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**QUESTION 1**

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

Correct Answer: B

QUESTION 2

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

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

Correct Answer: C

QUESTION 3

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

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

Correct Answer: C

**QUESTION 4**

Over the years, your organization has grown significantly as it has entered new markets while maintaining its presence in its traditional product line of security systems. The company now has eight different business units rather than three, which was the case only two years ago, and it set up funding originally such that it was only allocated to one business unit and could not be transferred to others. At the recently held Portfolio Oversight Committee meeting, five business units did not add components, but some were completed. The other three added a number of programs and projects, which were authorized. Now funding for these new components is an issue. This means:

- A. Another Committee meeting is required to focus on the funding problem
- B. The sponsors of the newly authorized components need to work with their business units to determine how funds will be allocated
- C. The three business units need to evaluate their portfolios and recommend termination of some components to the Committee
- D. Changes are required as to how funds are allocated

Correct Answer: D

QUESTION 5

Following a recent portfolio health check, you noticed that your portfolio is not aligned with the strategic plan and actions should be taken to stop losing money. What should be your next course of action?

- A. Escalate to the executive management
- B. Update the Strategic Plan
- C. Escalate to Governance Board
- D. Escalate to sponsor directly

Correct Answer: C

QUESTION 6

One of your team members came to you asking about the risk "Watch List"; he heard this term in a meeting on risk analysis and did not know what it meant. What will your advice to your team member be?

- A. Watch Lists include the risks with low probability and low impact that do not require further analysis
- B. Watch Lists include the risks with low probability and high impact that needs to be watched closely
- C. Watch Lists include the risks with high probability and low impact that needs to be watched closely
- D. Watch Lists include the risks with high probability and high impact that needs to be watched closely

Correct Answer: A

**QUESTION 7**

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

Correct Answer: A

QUESTION 8

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

Correct Answer: C

QUESTION 9

One of the major steps for a portfolio manager is to know which components qualify to be included in the mix of components that will achieve the strategic objectives sought by the portfolio. As a program manager, you will use a variety of methods to help you achieve this purpose. Which of the following are valid tools and techniques?

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

Correct Answer: C

**QUESTION 10**

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

Correct Answer: C

QUESTION 11

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

for these new energy efficient products and did so by:

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

Correct Answer: D

QUESTION 12

Working to prepare the portfolio performance management plan, assume you have been involving others in the process to help secure their later support of the plan. You also reviewed historical information and other artifacts. Not to be overlooked is a/an:

- A. Benefit schedule
- B. Organization chart
- C. Regulatory requirements
- D. Governance model



Correct Answer: A

QUESTION 13

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

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

Correct Answer: C

QUESTION 14

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

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

Correct Answer: A

QUESTION 15

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

Correct Answer: C



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