

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

Developing the Portfolio Management Plan is a major step in a Portfolio and for a Portfolio Manager. You are currently developing this plan and having focus groups and brainstorming activities during which you are using mind-maps diagrams to organize the idea into logical groupings. Which of the below are you using?

- A. Integration Of Portfolio Management Plans
- B. Facilitation Technique
- C. Collaboration Technique
- D. Survey Technique

Answer: B

NEW QUESTION 3

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 4

You are the manager for a governmental portfolio aiming to restructure the roads in your country. Having a large number of stakeholders including the public, 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 expected to be found in this plan?

- A. Organization areas and organization structure
- B. Introduction (goals, objectives, strategies, and tactics)
- C. Communication objectives
- D. Portfolio structure including a listing of the various portfolio components and other work

Answer: C

NEW QUESTION 5

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 6

The members of your Portfolio Review Board and other key stakeholders tend to be risk adverse as the company has survived recent recessions and is profitable. However, in an upcoming meeting with the corporate Board of Directors, they have asked you to show the frequency of meeting certain cost objectives at various percent points. For example assume the portfolio is to meet a \$41,000 target in the next month, to be 75% confident this will occur, a forecast of \$50,000 is needed. This means you need to show:

- A. The needed contingency reserve
- B. The probability of achieving portfolio objectives
- C. The confidence of meeting success criteria
- D. The values of KPIs with their confidence levels

Answer: B

NEW QUESTION 7

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 8

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 9

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

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

Answer: D

NEW QUESTION 10

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 10

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 14

Your company is currently on the verge of bankruptcy due to the lack of transparency within the organization; this alerted the CEO to take decisive actions and request that new reporting lines be established in order to be fully transparent. The new reporting lines triggered changes in roles & responsibilities for managing communication and communication policies & constraints. Where are these changes reflected when it relates to your portfolio?

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

Answer: C

NEW QUESTION 18

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 23

A new regulatory mandate has been imposed by the government which highly affected your portfolio. Multiple regulatory components are requested to be added to the portfolio in order to comply with new governmental bank regulations. Initiating these components requires permission from

- A. Portfolio Manager
- B. Portfolio Sponsor
- C. Portfolio Governance Board
- D. Portfolio Components' teams

Answer: C

NEW QUESTION 27

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 30

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 32

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

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

Answer: D

NEW QUESTION 34

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

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

Answer: A

NEW QUESTION 37

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 38

Your organization, given the economic downturn in your country, decided to reduce its staff by 90% and outsource all operational activities including those of

program and project managers and their teams. It has, however, retained the portfolio manager, and it has a Portfolio Review Board comprised of senior executives that meets monthly. Since outsourcing is the norm and not the exception, the manager of Procurement and Contracting is a major stakeholder. Her areas of interest are:

- A. Benefits and outcomes toward strategic goals
- B. Overall portfolio performance
- C. Financial standing
- D. Change decisions

Answer: C

NEW QUESTION 43

In a portfolio, data is an abundant asset, and managing the information aiming for a better decision making is critical. Which of the following are considered outputs to the Manage Portfolio Information process?

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

Answer: B

NEW QUESTION 46

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 incorporated in all process groups as well. As a portfolio manager, how do you map the risk management elements to process groups?

- A. Risk Planning (Defining) - Risk Assessment & Response (Aligning)
- B. Risk Assessment (Defining) - Risk Planning (Aligning) - Risk Response (Authorizing & Controlling)
- C. Risk Planning (Defining) - Risk Assessment (Aligning) - Risk Response (Authorizing & Controlling)
- D. Risk Planning (Defining) - Risk Assessment (Planning) - Risk Response (Authorizing & Controlling)

Answer: C

NEW QUESTION 49

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

- A. High-level prioritization mapping of the portfolio
- B. Corresponds to the means to the ??to-be?? vision
- C. Can be used to influence the portfolio??s success
- D. Forecasts how and when the portfolio will deliver value to the organization

Answer: A

NEW QUESTION 54

Your company is currently on the verge of bankruptcy due to the lack of transparency within the organization; this alerted the CEO to take decisive actions and request that new reporting lines be established in order to be fully transparent. Following this, the portfolio structure has changed to cope with the new reporting lines. Where is this change reflected when it comes to portfolio documents?

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

Answer: A

NEW QUESTION 55

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 56

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 61

A problem related to internal corruption has occurred in your company. The CEO has setup a new management team and had to do budget cuts until the situation is stabilized. Your portfolio is highly affected by this budget cut and you were obliged to cancel a few components. What is your best course of action in this case?

- A. Cancel the components that are not performing well
- B. Do not cancel components; and request additional budget from the management
- C. Prioritize components and assign the available resources to them
- D. Raise the issue to the sponsor so he can get you additional resources

Answer: C

NEW QUESTION 66

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 performance 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 performance management plan. What is the expected result from developing this plan?

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

Answer: B

NEW QUESTION 70

As you prepare your communications management plan you realize that stakeholder requirements may change over time, and these changes then will need to be reflected in updates to the plan. As the plan defines the overall communication process not only for gathering information but also in determining recipients of it, it also:

- A. Sets expectations for the project team members
- B. Describes how and when to effectively conduct lessons learned meetings
- C. Ensures continued confidence by all stakeholder groups as to their importance
- D. Sets expectations for effective stakeholder engagement

Answer: A

NEW QUESTION 71

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 74

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 78

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 81

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

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

Answer: C

NEW QUESTION 83

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 88

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 91

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

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

Answer: A

NEW QUESTION 96

Your company has multiple portfolios on the way and a variety of different clients and industries. Risk levels are high due to recent governmental regulations and the company has recently been penalized due to a non-compliance to one of the standards. You know that you need to closely managing this. As a result, you will be come out with

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

Answer: D

NEW QUESTION 97

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

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

Answer: C

NEW QUESTION 99

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 identifying and analyzing risk, in addition to developing risk responses and monitoring and controlling risk. Which documents can help you achieve this?

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

D. Portfolio Management Plan, Portfolio, Portfolio Reports, Enterprise Environmental Factors

Answer: C

NEW QUESTION 104

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 108

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 113

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 117

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 121

When managed correctly, the balanced scorecards can change the way an organization does business. Balanced scorecards keep focus on results. As a portfolio manager, you know that the purpose of using the balanced scorecards is

- A. All of the options
- B. Translate a high level strategic plan into an operational action plan
- C. Measure performance against goals
- D. Bring a feedback loop to strategic planning

Answer: A

NEW QUESTION 122

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 you use to perform this?

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

Answer: D

NEW QUESTION 126

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 127

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 defining the portfolio and with the purpose of

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

Answer: A

NEW QUESTION 132

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

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

Answer: D

NEW QUESTION 136

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 139

Risks are very important to manage in portfolio management and organizations can choose to embrace risks with the potential of high rewards. As a portfolio manager, planning and managing risks is important. Risks are categorized in order to ease the process. Which of the following are considered as risk categories that a portfolio manager can use?

- A. All of the options
- B. Performance Risk, Regulatory Risk
- C. Portfolio Component Risk, Market Risk
- D. Organizational Risk, Image and Public Relation Risk

Answer: B

NEW QUESTION 140

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 AND size of components the organization can execute?

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

Answer: D

NEW QUESTION 142

Portfolio Governance is important in a portfolio to maintain correct alignment, monitor and control performance and status, reshuffle the mix of components as found necessary, etc. Governance management includes which of the following processes?

- A. Develop Portfolio Communication Plan
- B. Optimize Portfolio
- C. Develop Charter
- D. Manage Supply & Demand

Answer: B

NEW QUESTION 147

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 151

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 156

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 161

Your company has had a portfolio management process in place for five years at the enterprise level, in its business units, and even in its complex programs. This year the company's Center for Excellence received an award for its work in this area from PMI®. As the Portfolio Manager, you have predefined metrics in place, which are critical because:

- A. They show transparency at all levels
- B. They provide stakeholders with critical information on the health of the portfolio
- C. They show the link of each initiative to the company's strategic goals
- D. They provide insight into the processes being used

Answer: D

NEW QUESTION 166

As a portfolio manager, you realize the importance of communication for the success of a portfolio. You are now developing the portfolio management plan and are looking for the portfolio current risks status including high risks. Which of the following contains what you are looking for?

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

Answer: D

NEW QUESTION 169

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 171

As you grow older, you gain more experience and things that once seemed hard to assimilate, can become very easy. One junior member of your portfolio

management team is confused on the relationship between the Optimize, Authorize and Provide Oversight processes. What could your advice to him be?

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

Answer: A

NEW QUESTION 173

One of the junior portfolio managers learned that she needs to use the roadmap as an input to the portfolio management plan development. She does not understand why, and she came to you for advice. What is your advice to her?

- A. Roadmap contains the portfolio structure which is used to structure the components for management through the portfolio management plan
- B. Roadmap is not an input to this process
- C. Roadmap provides the prioritization model to the portfolio management plan
- D. High-level timelines in roadmap are used to define low-level schedule and timelines for portfolio components

Answer: D

NEW QUESTION 177

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. When it comes to Managing portfolio risks, a risk owner, along with the portfolio manager, should select the strategy or mix of strategies most likely to be effective. Which of the following is not a risk strategy?

- A. Scenario Analysis
- B. Fallback Plan
- C. Strategies for both threats and opportunities
- D. Response Strategy Selection

Answer: B

NEW QUESTION 180

While performing the manage supply and demand process, one of your sub-portfolio managers came to you asking advice on how to analyze intangible assets such as resources knowledge or skills based on the metrics defined. What should be your advice to him?

- A. You should tell him to use the qualitative metrics defined in the performance management plan in order to measure the intangible aspect
- B. He can then use the number of full-time equivalents in order to quantify them when possible
- C. You should tell him to ignore the intangible aspects as they are not as important as tangible ones which will help in decision making
- D. You should advice him to use quantitative analysis in order to quantify the intangible aspects and be able to measure them
- E. You should tell him that metrics are only defined to measure tangible aspects; intangible measurements should be based on assumptions

Answer: A

NEW QUESTION 183

Even though you do not work in an industry that is heavily regulated by your government, such as in new product development, health, or safety, recently your government issued a mandate that senior management of all corporations must certify the accuracy of reported financial statements to prevent any accounting fraud. These controls are to be implemented in the next fiscal year. This obviously is not in your portfolio strategic or management plans but is an example of a(n):

- A. Mandated component
- B. Enterprise environmental factor
- C. Strategic change
- D. Emergent program

Answer: B

NEW QUESTION 184

Ideally, the organization practices a policy of open communications on risks and encourages people to point any out at all levels, even if the risk does not affect one's own work and especially if it affects the portfolio. Different people, though, have different perspectives of the various portfolio risks based on their position in the organization. Assume a risk has been identified concerning the organization's operating model. This risk was identified by:

- A. A functional manager
- B. A PMO Director
- C. An executive
- D. The portfolio manager

Answer: C

NEW QUESTION 185

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

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

Answer: C

NEW QUESTION 188

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 189

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 191

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 193

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

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

Answer: C

NEW QUESTION 194

Your sponsor is under a lot of pressure from the management because the portfolio has been hit by multiple risks already and the situation is going towards its termination. Your sponsor asked you to prepare him an analysis to show the probable ROI and the confidence level in it. Which approach is the best one in this case?

- A. Scenario Analysis
- B. Monte Carlo Analysis
- C. SWOT Analysis
- D. What-if Analysis

Answer: B

NEW QUESTION 199

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

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

Answer: C

NEW QUESTION 202

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

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

Answer: D

NEW QUESTION 204

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

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

Answer: D

NEW QUESTION 205

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 210

Programs and projects in your company, one of the largest banks in the world, are required to submit metrics as to their individual progress each month. To simplify the collection and reporting process, you held interviews with members of the Portfolio Review Board to see their areas of greatest interest and also with program and project managers to determine how difficult it would be to collect the data. You then selected 10 possible metrics to the Board, with a goal that five would be regularly reported. It is important to note that:

- A. Quantitative metrics are preferable
- B. The value is realized when components are used
- C. Customer satisfaction is the most important goal
- D. If components have interdependencies with other components, their metrics should be reported as a group

Answer: B

NEW QUESTION 215

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. You have just finalized the development of the Portfolio Communication Management Plan. Which of the following is correct regarding its purpose and focus?

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

Answer: C

NEW QUESTION 218

As part of the strategic alignment, you Evaluate organizational strategic goals and objectives using document reviews, interviewing, and other information gathering techniques in order to

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

Answer: A

NEW QUESTION 220

Establishing a portfolio management process starts with the development of the organizational portfolio management implementation plan. Which of the following helps while developing this plan?

- A. A proficient management team commitment to the effort
- B. All of the options
- C. A planned approach to change organizational behavior that includes a balance of strong leadership and management
- D. A planned approach for incrementally developing and implementing portfolio management processes

Answer: B

NEW QUESTION 222

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. When it comes to Portfolio dependencies, which of the following is true regarding the roadmap?

- A. The roadmap forms the initial basis on which dependencies are established both within the portfolio and externally to the portfolio, between the organization areas
- B. The Portfolio roadmap includes programs and projects roadmaps, so it establishes the internal dependencies for the portfolio and its subsequent programs and projects
- C. The roadmap is internal to the portfolio, so it only establishes the internal dependencies
- D. The roadmap caters for the alignment with strategic objectives, so it establishes external dependencies

Answer: A

NEW QUESTION 227

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 229

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 233

Different types of risks affect the portfolio, and they may be positive or negative. As the portfolio manager, one has to maximize the opportunities and minimize the threats. An example of a negative portfolio risk is:

- A. External participants who are highly specialized
- B. Integrated systems
- C. A large number of concurrent programs and projects
- D. Full-cost estimates for programs and projects

Answer: C

NEW QUESTION 234

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 237

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 effect of changing one or more factors?

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

Answer: A

NEW QUESTION 240

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

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

D. Developing specific portfolio assets

Answer: D

NEW QUESTION 242

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 245

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

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

Answer: A

NEW QUESTION 249

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 253

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 258

You have just finished a major checkpoint in your portfolio and the portfolio has to undergo several changes in order to re-align with the strategies. One component of your portfolio has been cancelled and the resources are going to be reallocated to other components. Which process does these activities?

- A. Manage Supply & Demand
- B. Authorize Portfolio
- C. Manage Portfolio Oversight
- D. Optimize Portfolio

Answer: B

NEW QUESTION 261

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 266

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

reports?

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

Answer: A

NEW QUESTION 268

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

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

Answer: C

NEW QUESTION 273

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 275

After the stakeholder analysis is complete, a best practice is to put stakeholders into a matrix to develop a communications management strategy. A simple but useful approach is to set it up to show:

- A. Level of authority and level of interest
- B. Level of authority and level of involvement
- C. Level of influence and level of impact
- D. Level of influence and level of interest

Answer: D

NEW QUESTION 277

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 280

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

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

Answer: D

NEW QUESTION 285

Portfolio management processes are performed in an environment broader than a portfolio; therefore, an organization-level implementation team supported by executive management, a governing body, and portfolio managers join forces to implement organization-level portfolio management processes. After Defining roles and responsibilities for portfolio management process implementation, what should be the FIRST next step?

- A. Define and deploy detailed portfolio management processes and provide training to staff and stakeholders.
- B. Changing business processes
- C. Developing the Portfolio Strategic Plan
- D. Communicate the portfolio management implementation plan

Answer: D

NEW QUESTION 287

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

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

Answer: A

NEW QUESTION 292

You are currently defining a hierarchical representation of your portfolio and its components and listing the major and milestone components, including dependencies internal and external to the portfolio with business units. For this you know that you will need multiple inputs. Which of the following are considered inputs in your case?

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

Answer: B

NEW QUESTION 295

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 302

Being a portfolio manager, you realize that defining value differs among organizations based on the type of organization and its strategic goals and objectives. However, you know a value measurement framework is helpful as it:

- A. Compares expected value across components
- B. Shows value in terms of tangible benefits
- C. Indicates how to best weight and score a component to authorize it
- D. Sets a baseline for a component's expected value

Answer: A

NEW QUESTION 305

Assume you are the portfolio manager for the Federal Railroad Administration. Funding is provided annually according to the Government's budget process. Any monies that are not spent at the end of a fiscal year are lost, and there are some restrictions in place concerning whether funds can be transferred to different programs, projects, or operations work in the agency. Therefore, to maximize the use of funding you require:

- A. Regular reports on funds for authorized components
- B. Projections on a quarterly basis as to the funds components require
- C. Mechanisms for internal audits to ensure funds are allocated effectively
- D. Accurate estimates of the funds needed when the component is proposed for consideration

Answer: A

NEW QUESTION 309

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

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

Answer: D

NEW QUESTION 310

As a portfolio manager you will use a variety of artifacts and documents that will help you better manage the portfolio and better communicate progress and status with stakeholders. The roadmap is considered the most used document in the portfolio and eases your work being able to present the status on a single graphical representation. Early on during the portfolio lifecycle, you prepare the roadmap. An output of this process is

- A. Portfolio update, Portfolio Charter update, Portfolio Roadmap
- B. Portfolio Roadmap
- C. Portfolio update, Portfolio Roadmap
- D. Portfolio Charter update, Portfolio Roadmap

Answer: B

NEW QUESTION 312

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

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

Answer: C

NEW QUESTION 314

Your CEO was fired because of a decline in the company's profits by the Board of Directors. They have now hired a new CEO, who plans to re-shape the portfolio and has changed the company's strategic goals and objectives. The new CEO will continue the existing product line of soap products that the company has manufactured for the past 50 years but now will manufacture new products to focus on the baby boomer generation as they retire but desire to maintain a youthful appearance. It also will offer other products to new high school and college graduates who want to appear older. As the portfolio manager you should:

- A. Determine the overall impact to the portfolio performance
- B. Determine investment requirements to move to these markets
- C. Assess the competencies of the existing staff to support these new products
- D. Evaluate whether the new products can be outsourced to reduce time to market

Answer: A

NEW QUESTION 317

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 shows a clear path from the "as-is" to the "to-be" vision?

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

Answer: D

NEW QUESTION 321

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 have just finalized managing the strategic change and you are expected to present the following documents:

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

Answer: B

NEW QUESTION 324

One of the junior portfolio managers learned that she needs to perform organizational structure analysis as part of the portfolio management plan development. She does not understand why and she came to you for advice. What is your advice to her?

- A. Portfolio Management roles and responsibilities are defined based on this analysis
- B. This analysis, along with the analysis of the portfolio structure from the charter, help in the selection of strategically aligned portfolio components
- C. This analysis will help in prioritizing the portfolio
- D. This analysis is part of the develop strategic plan and not develop portfolio management plan

Answer: A

NEW QUESTION 327

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

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

Answer: C

NEW QUESTION 331

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

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

Answer: D

NEW QUESTION 336

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 338

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 343

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 347

Your dry foods company is faced with new regulations that dramatically change what is to be included in each product to put on redesigned food labels. The objective of the regulations is to help reduce obesity in the citizens in your country so they are aware of trans-fat food. You must be in complete compliance with these regulations in six months. As the portfolio manager you must document how you will address these regulations in a:

- A. Detailed report to the Portfolio Review Board
- B. Meeting with all employees as some existing components will be deferred to meet the requirements
- C. Portfolio performance plan
- D. Portfolio communications plan

Answer: C

NEW QUESTION 348

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 349

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 351

Management practices are leveraged by organizational resources and as a portfolio manager, you realize that the correct management of supply and demand with relation to organizational resources is crucial to the success of a portfolio. Which of the following is not an organizational resource?

- A. Program and project managers
- B. None of the options
- C. Funds
- D. Assets

Answer: B

NEW QUESTION 353

While managing a program for the banking sector spanning multiple transformational areas. A new portfolio manager comes to you seeking advice on the usefulness of ROI. You tell her that ROI is the best method to measure returns of

- A. Short Duration and High Risk
- B. Long Duration and High Risk
- C. Short Duration and Low Risk
- D. Long Duration and Low Risk

Answer: C

NEW QUESTION 358

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 360

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 365

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

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

Answer: B

NEW QUESTION 368

As you focus on managing the value of the portfolio, you find that portfolio variance/alert reports are helpful. Assume you have been using a 'traffic light' format as it is easy to prepare, but an objective is to:

- A. Add in blue to show completed components
- B. Show dependencies between components with a different color
- C. Set it up to show the organizational value areas in the company
- D. Use a standardized format across components

Answer: D

NEW QUESTION 370

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

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 377

You are the portfolio manager for a family business company who had an old CEO reluctant to change and to taking risks. The board has decided with the support of the president to change the CEO and assign a new one. The executive directors along with the president have as well advised the new CEO to be more aggressive. Which of the following documents need to be updated in this case?

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

Answer: D

NEW QUESTION 381

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 386

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

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

Answer: C

NEW QUESTION 388

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

- A. Revise the ranking model
- B. Inform all stakeholders
- C. Update the roadmap

D. Upgrade to a more detailed scoring model that includes dependencies with components

Answer: C

NEW QUESTION 390

You have been a successful program manager for many years in your State Department of Agriculture. During this time, you managed large programs, and some had major risks to mitigate especially in the information systems area as new software would be released that was commercially available, and you knew it would then enhance the benefits to your customers if you acquired it. You were the first in the Department to get your PfMP, and it led to a promotion to become the first portfolio manager. After a year in this position, you find managing risks and issues to be totally different because:

- A. You must focus attention on external, political risks
- B. You are concentrating more on long-term initiatives
- C. Your focus is on determining the risk tolerances of stakeholders, both internal and external
- D. You emphasize strategic fitness of the portfolio

Answer: D

NEW QUESTION 394

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. Risk Categories, criteria and probability and impact are updated as a result of Developing the Risk Management Plan. These updates are recorded in which of the following?

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

Answer: A

NEW QUESTION 396

A junior Portfolio manager has come to you for advice. He is hearing a lot about the focus of portfolio management practices, however, he is not sure anymore of the exact answer. What do you, as an experienced portfolio manager tell him?

- A. Portfolio is undertaken to produce deliverables that support specific organizational objectives
- B. Portfolio is undertaken to achieve one or more organizational strategies and objectives
- C. Portfolio is undertaken to achieve benefits
- D. Portfolio is undertaken to handle operational daily activities

Answer: B

NEW QUESTION 401

Due to a strategic change, multiple components on your portfolio have been terminated, leaving you with limited remaining funds coming from the terminated components. What should be your best course of action?

- A. Since the funds are limited, you can leave them with you and use them as equity protection for low probability and high impact risks
- B. Return the funds to the organization
- C. Since the remaining budget is limited, the portfolio manager can directly assign it to ongoing components that need a little push
- D. Re-activate one of the terminated components because you have additional budget

Answer: B

NEW QUESTION 406

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 408

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 409

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

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

Answer: D

NEW QUESTION 410

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 412

The portfolio is undergoing and you are now in the monitoring and controlling phase. Two of your team members are arguing about what to use in order to determine decisions to be made with regards to the portfolio and its components. What should be your advice to them?

- A. They should use the elicitation techniques to get as much data as possible on the progress in order to be able to take decisions
- B. They should conduct review meetings on formal and scheduled basis
- C. They should conduct review meetings on scheduled and informal basis
- D. They should conduct review meetings on need basis

Answer: B

NEW QUESTION 415

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 417

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 421

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 424

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 427

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 430

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

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

Answer: D

NEW QUESTION 434

Risk is inherent in all activities and managing risk is critical to a successful portfolio. Risks perspectives differ within the organization between executive management, operations management, portfolio management and project/program management. When it comes to Portfolio management, which of the following is a risk concern?

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

Answer: C

NEW QUESTION 435

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 439

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 441

Assume you have determined the prioritization criteria your Portfolio Review Board will use, and you have reviewed the criteria with your key stakeholders to attain their buy off and occurrence. The purpose in establishing these criteria is to:

- A. Ensure each component in the portfolio is in alignment to strategic goals
- B. Incorporate the key stakeholders' risk tolerances as a criterion for consideration
- C. Enable comparison among components
- D. Set forth measurable goals with KPIs

Answer: C

NEW QUESTION 442

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 446

only, which has diversified its product line significantly in the last two years to keep up with its leading competitor located in a different state. Your executive management team learned the other cereal company had implemented portfolio management from a contractor and believes it is essential since the economy is struggling, and resources are constrained. Your first step has been to identify the existing operational work, projects, and programs as well as to learn about proposed components of the portfolio. This list:

- A. Was easy to obtain as you used what was available from the Enterprise Program Management Office
- B. Is part of the portfolio strategic plan
- C. Was gathered through interviews with people from each business unit
- D. Was prepared through questionnaires and the use of cross-functional focus groups

Answer: B

NEW QUESTION 447

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 450

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

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

Answer: D

NEW QUESTION 451

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

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

Answer: A

NEW QUESTION 456

Your Portfolio Review Board is scheduled to meet in a week. Resources only are available to support one project, and detailed business cases have been prepared for two of them. Your company has a policy of being risk adverse. Based on the following table, which project would you recommend to the Board, and what else would you mention to them?

	<i>Project 1</i>	<i>Project 2</i>
Benefits	\$750,000	\$25,000
Costs	\$500,000	\$15,000

- A. Project A and it has less risk associated with it
- B. Project B and it has less risk associated with it
- C. Project A as the benefits will be realized in a shorter time period
- D. Project B but other qualitative items are not available

Answer: D

NEW QUESTION 459

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

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

Answer: C

NEW QUESTION 463

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

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

Answer: D

NEW QUESTION 464

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

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

Answer: A

NEW QUESTION 469

One of your company's junior portfolio managers came to you for advice. He noticed while checking the roadmap that it does not include all the portfolio components. What should be your advice to him?

- A. The roadmap does not include all of the portfolio components, it is used as a high-level timeline
- B. The roadmap should include all of the portfolio components in order to correctly depict the different timelines and milestones
- C. Whether the roadmap includes all or a part of the portfolio components, is the decision of the portfolio manager
- D. Whether the roadmap includes all or a part of the portfolio components, is the decision of the portfolio sponsor

Answer: B

NEW QUESTION 471

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 475

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 performance closely and that the governance board and the stakeholders would want to check on the progress and performance frequently. For this you are developing a robust performance management plan. What can you use to help you start developing this plan?

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

Answer: D

NEW QUESTION 479

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