the value realization while maintaining the strategic alignment. You are currently aggregating value delivered by the portfolio components. Which of the following methods are helpful to you?

- A. Elicitation techniques, Capability & Capacity Analysis, PMIS
- B. Scenario Analysis, Capability & Capacity Analysis, Quantitative & Qualitative Analysis
- C. Elicitation techniques, Communication Requirements Analysis, Stakeholder analysis
- D. Elicitation techniques, Value Scoring & Measurement Analysis, Benefits Realization Analysis

Answer: D

NEW QUESTION 72

Which of the following is NOT considered as a criteria for prioritization?

- A. Interdependency
- B. Number of Human Resources Required
- C. Legalities
- D. Strategic Alignment

Answer: C

NEW QUESTION 74

A new portfolio manager in your organization is currently preparing his portfolio charter and has come to you asking advice about what should be present in charter

- A. Justification, Scenario Analysis, Capability & Capacity Analysis
- B. Key dependencies, critical success criteria, high-level timelines
- C. All internal and external dependencies, components fixed timelines
- D. Justification, Scenario Analysis

Answer: B

NEW QUESTION 75

Managing value is key to success as portfolio are undertaken to ultimately deliver an outcome that is strategically aligned and which delivers value to the organization. While managing value, the portfolio manager invokes the Benefits Realization Analysis activity. Which of the following is part of this activity?

- A. Assessing Changes, dependencies and impacts
- B. Indicating Resource bottlenecks and over or under allocations
- C. Allowing the portfolio's governing bodies to evaluate the expected net benefits of a given portfolio or portfolios to prioritize portfolio efforts
- D. All of the options

Answer: C

NEW QUESTION 76

You have been assigned as the manager for a major transformation portfolio in your company. You have a new direction in sight and you need to work with the team to attain the end goal and achieve the expected strategy. You are currently in the middle of developing the strategic plan and require the following inputs

- A. Organizational Strategy & Objectives, Enterprise Environmental Factors, Roadmap
- B. Organizational Strategy & Objectives, Enterprise Environmental Factors, Organizational Process Assets, Portfolio Process Assets, Inventory Of Work
- C. Organizational Strategy & Objectives, Enterprise Environmental Factors, Roadmap, Portfolio Management Plan
- D. Organizational Strategy & Objectives, Enterprise Environmental Factors, Portfolio, Portfolio Management Plan

Answer: B

NEW QUESTION 79

Assume at this point as the portfolio manager in your mattress company, you are activating portfolio components, updating portfolio reports, and documenting the decisions made at the recent Portfolio Governance Committee meeting as the company moves into new markets. You are therefore:

- A. Communicating decisions to all stakeholders
- B. Maintaining a decision log from the Committee meeting
- C. Updating the portfolio strategic plan
- D. Authorizing the portfolio

Answer: D

NEW QUESTION 83

Although you are the Portfolio Manager in your company, you also are the Enterprise Program Office Director, and it consumes most of your time. Your executive team has lost interest in regular portfolio review meetings, the few that are held are routine, and any proposed component receives automatic approval. The Executive Vice President for Human Resources spoke to the CEO as she noticed some people seem to be completely overloaded, they are actively looking for new opportunities, and are then leaving the company. She also pointed out that others seem to have idle time. Her comments got the CEO's attention, and you have been asked in your role as the portfolio manager to create an up-to-date list of qualified components in the portfolio. You are doing so in order to:

- A. Have an accurate understanding as to how resources are allocated
- B. Determine how best to use resource leveling on approved components
- C. Identify, categorize, score, and rank components
- D. Review the initial business cases for the components and assess their validity in terms of strategic goals

Answer: C

NEW QUESTION 87

Assume you are co-owner of a small consulting firm. Previously, you worked as a managing partner in one of the larger consulting firms in your country that had a defined portfolio management process to determine key opportunities to pursue to focus not solely on proposal win ratio but to aggressively emphasize capture ratio. Now in your new company in terms of portfolio management, the best practice to follow is to:

- A. Work with your business partner in terms of portfolio management
- B. Have your Board of Directors serve as a Portfolio Review Board
- C. Involve your business partner plus the firm's subject matter experts in portfolio decisions
- D. Set up an independent group of advisors to meet quarterly as a Portfolio Review Board

Answer: A

NEW QUESTION 89

The Monitor Portfolio Value process, while ongoing, has proved to be successful as you work to implement portfolio management. Within six months, you were able to show the usefulness of a simple scoring model to the Oversight Group, and they requested a more sophisticated approach in which weights could be assigned to criteria. This shows:

- A. An acceptance of portfolio management in the organization
- B. The usefulness of the portfolio roadmap
- C. A link between using scoring models and benefits analysis
- D. The importance of documenting lessons learned

Answer: D

NEW QUESTION 90

You have been assigned as the manager for a major transformation portfolio in your company. You are acquiring the position due to the failure of the previous manager and the strategic importance of the portfolio. You start by consulting the portfolio strategic plan. What do you expect finding in that plan?

- A. Allocation of funds and resources for different types of initiatives and how these contribute to the organization's objectives
- B. Governance model
- C. Managing strategic changes
- D. Scope of the portfolio and the initial list of primary internal and external portfolio stakeholders

Answer: A

NEW QUESTION 94

Assume you are the portfolio manager for your HVAC (Heating, Ventilating, and Air Conditioning) company, one of the largest in the world. Preparing for a meeting with the Portfolio Governance Committee, you have been reviewing the success of components that have been completed as well as the progress of current portfolio components. In many cases people who only purchased heating units in the northern part of the country, and people who purchased only air conditioners in the south, now are buying state-of-the-art products to easily switch as needed. You found the risks of climate change led to the need for these new energy efficient products and did so by:

- A. Sensitivity analysis
- B. Ranking and scoring techniques
- C. Investment choices
- D. Trend analysis

Answer: D

NEW QUESTION 95

Along your portfolio lifecycle, you have been conducting multiple review meetings to ensure continuation from one phase to another and to ensure the alignment and value delivery, in addition to communicating decisions and valuable information to the related stakeholders. Changes to the approach of portfolio governance

may be a result of review meetings. Which of the following options include updates to the governance model?

- A. Portfolio Management Plan updates
- B. Portfolio Process Assets updates
- C. Portfolio Reports
- D. Portfolio Strategic Plan updates

Answer: A

NEW QUESTION 99

In your diversified chicken products company, your portfolio of components in progress consists of approximately 175 programs, projects, and other work. Generally, at each Portfolio Review Board meeting, about 35 new proposals are reviewed to see if they should be part of the portfolio. As the portfolio manager, you have set up categories for these components. They are useful to facilitate portfolio optimization because:

- A. They use filtering to eliminate certain components from consideration
- B. They help identify the components that meet requirements for consideration
- C. They serve as key evaluation criteria
- D. They address organizational strategy and objectives

Answer: D

NEW QUESTION 104

As a portfolio manager, you have been reporting the progress, status and performance regularly and you have been doing a good job so far. Reports are the primary documents to communicate portfolio status and be able to balance the mix of portfolio components to best align with objectives. When it comes to optimizing a portfolio, how can risk reports be used?

- A. To be able to analyze occurred risks and cancel any component who has an increased risk
- B. To be able to define the organization risk tolerance and update the Strategic Plan accordingly
- C. To know about major risks and occurred issues in relation with the portfolio components
- D. To assess achieved value and the confidence level in it

Answer: C

NEW QUESTION 109

As part of the governance function, the governance board members are required to be present in the portfolio review meeting in order to know the status of the portfolio and be able to take decisions on pending points. When it comes to review meetings, which of the following is valid?

- A. Formal and recurring governance board meetings
- B. Formal and held when needed to take decisions regarding the portfolio
- C. Non-recurring and informal meetings that allow the governance board to check on the portfolio's health and take actions when needed
- D. Meeting between the functional managers and the governance board in order to discuss financial points i.
- E. funding, etc.

Answer: A

NEW QUESTION 110

Portfolios include a lot of work and as a portfolio manager you need to keep an eye on the value realization while maintaining the strategic alignment. You are currently in the process of monitoring the portfolio to ensure alignment with organizational strategy and objectives and make governance decisions. What do you expect as an outcome to this?

- A. Portfolio Updates, Portfolio Management Plan updates, Portfolio Reports, Organizational Process Assets update
- B. Portfolio Updates, Portfolio Management Plan updates, Portfolio Reports, Portfolio Process Assets update
- C. Portfolio Updates, Portfolio Management Plan updates, Portfolio Reports, Organizational Process Assets update, Portfolio Process Assets updatePortfolio Updates, Portfolio Strategic Plan updates, Portfolio Reports, Organizational Process Assets update, Portfolio Process Assets update

Answer: B

NEW QUESTION 113

Assume your company is a leading producer of AA and AAA batteries. However, it is a competitive market, and customers desire batteries with a longer life and a smaller size so they will not require replacement. As you set up categories for portfolio components, you will continue to produce your current product line as well as pursue advanced products to meet customer needs. A useful component category, therefore, is:

- A. Benefits
- B. Business imperatives
- C. Stakeholders
- D. Technology capabilities

Answer: B

NEW QUESTION 115

Along your portfolio lifecycle, you have been conducting multiple review meetings to ensure continuation from one phase to another and to ensure the alignment and value delivery, in addition to communicating decisions and valuable information to the related stakeholders. When it comes to decisions and actions taken by the governance board as a result of these meetings, they are communicated through

- A. Portfolio Reports
- B. Portfolio Updates
- C. Portfolio Management Plan Updates

D. Portfolio Process Assets Updates

Answer: A

NEW QUESTION 119

Performance reporting is important in a program and usually, the portfolio manager aggregates performance information from the portfolio components in order to present the related reports. Which of the following measures can be used in performance reporting?

- A. Earned Value
- B. Cost Sunk
- C. All the options
- D. CPI and SPI

Answer: C

NEW QUESTION 120

In a portfolio you have a continuous interaction between the portfolio and its components. The approach is top down when it comes to offering guidelines and approaches and becomes bottom up when the components report status and progress to the portfolio. What is the relation between the portfolio and portfolio components when it comes to defining the performance measures and targets (metrics)?

- A. Portfolio metrics are not related to component metrics, each is used at its own level
- B. Metrics are defined at portfolio level and given as guidelines to components in order to define their own metrics
- C. Portfolio metrics used at the portfolio level are the same used at components level
- D. Metrics are defined at components level and rolled up to the portfolio level

Answer: D

NEW QUESTION 121

You have been managing multiple portfolios in your company for the past two decades and all deliveries were successful. A new portfolio manager is struggling and came to you for advice on the portfolio process groups. He knows that portfolio process groups are the base of portfolio management. While you explain to him about them, you told him that portfolio process groups are independent of

- A. Business and Strategic Objectives
- B. Application Areas and Industry Focus
- C. Budget
- D. Human Resources

Answer: B

NEW QUESTION 124

Assume you work in a weak matrix structure in your pharmaceutical company in which most of the program and project managers are coordinators, and most of the staff that supports them are in functional organizations. On some high priority programs, staff may be dedicated to the program full time for a short time period; however, operational work often takes precedence especially in manufacturing. The demand for some of the pharmaceutical products often outpaces the available supply, and shelf life is short. These fluctuations of resources then:

- A. Require use of resource smoothing
- B. Led to the development of resource heuristics as to how best to manage the portfolio
- C. Require sign-offs from functional managers on the portfolio charter concerning resource availability
- D. Impact the availability of the work managed within the portfolio

Answer: D

NEW QUESTION 127

Assume you recently took a seminar on portfolio management, and after you returned, you made the business case for it to the President of your consulting firm, recognizing the need to improve the capture ratio of responses to Requests for Proposals. You have been asked to implement portfolio management and recognize that you need to develop orientation and training sessions on it so everyone in the firm realizes why it is essential to pursue. To do so, the best approach is to:

- A. Have the training vendor from the seminar you attended submit a proposal to develop several training approaches
- B. Develop the courses yourself working with the vendor's materials plus other books and standards on portfolio management
- C. Work with the human resources department and have an instructional design person develop the courses
- D. Ask the PMO to develop and deliver the courses

Answer: D

NEW QUESTION 128

Assume you are creating a roadmap for your portfolio and will present it to key stakeholders and then to the Portfolio Review Board. You realize you will be adding additional detail to it, but you also believe its graphical format will be useful. In developing it, you decide to reference prioritization, dependencies, and organizational areas so you should consult the:

- A. Organization's strategic plan
- B. Portfolio strategic plan
- C. Portfolio charter
- D. Portfolio management plan

Answer: C

NEW QUESTION 133

Assume you are working to prepare the low-level schedule and timelines for portfolio components. You want to make sure, as the portfolio manager, for your country's initiatives to promote an awareness of the importance of climate change, that each component then can be monitored and tracked to assess performance. To do so, you should:

- A. Set up KPIs for each component that are consistent for ease of measurement
- B. Determine the critical success factors at the portfolio level and then ensure each component contributes toward their realization
- C. Review the portfolio roadmap
- D. Review the portfolio performance plan

Answer: C

NEW QUESTION 138

A new project manager was given an assignment on one of the components in your portfolio. What will you do as a portfolio manager in order to align the project manager with the strategic direction and integrate him/her with the work in progress?

- A. Let him check the Project Charter and ask you in the case where he needs your help
- B. Let him check the Portfolio Charter and ask you in the case where he needs your help
- C. Update the roles and responsibilities in the Portfolio Management Plan
- D. Train him on the portfolio management processes

Answer: C

NEW QUESTION 141

You have a portfolio component that is using earned value analysis. It is at the 15% point of completion, and it is evident that it cannot be completed as planned. Adding resources will not solve the problem, and at the last Portfolio Review Board meeting, the Board members decided to terminate this component based on its various risks. They then decided the resources allocated to this component could be transferred to other portfolio components enhancing their early completion and avoiding risks from competitors. As the portfolio manager, you:

- A. Worked with the component managers to ease the transition
- B. Documented these decisions in portfolio reports
- C. Set up both quantitative and qualitative metrics to determine the usefulness of adding resources to the other components
- D. Met with the affected component managers and their teams to explain these changes

Answer: B

NEW QUESTION 142

While managing portfolio communications, the portfolio manager needs to account for the communication needs of the component teams in order for them to stay in the loop of the big picture. Which of the following can be of interest to this group of stakeholders?

- A. To know about the portfolio changes, risks and issues that may affect their components
- B. To be informed regularly of the portfolio progress so they can adjust their work accordingly
- C. To be informed of all portfolio changes so they can assess which changes affect their components
- D. To know about the portfolio changes, risks and issues that may affect their components, and to do interdependency management in order to cover any dependent component's issues

Answer: A

NEW QUESTION 147

Due to market technological changes, your company got impacted and was urged to revise its portfolios. You are currently revising your portfolio to determine the required changes in the component mix. Which of the following options helps in assessing the capability of the organization to undertake the portfolio with its new strategic direction, and what is needed to be done?

- A. Interdependency Analysis
- B. Readiness Assessment
- C. Capability and Capacity Analysis
- D. Gap Analysis

Answer: B

NEW QUESTION 150

You have been receiving complaints from Key Stakeholders about multiple projects not being initiated, also they have great strategic alignment. What should have been done to avoid this?

- A. Updated the prioritization criteria
- B. Communicated the Prioritization Model
- C. Including those Key Stakeholders in the steering committee
- D. Developed a Communication Management Plan

Answer: D

NEW QUESTION 155

You are in the process of planning the portfolio for a major client and wanted to put an extra effort on planning for managing the performance as the portfolio has a lot of technical aspects and correct performance management is key to success. What tools and techniques can you use for this purpose?

- A. Elicitation techniques, Value Scoring & Measurement Analysis, Benefits Realization Analysis
- B. Elicitation techniques, Capability & Capacity Analysis, PMIS

- C. Scenario Analysis, Capability & Capacity Analysis, Quantitative & Qualitative
- D. Elicitation techniques, Communication Requirements Analysis, Stakeholder analysis

Answer: B

NEW QUESTION 156

Organizations pass by a strategic planning cycle on regular basis in order to align existing strategies, remove strategies and add new ones. When it comes to the implementation, which of the following options represents the activities through which the organizational strategies are implemented?

- A. Portfolio Components
- B. Portfolio Strategic Management
- C. Portfolio Components and Ongoing Operations
- D. Ongoing Operations

Answer: C

NEW QUESTION 160

One of the ten underlying principles of portfolio management involves a strategic focus. Assume you are going to have a short meeting with your CEO tomorrow, and you want to succinctly describe it. You will tell the CEO it is important since it:

- A. Emphasizes the need for portfolio management to attain strategic objectives
- B. Provides a clear basis for decision making
- C. Includes processes and change initiatives to accomplish organizational strategies
- D. Balances conflicting demands

Answer: C

NEW QUESTION 164

Calculate the composite index for the following portfolio having CPI weight = 80% and SPI weight = 20% Larger image

- A. 0.9
- B. 1.5
- C. 1
- D. 1.1

Answer: C

NEW QUESTION 169

Your company got recently acquired by another company and the strategic directions which your portfolio is based on have been changed. Which document do you, as a portfolio manager, update to reflect how the new strategy will be implemented?

- A. Portfolio Strategic Plan
- B. Portfolio Management Plan
- C. Portfolio Roadmap
- D. Communication Management Plan

Answer: B

NEW QUESTION 170

One of your components within the portfolio has been struggling and has undertaken a lot of issues. A recent measurement has shown that its CPI is 0.4 and SPI is 0.3. What is the best course of action you should take as a portfolio manager

- A. Escalate the issue to the Portfolio steering committee
- B. Immediately terminate the component
- C. Request that the component governance board checks this component and takes a decision on whether to continue or terminate it
- D. Notify the sponsor of the component about the issue

Answer: C

NEW QUESTION 173

As you grow older, you gain more experience and things that once seemed hard to assimilate, can become very easy. One junior member of your portfolio management team is confused on the relationship between the Optimize, Authorize and Provide Oversight processes. What could your advice to him be?

- A. The provide portfolio oversight process may trigger the other two processes as part of the review meetings
- B. The three processes are not related and are in different focus areas
- C. The Optimize portfolio comes first, then authorize portfolio and finally Provide Portfolio oversight
- D. The Optimize portfolio process is used to balance the portfolio so that the authorize portfolio and Provide Portfolio Oversight processes can start

Answer: A

NEW QUESTION 175

As the portfolio manager in the third largest automotive manufacturer in your country, you have a large number of components especially new vehicles each year but also support for dealers, advertising, maintaining the brand image, increasing market share plus continuous improvement initiatives. You have contingency reserve to use to prepare to handle any risks that may occur, which is based on:

- A. Expected monetary value
- B. Return on investment
- C. Expected financial benefits
- D. Equity protection

Answer: D

NEW QUESTION 177

You are the portfolio manager for a large county that comprises much of a major city in your country. The city also has a portfolio manager, and often you meet to discuss proposed initiatives to see if there are any dependencies. In your county, you established an approach to evaluate portfolio components to make judgments regarding their alignment and priority. In doing so, which of the following was especially helpful:

- A. Portfolio strategic plan
- B. Portfolio management plan
- C. Portfolio roadmap
- D. Portfolio charter

Answer: B

NEW QUESTION 179

A number of components proposals are on the table as a result of the strategic planning cycle. While defining the portfolio, you wanted to make a preliminary screening of the proposed components in order to filter them based on the acceptance criteria. Which of the following techniques you use?

- A. Weighted ranking and scoring
- B. Categorization technique
- C. Portfolio Component Inventory
- D. Prioritization

Answer: C

NEW QUESTION 184

Risks perspectives differ within the organization between executive management, operations management, portfolio management and project/program management. Which of the following are common risk concerns across the organization?

- A. Reporting and data accuracy
- B. Organizational Integrity
- C. Time, cost and scope commitments
- D. Issues with Product development

Answer: B

NEW QUESTION 186

The Portfolio Management Plan is an important document that is referenced throughout the portfolio life cycle. Which of the following is correct regarding the Portfolio Management Plan purpose and focus?

- A. Identifies recipients for information associated with the portfolio management process
- B. Articulates the options, preferences, and factors that will be considered in a specific portfolio
- C. Describes the approach and intent of management in identifying, approving, procuring, prioritizing, balancing, managing, and reporting a portfolio
- D. Shows how and when the portfolio resources will be planned, balanced, and allocated to the portfolio components

Answer: C

NEW QUESTION 191

One of the stakeholders of one of your components came to you complaining that his manager is not receiving specific information on multiple components progress. What is your best course of action?

- A. Raise the issue to the governance board as you have already analyzed this manager
- B. Send the manager the needed information asked by the stakeholder
- C. Meet the manager and understand what information is required
- D. Add the manager to the weekly reports distribution list where there is a lot of information on the components

Answer: C

NEW QUESTION 192

A portfolio manager needs to continuously balance the need and requirements with the available resources and needs to maintain a balanced portfolio and portfolio resources in order to optimize delivery. Capability and Capacity analysis is performed abundantly throughout the portfolio lifecycle and spans multiple processes. While performing the capability and capacity analysis during the manage supply and demand process, which of the following you use to maximize the use of resources

- A. Continuous monitoring of the progress
- B. Allocating scarce resources
- C. Equity Protection
- D. Soft Booking

Answer: D

NEW QUESTION 194

Your company has a stated policy that all stakeholders are to be treated in an ethical manner. It is one of the largest project management training firms in the world and is a Registered Educational Provider with the Project Management Institute as well as with other associations. It is active in portfolio management to ensure it is offering the most beneficial products and services, both leading edge and traditional, to its customers. Its policy toward its stakeholders is:

- A. Documented in the stakeholder expectations plan
- B. Considered as a legitimate right
- C. Part of the portfolio communications strategy
- D. A portfolio governance process

Answer: B

NEW QUESTION 197

The portfolio management information system is often a collection of spreadsheets rather than automated tools. An effective PMIS enables the portfolio manager to define, analyze, design, produce, and manage information systems to support a successful portfolio, and includes tools and processes such as:

- A. Change or configuration management systems, Communication management processes and tools
- B. Software tools, Risk database and analysis tools, Earned value management processes and tools
- C. Financial management processes and systems, Communication management processes and tools
- D. All of the options

Answer: D

NEW QUESTION 198

Specific types of communication technology that are used such as communication media, record retention policies, and security information are examples of:

- A. Organizational process assets
- B. Portfolio process assets
- C. Items in the information distribution process
- D. Items needed to cover the portfolio communications management plan

Answer: B

NEW QUESTION 201

Stakeholders in your company are skeptical of the changes that will occur as portfolio management is being implemented. While some are supportive, most are not as they believe their work may be terminated. As the portfolio manager, you prepared a list of stakeholders, which is included in the:

- A. Portfolio strategic plan
- B. Portfolio charter
- C. Portfolio performance plan
- D. Portfolio management plan

Answer: B

NEW QUESTION 203

You are the manager for a governmental portfolio aiming to restructure the roads in your country. Having a tight schedule, a large number of stakeholders including the public, in addition to a strict budgeting framework, you know that you will be managing the portfolio closely and that the governance board and the stakeholders would want to check on the progress and status frequently. For this you have developed a robust Portfolio management plan. What do you expect as output of this development?

- A. Portfolio Management Plan, Portfolio Roadmap update, Portfolio Charter update, Enterprise Environmental Factors update
- B. Portfolio Management Plan, Portfolio Reports update
- C. Portfolio Strategic Plan update, Portfolio Process Assets updates, Portfolio Management Plan
- D. Portfolio update, Portfolio Roadmap update, Portfolio Management Plan

Answer: C

NEW QUESTION 206

You are managing a portfolio for your company and are trying to balance the tasks that will be done internally based on the availability and the ones that will be outsourced. Managing supply and demand is a recurring activity in the portfolio life cycle and results in changes in resource utilization and resource efficiency. Which of the following techniques uses historical data to determine if resource requirements have been consistently underestimated?

- A. Lessons Learned Analysis
- B. Requirements Analysis
- C. Trend Analysis
- D. Value Scoring & Measurement

Answer: C

NEW QUESTION 207

Moving from project management to program management and now being appointed as the first portfolio manager in your cyber warfare company, you know you always wondered what happened to the various reports you had to prepare, and the metrics you had to collect. You are working now to determine critical metrics for portfolio management and decided to involve as many people as possible through questionnaires and surveys. You also held some focus groups. The purpose is to:

- A. Ensure the metrics that are collected support the SMART principle
- B. Maximize portfolio value

- C. Represent the vital few rather than the trivial many
- D. Can be gathered with minimal disruption

Answer: B

NEW QUESTION 208

Assume you are the portfolio manager for a public sector organization, and it has been part of a public-private partnership for three years for highway projects. You are making recommendations as to the next program to undertake. The head of your Highway Department in your State is questioning whether the partnership is the best approach or whether it is best to work on its own. You asked the Marketing manager for assistance, and she prepared a value-for-money analysis. This approach is useful in that it:

- A. Enables an apples-to-apples comparison of the two approaches
- B. Provides a real options approach
- C. Supports a value-to-organizational vision approach
- D. Computes the expected monetary value of the two approaches

Answer: A

NEW QUESTION 209

You are in the toughest phase of the portfolio life cycle due to the governmental issues in your country. Yesterday night, one of the key team members quit and left the country. You have included this in the portfolio risk register while planning the portfolio because you knew that this could happen and that this key resource has family in Canada and can leave if the situation gets bad. Following this, you activated the response plan, which is to initiate a new component that will cater for reaching the deliverable in another way. However, an immediate approval is needed for initiation of this component or the end-of-month major deliverable will be delayed. To whom you should present the proposal for urgent approval?

- A. Portfolio Governance Board
- B. Portfolio Sponsor
- C. You can take such decisions
- D. Executive Management

Answer: B

NEW QUESTION 211

You have set a meeting with your portfolio team members as an answer to the identification and update of the organization near-term budget and plans. One of your team members asked you of the goal of what is being done. Your answer to him should be

- A. All of the options
- B. Authorizing the portfolio
- C. Initiating the portfolio
- D. Developing specific portfolio assets

Answer: D

NEW QUESTION 214

You are managing a complex portfolio with high risk levels due to emerging technological breakthroughs and a short benefit window to market your product. You know that managing risk is key to success and you are coaching your team on the same. While planning for risk management, multiple investment choice tools are used as part of the quantitative and qualitative analyzes. Which of the following tools determine the effect of changing the portfolio?

- A. Budget Variability
- B. Market Payoff variability
- C. Performance variability
- D. Trade-Off Analysis

Answer: A

NEW QUESTION 218

Chartering a portfolio is a major step in getting the needed authorizations to execute the portfolio. Your are currently developing the charter and considering the following inputs

- A. Portfolio Strategic Plan, Enterprise Environmental Factors, Portfolio Process Assets
- B. Portfolio Strategic Plan, Enterprise Environmental Factors, Portfolio Process Assets, Portfolio
- C. Portfolio Strategic Plan, Enterprise Environmental Factors, Portfolio Process Assets, Portfolio Management Plan
- D. Portfolio Strategic Plan, Enterprise Environmental Factors, Portfolio Process Assets,Portfolio Roadmap

Answer: A

NEW QUESTION 222

The interest, influence, and communication needs of business operational stakeholders who are looking to ensure alignment between portfolio components, while minimizing negative impact and maximizing positive benefits of all portfolio-managed changes to their business operations, relate to which type of stakeholders?

- A. Internal and External Stakeholders
- B. External Stakeholders
- C. Does not relate to stakeholders
- D. Internal Stakeholders

Answer: D

NEW QUESTION 225

Your organization, a leading restaurant focusing on pancakes, is seeking to expand its portfolio. It is interested in ensuring new components support: return on investment, customer satisfaction, reputation enhancement, and branding. These four areas represent:

- A. Metrics
- B. Organizational value areas
- C. Organizational strategic objectives
- D. Critical success factors

Answer: B

NEW QUESTION 230

Although it has taken significant time, you and your team inventoried all the work under way in your new product development company. This list of components should be:

- A. Included in the portfolio roadmap
- B. Part of the portfolio management plan
- C. Prioritized for effective resource allocation
- D. Maintained by the portfolio manager and continually updated

Answer: C

NEW QUESTION 235

Before any information in your web-based technology company is communicated externally, it must be submitted to the company's Public Relations Department to ensure sensitive information is not disclosed inadvertently to competitors. The Public Relations Director must sign off on all external information. You need to, as the portfolio manager:

- A. Make sure your team is aware of this requirement
- B. Meet with this Director to explain the purpose of the communication
- C. Limit the frequency of external communications to stockholders
- D. State this requirement in the communication plan

Answer: D

NEW QUESTION 237

Portfolio Reports are widely used as inputs and outputs to multiple processes throughout the Portfolio Life Cycle. Which of the following is NOT part of portfolio reports?

- A. None of the options
- B. Updates in resources, risks/issues, value/benefits, performance, and financials
- C. Governance Recommendations
- D. Feedback report to organizational strategy planning

Answer: A

NEW QUESTION 240

A portfolio includes a lot of independent components with the same strategic aim. As a portfolio manager you will need to prepare a qualified list of components to be used to reach the strategic goals and objectives. What input can you use in order to define the mix of portfolio components?

- A. Portfolio Strategic Plan, Portfolio Roadmap, Portfolio Charter, Portfolio Process Assets, Portfolio
- B. Portfolio Strategic Plan, Portfolio Roadmap, Portfolio Charter, Portfolio Process Assets, Portfolio Management Plan
- C. Portfolio Strategic Plan, Portfolio Management Plan, Portfolio Roadmap, Portfolio Charter, Portfolio Process Assets, Portfolio
- D. Portfolio Strategic Plan, Portfolio Roadmap, Portfolio Charter, Portfolio Process Assets, Organizational Process Assets

Answer: C

NEW QUESTION 241

In a portfolio, data is an abundant asset, and managing the information aiming for a better decision making is critical. Information is considered to be the link between the portfolio activities and entities. You are currently collecting, analyzing, storing, and delivering portfolio information to stakeholders in accordance with their requirements. What can help you in doing this?

- A. Portfolio Roadmap, Portfolio, Portfolio Reports, Portfolio Management Plan, Portfolio Component Reports
- B. Enterprise Environmental Factors, Portfolio, Portfolio Reports, Portfolio Management Plan, Portfolio Component Reports
- C. Portfolio Process Assets, Portfolio, Portfolio Reports, Portfolio Management Plan, Portfolio Component Reports
- D. Enterprise Environmental Factors, Portfolio, Portfolio Reports, Portfolio Management Plan, Portfolio Strategic Plan

Answer: C

NEW QUESTION 245

Processes in the portfolio management layer interact with each others. For example, Manage Portfolio Information interacts with Provide Portfolio Oversight in order to store decisions made during the portfolio review meetings. Where are these decisions stored?

- A. Portfolio Management Plan
- B. Portfolio
- C. Portfolio Reports
- D. Portfolio Process Assets

Answer: C

NEW QUESTION 248

You are managing a highly technical portfolio and are already mid-way through the implementation. You know that the communication is key to success as all the involved parties and stakeholders have a high technical exposure and you should maintain their buy-in along the lifecycle. Part of your activities is to collaborate with stakeholders to reach a common ground and to resolve conflicts. Which of the following is considered a collaboration technique?

- A. Interview and observation survey techniques
- B. All of the options
- C. Focus groups and brainstorming activities
- D. Polling input from a team as a consensus or majority vote

Answer: D

NEW QUESTION 252

Your organization is considered a leader in knowledge management and has a Chief Knowledge Officer reporting to the CEO. It also implemented portfolio management eight years ago. As the organization focuses on continuous improvement and transformational leadership, it had an external consultant review its portfolio artifacts and do some benchmarking. One of the consultant's recommendations was to update the portfolio risk management plan since the company is embracing new and complex technology in much of its work. In updating this plan, it was useful to:

- A. Review lessons learned
- B. Determine relevant confidence limits of risk metrics
- C. Prioritize how risks are identified and listed in the risk register
- D. Determine the time in which risks are likely to have the greatest impact

Answer: A

NEW QUESTION 255

As part of the portfolio management plan, you have the "Manage Strategic Change" and the "Change Control and Management". This is causing issues to one of your team's junior portfolio managers as she cannot understand the difference. In your opinion, what is the difference between both?

- A. There is no difference; they both refer to the same document
- B. "Manage Strategic Change" enables managing changes to strategic direction; and the "Change Control and Management" defines the process for change management activities during portfolio execution
- C. "Manage Strategic Change" is the detailed process of "Change Control and Management"
- D. "Change Control and Management" manages changes to strategic direction; and the "Manage Strategic Change" defines the process for change management activities during portfolio execution

Answer: B

NEW QUESTION 259

Your company's new CEO has set an aggressive target and informed everyone that the target needs to be met by all means in order for the company to be able to realize benefits and avoid bankruptcy. What is the best management approach that the portfolio manager should take in this case?

- A. Directing
- B. Advising
- C. Leading
- D. Supporting

Answer: A

NEW QUESTION 260

In a portfolio, data is an abundant asset, and managing the information aiming for a better decision making is critical. Which of the following help you with managing the portfolio value?

- A. PMIS, Elicitation techniques, Communication Requirements Analysis, Communications Methods
- B. Elicitation techniques, Capability & Capacity Analysis, PMIS
- C. Elicitation techniques, Communication Requirements Analysis, Stakeholder analysis
- D. Scenario Analysis, Capability & Capacity Analysis, Quantitative & Qualitative

Answer: A

NEW QUESTION 263

Working to best optimize resource supply and demand in your telecom company, authorized components are prioritized to help in resource allocation. This means as you work to do so, you need to review the portfolio because:

- A. It provides guidance in terms of recommendations if there are changes in strategy and resource availability
- B. Resource requirements are balanced according to the resource pool
- C. Components are not authorized unless resources are available to support them
- D. Sponsors assess resource requirements and their availability before proposing a component to be in the portfolio

Answer: B

NEW QUESTION 267

Portfolios include a lot of work and as a portfolio manager you need to keep an eye on the value realization while maintaining the strategic alignment. You are

currently aggregating value delivered by the portfolio components. What can you use to help you in this context?

- A. Roadmap, Portfolio Management Plan, Portfolio Reports
- B. Roadmap, Portfolio Management Plan, Portfolio Reports, Portfolio Process Assets, Portfolio Strategic Plan
- C. Roadmap, Portfolio Management Plan, Portfolio Reports, Portfolio Process Assets
- D. Roadmap, Portfolio Management Plan, Portfolio Reports, Portfolio Process Assets, Portfolio Component Reports

Answer: A

NEW QUESTION 270

All measurements in a Portfolio are done in correspondence to Key Performance Indicators (KPIs), and defining those KPIs is essential and should be done by highly capable personnel. Which of the following is true regarding who prepares KPIs and which party approves them?

- A. Portfolio Management team and Portfolio Manager
- B. Portfolio Manager and Steering Committee
- C. Governance team and Executives
- D. Portfolio Management Team does both

Answer: C

NEW QUESTION 273

After a recent Portfolio Review Board, the portfolio was optimized, and some components were added, while others were removed. Various portfolio reports also require updates such as:

- A. Affected organization areas
- B. High-level time frame
- C. Budget approvals or exceptions
- D. Value/benefits

Answer: D

NEW QUESTION 274

As part of the portfolio communication management, multiple documents are prepared in order to effectively manage communications. The Communication Calendar is one of the prepared documents, what does it include?

- A. Intended recipients, communication vehicles, frequency and communication areas
- B. Stakeholders roles, interests, expectations and groups
- C. Stakeholders quadrants showing the level of interest and influence
- D. Representation of all of the communication for the portfolio and their frequency over a period of time

Answer: D

NEW QUESTION 276

In your web app company, the portfolio is constantly changing. It is not unusual for a new proposal to be submitted each day and for other components to be terminated as a competitor was first to market. The Portfolio Review Board usually meets daily in this fast-paced environment as it:

- A. Evaluates the portfolio for specific actions it needs to take
- B. Ensures there are no open issues from past meetings that affect different components
- C. Provides a high-level view of the portfolio's direction
- D. Addresses organizational strategy

Answer: D

NEW QUESTION 281

Resources allocation and optimization for use is key to a successful portfolio. You have assigned human resources, funds and other required assets to a component that you have initiated recently. What should have been done prior to being able to do that?

- A. Managed Portfolio Value
- B. Communicated the decision to all stakeholders
- C. Prioritized the component
- D. Authorized the component

Answer: D

NEW QUESTION 284

comes to this type of organizations, which of the following statements is true?

- A. Human Resources should be fixed and work should be allocated based on the capacity and capability
- B. Resource Supply is continuously adjusted through permanent and temporary resources
- C. Projects that align with strategic objectives should be initiated even if the ROI is negligible
- D. All incoming projects and customers' requests should be accepted and resources should be supplied whether permanently or temporarily

Answer: B

NEW QUESTION 286

Each time the Portfolio Governance Group meets the goal is to review the existing components and any that are proposed to ensure the portfolio has the best mix to attain strategic objectives. As the portfolio manager, you find these meetings, if facilitated accordingly, are effective decision-making sessions. However, you tend to have open issues after every meeting. These open issues:

- A. Should be tracked in an issue register
- B. Are managed as described in the charter
- C. Are considered portfolio process assets
- D. Require an owner to manage them until they are closed

Answer: C

NEW QUESTION 288

Assume your food additive company performed a capacity analysis and found some resources had not maintained their skill sets and basically were not as productive as others in the company. Rather than have a massive reorganization, instead the executives decided to eliminate the jobs of these staff members, many of whom had been in the company for more than 20 years. Morale among the existing staff is low as people fear there will be more layoffs. Plus the government issued a new regulation that requires an additional Food and Drug Administration quality check before a new additive can be submitted for regulatory approval. One member of the executive team wants to acquire another company to enhance market share, and the existing plants in the Asia Pacific region require infrastructure upgrades. Given resource shortages, only one component can be selected to be added to the portfolio. The Board should select:

- A. Component A—to enhance employee morale
- B. Component B—to add staff to work with the FDA trained in quality management
- C. Component C—to acquire the competitor to increase market share
- D. Component D—to upgrade the AP's plant infrastructure

Answer: B

NEW QUESTION 290

One of your portfolio team members is confused on the reason behind using the three processes: Define Portfolio, Optimize Portfolio, Authorize Portfolio and Manage Portfolio value. For him, we can skip a couple of processes. He came to you for advice. What should be your response to him?

- A. He is right, processes can be skipped if you want to do the other ones
- B. The processes are similar and can be skippe
- C. The reason they exist in the standard is to cover the define, align, and monitor and control process groups
- D. The processes are not similar and they are interrelated, they are continuously executed throughout the portfolio life cycle
- E. The processes are part of the standard for portfolio management and should not be skipped

Answer: C

NEW QUESTION 295

Managing risk is key to the success of any initiative. Risk is considered to be inherent in any activity we do in project management and at any level. Risk is part of project, program and portfolio management and has a different exposure in each and every one. Multiple risks have already been spotted in your portfolio and you are now identifying, assessing and developing risk response plans for them, in addition to monitoring and controlling them. What are you looking for? You were finding this hard at first however you asked the help from a senior portfolio manager and he redirected you to use

- A. Weighted Ranking and scoring techniques, Portfolio Component inventory, Categorization
- B. Weighted Ranking and scoring techniques, Quantitative & Qualitative Analysis
- C. Capability & Capacity, Weighted Ranking and scoring techniques, Graphical Analytical methods, Quantitative & Qualitative Analysis
- D. Weighted Ranking and scoring techniques, Graphical Analytical Methods, Quantitative & Qualitative Analysis

Answer: B

NEW QUESTION 298

You are currently in the process of allocating resources to develop component proposals, authorizing components to expend resources and to communicate portfolio decisions. What do you expect as outputs of this process?

- A. Portfolio Updates, Portfolio Management Plan updates, Portfolio Reports, Organizational Process Assets update
- B. Portfolio Updates, Portfolio Management Plan updates, Portfolio Reports, Organizational Process Assets update, Portfolio Process Assets update
- C. Portfolio Updates, Portfolio Management Plan updates, Portfolio Reports, Portfolio Process Assets update
- D. Portfolio Updates, Portfolio Strategic Plan updates, Portfolio Reports, Organizational Process Assets update, Portfolio Process Assets update

Answer: C

NEW QUESTION 301

Managing risk is key to the success of any initiative. Risk is considered to be inherent in any activity we do in project management and at any level. You are currently assessing risk against multiple criteria and classifying them as part of developing the risk management plan. Which of the below reflects what you are doing?

- A. Quantitative and Qualitative analysis
- B. Graphical Analytical methods
- C. Categorizing Risks
- D. Weighted Ranking and Scoring Techniques

Answer: D

NEW QUESTION 304

Assume the organization's strategy has undergone a significant change, and as a result the mix of components in the portfolio also will change. As the portfolio manager, you need to update your charter in order to reflect:

- A. The new 'to be' vision
- B. Interdependencies between the new components
- C. Risk tolerances
- D. Key stakeholders

Answer: D

NEW QUESTION 309

Since you work for a global aerospace and defense organization, it decided to pilot the implementation of portfolio management in its cargo aviation business unit. You were asked to lead this initiative and realized before you could proceed, you should find out information about all the existing projects, programs, and operational activities. This task took three months to complete, but with this list, you now can use it to set up categories for the work that is under way and to also define criteria to use to propose new components. As a result you should:

- A. Determine how to optimize the existing work
- B. Ensure the criteria and categories are aligned with the portfolio roadmap
- C. Set up a Portfolio Review Board
- D. Prepare a portfolio performance plan

Answer: B

NEW QUESTION 310

Your CEO is keen to know the expected value of multiple components that interest him and wants you to give him a comparison of the expected value across components. You are currently looking for a tool to facilitate comparison of expected value across components and support informed portfolio decision making. What are you looking for?

- A. Manage Portfolio Value
- B. Portfolio Strategic Plan
- C. Value Measurement Framework
- D. Portfolio Process Assets

Answer: C

NEW QUESTION 312

You are managing a portfolio linked to multiple business units and you set clear accountabilities from the beginning to avoid delays and to enhance the decision making process. Roles and Responsibilities are recorded in multiple portfolio documents. Where are the portfolio component managers roles and responsibilities stored?

- A. Specifically the Communication Management Plan
- B. Strategic Plan
- C. Portfolio Management Plan
- D. Portfolio Process Assets

Answer: C

NEW QUESTION 313

Your company, which has been in the blimp business for over 50 years, prides itself on its robust portfolio management process, which is especially useful now that the demand for blimps of various sizes is much greater than the capacity to produce them. One of the reasons the blimp company has been so successful over the years is it has central management of all of its resources. This approach is important:

- A. Since the various types of needed resources may be limited
- B. To ensure the right resources are assigned
- C. To monitor resource allocation
- D. As a way to assess whether existing resources have the competencies to support the components in the portfolio

Answer: B

NEW QUESTION 318

Embracing a management-by-projects culture means there tends to be far more projects to pursue than available resources. An approach then is required to guide decisions as to components in the portfolio. A best practice to follow is to:

- A. Set forth in the portfolio strategic plan a prioritization model
- B. Develop a portfolio roadmap
- C. Focus on both internal and external environmental changes
- D. Focus on sustainment of project benefits

Answer: A

NEW QUESTION 319

You are managing a large portfolio and know that you will need to constantly show the progress and status of the portfolio in meeting. For this you have developed a robust roadmap using BI tools. The portfolio roadmap is used abundantly as an input to 7 processes. When it comes to managing portfolio value, how is the portfolio roadmap used?

- A. Delays in delivery of portfolio component results may adversely affect the value derived from the portfolio
- B. It is not used in managing the portfolio value
- C. Dependencies shown at the roadmap level have negative impacts on the value realized
- D. Dependencies shown at the roadmap level have positive impacts on the value realized

Answer: A

NEW QUESTION 322

You are the manager for a governmental portfolio aiming to restructure the roads in your country. Having a tight schedule, a large number of stakeholders including the public, in addition to a strict budgeting framework, you know that you will be managing the Communication closely and that the governance board and the stakeholders would want to check on the progress and performance frequently. For this you have developed a robust Communication management plan. Which of the below is used while developing this plan?

- A. Scenario Analysis, Capability & Capacity Analysis, Quantitative & Qualitative Analysis
- B. Elicitation techniques, Capability & Capacity Analysis, PMIS
- C. Elicitation techniques, Communication Requirements Analysis, Stakeholder analysis
- D. Elicitation techniques, Value Scoring & Measurement Analysis, Benefits Realization Analysis

Answer: C

NEW QUESTION 323

In a portfolio you have a continuous interaction between the portfolio and its components. You have to follow a lot of processes and procedures in order to reach a satisfactory result. In your opinion as a portfolio manager, who guides the portfolio team to follow the processes, metrics, and other procedures in the portfolio?

- A. Company's CEO
- B. Portfolio Management Office
- C. Portfolio Sponsor
- D. Portfolio Manager

Answer: D

NEW QUESTION 324

Based on the data in the following table, your organization should pursue which component:

1	2						
1	3	2	3				
1	4	2	4				
1	5	2	5	3	5	4	5

- A. Component 5
- B. Component 3
- C. Component 2
- D. Component 1

Answer: C

NEW QUESTION 329

As a portfolio manager you need to continuously balance the need and requirements with the available resources to maintain a balanced portfolio and portfolio resources in order to optimize delivery. One of your key stakeholders came to you asking to skip the manage supply and demand process as you have already prioritized and allocated resources through the strategic management and the governance processes. As a portfolio manager you should

- A. Raise this to the steering committee for approval
- B. Skip the step as the stakeholder is correct and you can always re-do the process as part of managing a strategic change
- C. Continue work and ignore the stakeholder's request as this stakeholder is known to resist change and hates collaboration
- D. Continue your work and perform the manage supply and demand process

Answer: D

NEW QUESTION 334

You are managing a portfolio in a functional organization and resources are shared between operations and projects. You are continuously performing capability and capacity analysis in order to optimize the portfolio. Which of the following capability and capacity analysis is used to limit the number OR size of components the organization can execute?

- A. Knowledge Basis
- B. Financial
- C. Human Resources
- D. Assets

Answer: B

NEW QUESTION 335

Assume you work in new product development, and you believe you have identified a component that will be a breakthrough for the company. However, you performed a capacity analysis with the help of your EPMD to assess resource availability especially in certain skill sets. You learned that key computer scientists required by this component were in short supply, yet you still believe this component should be in the portfolio. To convince the Portfolio Review Board to consider it, you decide to use:

- A. Resource smoothing
- B. Business value analysis
- C. Market analysis
- D. Options analysis

Answer: A

NEW QUESTION 338

Working as a portfolio manager in the Water Resources Department of the U.S. Geological Survey, you are following a scorecard approach to report progress to your executives on the components in your portfolio. You submit the scorecards monthly, and based on their results, your executives decide if a Portfolio Review Board meeting should be held. Your emphasis in these reports is to:

- A. Chart progress toward strategic goals and objectives
- B. Measure performance against targets and thresholds
- C. Display raw data in a visual graph
- D. Display data using a traffic light approach

Answer: A

NEW QUESTION 340

Assume you are the corporate portfolio manager for your global organization. There is one portfolio at the corporate level, but other portfolios supporting business units and core areas of the company. One of these portfolios involves manufacturing, and its number one program in terms of priorities is to implement an enterprise resource planning system. Since it is the number one ranked program in this portfolio, it is of interest at the corporate level, and you and your team provide reports on its progress monthly. You can see that:

- A. Since earned value is being used, at this point you report the ERP system will not meet its cost and schedule goals
- B. Extensive training will be needed after the program is complete, and an infrastructure does not exist to support the ERP system
- C. Use of the ERP vendor has been underestimated, and a business case will be needed for increased funding
- D. Inadequate, up-front financial planning was done when the business case was approved

Answer: B

NEW QUESTION 343

You are managing a portfolio linked to multiple business units and you set clear roles and responsibilities from the beginning to avoid delays and to enhance the decision making process. An unanticipated issue occurred last week, which relates to one of your team members missing to check the market fluctuating currency. In which of the following documents should you look to know which member was responsible of this?

- A. Strategic Plan
- B. Governance Model
- C. Risk Register
- D. Risk Roles & Responsibilities

Answer: B

NEW QUESTION 344

As part of the periodical strategic management cycle, the portfolio management team is revising the portfolio and re-doing the strategic management part. Currently, they are assuming and evaluating different combinations of components in order to come up with multiple approaches and take a decision on the portfolio structure. What is currently being performed?

- A. Capability and Capacity Analysis
- B. Scenario Analysis
- C. Stakeholders Analysis
- D. Readiness Assessment

Answer: B

NEW QUESTION 346

Portfolio balancing can be done in several different dimensions based on organizational preferences. When your software development company, which is CMMI Level 5 certified, began to focus on portfolio management four years ago, you started with a simplified ranking approach and now moved into using an automated, sophisticated weighted scoring software tool throughout the organization. In terms of portfolio balancing, it is appropriate to:

- A. Balance the portfolio across the organization
- B. Balance the portfolio according to categories
- C. Balance the portfolio by business unit
- D. Balance the portfolio in terms of expected value of benefits

Answer: A

NEW QUESTION 351

You are managing a complex portfolio with high risk levels due to emerging technological breakthroughs and a short benefit window to market your product. You know that managing risk is key to success and you are coaching your team on the same. The Portfolio Risk Management Plan is an important document that is

referenced throughout the portfolio life cycle. Which of the following is correct regarding its purpose and focus?

- A. Updates standard criteria to allow the portfolio team to assess the risks that are identified
- B. Identifies recipients for information associated with the portfolio management process
- C. Shows how the portfolio component progress and resource-related issues and risks are integrated with the resource management activities
- D. Articulates the options, preferences, and factors that will be considered in a specific portfolio

Answer: A

NEW QUESTION 352

Having worked in portfolio management before, you are pleased you were selected to implement it and be the portfolio manager for your motorcycle company, well known throughout the world. As it is a new function, you worked with the Enterprise Program Management Office to ensure you had a complete inventory of the work in progress. Now as you prepared your various portfolio management artifacts, and have a Portfolio Review Board meeting upcoming in two weeks, sponsors will be proposing new components. This means:

- A. A master schedule of resource allocation is needed
- B. The meeting also should focus on reviewing existing components to see if they are aligned with current strategy
- C. People throughout the organization should know about this meeting and its decisions
- D. The meeting should have a set agenda, and each member should be contacted before it to learn of key issues

Answer: A

NEW QUESTION 353

Portfolios include a lot of work and as a portfolio manager you need to keep an eye on the value realization while maintaining the strategic alignment. You are currently aggregating value delivered by the portfolio components. What outputs do you expect to get out of this?

- A. Roadmap updates, Portfolio Management Plan updates, Portfolio Reports, Portfolio Process Assets updates, Portfolio Component Reports updates
- B. Roadmap updates, Portfolio Management Plan updates, Portfolio Reports, Portfolio Process Assets updates
- C. Roadmap updates, Portfolio Management Plan updates, Portfolio Reports, Portfolio Process Assets updates, Portfolio Strategic Plan updates
- D. Portfolio Reports, Portfolio Management Plan updates, Portfolio Process Assets updates

Answer: D

NEW QUESTION 354

Assume your automotive company is new to formal portfolio management. It has had for years a strategic plan and tries to be first to market for new and improved features on its vehicles each model year. You were hired as the portfolio manager to provide a more disciplined approach for determining new products to pursue as well as existing ones that should be terminated. So far, you have set up an approach, established categories for the various components, and determined a method to rank and score new proposals for consideration. Now you are working to set up practices to follow to optimize the portfolio. In doing so, it is important to note that:

- A. The criteria to optimize the portfolio may be the same as that used in the scoring model
- B. A portfolio management information system should be set up
- C. Future investment requirements are a key criterion to consider
- D. Compliance with organizational standards cannot be overlooked

Answer: A

NEW QUESTION 357

An organization decided to increase its business by 80% and approach new different clients. This strategy is followed because previously this organization was depending with its sales on only one client. With this new approach, you can describe the organization as being

- A. Pessimistic
- B. Risk Averse
- C. Risk Taker
- D. Optimistic

Answer: C

NEW QUESTION 362

Assume you have been asked to prepare the portfolio management plan as you are on the staff of your company's Chief Portfolio Officer. In this plan, you will describe the different methods or approaches that your company will use to manage different types of components in the portfolio as specified in the:

- A. Strategic plan
- B. Governance model
- C. Roadmap
- D. Charter

Answer: C

NEW QUESTION 366

By setting up portfolio categories and using a pair-wise comparison approach to rank components, as the portfolio manager, you feel that you are finally setting up and getting people to follow standard portfolio practices. Since portfolio management still is relatively new, progress is under way. As some components are added, and others are not continued, you are making sure if a component is terminated that it does not have dependencies with others in the portfolio. You need to then:

- A. Revise the ranking model
- B. Inform all stakeholders

- C. Update the roadmap
- D. Upgrade to a more detailed scoring model that includes dependencies with components

Answer: C

NEW QUESTION 371

Assume it was your suggestion to the executive team as the newly appointed Chief Financial Officer for your organization to implement portfolio management. While someone has been identified to be the portfolio manager, you are developing the charter and the structure. In doing so, guidance is provided by the:

- A. Portfolio strategic plan
- B. Organization's strategic plan
- C. Portfolio roadmap
- D. Plans, policies, and documentation of stakeholder expectations

Answer: A

NEW QUESTION 374

Assume you are a functional manager in your medical device company in research and development. Your scientists have determined a new product that will be a breakthrough for the company, and you want to serve as the sponsor for this component and present it to your Portfolio Review Board. You will need resources from other parts of the company to commercialize it. As you prepare your proposal you are following the key descriptors set up by the portfolio staff and will include:

- A. Risk reduction
- B. Regulatory and compliance issues
- C. Internal and external dependencies
- D. Qualitative benefits

Answer: D

NEW QUESTION 376

Due to strategic changes, one of the sub-portfolios in your portfolio has been decided to be canceled because it no longer meets the new market demands. What is your next step as a portfolio manager?

- A. Start terminating the component and return back the remaining resources to the resource pool
- B. Analyze the impact of this cancellation on the overall portfolio and recommend a decision to the governance board
- C. Meet the sub-portfolio's team in order to assess the impact
- D. Consider it as a normal change, submit a change request for cancellation and wait for the governance board approval

Answer: A

NEW QUESTION 377

You work in a fairly small company where the PMO helps in providing oversight to support the portfolio management. In such organization, where are the PMO structure, responsibilities, and implementation approach documented?

- A. Portfolio Oversight section in Portfolio Management Plan
- B. Communication Management Plan
- C. Governance Model section in Portfolio Management Plan
- D. Strategic Management Plan

Answer: A

NEW QUESTION 381

For years, your aerospace company has been a leader in the development of sophisticated avionic hardware systems around the world. The executives want to continue with this well-recognized product line, but also they decided it is time to move into state-of-the-art software to complement the hardware products. You have been asked to assess whether there are skill set limitations in the company to assess resource capacity internally. To do so, you decide to:

- A. Focus on needed competencies and develop competency profiles for the internal staff
- B. Interview staff members based on performance evaluations to determine their interest in the new product line
- C. Work with Human Resources and review the education backgrounds of internal staff and see if people have taken recent training
- D. Set up a contingency plan by asking the Procurement Department to issue a Request for Information to external consulting firms

Answer: A

NEW QUESTION 385

As part of the new strategic direction, the executive management has decided to create a portfolio for the development of a new product. You have been assigned as the portfolio manager. What should you do as a first step?

- A. Update the Strategic Plan
- B. Update existing portfolio
- C. Develop the Strategic Plan
- D. Check existing portfolios, programs and projects

Answer: D

NEW QUESTION 390

You have been assigned as a consultant to give your expertise on a failing portfolio which is critical to the success of your client's organization. You are now in the process of reviewing the portfolio management plan. What do you expect to see as part of this plan?

- A. Portfolio Justification, high-level scope and high-level timelines
- B. Vision for the portfolio, which is based on the alignment with the organization's goals and objectives
- C. Balancing portfolio and managing dependencies
- D. The major components of the portfolio which are aligned chronologically to achieve portfolio value

Answer: C

NEW QUESTION 392

You are managing a portfolio for a major car dealer in the region and due to diversity of locations, funding terms and your client's corporate structure, you have a big number of components to be included in the portfolio. With such a huge number, you need to prioritize the components in order to prepare the mix of components to execute. Where can you find the prioritization model?

- A. Portfolio Strategic Plan
- B. Portfolio Charter
- C. Portfolio Roadmap
- D. Portfolio Risk Management Plan

Answer: A

NEW QUESTION 395

A portfolio manager needs to continuously balance the need and requirements with the available resources and needs to maintain a balanced portfolio and portfolio resources in order to optimize delivery. Capability and Capacity analysis is performed in 4 of the portfolio management processes and it serves a slightly different purpose in each and every one of them. When it relates to developing the performance management plan, what is the purpose of using this analysis?

- A. Performed to understand the human, financial, and asset capacity and capability of the organization in order to select, fund, and execute portfolio components
- B. To study the capability of resources, match them against the portfolio's objectives and goals, and translate the capability into what capacity is possible to meet the portfolio demands
- C. To understand how much work is able to be performed based on the resources available (capacity), as well as the ability of the organization to source and execute the selected portfolio
- D. It enables the organization to achieve maximum portfolio benefits given current resource constraints

Answer: A

NEW QUESTION 397

The existing portfolio manager was replaced by a new portfolio manager and the analysis has shown that the distance between the pessimistic and best case scenario of the new portfolio manager is larger than the old one, which kind of manager is the new one?

- A. Optimistic
- B. Pessimistic
- C. Risk Averse
- D. Risk Taker

Answer: D

NEW QUESTION 399

When we talk about portfolios, programs and projects, it is inevitable to mention the business value which is the sum of tangible and intangible assets of an organization, also known as the net quantifiable benefit. When it comes to business value, at which level of the organization is the Business Value achieved?

- A. Program
- B. Project
- C. Portfolio
- D. Operational

Answer: D

NEW QUESTION 403

Your CEO is keen to know the likelihood of the portfolio to realize the expected ROI. You are currently looking for a tool to calculate the probability to achieve portfolio objectives. Which of the following will help you in doing that?

- A. SWOT Analysis
- B. Delphi
- C. Risk Exposure Charts
- D. Investment Choice Analysis

Answer: C

NEW QUESTION 408

The portfolio strategic plan should contain a prioritization model or approach that guides the ongoing decisions as to which portfolio components should be added, terminated, or changed, as well as prioritizes and balances the component mix over time. A simple prioritization model may be provided which contains

- A. All of the options
- B. ROI
- C. Criteria to ensure alignment to strategic goals
- D. Investment risks

Answer: A

NEW QUESTION 412

One key artifact to review as the portfolio communications management plan is prepared is the:

- A. Portfolio management plan as it shows all elements in it have communications requirements
- B. Portfolio performance plan as it sets forth needed reports and their frequency
- C. Portfolio strategic plan since it shows the need for strategic alignment
- D. Portfolio benefits realization plan to determine reports on progress in benefit realization, transition, and sustainment

Answer: A

NEW QUESTION 413

You have scored the portfolio components and are analyzing the data in order to prioritize the components. Using the following scoring table, which of the options represents the correct Components Priority? Taking into consideration that the costs for each component is Component A: 10 K USD, Component B: 15 K USD, Component C: 16 K USD, Component D: 13 K USD and Component E: 11 K USD; The budget for this portfolio is a fixed one of 40 k USD Larger image

- A. A, C, E, B
- B. D, B, C, E
- C. D, B, E, A
- D. D, B, E

Answer: D

NEW QUESTION 415

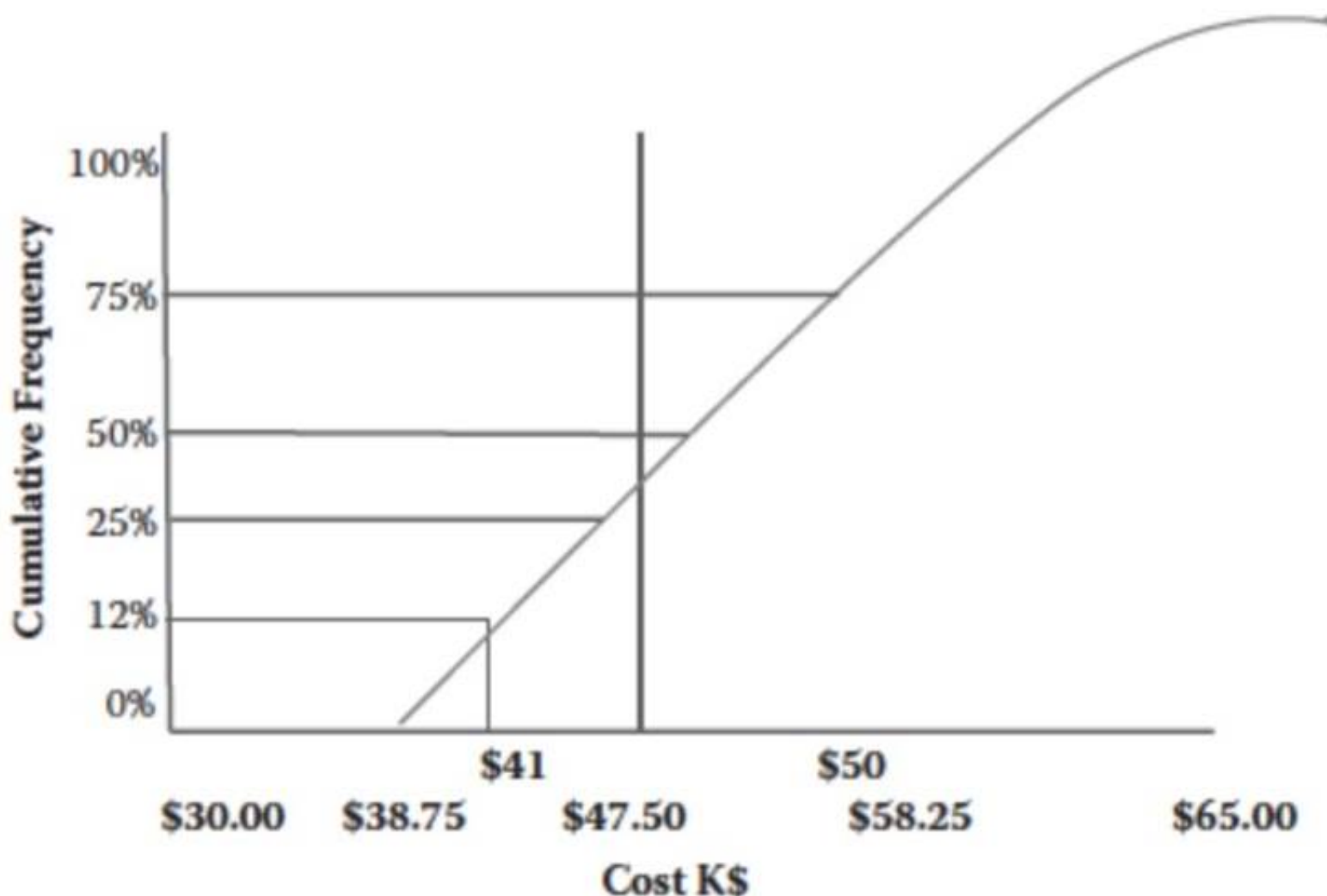
As a portfolio manager and as part of your governance role, you use multiple tools and techniques to monitor and control the portfolio and maintain oversight. Which of the following can be used as tools and techniques in your role in oversight?

- A. Review meetings, Elicitation techniques, Integration Management
- B. Review meetings, Elicitation techniques
- C. Review meetings, Elicitation techniques, Scenario Analysis
- D. Review meetings, Elicitation techniques, PMIS

Answer: B

NEW QUESTION 420

Review the following graphic. Assume now your portfolio is only 12% likely to meet is target of \$41,000. Your Portfolio Review Board is dissatisfied in your management of the value of the overall portfolio. You explain the current mix of components is too risk adverse, and additional investment is required. The Board Chair then wants the needed investment to have a 75% likelihood, and you state it is:



- A. \$100,000
- B. \$50,000
- C. \$125,000
- D. \$65,000

Answer: B

NEW QUESTION 421

Your company got recently acquired by another company and the strategic directions which your portfolio is based on have been changed. Which document do you, as a portfolio manager, change to reflect the new stakeholders and their expectations?

- A. Communication Management Plan
- B. Portfolio Roadmap
- C. Portfolio Strategic Plan
- D. Portfolio Management Plan

Answer: A

NEW QUESTION 424

Due to market technological changes, your company got impacted and was urged to revise its portfolios. You are currently revising your portfolio to determine the required changes in the component mix. Which of the following options helps in comparing the current portfolio mix to the new strategic direction in order to determine the needed changes?

- A. Interdependency Analysis
- B. Prioritization Analysis
- C. Portfolio Component Inventory
- D. Gap Analysis

Answer: D

NEW QUESTION 429

In identifying risks to then manage and control, as the portfolio manager you are consulting organizational process assets such as:

- A. Commercial data bases
- B. Lessons learned
- C. Knowledge bases
- D. Values

Answer: D

NEW QUESTION 430

In managing strategic change, the portfolio manager performs stakeholder analysis in order to consider the changing requirements. One of the key stakeholders expressed concerns about the lack of recognition of the value contribution of his department. The portfolio manager is not convinced with the level of value contribution. Which of the following is considered the best approach to take?

- A. Accept the statement as it is a key stakeholder and the portfolio manager should remain in good contact with him
- B. Reject the statement
- C. Assign an owner to follow up on this concern and take a decision accordingly
- D. This is a key stakeholder and his expectations and requirements should be taken into consideration for further analysis

Answer: D

NEW QUESTION 435

Due to market technological changes, your company got impacted and was urged to revise its portfolios. You are currently revising your portfolio to determine the required changes in the component mix. Which of the following options is the means to the "to-be" vision?

- A. Portfolio
- B. Portfolio Management Plan
- C. Portfolio Roadmap
- D. Portfolio Strategic Plan and Portfolio

Answer: A

NEW QUESTION 437

Chartering the portfolio is an important step towards the initiation of the endeavor. It authorizes the portfolio managers to use the resources and marks the first step towards the allocation of resources to the components upon their initiation. Which of the below can help you while developing the charter?

- A. Strategic Alignment Analysis, Prioritization Analysis, Portfolio Component Inventory
- B. Prioritization Analysis, Interdependency Analysis, Cost-Benefit Analysis
- C. Scenario Analysis, Capability & Capacity Analysis
- D. Gap Analysis, Readiness Assessment, Stakeholder Analysis

Answer: C

NEW QUESTION 438

A new portfolio is initiated with you as the portfolio manager, you started by developing the portfolio strategic plan and are currently reviewing the Organizational Process Assets; which of the options can be a part of this input?

- A. List of portfolio components and Portfolio component selection criteria
- B. Portfolio Components files
- C. Inventory of Work
- D. IT Strategies and Policies

Answer:

D

NEW QUESTION 440

A portfolio manager needs to continuously balance the need and requirements with the available resources and needs to maintain a balanced portfolio and portfolio resources in order to optimize delivery. Capability and Capacity analysis is performed in 4 of the portfolio management processes and it serves a slightly different purpose in each and every one of them. When it relates to managing the supply and demand, what is the purpose of using this analysis?

- A. To study the capability of resources, match them against the portfolio's objectives and goals, and translate the capability into what capacity is possible to meet the portfolio demands
- B. To understand how much work is able to be performed based on the resources available (capacity), as well as the ability of the organization to source and execute the selected portfolio
- C. Performed to understand the human, financial, and asset capacity and capability of the organization in order to select, fund, and execute portfolio components
- D. It enables the organization to achieve maximum portfolio benefits given current resource constraints

Answer: A

NEW QUESTION 442

Risk Management is integrated in all the other processes and process groups and is an integral recurrent activity throughout the portfolio life cycle. Which of the following is considered the most effective method for analyzing the effect of risks on portfolio strategic objectives, and determining whether they have high or low effect

- A. Tornado Diagram
- B. Risk v
- C. Return charts
- D. Burn Down/Up chartsMonte Carlo Analysis

Answer: A

NEW QUESTION 445

A junior Portfolio manager has come to you for advice. She is asking about her main responsibilities as a portfolio manager in order to see if she is on the right track. What should be your advice to her?

- A. She will be responsible of managing the strategic, operational and functional activities of all portfolio components
- B. Her responsibility is to continuously review, reallocate, re-prioritize and optimize the portfolio to ensure alignment with strategic objectives
- C. Her responsibility is to develop and maintain portfolio, program and project management frameworks and methodologies
- D. You should tell her to go read the standard for portfolio management where she can find all the needed answers to her questions

Answer: B

NEW QUESTION 450

A portfolio manager needs to continuously balance the need and requirements with the available resources to maintain a balanced portfolio and portfolio resources in order to optimize delivery, in addition to managing communication, risk, etc. For this you develop a robust Portfolio Management Plan. Which of the below is not a part of this plan?

- A. Change Control and Management
- B. Portfolio Communication Management Plan
- C. Portfolio Strategic Plan
- D. Portfolio Performance Management Plan

Answer: C

NEW QUESTION 455

Strategies are changing, the portfolio mix is changing, the portfolio is progressing and you are doing a great job optimizing the mix of components. What tools and techniques are you using in the case?

- A. Weighted Ranking and scoring techniques, Portfolio Component inventory, Categorization
- B. Integration of Subsidiary Plans, Organizational Structure Analysis, Elicitation techniques
- C. Capability & Capacity Analysis, Weighted Ranking and scoring techniques, Graphical Analytical Methods, Quantitative & Qualitative Analysis, PMIS
- D. Capability & Capacity Analysis, Weighted Ranking and scoring techniques, Graphical Analytical Methods, Quantitative & Qualitative Analysis

Answer: D

NEW QUESTION 460

.....

Thank You for Trying Our Product

We offer two products:

1st - We have Practice Tests Software with Actual Exam Questions

2nd - Questions and Answers in PDF Format

PfMP Practice Exam Features:

- * PfMP Questions and Answers Updated Frequently
- * PfMP Practice Questions Verified by Expert Senior Certified Staff
- * PfMP Most Realistic Questions that Guarantee you a Pass on Your First Try
- * PfMP Practice Test Questions in Multiple Choice Formats and Updates for 1 Year

100% Actual & Verified — Instant Download, Please Click
[Order The PfMP Practice Test Here](#)