



**PMI**

**Exam Questions PfMP**

Portfolio Management Professional (PfMP)

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#### NEW QUESTION 1

You are the manager for a major industrial portfolio aiming to rebuild the vintage building in your region. Having a tight schedule, a large number of stakeholders including the public, in addition to a strict budget, 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 started to develop a robust Portfolio management plan. Which of the following can be used when starting this process?

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

**Answer: C**

#### NEW QUESTION 2

You have just finalized aggregating value from the ongoing components to present a consolidated report to the governance board, in addition to recommending changes to portfolio and information to enable a better decision making. You are now looking for a place to document updates including new measures, reports and processes for effective ongoing management of the portfolio value. In which of the following documents are these measures included?

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

**Answer: A**

#### NEW QUESTION 3

Values assist in guiding actions, evaluations, and decisions. Assume your organization is considering entering into a consortium to produce a heliumcontrolled 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 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 an important document used throughout the portfolio life cycle; when it comes to developing the portfolio communication management plan, which of the following options is correct

- A. The portfolio roadmap helps with the understanding of the structure of the portfolio and interdependencies among the portfolio components
- B. The portfolio roadmap is necessary for this process because it summarizes strategic objectives, evolving aspects of the strategy by organizational areas, portfolio milestones, dependencies, challenges, and risks
- C. The portfolio roadmap provides a high-level timeline for expected portfolio component delivery
- D. The portfolio roadmap provides the high-level strategic approach in a chronological fashion for portfolio management execution

**Answer: A**

#### NEW QUESTION 5

While defining the portfolio mix, the portfolio manager performs a categorization of the portfolio components based on multiple categorization criteria. Which of the following is considered as a portfolio component category?

- A. Continuous Improvement
- B. Risk Reduction
- C. All of the options
- D. Process Improvement

**Answer: C**

#### NEW QUESTION 6

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 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

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 9

A recent development in the market gave your competitors a leading edge. Your company's CEO and executive members want to focus on new developments and gain the market leadership once again. You wanted to show the new structure to the Portfolio stakeholders and strategies have changed. As a portfolio manager, your best course of action is to perform a

- A. Capability and Capacity Analysis
- B. Scenario Analysis
- C. Gap Analysis
- D. SWOT Analysis

**Answer:** C

#### NEW QUESTION 10

You have just recommended the Portfolio Strategic Plan and Portfolio to the governance board for approval. The portfolio board members informed you that they did not find what they were looking for in the strategic plan and that it needs to be reworked. What should have been part of your Strategic Plan?

- A. Allocation of funds for different types of initiatives
- B. List of components with their detailed information
- C. Timelines and Schedules
- D. Governance Model

**Answer:** A

#### NEW QUESTION 10

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 13

Assume you are managing the corporate portfolio for your company noted for many products primarily focused on farm equipment. Recently it has diversified into other markets especially with the economic downturn in the country. While many of the traditional products are in the portfolio as new features are added to enhance customer satisfaction, one of the new product lines is a high-profile program that is ranked number five in the corporate portfolio. As the portfolio manager, you know this program has several interdependencies with other projects and programs, and recently this high-ranked program has experienced difficulties as needed technology is not available externally, and internal staff lacks the needed competencies to develop it. Its termination will be discussed at Friday's Portfolio Board meeting. You plan to discuss these interdependencies as part of your responsibilities in:

- A. Resource allocation
- B. Portfolio balancing
- C. Financial management
- D. Risk management

**Answer:** D

#### NEW QUESTION 18

There was a change in your portfolio to speed up things resulting in the addition of new components. In order to update the new vision, dependencies and timeline for the components, you should update which of the following?

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

**Answer:** A

#### NEW QUESTION 19

As a portfolio manager you visit and re-do the Optimize Portfolio process continuously. Which of the following, in your opinion, is the objective/purpose of the Optimize Portfolio Process?

- A. Balance the portfolio for performance and value delivery
- B. Make Governance Decisions
- C. Create an up-to-date list of qualified portfolio component
- D. Allocating resources to develop component proposals or execute portfolio components

**Answer:** A

#### NEW QUESTION 24

The portfolio undergoes a lot of changes through the portfolio life cycle, and the state of the portfolio changes on the go. Some components are terminated, other are added and initiated. When it comes to the authorize portfolio process, which of the following represents the state of the portfolio

- A. List of current components that need to be weighted, scored and ranked
- B. List of selected and balanced components
- C. List of strategically aligned portfolio components without the need for them to be balanced
- D. List of selected, balanced and authorized components ready to be initiated

**Answer:** B

#### NEW QUESTION 27

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. You have just finalized the development of the risk management plan. What do you normally expect to find in a Portfolio Risk Management Plan?

- A. Communication policies/constraints
- B. Organizational risk tolerance
- C. Governance Model
- D. Roles and Responsibilities for risk management

**Answer:** D

#### NEW QUESTION 28

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. You are currently developing the Risk Management Plan. What can you use as inputs to this process?

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

**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 37

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 42

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. 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 the organization level. This analysis comprises which of the following?

- A. Risk Tolerance
- B. Assets
- C. Financials
- D. Human Resources

**Answer:** A

#### NEW QUESTION 45

You have been recently assigned to a critical portfolio in your company and wanted to start right away and decided to begin with aligning the strategic management of the portfolio to the organizational strategy and objectives. For this you will use

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

**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 50

As part of the strategic alignment, you Rank strategic priorities working with key stakeholders and using qualitative and quantitative analyses in order to

- A. Understand the strategic priorities
- B. Create a basis for decision making
- C. Create portfolio scenarios
- D. Provide a guiding framework to operationalize the organizational strategic goals and objectives

**Answer:** D

#### NEW QUESTION 53

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 54

Portfolio Prioritization Model is included in the Portfolio management plan and Portfolio Strategic Plan. How does it serve the Portfolio as part of the Portfolio Strategic Plan?

- A. All of the options
- B. Ensures benefits are comprehensively and holistically taken into consideration
- C. Guides the ongoing decisions as to which portfolio components should be added, terminated, or changed
- D. Used as a decision framework to structure the portfolio components

**Answer:** D

#### NEW QUESTION 55

Your goal as a portfolio manager is to develop a strong communications management plan to keep interested stakeholders informed about your progress in portfolio management. Although you have reached out to numerous stakeholders, you know other portfolio processes also can help in this process such as:

- A. Strategy
- B. Finance
- C. Governance
- D. Performance

**Answer:** D



#### NEW QUESTION 56

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 61

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 64

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 66

During one of the management meetings, an opportunity was identified. This opportunity has a huge impact on the portfolio. What is your first action as a portfolio manager?

- A. Document it in the benefits register
- B. Update the portfolio management plan
- C. Document it in the risk register
- D. Update the portfolio roadmap

**Answer:** C

#### NEW QUESTION 71

When developing the charter, you will use multiple inputs and documents of which the portfolio Strategic Plan is one. How is the strategic plan used in this case?

- A. It is not an input to this process
- B. The Portfolio Structure and Portfolio Manager's Authorizations are copied from the Portfolio Strategic Plan as is and incorporated in the Charter
- C. It is updated based on the output of the Develop portfolio charter process
- D. The prioritization model is used as a decision framework to structure the portfolio components

**Answer:** D

#### NEW QUESTION 72

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 77

It is critical in portfolio management to focus on 'doing the right work'. This means stakeholder expectations and effective management of these expectations are essential. The primary conduit between the component managers and the other portfolio stakeholders is the:

- A. Program or project sponsor
- B. Portfolio manager
- C. Chairperson of the Portfolio Review Board
- D. Secretary of the Portfolio Review Board

**Answer:**

B

#### NEW QUESTION 78

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 80

Assume your pork producing company finds that there is an over-abundance of pork products and competitors in the marketplace even though it has had to implement Hazard Analysis and Critical Control Point (HACCP) processes that are a regulatory requirement. Profits are lower than ever before in the history of the company. Management is changing the company's strategy to also focus on seafood products. You have been asked to complete a gap analysis to:

- A. Determine resource capacity
- B. Assess risks with this change
- C. Compare the current portfolio mix with that with this change
- D. Determine any requirements that must be addressed before the change is implemented

**Answer: C**

#### NEW QUESTION 81

Obviously resources are more than people and include physical resources and those at the organizational level, such as the knowledge management system, helpful in portfolio management in terms of competitive intelligence. However, since most organizations operate with scarce resources, it is necessary to apply these scarce resources to support the highest ranked items in the portfolio and not to fund a proposed component unless resources are available to support it. Therefore, it is useful to determine at a collective level whether or not resources will create value greater than the cost of creating it. A portfolio report can focus on:

- A. Allocation of resources according to a Responsible, Accountable, Consulted, Inform (RACI) chart
- B. The need for drum resources and buffers to plan for their use at key times
- C. Capability and capacity
- D. Costs to acquire resources with needed knowledge, skills, and competencies

**Answer: C**

#### NEW QUESTION 86

Throughout the course of the portfolio lifecycle, components are initiated, terminated and updated. In order to be initiated, portfolio components receive go/no-go decisions during governance meetings. During which process the go/no-go decisions are taken?

- A. Review Meetings
- B. Provide Portfolio Oversight
- C. Authorize Portfolio
- D. Manage Strategic Change

**Answer: C**

#### NEW QUESTION 91

CORRECT TEXT

Assume your consulting company tried portfolio management in the past, but it was not embraced. Instead, people received bonuses if they were able to acquire new work regardless if it fit the company's strategic plan. However, the company was sold, and the new executive team asked you to be the portfolio manager. You explained it did not work in the past, but the new team has pointed

- A. out while a lot of work was won competitively, much of it was for small dollar amounts, and resources are misallocate
- B. The new approach is to focus on business value, which has as its goal to:
- C. As chieve the greatest return on investment to the organizationB
- D. aximize productivity and increase overall customer satisfaction
- E. Deliver the maximum value aligned with strategic objectives
- F. Focus on those opportunities that have the greatest likelihood of successful completion

**Answer: C**

#### NEW QUESTION 95

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. Considering that you are currently performing risk assessment and handling risk responses, how can you make use of the quantitative and qualitative analysis?

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

**Answer: D**



#### NEW QUESTION 100

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 101

Assume you are responsible for portfolio management in your organization. You are responsible for managing the value of the portfolio and for recommending changes to your Portfolio Review Board to enhance its value. To do so, you monitor benefits, interdependencies between components, changes, and responsibilities and accountabilities as stated in the:

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

**Answer:** B

#### NEW QUESTION 104

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 108

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 112

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 114

Each time a strategic change occurs, it requires a number of updates, and it includes the need to update the portfolio process assets including:

- A. Timelines
- B. Prioritization model
- C. Lessons learned
- D. Communication requirements

**Answer:** C

#### NEW QUESTION 115

Risks perspectives differ within the organization between executive management, operations management, portfolio management and project/program management. When it comes to Operations management, which of the following is a risk concern?

- A. Issues with Product development

- B. Time to market
- C. Reporting and data accuracy
- D. Time, cost and scope commitments

**Answer:** A

#### NEW QUESTION 117

In a portfolio, data is an abundant asset, and managing the information aiming for 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. Considering that you are currently working to ensure resource capacity is optimally allocated against resource requirements or demand based on known organizational priorities and potential value, how can you make use of the quantitative and qualitative analysis?

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

**Answer:** D

#### NEW QUESTION 118

Assume your company recently diversified, and in addition to producing its recognized brand of ice cream products, it now also is producing cereal and nutritional products. Assume you have been using the Efficient Frontier to manage portfolio value. With diversification to these new products:

- A. Each product line should have its own portfolio to use the Efficient Frontier approach effectively
- B. The best possible portfolios are shown above the portfolio curve
- C. The same expected return from the portfolio may be possible
- D. The new potential portfolio outcomes concerning success criteria can be determined

**Answer:** C

#### NEW QUESTION 121

As part of the annual planning, PMO has started to group initiatives managed under each portfolio in the organization. The collected list will be used in developing the new Portfolio Strategic Plan. What is this collected list called?

- A. Portfolio
- B. Portfolio Component Inventory
- C. Portfolio Process Assets (PPAs)
- D. Inventory of Work

**Answer:** D

#### NEW QUESTION 122

As part of developing the Communication Management Plan, a portfolio manager executes the Communication Requirements Analysis, in addition to Stakeholders Analysis. Which of the following options in your opinion is a result of the Communication Requirements Analysis?

- A. Stakeholder matrix
- B. Communication Matrix
- C. All of the options
- D. Communication Strategy matrix

**Answer:** B

#### NEW QUESTION 126

During the portfolio lifecycle, you will be using the roadmap a lot and you be using it to report progress to different stakeholders. When it comes to portfolio roadmap, which of the following options is true?

- A. Roadmap are rarely updated, in contrast to the portfolio charter which gets frequently updated
- B. Roadmap includes internal and external dependencies to other organizational areas
- C. Roadmap is defined after the planning of all components is finished
- D. Roadmaps incorporate all components and shows a graphical representation of the portfolio progress over time

**Answer:** B

#### NEW QUESTION 130

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 131

As a result of optimization, one of the components was deemed necessary to be terminated. One of the executive managers found about this and called you telling you that you should leave this component as it is of interest to her and she wants to see it finalized and that she will make resources available to it if needed. What should be your best course of action?

- A. Ask the steering committee for more resources in order to be able to continue with this component
- B. Ask the senior manager directly for resources as you know that this component requires additional resources
- C. Highlight the issue in the governance board meeting and recommend termination based on facts and thorough analysis
- D. Continue working on the component as you have the support of one of the senior managers

**Answer: C**

#### NEW QUESTION 134

With the introduction of new legislation in your company, anyone now is entitled to medical services regardless of whether or not they are employed or have any pre-existing health conditions. Your insurance company's executives have been tracking this legislation as it means significant changes for your company; many employers who obtained insurance through your company may go elsewhere for lower costs. Recognizing this legislation may lead to a loss of revenue, your company decided to merge with another insurance firm to obtain greater market share. This merger, though, means some existing projects may not be needed, and the workforce will be reduced by 20 percent. Such a significant change will impact how components are categorized in your portfolio leading to:

- A. The need for a re-constituted oversight group
- B. Portfolio rebalancing
- C. A requirement to update the portfolio management plan
- D. A new portfolio prioritization model

**Answer: B**

#### NEW QUESTION 138

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 140

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 144

With the increasing use of drywall, your company, which has been in the plaster business for over three generations, is finding it harder to maintain a share of the market and to achieve a positive return on its investments. Three years ago, the corporate executives implemented a portfolio process, and they serve as the Portfolio Governance Council. They meet monthly, and after each meeting, you prepare a report of their decisions. This report is:

- A. Sent to all employees in the company as it focuses on employee empowerment and involvement
- B. Distributed only to the Governance Council to serve as a record of their meetings
- C. Is used to authorize the portfolio
- D. Is used to analyze the effects of their decisions on the company's portfolio

**Answer: C**

#### NEW QUESTION 148

As part of the strategic alignment, you identify prioritization criteria (e.g., legislative, dependencies, ROI, stakeholder expectations, strategic fit) using information gathering and analysis techniques in order to

- A. Create portfolio scenarios
- B. Understand the strategic priorities
- C. Create a basis for decision making
- D. Provide a guiding framework to operationalize the organizational strategic goals and objectives

**Answer: C**

#### NEW QUESTION 153

It is rare for organizational leaders to have an in-depth knowledge of all the work under way in the portfolio, but it is needed for portfolio decision making. If you were asked to prepare such an inventory, it would:

- A. Require one-on-one interviews to ensure all work being done was revealed
- B. Be helpful to have a statement in writing from the CEO to describe why the inventory is important
- C. Serve as the starting point for the portfolio
- D. Require assistance and support from the EPMO

**Answer:** C

#### NEW QUESTION 155

The PMO in your company is newly established and one of its first results was allowing the portfolios to use a new communication method to disseminate the information faster. With relation to your portfolio, where should this new communication be stored?

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

**Answer:** C

#### NEW QUESTION 158

While managing the portfolio value, it is important to know the different roles of responsibilities and accountabilities for the actual benefits realization in order to be able to aggregate the correct value from different components; in which document are these roles and responsibilities mentioned?

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

**Answer:** B

#### NEW QUESTION 162

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 continuously report risks and issues to stakeholders. One of the key stakeholders is furious as he cannot find an issue that has occurred a week ago in the risk register. What should you do in this case?

- A. Inform the stakeholder that risk that have occurred are removed from the risk register and not used anywhere else
- B. Inform the stakeholder that issues are risks that have occurred and are tracked as part of the issue register
- C. Inform the stakeholder that you will directly fix this and include it in the risk register
- D. Inform the stakeholder that when positive risks occur they become realized opportunities and when negative risks occur they become realized threats

**Answer:** B

#### NEW QUESTION 163

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. You are currently in the process of developing the risk management plan. Which of the following activities will you be performing?

- A. All of the options
- B. Risk Response
- C. Risk Assessment
- D. Risk Planning

**Answer:** D

#### NEW QUESTION 168

Portfolio Prioritization Model is included in the Portfolio management plan and guides the ongoing decisions as to which portfolio components should be added, terminated, or changed; which of the following is correct regarding the Prioritization Model purpose and content?

- A. All of the options
- 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. Establishes and tailors the decision-making rights and authorities

**Answer:** C

#### NEW QUESTION 169

When it comes to managing a portfolio, you have a variety of assets, plans and tools and techniques used. It requires a good experience to handle all of these artifacts. One of your portfolio team members came to you asking about the relation between the portfolio performance management plan, the portfolio management plan and portfolio strategic plan. What should your answer be?

- A. The portfolio strategic plan is a subsidiary plan or a component of the portfolio management pla
- B. The portfolio performance management plan is a separate plan
- C. The portfolio performance management plan is a subsidiary plan or a component of the portfolio management pla
- D. The portfolio strategic plan is a separate plan
- E. The portfolio performance management plan is a subsidiary plan or a component of the portfolio strategic pla
- F. The portfolio strategic plan is also incorporated within the portfolio management plan as a part of it
- G. The portfolio performance management plan and the portfolio strategic plan are both subsidiaries of the portfolio management plan

**Answer: B**

#### NEW QUESTION 173

You have finalized optimizing your portfolio and want to avoid any delay by directly recommending the initiation of multiple portfolio components. What do you need for starting this?

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

**Answer: C**

#### NEW QUESTION 177

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 182

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 187

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 risks 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 determines the effects of portfolio velocity?

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

**Answer: C**

#### NEW QUESTION 189

Having worked in portfolio management for several years, assume you were hired as the portfolio manager for a Real Estate Investment Trust, one of the largest in your country that specializes in apartments. The company continues to grow and wants to maximize value and profits for its investors. As you set up processes and procedures for portfolio management, you know from past experience that buy in from executives is insufficient. As you prepare a communications strategy, you focus on:

- A. Satisfying important information needs of stakeholders
- B. Surveying stakeholders through a questionnaire to determine information requirements
- C. Using focus groups to assist in determining information needs
- D. Focusing first on the executive team's communications requirements and then involving others

**Answer: A**

#### NEW QUESTION 193

The Scenario Analysis is used twice as a tool and technique, once while developing the charter and another time while managing Supply and Demand (It also exists as part of the quantitative and qualitative analysis as part of the optimize Portfolio process). When it comes to Manage Supply and Demand, which of the following represents a correct description of the Scenario Analysis?

- A. All of the Options
- B. Helps differentiate between the resources capability and capacity
- C. Helps determine various possibilities of resource allocations and the impact to component schedules
- D. Enables decision makers to create a variety of portfolio scenarios using different combinations of both potential components and current components

**Answer: C**

#### NEW QUESTION 196

Working to monitor the portfolio especially in terms of its value to the organization, you had each component manager prepare monthly variance reports. Of the components ranked in the top 10, six of them realized they would not require some of their initial funding and still would be completed as planned. This means:



- A. Three-point estimating should be used as funds are allocated
- B. Next year's budget can be adjusted
- C. Historical data would be useful on estimates versus actual costs
- D. The amount of contingency and management reserves can be decreased

**Answer:** B

#### NEW QUESTION 199

As the portfolio manager, you must engage stakeholders and build and maintain outstanding relationships with them as much as possible. After identifying and classifying them, you want to make sure you provide the specific information each stakeholder group requires. Therefore you prepare:

- A. A communications strategy matrix
- B. A communications matrix
- C. A reporting frequency matrix
- D. A stakeholder matrix

**Answer:** D

#### NEW QUESTION 203

In your telecom company, a number of criteria must be considered as you develop your approach to prioritize components in the portfolio. Your management insists that to be competitive the products must be first to market or the window of opportunity is lost with the result being not only lost revenues but also lost productivity. Another criterion to consider is:

- A. External dependencies
- B. Goals and objectives
- C. Customers
- D. Regulatory compliance

**Answer:** D

#### NEW QUESTION 208

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 212

Your online ordering company wants to add a component to its portfolio that its sponsor believes will outdistance the competition, but it has risks and also will be subject to regulatory approval. The purpose is to use parachutes to deliver the merchandise ordered through small helicopters so the recipients receive their orders within three hours of the on line purchase. As the portfolio manager you recognize this component is a major change and will require resources if it is approved. You are now performing change management using a change structure that:

- A. Requires a change request
- B. Facilitates impact analysis
- C. Needs to assess dependencies
- D. Requires an update to the roadmap

**Answer:** B

#### NEW QUESTION 216

The Portfolio Management Office (PMO) provides support to the portfolio manager throughout the portfolio life cycle. Which of the below is not something that the PMO supports the portfolio manager with?

- A. Define Portfolio Management best practices
- B. Formulating component management standards
- C. Define Portfolio Management standards
- D. Formulate organizational standards

**Answer:** D

#### NEW QUESTION 221

Assume as the portfolio manager you have conducted a stakeholder analysis, gap analysis, and a readiness analysis as your cereal company is now entering the ice cream market. A team was formed and located off site to determine whether this market was one in which your company could compete, and its recommendation to do so was accepted by the Portfolio Review Board. Now you need to:

- A. Acquire resources to support the new line of ice cream products
- B. Change the prioritization model
- C. Develop a communications strategy for use internally and also externally
- D. Set completely new performance metrics for all products

**Answer:** B



#### NEW QUESTION 226

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 227

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 230

You are a portfolio manager for a company with volatile market conditions and continuous strategic changes. It is always important for you to use methods such as simulation techniques, flowcharts and decision trees to be able to balance the portfolio with the actual needs. Which of the following tools and techniques you are using in this case?

- A. SWOT Analysis
- B. Cost-Benefit analysis
- C. Probability Analysis
- D. Capability and Capacity Analysis

**Answer: C**

#### NEW QUESTION 235

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. What is the expected outcome from managing supply and demand?

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

**Answer: B**

#### NEW QUESTION 238

Your probability and impact assessment work is complete, and you are using the results to prepare the portfolio risk management plan. As you do so, it also is useful to:

- A. Define the assurance levels of the risk and its performance measures
- B. Validate with your stakeholders that your analysis meets their expectations
- C. Communicate the results with others in the organization for greater transparency
- D. Identify specific trends for each risk using qualitative and quantitative analysis

**Answer: A**

#### NEW QUESTION 242

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 245

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 246

A portfolio manager on one of the major sub-portfolios in your portfolio has tendered his resignation and gave you a 2 months notice. This unexpected change will require you to take immediate action with the governance board. Which of the following processes will be handling this situation?

- A. Manage Portfolio Risk
- B. Provide Portfolio Oversight
- C. Manage strategic change
- D. Manage Supply & Demand

**Answer:** B

#### NEW QUESTION 249

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. Metrics are used for measuring the performance. They need to be meaningful in order to be able to provide clear and logical targets, and in order to be able to be measured. Which guideline is used in order to develop meaningful measures?

- A. Specific, Meaningful, Achievable, Reachable, Timed
- B. Specific, Measurable, Attainable, Realistic, Time bound
- C. Specific, Meaningful, Accurate, Reachable, Timed
- D. Strong, Meaningful, Accurate, Reachable, Timed

**Answer:** B

#### NEW QUESTION 250

Because of the ongoing and iterative nature of portfolio management, the processes in it are continually repeated as new components are added, and others are completed or terminated. Revisions are constant given complexity, risks, and the rate of change. As you work to optimize the portfolio, it is helpful to:

- A. Assign components to predefined categories
- B. Prepare a flowchart
- C. Organize ideas from stakeholders into logical groupings
- D. Perform a structure analysis of roles and responsibilities

**Answer:** B

#### NEW QUESTION 254

While defining the portfolio, the portfolio manager uses a set of evaluation criteria in order to generate a list of portfolio components for optimization and balancing. Which of the following is not an evaluation criteria?

- A. Technology capabilities and capacities
- B. Costs
- C. Benefits, financial and non-financial
- D. Customer

**Answer:** D

#### NEW QUESTION 259

Your company changed its executives due to the lack of benefits realization and previous corruption issues. The new management has informed you that as of now, this will not change any process in the portfolio and everything will remain the same. However, only the risk tolerance for the organization will be impacted, what will you do as a portfolio manager?

- A. Perform stakeholders analysis once again and change the organization risk tolerance in the portfolio communication management plan
- B. Update the Strategic Plan
- C. Assess the impact of the change along with the new management
- D. Revise the roadmap to change the timeline due to the new risk profile

**Answer:** B

#### NEW QUESTION 261

Your company acquired another company. The sponsor asked you to check the other company's current inventory of work and see what could be added to your current portfolio. You have a meeting coming up to show the sponsor the portfolio dependencies. Which document should you be showing him?

- A. Portfolio Roadmap
- B. Portfolio Charter
- C. Portfolio Management Plan
- D. Portfolio Strategic Plans of both, your portfolio and the ones of the other company

**Answer:** A

#### NEW QUESTION 262

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 266

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 269

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 272

Enterprise environmental factors (EEFs) may constrain portfolio management options and may have a positive or negative influence on the outcome. Which of the following is not considered part of the EEFs?

- A. Personnel administration
- B. Stakeholder risk tolerances
- C. Existing human resources
- D. Component Managers Roles and Responsibilities

**Answer: D**

#### NEW QUESTION 277

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 280

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 282

Which of the following depicts the use of the burn-down and burn-up charts?

- A. All of the Options
- B. They show the planned vs accrued Earned Value
- C. They show the execution of the portfolio against the overall budget and time
- D. They show the burned cost and time against planned ones

**Answer: C**

#### NEW QUESTION 286

Multiple changes have been recommended and approved in your portfolio and the need for continuous optimization seems to never end. This is normal in a portfolio and optimizing the components mix and the use of resources is key to success. As a portfolio manager you will be re-visiting the Optimize Portfolio process countless times. Which of the following are considered outputs to this process?

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

**Answer:** A

#### NEW QUESTION 289

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. What is the result of developing this plan?

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

**Answer:** C

#### NEW QUESTION 291

Due to multiple occurrences of risk realization, the CEO has asked you to re-assess the portfolio risks once again. Up to what level in the organization do you go when you need to assess risks?

- A. Operational
- B. All Organizational Levels
- C. Functional
- D. Internal to the portfolio

**Answer:** B

#### NEW QUESTION 292

Following a major organizational restructuring, new portfolios are currently being initiated. You have been assigned the position of portfolio manager on one of the major portfolios and are currently in strategic management. You are currently performing cost-benefit analysis. What is part of this analysis?

- A. Qualifies estimated costs and benefits and lists quantitative considerations of alternative portfolio components
- B. Quantifies estimated costs and benefits and lists qualitative considerations of alternative portfolio components
- C. Quantitative considerations of alternative portfolio components
- D. Qualifying estimated costs and benefits

**Answer:** B

#### NEW QUESTION 297

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 299

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 301

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 305

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 310

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 315

The sponsor came to you asking for a high level timeline to depict the approach that you will take to execute this portfolio. What tools and techniques is useful in your case?

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

**Answer:** D

#### NEW QUESTION 316

Assume before you prepared your portfolio management plan for your company that you did some benchmarking and learned that if you used elicitation techniques it was useful in the portfolio development stage and before there were significant scope changes because of strategy changes to the portfolio. You decided to involve the Portfolio Review Board members, other key stakeholders, and some subject matter experts in this process and then decided to poll input from the group as a majority vote. This meant you were using:

- A. Collaboration techniques
- B. Facilitation techniques
- C. Interviews and observations
- D. Negotiation techniques

**Answer:** A

#### NEW QUESTION 318

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 322

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 325

Your portfolio has encountered a big issue and multiple management decisions have been taken in order to re-align the portfolio with the strategic objectives. What is the tool that you use in order to report major risks and issues to stakeholders?

- A. Portfolio Management Plan
- B. Portfolio Risk Register
- C. Portfolio Reports
- D. Portfolio Status Reports

**Answer:** C

#### NEW QUESTION 330

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 handle this strategic change. Which of the following can serve as input here?

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

**Answer:** D

#### NEW QUESTION 331

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 336

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 337

For governments worldwide, you normally have a lot of people reluctant to change and to using new technology tools especially for communication. You are managing a governmental portfolio and planning for a transformational endeavor. You are currently depicting the various communication media and methods to be used, where is this information normally used?

- A. Communication Matrix
- B. Stakeholder Communication Strategy Matrix
- C. Stakeholder Groups
- D. Stakeholder Matrix

**Answer:** A

#### NEW QUESTION 338

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 342

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 managing the strategic change and using multiple tools and techniques. What are they?

- A. Prioritization Analysis, Interdependency Analysis, Cost-Benefit Analysis
- B. Scenario Analysis, Capability & Capacity Analysis
- C. Gap Analysis, Readiness Assessment, Stakeholder Analysis



D. Strategic Alignment Analysis, Prioritization Analysis, Portfolio Component Inventory

**Answer:** C

#### NEW QUESTION 343

You are the portfolio manager for a large and complex portfolio with a low risk appetite. You are currently planning for risk management, multiple investment choice tools are used as part of the quantitative and qualitative analyzes. Which of the following tools focuses on pricing and sales forecast?

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

**Answer:** A

#### NEW QUESTION 345

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 348

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 352

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 EPMO 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 355

What can you tell about the following portfolio status, having CPI weight = 80% and SPI weight = 20%  
Larger image

- A. Work is not performing well and outside of range
- B. Work is not performing well but within range
- C. Work is progressing as planned and within range
- D. Work is progressing as planned but outside range

**Answer:** C

#### NEW QUESTION 356

Consider you are a veteran portfolio manager and that you are managing the most important portfolio in your company. What are the processes you execute as part of the portfolio governance?

- A. Define Portfolio and Optimize Portfolio
- B. Portfolio Performance Management and Portfolio Communication Management
- C. Portfolio Management Plan and Portfolio Strategic Plan
- D. Define Portfolio and Authorize Portfolio

**Answer:** A

#### NEW QUESTION 358

Optimizing the portfolio is a major recurring process that the portfolio manager performs throughout the portfolio life cycle in order to balance the mix of portfolio components. During this process, the portfolio manager uses a number of graphical analytical methods to help him ease the process. Which of the following is not a graphical analytical method used in this process?

- A. Pie Charts
- B. None of the options
- C. Risk v
- D. Return charts
- E. Histograms

**Answer: B**

#### NEW QUESTION 360

Assuming a portfolio manager position means one has more stakeholders than in program, project, or operational roles. The goal is to identify all interested stakeholders but often overlooked are:

- A. Consumer groups
- B. Alliances
- C. Associations
- D. External resource providers

**Answer: D**

#### NEW QUESTION 362

One of your goals as a portfolio manager is to ensure that your stakeholders receive the information they need for decision making. To help manage the portfolio information that is provided, you decide to gather information by holding portfolio component review meetings. Your purpose in holding these meetings is to:

- A. Ensure the components can provide the data required for status reports
- B. Use them to introduce the portfolio management information system
- C. Validate data that now are in the reports
- D. Work with component managers to plan dashboard reports

**Answer: C**

#### NEW QUESTION 364

While aggregating data from component reports in order to present the portfolio status to the governance board on an upcoming review meeting, which of the following is the most important thing to do?

- A. Disseminating the status to related stakeholders mentioned in communication management plan before the review meeting
- B. Updating the portfolio communication management plan
- C. Disseminating the status to all stakeholders before the review meeting
- D. Perform Communication Requirements Analysis

**Answer: D**

#### NEW QUESTION 368

The Portfolio Management Office plays an integral role in Portfolio Management and offers support to the portfolio manager throughout the portfolio life cycle. What is the role of the PMO with respect to the portfolio performance metrics?

- A. PMO does not have a role in the development or update of performance metrics; it should only offer support to Portfolio Manager with the needed templates to develop metrics
- B. The Portfolio Manager develops and updates the portfolio metrics and the PMO approves them
- C. PMO should work hand in hand with the governance board to approve the performance metrics
- D. PMO should be prepared to develop new metrics when appropriate and delete or change metrics that are no longer relevant

**Answer: D**

#### NEW QUESTION 369

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 372

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 373

Manage supply and demand comes down to balancing the requirements with what is available. Resource requirements are a major input to the manage supply and demand process. Which of the following inputs to this process contains resource requirements?

- A. Portfolio Process Assets (PPAs)
- B. Portfolio
- C. Portfolio Management plan
- D. Portfolio Charter

**Answer:** B

#### NEW QUESTION 376

You are the manager of a major portfolio with a variety of stakeholders and stakeholder groups. you know that managing communication is key to success and you stress on maintaining a high communication level. As part of the portfolio communication management, multiple documents are prepared in order to effectively manage communications. The Communication matrix is one of the prepared documents, what does it include?

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

**Answer:** D

#### NEW QUESTION 380

One of your team members who is particularly interested in becoming a portfolio manager has asked you what is the relation between the Portfolio roadmap and the Programs/Projects roadmaps? What should be your answer to him?

- A. Program and Project roadmaps may be included in the portfolio roadmap
- B. There is no relation whatsoever
- C. Program and Project roadmaps are more detailed and less strategically aligned
- D. Portfolio roadmaps are high level approaches for program and project roadmaps

**Answer:** A

#### NEW QUESTION 383

Aligning the portfolio with the strategic objectives starts by developing the Portfolio Strategic Plan. You are currently developing this plan and are looking for a document that provides you long-term direction. What are you looking for in this case?

- A. Portfolio Strategic Plan
- B. Inventory of Work
- C. Portfolio Process Assets (PPAs)
- D. Organizational strategy and objectives

**Answer:** D

#### NEW QUESTION 384

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 388

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 390

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 391

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

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

**Answer:** B

#### NEW QUESTION 393

In your architectural organization, each program or project requires some specialized subject matter experts at certain time frames. Because of the interdependencies between components, often these SMEs are needed at the same time. Assume since this is a critical issue in the company, it invested in resource planning and allocating software, and dashboards can be prepared. The goal is to use these dashboard reports to:

- A. Determine whether to use external consultants
- B. Assess specific costs for additional budget
- C. Ensure everyone has access to the software for ease of communication
- D. Assist in scheduling adjustments

**Answer:** D

#### NEW QUESTION 398

Efficiency is highly regarded when managing a portfolio and spans all activities i.e. risk management, communication management, etc. A portfolio is considered efficient if it

- A. lies above the curve
- B. Minimizes risks to the maximum
- C. lies below the curve
- D. Has the best possible expected level of return for its level of risk

**Answer:** D

#### NEW QUESTION 401

Your organization has a defined portfolio management process that it has followed for three years. As the portfolio manager, you keep your various plans up to date, and because of numerous regulatory changes involving the telecom industry, it is time to review and update the risk management plan. You have several key stakeholders working with you as you realize the importance of this plan in maintaining a competitive advantage. One way you and your team are assessing the various risks that may impact the structure of the portfolio is to use:

- A. Portfolio component charts
- B. Portfolio reports
- C. Weighted ranking and scoring techniques
- D. Risk metrics

**Answer:** C

#### NEW QUESTION 403

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 delivery of Business Value optimized?

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

**Answer:** B

#### NEW QUESTION 407

Assume you are the portfolio manager for your training company. It decided to implement portfolio management in a major way to ensure it remained competitive in the changing market and could offer a variety of methods to deliver courses rather than only in a face-to-face setting. The company set up a Portfolio Management Group, and you are responsible for providing information on portfolio status and then providing information to those interested stakeholders about the Board's decisions. You want to make sure the reports meet stakeholder requirements. After performing a detailed communications requirements analysis, you found it interesting that stakeholders wanted information about:

- A. Portfolio infrastructure costs
- B. Goal achievement
- C. Benefit realization
- D. Changes in the roadmap

**Answer:** B

#### NEW QUESTION 408

One of the major resources on your portfolio is needed by two of the components at the same time. This resource has high technical knowledge and is aware of all the business needs. Which of the following tools and techniques can you use in order to solve this issue?

- A. Sequencing Techniques
- B. Capability and Capacity Analysis
- C. Scenario Analysis
- D. Interdependency Analysis

**Answer:** A

#### NEW QUESTION 413

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 415

Roadmaps may be prepared to show different elements, and at the beginning they may not provide details of the various components. As a high-level plan at the portfolio level, the roadmap:

- A. Identifies internal and external dependencies
- B. Serves as a master schedule to show the timing of approved components
- C. Contains all the details of program and project roadmaps
- D. Serves to identify issues

**Answer:** A

#### NEW QUESTION 418

One of your component managers has submitted his resignation and left the company; a new program manager joins the portfolio replacing him. Which document you use to inform the new program manager about his responsibilities in the portfolio?

- A. Program Business Case
- B. Portfolio Roadmap
- C. Portfolio Management Plan
- D. Portfolio Charter

**Answer:** C

#### NEW QUESTION 420

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 423

Multiple communication methods are used by the portfolio manager in order to proactively convey messages and engage the stakeholders at the right time and in the right manner. Which tool is used to visually convey multiple messages at the same time?

- A. Efficient Frontiers
- B. Dashboards
- C. Communication Calendar
- D. Resource sheets

**Answer:** B

#### NEW QUESTION 427

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

- A. Forecasts how and when the portfolio will deliver value to the organization
- B. Corresponds to the means to the to-be vision
- C. High-level prioritization mapping of the portfolio



D. Can be used to influence the portfolio??s success

**Answer:** A

#### NEW QUESTION 432

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 435

When it comes to change, one of your junior portfolio managers came to you requesting your help to deal with the overwhelming strategic changes. He wants your assistance in solving the issue of continuous changes in the organization's objectives. What should be your advice to him?

- A. Change is a normal thing when it comes to portfolios, and he should act upon each strategic change in a quick manner in order to re-align his portfolio
- B. Not all strategic changes impacting his portfolio need to be taken care of; he should prioritize the change and only accept the ones with high priorities
- C. Help him to align his portfolio and manage it correctly in order to decrease the number and scale of changes
- D. Inform him that this is abnormal and that he should re-do the planning for his portfolio; even if it takes time and resources, but it will help him a lot for the rest of the portfolio life cycle

**Answer:** A

#### NEW QUESTION 436

Along the course of the portfolio, you will be recommending the initiation, termination and update of components. The governance bodies will be approving or rejecting your recommendations as part of their role in the authorization of the portfolio. As a portfolio manager, which of the following, in your opinion, is the objective/purpose of the Authorize Portfolio Process?

- A. Make Governance Decisions
- B. Allocating resources to develop component proposals or execute portfolio components
- C. Create an up-to-date list of qualified portfolio component
- D. Balance the portfolio for performance and value delivery

**Answer:** B

#### NEW QUESTION 440

Along the course of the portfolio, you will be monitoring and controlling the portfolio a.long with the related stakeholders and governance bodies. This is done as part of your role in portfolio oversight. As a portfolio manager, which of the following, in your opinion, is the objective/purpose of the Provide Portfolio Oversight Process?

- A. Balance the portfolio for performance and value delivery
- B. Make Governance Decisions
- C. Allocating resources to develop component proposals or execute portfolio components
- D. Create an up-to-date list of qualified portfolio component

**Answer:** B

#### NEW QUESTION 441

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 445

Risk management is an integral part of project, program and portfolio management and is invoked throughout the project, program and portfolio life cycle. When it comes to managing portfolio risks, which of the following activities is used

- A. Risk Response
- B. Risk Assessment and Risk Response
- C. Risk Planning
- D. Risk Assessment

**Answer:** B

#### NEW QUESTION 446



Your company's water treatment center serves three cities. Tests are conducted each day to see if the water is safe to drink. On Thursday, E coli were found in the water, but the water authority did not notify the citizens in the three cities. Instead, the citizens learned on Friday, the water was now safe to drink. The citizens are in an uproar, and your company is to blame. It is obvious one of the problems is the aging infrastructure and limited resources. To best optimize the portfolio, your CEO asked you to:

- A. Reallocate financial and other resources to new components to avoid this problem in the future
- B. First determine why citizens were not aware of the problem
- C. Analyze the testing methods in use for effectiveness
- D. Analyze the physical needs

**Answer: D**

#### NEW QUESTION 448

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 452

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 456

Stakeholders expectations and requirements change throughout the portfolio life cycle. New stakeholders can be added or removed and requirements need to be continuously solicited in order to keep the portfolio aligned with stakeholders expectations. What is the process for soliciting requirements called?

- A. Communication Requirements Analysis
- B. Elicitation
- C. Stakeholder Analysis
- D. Communication Methods

**Answer: B**

#### NEW QUESTION 459

Your team members were having a discussion about the contents of the Portfolio Charter and they came to you for advice because they could not agree on a common answer. What would be your advice to them?

- A. Portfolio structure, scenario analysis, capability and capacity analysis
- B. High-level scope and high-level timelines, critical success criteria and justification
- C. Scope and timelines, all success criteria and justification
- D. Scenario analysis, capability and capacity analysis

**Answer: B**

#### NEW QUESTION 461

Your team members were having a discussion about the purpose behind the development of the Portfolio Charter and they came to you for advice because they could not agree on a common answer. What would be your advice to them?

- A. To develop the Portfolio Management Plan
- B. To authorize the portfolio manager to apply portfolio resources to portfolio components and to execute the portfolio management processes
- C. To develop the Portfolio roadmap
- D. To set specific timelines for the portfolio

**Answer: B**

#### NEW QUESTION 462

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

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

**Answer:** A

**NEW QUESTION 466**

The audit department has found out that two of the departments have conflicting standards and have asked you to analyze and compare them in order to be able to take a decision which could impact the portfolio alignment. Which analysis will you use to compare conflicting standards in different departments

- A. Capacity Analysis
- B. Force Field Analysis
- C. Qualitative Analysis
- D. Quantitative Analysis

**Answer:** D

**NEW QUESTION 467**

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 just limit the number of components the organization can execute?

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

**Answer:** C

**NEW QUESTION 468**

Stakeholders are concerned about the purpose of optimizing a portfolio while already having defined the portfolio with its related components, and are worried that this will cause a lot of time to be wasted. What is your advice to the stakeholders?

- A. This process is required to produce an organized portfolio for ongoing evaluation, selection, and prioritization
- B. This process is required to optimize and balance the portfolio for performance and value delivery
- C. They are right, the process can be skipped when an inventory of work is in place
- D. This process can be skipped because it will be re-done as part of the Optimize Portfolio process

**Answer:** B

**NEW QUESTION 473**

Risk management is an integral part of project, program and portfolio management and is invoked throughout the project, program and portfolio life cycle. Which of the following highlights the difference between portfolio risk and program or project risks?

- A. Portfolio risks focus on strategies, whereas program and project risks focus on implementation
- B. Portfolio Risks may be actively accepted in anticipation of high rewards, whereas, program and project level risks are not
- C. Portfolio risks are the aggregation of subsidiary programs and projects risks
- D. Portfolio risks can not be mitigated to other third parties, whereas program and project risks can

**Answer:** B

**NEW QUESTION 475**

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 479**

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 483**

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 484

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