

General Information about Portfolio Management

What is a portfolio?

A portfolio is a collection of programs, projects and/or operations managed as a group. The components of a portfolio may not necessarily be interdependent or even related—but they are managed together as a group to achieve strategic objectives.

What is portfolio management?

Portfolio management is the centralized management of one or more portfolios, which includes identifying, prioritizing, authorizing, managing, and controlling projects, programs and other related work to achieve specific strategic business objectives.

How does portfolio management differ from project management and program management?

Portfolio, program and project management are all aligned and driven by organizational strategies. However, each one contributes differently to the achievement of strategic goals.

	Contributions to organizational goals
Project Management	Develops and implements plans to achieve a specific scope that is driven by the objectives of its program and, ultimately, organizational strategy. It is largely concerned with achieving specific deliverables that support specific organizational objectives.
Program Management	Harmonizes its project and program components, and manages their interdependencies in order to realize specified benefits. It focuses on achieving the cost, schedule and performance objectives of the projects within the program or portfolio.
Portfolio Management	Aligns with organizational strategies by selecting the right programs or projects, prioritizing the work, and providing the needed resources. It balances conflicting demands between programs and projects , allocates resources based on organizational priorities and capacity, and manages so as to achieve the benefits identified.

Why is portfolio management important?

Because it supports the organization’s strategic goals and, ultimately, its bottom line. Portfolio management is critical to organizing and prioritizing projects and programs and ensuring that the appropriate financial support is being allocated in support of those goals.

What is the role of the portfolio manager?

The Portfolio Manager is responsible for monitoring and managing assigned portfolios by:

- Establishing and guiding the selection, prioritization, balancing, and termination processes for portfolio components to ensure alignment with organizational strategy.
- Providing key stakeholders with timely assessment of portfolio and component performance.
- Assisting decision makers with the review, reprioritization, and optimization of the portfolio.
- Ensuring timely and consistent communication to stakeholders on progress, impacts, and changes associated with management of the portfolio.
- Participating in program and project reviews to reflect senior level support, leadership, and involvement in important matters.

Is Portfolio Management new at PMI?

PMI expanded into portfolio management in 2005 when we released the first edition of *The Standard for Portfolio Management*, which was updated to the third edition on 1 January 2013. We've also long offered a variety of knowledge content (books, articles, papers) and professional development courses around portfolio management.

PMI also supports portfolio managers through the PMI® Program Management Office, a component of PMI since 2001, and now engages these professionals through the PMI Program Management Office Community of Practice.

What resources does PMI have for portfolio managers?

- *The Standard for Portfolio Management*—Third Edition offers the most up to date information regarding accepted practices in portfolio management.
- The Program Management Office Community of Practice, which facilitates collaboration, knowledge sharing, and professional development opportunities for a growing community of project, program, and portfolio professionals. It provides members with opportunities to collaborate globally and learn across all disciplines through offerings such as a webinar series, discussion forums, newsletters, and access to relevant PMO research.
- Books on portfolio management found on the [PMI Marketplace](#).
- [PMI's Knowledge Center](#) provides a variety of resources, white papers, and articles.
- Educational programs (such as Registered Education Provider courses and e-learning courses) allow professionals to learn in face-to-face or online environments that suit their needs and schedules.
- Seminars and congress presentations that focus on portfolio management.
- PMI's *Pulse of the Profession*™ offers several key reports focused on portfolio management including titles such as *Pulse of the Profession*™ *In-Depth Report: Portfolio Management* (2012).
- The [PMI Portfolio Management resource page](#), which has a variety of information on courses, papers, articles, books and other resources related to portfolio management.

General Information about the New PfMPSM Credential

Why is PMI launching the Portfolio Management Professional (PfMP)SM credential?

In today's economy, organizations increasingly recognize formal portfolio management as one of the most effective ways to ensure projects and programs deliver expected value. With this growing adoption of portfolio management, there is a demand for more knowledge, resources and professional recognition. Further, market research showed that there is no globally-accepted credential for the role of a portfolio manager.

How do individuals benefit from obtaining the PfMP credential?

The PfMP credential validates and demonstrates a practitioner's knowledge and experience. It also differentiates practitioners from their non-credentialed peers, and, because it is transferrable among methodologies and industries, it helps make them more marketable.

How does an organization benefit from having credentialed portfolio managers within it?

The credential helps an organization define and recognize the value of portfolio management, and advance its practice of portfolio management by having credentialed portfolio managers on staff. The PfMP credential provides organizations with a measurement by which they can evaluate individuals in the area of managing strategic project portfolios. It also benefits the organizational bottom line, as the more credentialed practitioners, the more successful portfolio outcomes they are likely to have.

How does the PfMP credential differ from the Program Management Professional (PgMP)[®] credential?

PfMP SM credential	PgMP [®] credential
recognizes the advanced experience and skills of portfolio managers, and their proven abilities to coordinate the management of one or more portfolios to achieve organizational strategies and objectives	recognizes an individual's competency to oversee multiple, related projects and their resources to achieve strategic business objectives

How does the PfMP credential differ from the Project Management Professional (PMP)[®] credential?

PfMP SM credential	PMP [®] credential
recognizes the advanced experience and skills of portfolio managers, and their proven abilities to coordinate the management of one or more portfolios to achieve organizational strategies and objectives	recognizes demonstrated competence in leading and directing project teams

Do any of PMI's other credentials serve as prerequisites for the PfMP credential?

No. As with any offering in our Credential Program, no credential serves as a prerequisite for obtaining another and active credential holders may pursue other credentials.

Who should apply for the PfMP credential?

- Practitioners who use portfolio management and who are looking to validate their knowledge, skills, and experience.
- Project portfolio managers with 4 to 7 years of portfolio management experience and a minimum of 8 years of professional business experience.

With whom did PMI consult to develop this credential?

In the development of any credential, PMI engages various stakeholders that represent the particular area of focus. These individuals include thought leaders, skilled practitioners, and key organizational stakeholders that span a wide variety of industries in order to maintain a broad and all-encompassing perspective.

PMI also consults with a professional credentialing organization that assists with the development of a credential and ensures that the credential follows industry standards and best practices.

Application Information

How can practitioners apply for the PfMP credential pilot?

Anyone interested in participating in the PfMP pilot will need to complete the following steps and meet the specified criteria:

- Complete and submit the PfMP online application, which is expected to be made available on 11 November 2013.
- All specified eligibility criteria within the application must be met.
- Once the application has been submitted, reviewed, and payment is received, the applicant will proceed to the panel review phase.
- If the applicant passes the panel review phase, the applicant will be deemed eligible to test.
- In order to participate in the PfMP pilot, the applicant will need to complete the above mentioned steps in addition to scheduling and sitting for the examination prior to 28 February 2014.

How long does it take for the pilot application to be processed?

Applications will be processed within 10 days. However, if the application is approved it may take up to another 4 weeks in order to complete the panel review phase.

Are PfMP pilot applicants subject to PMI's application audit procedure?

Yes. All applications are subject to PMI's application audit process for which applications are selected randomly.

Eligibility Requirements

What are the eligibility requirements for the credential?

Educational Background	Portfolio Management Experience	Professional Business Experience
Secondary degree (high school diploma, associate's degree or global equivalent)	10,500 hours (7 years) of unique non-overlapping professional portfolio management experience	a minimum of 8 years of professional business experience
OR		
Four-year degree (bachelor's degree or global equivalent)	6,000 hours (4 years) of unique non-overlapping professional portfolio management experience	a minimum of 8 years of professional business experience

- All portfolio management experience must have been accrued within the last 15 consecutive years prior to the application submission. There is no time range for the professional business experience.
- General experience doesn't apply to portfolio management experience, but portfolio management experience can count as professional business experience.
- Where portfolio management experience cannot overlap, professional business experience can overlap with portfolio management experience.

Why do the eligibility requirements call for an applicant to have work experience?

This is standard of PMI credential eligibility requirements and helps ensure that practitioners' portfolio management methods are consistent with current practices.

Do the eligibility requirements change for applicants who hold the PMP® or the PgMP® credential(s)?

No. Portfolio management experience is different than project and program management experience. Therefore, having one of the other credentials does not change the eligibility requirements for PfMP candidates.

Why is professional business experience part of the credential eligibility requirements?

Another element that has been deemed relevant to the credential of a project portfolio manager is professional business experience. Project portfolio management practitioners focus on strategic investment matters and high level organizational decisions and as such the expectation is that these practitioners are at a more advanced stage in their career. In order to have complete competency in this domain, a foundation of professional business experience is pertinent.

Exam and Evaluation Information

What evaluations do candidates have to pass to earn the credential?

Candidates must pass two evaluations to earn the PfMP credential.

Evaluation 1	Application Panel Review
Evaluation 2	Multiple-choice exam

What is the panel review?

A panel of volunteer portfolio managers will assess the applicant's professional experience based on his or her responses to the Portfolio Management Experience Summaries on the PfMP application. It is similar to the panel review of the PgMP credential.

How long does the panel review take?

The panel review takes approximately four weeks to be completed.

What if a candidate does not pass the panel review?

If applicants fail the panel review, a credential associate will contact them to indicate what the candidate needs to do to resubmit their applications. Candidates cannot move on to the exam until they pass the panel review.

When does the exam eligibility period begin?

The exam eligibility period begins the day candidates pass the panel review. Candidates will be notified by email that they passed the panel review and will be provided their PMI Eligibility ID within that email communication.

How long does the exam eligibility period last?

Like all other PMI credentials, candidates will have a one-year eligibility period during which they can take the exam up to three times if they do not pass on their first attempt.

Where can candidates take an exam?

Candidates can take the computer-based exam at global Prometric testing centers. Prometric is PMI's test administration partner. Candidates need their PMI Eligibility ID in order to schedule their exams.

What is the cost of the PfMP exam?

Exam Administration Type	PMI Member Status	US Dollars
Computer-based testing (CBT)	member	\$800
	nonmember	\$1,000
Paper-based testing (PBT) available post pilot	member	\$700
	nonmember	\$900
Reexamination CBT	member	\$600
	nonmember	\$800
Reexamination PBT available post pilot	member	\$525
	nonmember	\$700
CCR credential renewal	member	\$60
	nonmember	\$150

What is the credential cycle for the PfMP credential?

Like all other PMI credentials, the PfMP has a three-year credential cycle.

Pilot Information (Dates and Resources)

When does the pilot period start?

Activity	Date
Online applications available	11 November 2013
First opportunity to sit for exam during the pilot phase	20 December 2013
Last opportunity to sit for exam during the pilot phase	28 February 2014
Credentials awarded to pilot participants	Quarter 2 2014

These are expected timeframes and subject to change. Please continue to check the PMI.org for the most current information.

Will there be any price discounts offered during the pilot?

Yes, a 20% rebate will be awarded to any individuals who participate in the PfMP pilot. This requires that you sit for the PfMP examination between 20 December 2013 - 28 February 2014. Full payment is due up front and the rebate will be rewarded after the pilot period has ended.

What other differences are there during the pilot phase?

One important factor to keep in mind is that exam score results will not be available immediately at the test center after taking the exam during the pilot phase. This delay in exam reports is necessary any time PMI creates a new credential exam.

Candidates who sit for the exam during the pilot can expect to receive the exam score report in Q2 2014.

What happens after the pilot timeframe?

After 17 February 2014, there will be a blackout in place and there will be no testing of the PfMP examination. You will still be able to submit an application for the PfMP credential, go through the panel review phase, and schedule your test appointment. You will not be able to sit for an examination, however. We anticipate that testing will resume in late Q2 2014, at which point exam results will be available on site immediately after taking the exam.

If you are interested in sitting for the PfMP exam after the pilot period then we encourage you to apply **after** the pilot has ended.