PfMP®

Portfolio Management Professional (PfMP)®
Examination Content Outline

Project Management Institute

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TABLE OF CONTENTS

INTRODUCTION

The Project Management Institute (PMI)® offers a professional credential for portfolio management professionals, known as the Portfolio Management Professional (PfMP)®. PMI's professional credentialing examination development processes stand apart from other project management certification examination development practices. PMI aligns its process with certification industry best practices, such as those found in the *Standards for Educational and Psychological Testing*.

A key component of this process is that organizations wishing to offer valid and reliable professional credentialing examinations are directed to use a role delineation study (RDS) as the basis for the creation of the examination. This process utilizes knowledge and task driven guidelines to assess the practitioner's competence, and determine the level of salience, criticality, and frequency of each of the knowledge, tasks, and skills required to perform to the industry-wide standard in the role of a portfolio manager.

The role delineation study ensures the validity of an examination. Validation assures the outcome of the exam is in fact measuring and evaluating appropriately the specific knowledge and skills required to function as a portfolio management professional. Thus, the role delineation study guarantees that each examination validly measures all elements of the portfolio management profession in terms of real settings.

PfMP® credential holders can be confident that their professional credential has been developed according to the best practices of test development and based upon input from the practitioners who establish those standards. Please see Appendix A for a detailed description of the process.

The PfMP examination is a vital part of the activities leading to earning a professional credential, thus it is imperative that the PfMP examination reflect accurately the practices of the portfolio management professional. All the questions on the examination have been written and extensively reviewed by qualified portfolio management professionals and are supported by current portfolio management published references. These questions are mapped against the *PfMP Examination Content Outline* to ensure that an appropriate number of questions are in place for a valid examination.

PMI retained Professional Examination Service (ProExam) to develop the global *PfMP Examination Content Outline*. Since 1941, ProExam has provided a full range of assessment and advisory services to organizations across a broad range of professions, in support of professional licensure and certification, training, and continuing professional education. ProExam is dedicated to promoting the public welfare through credentialing as a mission-driven, not-for-profit organization.

Finally, while the *PfMP Examination Content Outline* and the *Standard for Portfolio Management* have commonalities, it is important to note that those involved in the study described previously were not bound by the *Standard for Portfolio Management*. They were charged with defining the role of individuals who manage portfolios of projects and programs and align these portfolios to help achieve organizational strategic objectives, using their experience and pertinent resources to help in this task.

Although many of the domains, tasks, knowledge, and skills outlined by the *PfMP Examination Content Outline* are also covered by the *Standard for Portfolio Management*, there are some that are unique to the *PfMP Examination Content Outline*. Candidates studying for the examination will

certainly want to include the current edition of the *Standard for Portfolio Management* as one of their references, and would be well advised to read other current titles on portfolio management.

*Important Note – please always refer to the PMI website for the most current version of the *PfMP Exam Content Outline*

PORTFOLIO MANAGEMENT EXAMINATION CONTENT OUTLINE

The following table identifies the proportion of questions from each domain that will appear on the examination. These percentages are used to determine the number of questions related to each domain and task that should appear on the multiple-choice format examination.

Domain	Percentage of Items on Exam
Strategic Alignment	25%
Governance	20%
Portfolio Performance	25%
Portfolio Risk Management	15%
Communications Management	15%

<h1 align="center">DOMAINS AND TASKS</h1>

Domain 1: Strategic Alignment

The Strategic Alignment domain includes the continuous activities necessary for aligning portfolio components (programs, projects, and operations) with organizational strategic objectives, goals, and priorities. Portfolio strategic alignment also involves recommending portfolio scenarios and related components to create an initial high level portfolio roadmap.

Tasks	Strategic Alignment (25%)
Task 1	**Evaluate organizational strategic goals and objectives using document reviews, interviewing, and other information gathering techniques in order to understand the strategic priorities.**
Task 2	**Identify prioritization criteria (e.g., legislative, dependencies, ROI, stakeholder expectations, strategic fit) using information gathering and analysis techniques in order to create a basis for decision making.**
Task 3	**Rank strategic priorities working with key stakeholders and using qualitative and quantitative analyses in order to provide a guiding framework to operationalize the organizational strategic goals and objectives.**
Task 4	**Identify existing and potential portfolio components by reviewing documentation such as business plans/proposals in order to create portfolio scenarios.**
Task 5	**Create portfolio scenarios (what-if analysis) by reviewing components against prioritization criteria and using analysis techniques (e.g., options analysis, risk analysis, SWOT analysis, financial analysis) in order to evaluate and select viable options.**
Task 6	**Recommend portfolio scenario(s) and related components, based on prioritization analysis/criteria, in order to provide governance with a rationale for decision making.**
Task 7	**Determine the impact to portfolio and portfolio components due to changes in strategic goals and objectives, in order to sustain strategic alignment.**
Task 8	**Create high level portfolio roadmap working with key stakeholders using prioritization, interdependency analysis, and organizational constraints in order to confirm and communicate the portfolio components sequencing, dependencies, and strategic alignment.**

Domain 2: Governance

The Governance domain includes activities related to establishing the governance model, developing the portfolio management plan, and approving the portfolio. Tasks in the Governance domain ensure that portfolio components are authorized and processes and procedures are developed and continuously improved.

Tasks	Governance (20%)
Task 1	**Define and establish a governance model including the structure (including but not limited to steering committees, governance boards), policies, and decision-making roles, responsibilities, rights and authorities in order to support effective decision-making and achieve strategic goals.**
Task 2	**Determine portfolio management standards, protocols, rules, and best practices, using organizational assets (such as information systems, subject-matter experts) and industry standards in order to establish consistent portfolio management practices.**
Task 3	**Define and/or modify portfolio processes and procedures including but not limited to benefits realization planning, information management, performance, communication, risk management, stakeholder engagement, resource management, and change management in order to manage the portfolio efficiently and effectively.**
Task 4	**Create the portfolio management plan including, but not limited to, roles and responsibilities, governance model, escalation procedures, risk tolerances, and governance thresholds, change control and management, key performance indicators, prioritization model, and communication procedures using standards, models, and other organizational assets in order to ensure effective and efficient portfolio management.**
Task 5	**Make recommendations and obtain approval regarding portfolio decisions (e.g, components, plans, budget, roadmap) through communication with key decision makers as defined by the governance model, in order to authorize the execution of the portfolio.**

Domain 3: Portfolio Performance

The Portfolio Performance domain includes the activities required for managing the portfolio using the portfolio processes as defined by the governance model; continuously monitoring and evaluating the performance of the consolidated portfolio components in order to balance the portfolio; and reporting on progress towards the achievement of strategic objectives.

Tasks	Portfolio Performance (25%)
Task 1	**Initiate the portfolio using the portfolio roadmap and supporting artifacts in order to authorize the portfolio structure and activate the components.**
Task 2	**Collect and consolidate key performance metric data, as defined by portfolio governance and using various techniques, in order to measure the health of the portfolio.**
Task 3	**Monitor the portfolio performance on an ongoing basis, using reports, conversations, dashboards, and auditing techniques in order to ensure portfolio effectiveness and efficiency and maintain strategic alignment.**
Task 4	**Manage and escalate issues by communicating recommended actions to appropriate decision makers for timely approval and implementation of proposed solution(s).**
Task 5	**Manage portfolio changes using change management techniques, in order to improve portfolio performance and maintain strategic alignment.**
Task 6	**Balance portfolio and prioritize portfolio components, using established criteria and methods in order to optimize resource utilization and achieve strategic portfolio objectives.**
Task 7	**Analyze and optimize the consolidated allocation/reallocation of capacity (e.g., people, tools, materials, technology, facilities, financial) using supply/demand management and scenario analysis techniques to ensure portfolio efficiency and effectiveness.**
Task 8	**Update and refine existing portfolio road maps, using change analysis in order to facilitate re-allocation of organizational resources to the portfolio.**
Task 9	**Measure the aggregated portfolio performance results against the defined business or strategic goals and objectives in order to demonstrate progress toward the achievement of business or strategic goals.**
Task 10	**Maintain records by capturing portfolio artifacts, such as approvals, prioritizations, and other decisions, in order to ensure compliance with organizational policies, regulatory requirements, and portfolio management standards.**

Domain 4: Portfolio Risk Management

Portfolio Risk Management includes activities related to the balancing and management of portfolio risk consistent with the risk appetite of the organization and facilitates decision making.

Tasks	Portfolio Risk Management (15%)
Task 1	**Determine acceptable level of risk for the portfolio, based on organizational and stakeholder risk tolerances, in order to provide input to governance.**
Task 2	**Develop the portfolio risk management plan, using governance risk guidelines, processes, and procedures and other organizational assets in order to capitalize on opportunities, and respond to risks.**
Task 3	**Perform dependency analysis to identify and monitor risks related to the interdependencies and intradependencies within or across portfolios in order to support decision-making.**
Task 4	**Develop, monitor, and maintain portfolio-level risk register, including risks to strategic goals and objectives, to business value, and escalated from portfolio components, using risk management processes in order to support decision making.**
Task 5	**Promote common understanding and stakeholder ownership of portfolio risks, through communications with stakeholders, in order to facilitate risk response.**
Task 6	**Provide recommendation and obtain approval for a portfolio management reserve, based on aggregate portfolio risk exposure, in order to optimize portfolio strategic goals and objectives.**

Domain 5: Communications Management

The Communications Management domain includes activities related to continuously communicating with stakeholders; understanding their needs and expectations; addressing issues as they occur; managing conflicting interests; and fostering appropriate stakeholder engagement in portfolio decisions and activities.

Tasks	Communications Management (15%)
Task 1	**Analyze internal and external stakeholders using techniques such as meetings, interviews, surveys/questionnaires, in order to identify stakeholder expectations, interests, and influence on the success of the portfolio.**
Task 2	**Create the aggregate communication strategy and plan, including methods, recipients, vehicles, timelines and frequencies in order to enable effective communication to stakeholders.**
Task 3	**Engage stakeholders, through oral and written communication, to ensure awareness, manage expectations, foster support, and build relationships and collaboration for the success of the portfolio roadmap.**
Task 4	**Maintain the communication strategy and plan by evaluating current communications capabilities, identifying gaps, and documenting communications plan to meet stakeholder requirements.**
Task 5	**Prepare and/or facilitate stakeholder understanding of portfolio management-related processes, procedures, and protocols using organizational assets (e.g., information systems, training delivery methods) in order to promote common understanding and application of the portfolio management process.**
Task 6	**Verify accuracy, consistency, and completeness of portfolio communication, utilizing governance guidelines, to maintain credibility and satisfaction with all stakeholders.**

KNOWLEDGE AND SKILLS

1. Strategic portfolio management planning
2. Strategic planning processes, tools, and techniques (e.g., SWOT analysis, gap analysis, financial analysis)
3. Business analysis
4. Interdependency analysis
5. Investment choices (e.g., trade off analysis/market payoff/budget variability)
6. Prioritization analysis techniques
7. Procedures to identify risk tolerance
8. Organizational risk tolerance
9. Structural risk analysis (portfolio and mission)
10. Organizational structures (e.g., horizontal v. vertical, functional v. enterprise)
11. Portfolio balancing
12. Financial analysis
13. Budget planning/execution
14. Risk planning
15. Risk probability analysis
16. Execution risk analysis
17. Aggregate risk assessment and evaluation
18. Scenario planning and analysis
19. Decision-making tools and techniques
20. Roadmap development
21. Business case development and analysis (including cost/benefit)
22. Cost estimation techniques
23. Change management techniques
24. Organizational change management
25. Stakeholder analysis
26. Stakeholder engagement process
27. Stakeholder engagement techniques (e.g., elicitation, active listening, clarification)
28. Stakeholder training methods
29. Coaching and mentoring techniques
30. Communication tools and techniques
31. Audience-specific, targeted communication techniques
32. Strategic performance management tools and techniques (e.g., balanced scorecards, KPIs)
33. Portfolio, project and program management principles
34. Benefit realization planning
35. Benefits realization analysis
36. Information management systems, tools, and techniques
37. Resource contingency/reserves planning
38. Capacity/capability analysis (human, financial, material)

39. Rebalancing methods
40. Qualitative analysis tools and techniques
41. Quantitative analysis tools and techniques
42. PMO operations
43. Process development and continuous improvement techniques
44. Authority levels and escalation procedures
45. Quality management
46. Compliance management
47. Performance management planning
48. Performance reporting (e.g., financial, status, constraints, variances, resource utilization, benefits)
49. Performance metrics and targets
50. Value scoring and measurement analysis
51. Variance analysis
52. Resource planning
53. Resource leveling
54. Root cause analysis
55. Issue management
56. Benefits management
57. Demand management
58. Data analysis and reporting (including dashboard and graphical methods)
59. Opportunity management
60. Auditing techniques
61. Risk identification
62. Risk benchmarking analysis
63. Risk categorization
64. Risk monitoring tools and techniques
65. Quantitative and qualitative trend analysis
66. Risk reporting techniques (including graphical)
67. Presentation tools and techniques
68. Collaboration tools and techniques
69. Communication requirements analysis
70. Negotiation techniques
71. Cross-functional team building
72. Facilitation
73. Conflict resolution
74. Leadership
75. PMI Code of Ethics and Professional Conduct

APPENDIX A: ROLE DELINEATION STUDY (RDS) PROCESS

Defining the Responsibilities

The first step in developing a certification examination is to define the responsibilities of the recipients of the credential. It must be known what portfolio managers actually do on the job *before* a content-valid test can be developed. A valid examination draws questions from every important area of the profession and specifies that performance areas (domains) considered more important, critical, and relevant be represented by more questions on the examination. Defining the role of portfolio manager occurs in two major phases: one in which individuals currently in the role define the responsibilities, and another in which the identified responsibilities are validated on a global scale.

Beginning in 2012, PMI commissioned a global role delineation study (RDS) for the PfMP credential. The RDS process was led by a steering committee, representing PMI's Certification Governance structure. A project task force comprised of portfolio management professionals was responsible for the conduct of work on the project, with oversight from the steering committee. The task force had represented global representation and diversity in industry, job position, and experience. Portfolio managers were also responsible for the independent reviews of the work of the task force and piloting the information before surveying a larger sample of portfolio managers.

Study participants, working under the direction of the Professional Education Service (ProExam), reached consensus on the performance domains, a broad category of duties and responsibilities that define the role, as well as the tasks required for competence performance and the knowledge/skills needed to perform those tasks.

Validating the Responsibilities Identified by the Panelists

In order to ensure the validity of the study and content outline developed by the study participants, a survey requesting feedback on the study participant's work was sent to portfolio management practitioners throughout the world. Surveys were distributed globally to thousands of portfolio managers around the world. PMI received a robust set of responses to the survey, with participants from various countries and representing every major industry. This provided PMI with the statistical significance from which to draw conclusions about the criticality for competent performance and frequency of the tasks. Practitioners also rated the knowledge/skills on how essential they were to their work as portfolio managers and when they were acquired.
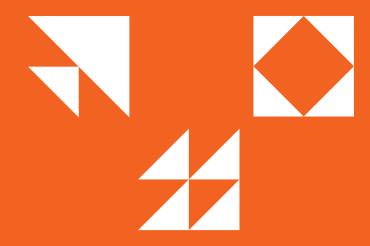
Developing a Plan for the Test

Based on respondent ratings, an examination blueprint, clarifying exactly how many questions from each domain and task should be on the examination, was developed. Those domains and tasks that were rated as most important, critical, and relevant by survey respondents would have the most questions devoted to them on the examination.

Results of the study indicated that the 150 scorable questions on the test should be distributed among the domains as shown in the following table. The remaining 20 questions will be dispersed throughout the domains as pretest questions and will not count in the candidates' scores. The pretest items allow

PMI to monitor the question performance better, prior to including the questions in the final databank of test questions.

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