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Exam Code: PMI-RMP
Exam Name: PMI Risk Management Professional

Exam A

QUESTION 1
A project manager realizes the team undertaking the project work has fallen behind the planned schedule. The risk manager identifies a new risk resulting from this delay and will need to understand how this will affect the project deadline.
Which kind of numerical analysis should be performed to understand the worst-case scenarios?

A. Earned value analysis
B. Qualitative risk analysis
C. Sensitivity analysis
D. Root cause analysis

Correct Answer: C
Section:
Explanation:
sensitivity analysis is a technique that helps to determine which risks have the most potential impact on the project. It examines the extent to which the uncertainty of each project element affects the objective being examined when all other uncertain elements are held at their baseline values. Sensitivity analysis is often used to assess the risk exposure of the project schedule and cost, and to identify the critical risks that need to be managed. In this case, the risk manager needs to understand how the new risk resulting from the delay will affect the project deadline, which is the objective being examined. By performing sensitivity analysis, the risk manager can compare the relative importance and interaction of the new risk with other existing risks, and determine the worst-case scenarios for the project completion date. Sensitivity analysis can also help to prioritize risks for response planning and to develop contingency reserves.This is part of the Perform Quantitative Risk Analysis process in the PMBOK Guide2.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline2: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition

QUESTION 2
During a risk identification session, the risk manager notices that subject matter experts (SMEs) are reluctant to participate because some risks could expose the poor maturity of processes in other business units. Which risk analysis technique should the risk manager use?

A. Strengths, weakness, opportunities, and threats (SWOT) analysis
B. Delphi technique
C. Decision tree analysis
D. Probability impact matrix

Correct Answer: B
Section:
Explanation:
According to the PMI-RMP Exam Content Outline1, one of the tools and techniques for risk identification is the Delphi technique. This is a method of obtaining expert opinions anonymously and iteratively until a consensus is reached. The Delphi technique can help overcome the problem of SMEs being reluctant to participate in risk identification because it allows them to express their views without fear of criticism or confrontation from other participants. The Delphi technique can also reduce the influence of dominant or biased individuals and encourage honest and independent feedback.Therefore, the best answer is B.Reference:1: PMI-RMP Exam Content Outline, page 8.

QUESTION 3
During a risk identification process in a construction project, the lack of space to install air conditioners is raised as a risk with high impact. Which is an example of an early risk trigger?

A. A potential need to share the space with other machinery
B. A different type of equipment received before installation
C. A time delay during air conditioning installation activities

D. A quality nonconformance issue raised during the inspection

Correct Answer: A
Section:
Explanation:
A risk trigger is an indication or warning sign that a risk is about to occur or has occurred. A risk trigger can be an event, a condition, or a situation that signals the onset of a risk. A risk trigger can help the project team to identify and respond to risks in a timely manner. In this case, the lack of space to install air conditioners is a risk with high impact on the project. A potential need to share the space with other machinery is an example of an early risk trigger, because it indicates that the space issue may become a problem in the future. If the project team detects this trigger, they can take proactive actions to avoid or mitigate the risk, such as finding an alternative location, modifying the design, or negotiating with the stakeholders.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 102-103.

QUESTION 4
During project execution, a project manager invites the stakeholders to a risk review meeting. During this meeting, a vendor highlights that the mitigation plan for a schedule risk has generated an additional risk.
What should the risk manager do first?

A. Update the new risk in the risk register.
B. Plan responses for the new risk.
C. Passively accept the new risk.
D. Add the new risk to the watch list.

Correct Answer: A
Section:
Explanation:
The risk manager should first update the risk register with the new risk identified by the vendor. This will help in keeping track of all the risks associated with the project and facilitate the subsequent planning and management of the risks.
The risk manager should update the new risk in the risk register, which is a project document that records the details of all identified risks, including their description, category, cause, probability, impact, and response strategy. Updating the risk register is the first step to acknowledge the existence of the new risk and to document its characteristics and potential effects on the project objectives. The risk register can then be used as an input for the Plan Risk Responses process, where the risk manager can develop appropriate actions to address the new risk.Reference:PMI, A Guide to the Project Management Body of Knowledge (PMBOK Guide), Sixth Edition, 2017, p. 397, 441.

QUESTION 5
During a meeting to develop the risk management plan, the risk manager recognizes that risks may be identified that could also impact other projects that the company is pursuing. What should the risk manager do?

A. Contact the risk managers of the other projects and inform them
B. Include an escalation process in the risk management plan
C. Take note of the extensive impact of these risks in the risk register
D. Address the unique characteristics of these risks on a case-by-case basis

Correct Answer: B
Section:
Explanation:
The risk manager should include an escalation process in the risk management plan to address risks that may impact other projects. This ensures that any identified risks that could affect multiple projects are communicated and managed appropriately across the organization.
The risk manager should include an escalation process in the risk management plan to deal with risks that may affect other projects or the organization as a whole. An escalation process is a set of procedures that defines how and when risks should be communicated to higher levels of authority or responsibility for decision making or resolution. The escalation process should specify the criteria, roles, responsibilities, and communication channels for escalating risks. The risk manager should follow the escalation process when identifying risks that may have extensive impacts beyond the scope of the project. The other options are not appropriate actions for the risk manager to take. Contacting the risk managers of the other projects and informing them is not sufficient, as it does not ensure that the risks are properly addressed or resolved. Taking note of the extensive impact of these risks in the risk register is not enough, as it does not involve the necessary stakeholders or decision makers. Addressing the unique characteristics of these risks on a case-by-case basis is not consistent, as it does not follow a standard process or protocol.Reference:2,3,4

QUESTION 6
A risk manager reviews a Monte Carlo schedule risk analysis model before sharing the results with the project manager. The risk manager notices that activity correlations were not included in the model.
What is an effect of adding the correlation to the model?

A. Allows more risks to be included in the model.
B. Reduces the project completion duration.
C. Increases the standard deviation of the model.
D. Increases the probability of correlated activities finishing on time.

Correct Answer: C
Section:
Explanation:
Adding correlation to the model accounts for the relationship between activities, which can result in increased variability in the model's outcomes. This will increase the standard deviation, which is a measure of the uncertainty in the model.
According to the PMBOK Guide, 6th edition, Chapter 11: Project Risk Management1, an effect of adding the correlation to the Monte Carlo schedule risk analysis model is that it increases the standard deviation of the model. This is because:
Correlation is the statistical relationship between two or more variables. In a schedule risk analysis, correlation can be used to model the dependency between the durations of different activities. For example, if two activities are positively correlated, it means that if one activity takes longer than expected, the other activity is also likely to take longer than expected. Conversely, if two activities are negatively correlated, it means that if one activity takes longer than expected, the other activity is likely to take shorter than expected.
A Monte Carlo schedule risk analysis is a simulation technique that uses random values for uncertain variables, such as activity durations, to generate possible outcomes for the project schedule. The simulation is repeated many times to produce a probability distribution of the project completion date and duration. The standard deviation is a measure of the variability or dispersion of the distribution. A higher standard deviation means that the distribution is more spread out and less predictable.
Adding correlation to the Monte Carlo schedule risk analysis model increases the standard deviation of the model because it introduces more variability and uncertainty to the simulation. Correlated activities can have a cumulative effect on the project schedule, either positively or negatively, depending on the direction and strength of the correlation. This can result in more extreme outcomes for the project completion date and duration, which increase the spread of the distribution and the standard deviation.
PMBOK Guide, 6th edition, Chapter 11: Project Risk Management1
Risk Management Professional (PMI-RMP) Exam Cert Guide2

QUESTION 7
The project manager for project X was expecting the mobilization of critical equipment from another project, project Y. However, a day before the mobilization was scheduled, another project manager notifies project X's project manager that the equipment would not be available for at least another month due to delayed activities for project Y. This has jeopardized meeting a critical milestone for project X.
How should project X's project manager avoid this situation in the future?

A. Prepare a contingency response plan to implement when delays occur
B. Ask the other project manager to officially confirm the new date in writing
C. Request that the other project manager be added to relevant reports
D. Request that the other project manager inform if any additional delays are expected

Correct Answer: A
Section:
Explanation:
A contingency response plan helps the project manager to be prepared for unexpected situations, such as delays in equipment mobilization. This plan should outline alternative actions to take in case of such delays, minimizing the impact on the project.
According to the PMBOK Guide, a contingency response plan is a predefined action that the project team will take if an identified risk event occurs. It is part of the risk response plan, which is the output of the Plan Risk Responses process. The contingency response plan helps the project team to reduce the impact of the risk event on the project objectives, such as scope, schedule, cost, and quality. The contingency response plan should be documented in the risk register, along with the risk triggers, the assigned risk owners, and the allocated contingency reserves.
The project manager for project X should prepare a contingency response plan to avoid the situation of being dependent on the availability of critical equipment from another project, project Y. This is because the equipment mobilization is an external dependency, which is a type of inter-project dependency that occurs when a project relies on another project for a deliverable or resource. Inter-project dependencies are a source of risk for the project, as they may cause delays, conflicts, or changes in the project scope or quality. The project manager should identify, analyze, and monitor the inter-project dependencies, and plan appropriate risk responses to deal

with them.
The contingency response plan for the equipment mobilization could include alternative sources of equipment, such as renting, purchasing, or borrowing from other projects or vendors. The contingency response plan could also include schedule adjustments, such as fast-tracking, crashing, or re-sequencing the activities that require the equipment. The contingency response plan should be implemented when the risk trigger occurs, such as the notification of the delay from the other project manager. The project manager should also communicate the contingency response plan to the relevant stakeholders, such as the project sponsor, customer, team members, and other project managers.
The other options are not valid for avoiding the situation in the future:
Ask the other project manager to officially confirm the new date in writing: This is not a valid option because it does not address the root cause of the problem, which is the dependency on the equipment from another project. Asking for a confirmation in writing may help to document the issue and track the progress, but it does not prevent the situation from happening again. The project manager should plan for the possibility of delays or changes in the equipment availability, and not rely on the other project manager's promises or commitments.
Request that the other project manager be added to relevant reports: This is not a valid option because it does not address the root cause of the problem, which is the dependency on the equipment from another project. Adding the other project manager to the relevant reports may help to improve the communication and coordination between the projects, but it does not prevent the situation from happening again. The project manager should plan for the possibility of delays or changes in the equipment availability, and not rely on the other project manager's information or updates.
Request that the other project manager inform if any additional delays are expected: This is not a valid option because it does not address the root cause of the problem, which is the dependency on the equipment from another project. Requesting the other project manager to inform if any additional delays are expected may help to anticipate and prepare for the impact, but it does not prevent the situation from happening again. The project manager should plan for the possibility of delays or changes in the equipment availability, and not rely on the other project manager's forecasts or estimates.

QUESTION 8
An organization performs an annual strategies and initiatives workshop during which a strengths, weaknesses, opportunities, and threats (SWOT) analysis is being conducted. As part of this process the functional managers identify the opportunities and threats.
What should the risk manager do next?

A. Add only the threats to the risk register
B. Utilize different tools to identify the risks
C. Plan risk responses to the threats
D. Update the risk register with the identified risks

Correct Answer: D
Section:
Explanation:
The risk manager should update the risk register with both the opportunities and threats identified during the SWOT analysis. This will help in tracking and managing all potential risks throughout the project lifecycle.
Update the risk register with the identified risksComprehensive and Detailed Explanation:According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Identificationis to update the risk register with identified risks, causes, categories, and potential responses1.A risk register is a document used to track and report on project risks and opportunities throughout the project's life cycle2. In this scenario, the risk manager should update the risk register with the identified risks, both opportunities and threats, that result from the SWOT analysis. The risk manager should also include the causes, categories, and potential responses for each risk, as well as other relevant information such as probability, impact, priority, owner, etc.The risk manager should not add only the threats to the risk register, because opportunities are also a type of risk that can have a positive effect on the project objectives and should be recorded and managed accordingly3.The risk manager should not utilize different tools to identify the risks, because the SWOT analysis is a valid and useful tool for risk identification and there is no indication that it was insufficient or inappropriate for the project context4.The risk manager should not plan risk responses to the threats, because that is a separate process that comes after risk identification and requires further analysis and evaluation of the risks5.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 82: Risk Register in Project Management - Project Management Academy63: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 3974: How to Perform a SWOT Analysis - Project Risk Coach25: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 440.

QUESTION 9
As per the risk analysis process carried out for a project, two risks are registered. The probability risk A will occur is 40% and its monetary impact to the project is US$100,000. The probability risk B will occur is 60% and its monetary impact to the project is US$20,000.
What is the total contingency budget that should be created?

A. US$68,000
B. US$52,000
C. US$120,000
D. US$80,000

Correct Answer: B
Section:
Explanation:
In risk management, to calculate the contingency budget for risks, we use the Expected Monetary Value (EMV) formula: EMV=ProbabilityofRiskImpactofRisk\text{EMV} = \text{Probability of Risk} \times \text{Impact of Risk}EMV=ProbabilityofRiskImpactofRisk
For Risk A:
Probability: 40% or 0.40
Impact: US$100,000 \text{EMV of Risk A} = 0.40 \times 100,000 = US$40,000
For Risk B:
Probability: 60% or 0.60
Impact: US$20,000 \text{EMV of Risk B} = 0.60 \times 20,000 = US$12,000
Total contingency budget = EMV of Risk A + EMV of Risk B 40,000 + 12,000 = US$52,000
Thus, the total contingency budget required for both risks is US$52,000. This approach follows PMI's risk management guidelines, specifically under the 'Quantitative Risk Analysis' process. This process focuses on determining numerical probabilities and monetary impacts to compute the expected financial impact of identified risks.

QUESTION 10
A risk manager notices that a risk owner is facing challenges implementing their response strategy and the costs are significantly exceeding expectations. What is the first thing the risk manager should do?

A. Highlight this situation to the project manager
B. Conduct a cost-benefit analysis
C. Change the risk response strategy
D. Analyze the situation and meet with the risk owner

Correct Answer: D
Section:
Explanation:
The first thing the risk manager should do is analyze the situation and meet with the risk owner. This will allow the risk manager to understand the challenges faced by the risk owner and work with them to find a solution. Conducting a cost-benefit analysis or changing the risk response strategy may be necessary, but it is important to first understand the situation before taking any action.
According to the PMI-RMP Exam Content Outline, one of the tasks in the domain of Risk Response Planning is to ''assist the risk owners in developing and implementing risk response strategies and actions based on the agreed-upon risk response plan''. Therefore, the first thing the risk manager should do is to analyze the situation and meet with the risk owner to understand the root cause of the challenges and the cost overrun, and to discuss possible solutions or alternatives. Highlighting this situation to the project manager, conducting a cost-benefit analysis, or changing the risk response strategy are possible actions that can be taken after the analysis and meeting, but not before.Reference: PMI-RMP Exam Content Outline, Domain 3: Risk Response Planning, Task 31

QUESTION 11
The risk manager also serves as a facilitator for a project and realizes the project team members have biases impacting how they perceive risks. What analysis is currently being used?

A. Quantitative risk analysis
B. Force field analysis
C. Qualitative risk analysis
D. Stakeholder analysis

Correct Answer: C
Section:
Explanation:
The analysis currently being used is qualitative risk analysis. Qualitative risk analysis involves assessing risks based on their likelihood of occurrence and their potential impact on the project. This type of analysis can help identify biases that may be impacting how team members perceive risks.
Qualitative risk analysis is the process of prioritizing individual project risks for further analysis or action by assessing their probability of occurrence and impact as well as other characteristics. Qualitative risk analysis helps to identify the most significant risks that require attention and response planning. One of the tools and techniques used in qualitative risk analysis is risk data quality assessment, which evaluates the degree to which the data about individual project risks is useful for risk management. Risk data quality assessment considers various aspects of data quality, such as reliability, accuracy, integrity, precision, and bias. Bias is the tendency of human

judgment to be influenced by personal or organizational preferences, assumptions, beliefs, or emotions, rather than by objective facts or evidence. Bias can affect how project team members perceive and assess risks, leading to inaccurate or incomplete risk analysis results. Therefore, the risk manager who realizes the project team members have biases impacting how they perceive risks is currently using qualitative risk analysis to prioritize the risks and assess the quality of risk data.Reference:PMI, Practice Standard for Project Risk Management, 2009, p. 37-38, 41-42.

QUESTION 12
A project manager has requested a risk manager facilitate risk identification on a project. While facilitating this effort, the project manager wants to ensure that stakeholders interact and provide their expertise so that an exhaustive list of risks is created.
Which risk identification technique should the risk manager use?

A. Prompt lists
B. Interviews
C. Delphi technique
D. Nominal group technique

Correct Answer: D
Section:
Explanation:
The risk identification technique that the risk manager should use is the nominal group technique. This technique involves bringing stakeholders together to brainstorm potential risks and then ranking them based on their importance. This allows for interaction and collaboration among stakeholders, which can help ensure that an exhaustive list of risks is created.
The nominal group technique is a risk identification technique that involves the interaction and collaboration of stakeholders to generate an exhaustive list of risks. It is a structured process that allows each participant to share their ideas independently, then rank and prioritize them as a group.This technique ensures that all opinions are considered and reduces the influence of dominant or biased individuals12
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QUESTION 13
In a project to promote public health and mitigate health risks, the national health authorities intend to take actions to limit the risks of harmful insects by using pesticides; however, it is expected that some residents will have negative health effects due to the use of the pesticides but according to the assessment completed by the health authorities, not moving forward with this plan will have much more serious consequences on public health rather than following through with the original plan.
How should the project manager address this concern with the health authorities?

A. Suspend the project as the secondary risk will negatively impact residents' health which is not acceptable.
B. Consult with health experts to provide a risk trigger before using pesticides that will impact the residents.
C. Assess and record associated secondary risks and proceed to treat them as any other risks.
D. Proceed with the project as normal since a minor number of residents will be effected negatively.

Correct Answer: C
Section:
Explanation:
The project manager should assess and record associated secondary risks and proceed to treat them as any other risks. This involves identifying and evaluating the potential negative health effects of using pesticides and developing a plan to mitigate these risks. While it is important to consider the concerns of residents, the health authorities have determined that not moving forward with the plan will have more serious consequences on public health.
Secondary risks are those that arise as a direct outcome of implementing a risk response. In this case, the use of pesticides is a risk response to limit the risks of harmful insects, but it may also cause negative health effects to some residents. This is a secondary risk that needs to be assessed and recorded in the risk register, along with its probability, impact, and response plan. The project manager should not suspend the project, as this would ignore the primary risk of harmful insects. The project manager should not consult with health experts to provide a risk trigger, as this is not a valid risk management technique. A risk trigger is an indication that a risk event is about to occur or has occurred, not a condition that prevents a risk response from being implemented. The project manager should not proceed with the project as normal, as this would neglect the secondary risk and its potential consequences. The project manager should follow the risk management process and treat the secondary risk as any other risk in the project.Reference:PMI. (2017). A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition. Chapter 11: Project Risk Management, p. 408. 5

QUESTION 14
The project manager wants to use an objective method to evaluate the key project risks and develop response plans.

What action should the risk manager propose?

A. Ask the team to perform an earned value analysis.
B. Review the lessons learned from other projects.
C. Ask the team to prepare a Monte Carlo analysis.
D. Ask the risk expert to perform a PESTLE evaluation.

Correct Answer: C
Section:
Explanation:
The action that the risk manager should propose is to ask the team to prepare a Monte Carlo analysis. This is a statistical technique that can be used to model the probability of different outcomes in a project. By performing a Monte Carlo analysis, the project manager can objectively evaluate key project risks and develop response plans based on this analysis.
A Monte Carlo analysis is a simulation technique that uses probability distributions and random sampling to model the possible outcomes of a project risk event. It can help the project manager to evaluate the key project risks and develop response plans based on the expected value, standard deviation, and confidence intervals of the results. A Monte Carlo analysis can also provide information on the probability of achieving the project objectives, such as cost, schedule, and quality.A Monte Carlo analysis is an objective method because it does not rely on subjective judgments or opinions, but on mathematical calculations and statistical data.Reference: PMBOK Guide, 6th edition, Section 11.5.2.3, Monte Carlo Analysis1

QUESTION 15
A company is preparing a formal response to bid for an infrastructure engineering, procurement, and construction project. When should a risk register be developed to identify risks?

A. During the project execution phase to allow the project manager to understand the risk attitudes of stakeholders.
B. When a client project kick-off meeting is held to introduce risk assessment process to the client.
C. Before a formal bid response is provided to the client to gain a greater understanding of the project's risk profile.
D. After a project budget is set up with a purchase order to charge hours for a risk workshop.

Correct Answer: C
Section:
Explanation:
A risk register should be developed before submitting a formal bid response to help the company understand the project's risk profile and account for potential risks in their proposal. This allows the company to make informed decisions about cost, schedule, and resources. (Reference: Project Management Institute. A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, Section 11.2)
A risk register is a document that is used as a risk management tool to identify potential setbacks within a project.A risk register is typically created at the start of a project (before it begins), and is regularly referenced and updated throughout the life of a project through deliberate risk monitoring and control1. A risk register is an important component of any successful risk management process and helps mitigate potential project delays that could arise.A risk register is shared with project stakeholders to ensure information is stored in one accessible place2. A risk register also helps to establish a hierarchy of risks, starting with the most impactful. The goal should be to have a path to mitigating those risks, reducing the harm they cause, or eliminating them.The register should also outline what's considered an acceptable level of risk and how to set up insurance to help offset the impacts3. Therefore, a risk register should be developed before a formal bid response is provided to the client to gain a greater understanding of the project's risk profile. This will help to estimate the project costs, schedule, and scope more accurately and realistically, as well as to identify the contingency plans and reserves needed to deal with the potential risks.Developing a risk register during the project execution phase, when a client project kick-off meeting is held, or after a project budget is set up with a purchase order are all too late to effectively identify and manage the risks that could affect the project success.Reference:2,3,1,4

QUESTION 16
A risk manager completed risk response planning for a project that is currently in the execution phase. During a periodic review of the risk register, the project manager recognizes that some key secondary risks have not been considered.
Who should the project manager hold accountable for missing the risks?

A. The audit team
B. The risk manager
C. The risk owners
D. The discipline engineers

Correct Answer: B
Section:
Explanation:
The risk manager is responsible for ensuring that all risks, including secondary risks, are identified and addressed during the risk response planning process. If key secondary risks were missed, the risk manager should be held accountable. (Reference: Project Management Institute. A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, Section 11.5)
The risk manager is responsible for identifying and analyzing risks, as well as planning and implementing risk responses. Secondary risks are those risks that arise as a direct result of implementing a risk response to a specific risk. The risk manager should have considered the potential secondary risks during the risk response planning and updated the risk register accordingly.The project manager should hold the risk manager accountable for missing the secondary risks and ensure that they are properly addressed12

QUESTION 17
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A project manager is identifying risks on a project and decides to use a risk checklist to gather historical data accumulated from similar projects. With several different historical project files to choose from, which two pieces of information should the project manager include in their risk checklist? (Choose two.)

A. Budget variance data from previously completed projects.
B. Project scope and cost management plans from previous projects.
C. Lessons learned from similar completed projects.
D. Previous project risks that may be relevant to this project.
E. Stakeholder analysis metrics from projects with similar risk profiles.

Correct Answer: C, D
Section:
Explanation:
A risk checklist is a tool for identifying risks based on historical information and knowledge from similar projects. It is a list of potential risk sources or categories that can be used to prompt the project team to consider possible risks that may affect the project. A risk checklist should include information that is relevant and useful for identifying risks, such as lessons learned from similar completed projects and previous project risks that may be relevant to this project. These two pieces of information can help the project manager to learn from past experiences and avoid repeating the same mistakes or overlooking the same threats or opportunities. A risk checklist should not include information that is not directly related to risk identification, such as budget variance data from previously completed projects, project scope and cost management plans from previous projects, or stakeholder analysis metrics from projects with similar risk profiles. These pieces of information may be useful for other aspects of project management, such as planning, monitoring, or controlling, but they are not helpful for identifying risks on a project.Reference:PMI. (2017). A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition. Chapter 11: Project Risk Management, p. 397. 5
Lessons learned and previous project risks are valuable sources of information for creating a risk checklist. They provide insights into potential risks that may impact the current project and help the project manager develop appropriate risk responses. Budget variance data, project scope and cost management plans, and stakeholder analysis metrics, although useful, are not directly related to risk identification. (Reference: Project Management Institute. A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, Section 11.2)

QUESTION 18
During the design phase the project team is exploring various architecture options. After reviewing the results of design pilot, two conflicting infrastructure pieces were identified.
What action should the project manager take?

A. Reassess the design for the two pieces.
B. Escalate the situation and request approval to move forward.
C. Confirm the results through a second pilot.
D. Update the assumptions log and assess the risk associated with it.

Correct Answer: D
Section:
Explanation:
According to the PMBOK Guide, 6th edition, Section 11.2.1.2, Assumptions Log, an assumption is a factor that is considered to be true, real, or certain without proof or demonstration. Assumptions can affect the project planning and execution, and should be identified, documented, validated, and updated throughout the project life cycle. The assumptions log is an output of the Identify Risks process, and it records the project assumptions and their potential impact, validity, and priority. If the assumptions are found to be invalid or inaccurate, they may introduce new risks or change the existing risk exposure.Therefore, the project manager should update the

assumptions log and assess the risk associated with the conflicting infrastructure pieces, and plan appropriate risk responses if needed.Reference: PMBOK Guide, 6th edition, Section 11.2.1.2, Assumptions Log
When conflicting infrastructure pieces are identified, the project manager should update the assumptions log to reflect the new information and assess the risks associated with the conflicting pieces. This allows the project manager to make informed decisions about how to address potential issues and avoid future problems. (Reference: Project Management Institute. A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, Section 11.3)

QUESTION 19
An organization faces immense competition in the market and decides 10 accelerate a key project. What is the first action for the project risk manager to take?

A. Ensure sufficient resources are available
B. Revise the risk management plan
C. Update the risk register
D. Meet with the project's stakeholders

Correct Answer: B
Section:
Explanation:
The risk management plan is a document that describes how risk management activities will be structured and performed on a project.It defines the roles and responsibilities, risk categories, risk appetite and thresholds, risk identification and analysis methods, risk response strategies, risk monitoring and reporting mechanisms, and risk governance mechanisms1.The risk management plan should be aligned with the project management plan, which defines the project scope, schedule, cost, quality, and other aspects2. When an organization decides to accelerate a key project, it means that the project objectives, assumptions, constraints, and environment have changed. This will affect the risk exposure and profile of the project, as well as the risk management approach and resources. Therefore, the first action for the project risk manager to take is to revise the risk management plan to reflect the new situation and ensure that the risk management process is still effective and efficient. Revising the risk management plan may involve updating the risk categories, risk appetite and thresholds, risk identification and analysis methods, risk response strategies, risk monitoring and reporting mechanisms, and risk governance mechanisms to suit the accelerated project.The project risk manager should also communicate the revised risk management plan to the relevant stakeholders and obtain their approval and support1. Ensuring sufficient resources are available, updating the risk register, and meeting with the project's stakeholders are all important actions to take when accelerating a project, but they are not the first action. These actions should be done after revising the risk management plan, as they depend on the updated risk management approach and process.For example, the project risk manager may need to allocate more resources to risk management activities, identify and analyze new or changed risks, implement new or modified risk responses, and report the risk status and performance to the stakeholders based on the revised risk management plan1.Reference:2,1.
When a project is accelerated, the risk landscape changes. The project risk manager should first revise the risk management plan to address the new timeline and its potential impacts on the project. This will help in identifying new risks, reassessing existing risks, and updating risk responses.

QUESTION 20
A risk management professional is currently facilitating the risk planning process with the project team. To increase the breadth of considered risks, the team wants to include high-level and strategic project risks.
What should the risk management professional do next?

A. Perform a sensitivity analysis to the higher-level aggregate activities
B. Develop a risk breakdown structure (RBS) identifying the potential risk categories
C. Conduct a strengths, weaknesses, opportunities, and threats (SWOT) analysis
D. Perform a base line Monte Carlo simulation to address overall threats to project objectives

Correct Answer: C
Section:
Explanation:
A SWOT analysis is a risk identification technique that helps to identify high-level and strategic project risks by examining the internal and external factors that may affect the project objectives. A SWOT analysis involves listing the strengths, weaknesses, opportunities, and threats of the project, and then analyzing how they may impact the project positively or negatively.A SWOT analysis can help to uncover potential risks that may not be obvious from other techniques, such as prompt lists, interviews, or brainstorming12

QUESTION 21
A project is at the final development stage. The test lead informs the risk manager that a key feature may not be testable due to changes in the environment
What should the risk manager do?

A. Confirm the risk triggers are still valid.
B. Ask the architect to develop acceptance criteria.
C. Review the feature with the project team.
D. Escalate the issue to the project board.

Correct Answer: B
Section:
Explanation:
The risk manager should review the feature with the project team to determine the cause and impact of the untestability, and to identify possible solutions or alternatives. The risk manager should also update the risk register and the risk response plan accordingly. This is the best option among the given choices, as it involves the relevant stakeholders and follows the risk management process. Confirming the risk triggers are still valid is not sufficient, as it does not address the problem or its consequences. Asking the architect to develop acceptance criteria is not appropriate, as it may not be feasible or effective to test the feature with new criteria. Escalating the issue to the project board is premature, as it may not be necessary or desirable to involve the senior management without first analyzing the situation and proposing a course of action.Reference:PMI. (2017). A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition. Chapter 11: Project Risk Management, pp. 414-415. 5
When a key feature may not be testable due to changes in the environment, the risk manager should review the feature with the project team to understand the issue, assess its impact, and determine the appropriate risk response. This collaborative approach ensures that the team has a clear understanding of the situation and can work together to address the risk.

QUESTION 22
A risk manager is managing risks of a mission critical application. A subject matter expert (SME) asks the risk manager to treat every single risk identified as an extremely high priority.
What should the risk manager do?

A. Ask the project sponsor if every risk in the risk register can have the same priority.
B. Mark every identified risk as an extremely high priority and any future risks as a lower priority.
C. Agree with the SME, treat every risk with equal priority, and inform all stakeholders.
D. Perform a sensitivity analysis and determine the correct priority of every identified risk.

Correct Answer: D
Section:
Explanation:
According to the PMBOK Guide, 6th edition, Section 11.6.2.1, Sensitivity Analysis, a sensitivity analysis is a technique that helps to determine which individual project risks or other sources of uncertainty have the most potential impact on project outcomes. A sensitivity analysis can be used to prioritize risks based on their relative effect on the project objectives, such as cost, schedule, quality, or scope. A sensitivity analysis can also help to identify areas where risk response efforts may be most effective.Therefore, the risk manager should perform a sensitivity analysis and determine the correct priority of every identified risk, rather than agreeing with the SME or the project sponsor, or marking every risk with the same or different priority without proper analysis.Reference: PMBOK Guide, 6th edition, Section 11.6.2.1, Sensitivity Analysis1
The risk manager should perform a sensitivity analysis to assess the impact of each risk on the project objectives. This will help in determining the correct priority of every identified risk, ensuring that resources are allocated effectively and that the most critical risks are addressed first.

QUESTION 23
The risk manager notices that in their workshops, most of the risks identified are threats. What should the risk manager do to increase the number of opportunities identified?

A. Use the Delphi technique involving experts who have identified opportunities in the past
B. Interview more stakeholders who have a positive mindset
C. Conduct a strengths, weaknesses, opportunities, and threats (SWOT) analysis
D. Conduct a political, economic, sociological, technological, legal, and environmental (PESTLE) analysis

Correct Answer: B
Section:
Explanation:
The risk management plan is a document that describes how risk management activities will be structured and performed on a project.It defines the roles and responsibilities, risk categories, risk appetite and thresholds, risk identification and analysis methods, risk response strategies, risk monitoring and reporting mechanisms, and risk governance mechanisms1.The risk management plan should be aligned with the project management plan,

which defines the project scope, schedule, cost, quality, and other aspects2. When an organization decides to accelerate a key project, it means that the project objectives, assumptions, constraints, and environment have changed. This will affect the risk exposure and profile of the project, as well as the risk management approach and resources. Therefore, the first action for the project risk manager to take is to revise the risk management plan to reflect the new situation and ensure that the risk management process is still effective and efficient. Revising the risk management plan may involve updating the risk categories, risk appetite and thresholds, risk identification and analysis methods, risk response strategies, risk monitoring and reporting mechanisms, and risk governance mechanisms to suit the accelerated project.The project risk manager should also communicate the revised risk management plan to the relevant stakeholders and obtain their approval and support1. Ensuring sufficient resources are available, updating the risk register, and meeting with the project's stakeholders are all important actions to take when accelerating a project, but they are not the first action. These actions should be done after revising the risk management plan, as they depend on the updated risk management approach and process.For example, the project risk manager may need to allocate more resources to risk management activities, identify and analyze new or changed risks, implement new or modified risk responses, and report the risk status and performance to the stakeholders based on the revised risk management plan1.Reference:2,1.

QUESTION 24
During the monthly executive review meeting, the project sponsor would like to understand how the project team has planned to manage risks that were identified in the last meeting. What should the project manager do?

A. Utilize a Monte Carlo assessment to provide risk related impacts.
B. React to the secondary and residual risks only if they occur.
C. Include secondary and residual risks as part of the response.
D. Transfer secondary and residual risks to the project sponsor.

Correct Answer: C
Section:
Explanation:
The The project manager should include secondary and residual risks as part of the risk response plan. Secondary risks are those risks that arise as a direct result of implementing a risk response to a specific risk. Residual risks are those risks that are expected to remain after the planned responses of risks have been taken, as well as those that have been deliberately accepted. Both secondary and residual risks should be identified, analyzed, and monitored throughout the project life cycle.The project manager should communicate the risk response plan to the project sponsor and other stakeholders, and explain how the project team has planned to manage the secondary and residual risks12
project manager should include secondary and residual risks in the risk response plan, as they may still impact the project. Proactively addressing these risks will help the project team to be prepared and manage them effectively if they occur.

QUESTION 25
A project manager is trying to realize benefits from new material on an adaptive project. This is the first time the project team is using the material so the team does not have information to identify and analyze risks. A team member informs the project manager that a local university has recently published a research journal on the same material.
Where should the project manager find this information?

A. Industrial studies
B. Commercial risk databases
C. Organizational process assets (OPAs)
D. Enterprise environmental factors (EEFs)

Correct Answer: D
Section:
Explanation:
Enterprise environmental factors (EEFs) are conditions or circumstances that are not under the control of the project team, but may influence, constrain, or direct the project. EEFs include internal and external factors, such as organizational culture, market conditions, industry standards, government regulations, and academic research. In this case, the project manager should find the information about the new material from the research journal published by the local university, which is an example of an external EEF. This information may help the project manager to identify and analyze the risks associated with the new material and plan appropriate risk responses. Industrial studies, commercial risk databases, and organizational process assets (OPAs) are not the correct choices, as they are not relevant to the question. Industrial studies are systematic investigations of a specific industry or sector, which may provide general information about the market trends, opportunities, and challenges, but not specific information about the new material. Commercial risk databases are sources of information about historical or potential risks that may affect projects in different domains or regions, which may help the project manager to identify common or emerging risks, but not the risks related to the new material. OPAs are the plans, processes, policies, procedures, and knowledge bases specific to and used by the performing organization, which may help the project manager to follow the established guidelines and practices for risk management, but not to obtain new information about the new material.Reference:PMI. (2017). A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition. Chapter 2: The Environment in Which Projects Operate, pp. 38-39. 5

Enterprise environmental factors (EEFs) include information from external sources, such as academic research, industry studies, and market conditions. this case, the project manager should refer to the research journal published by the local university as an EEF to gather information about the new material and its associated risks.

QUESTION 26
A risk manager is confident that they have identified and quantified the risks and opportunities for a project. When presenting their work to management, on what areas should the risk manager focus? (Choose two.)

A. Risks that are tied to the success of the organization
B. Risks as they apply to the organization's overall risk management philosophy and strategic ambition
C. Huge opportunities that possibly bring an additional 30% return for 10 projects in the next year
D. Risks related to cost that will impact the major projects that are currently in the execution phase
E. Risk mitigation actions that will require work from stakeholders

Correct Answer: A, B
Section:
Explanation:
According to the PMBOK Guide, 6th edition, Section 11.1.3.1, Enterprise Environmental Factors, one of the factors that can influence the Plan Risk Management process is the organization's risk attitude, appetite, tolerance, and thresholds. These terms describe the degree of uncertainty that an organization is willing to accept in pursuit of its goals, and how it approaches, operates, and responds to risk. Therefore, when presenting their work to management, the risk manager should focus on the risks that are tied to the success of the organization, and the risks as they apply to the organization's overall risk management philosophy and strategic ambition. These aspects can help the management to understand the alignment of the project risks with the organizational objectives and values, and to make informed decisions about risk responses.The other options are less relevant or too specific for a management presentation, and may not reflect the organization's risk attitude or priorities.Reference: PMBOK Guide, 6th edition, Section 11.1.3.1, Enterprise Environmental Factors1
The risk manager should focus on risks that are directly tied to the success of the organization and those that align with the organization's risk management philosophy and strategic ambition. This will ensure that management is informed about the most relevant risks and opportunities for the project.

QUESTION 27
A mega facility development project is evaluating some options to achieve the project schedule and budget. Each option's success is driven by multiple quantifiable factors.
What should the project manager do to evaluate and select the best option based on costs and probabilities?

A. Perform a FMECA fault tree analysis
B. Conduct a sensitivity analysis
C. Perform a decision tree analysis
D. Conduct an analytic hierarchy process

Correct Answer: C
Section:
Explanation:
A decision tree analysis is a tool that helps to evaluate and select the best option among different alternatives based on costs and probabilities. A decision tree analysis uses a graphical representation of a decision problem, where each node represents a decision point, a chance event, or an outcome. The branches of the tree show the possible choices, events, or consequences that can occur at each node. The end nodes of the tree show the expected value or payoff of each option, which is calculated by multiplying the probability and the cost or benefit of each outcome.A decision tree analysis can help to compare the expected values of different options and choose the one that maximizes the benefit or minimizes the cost1.A decision tree analysis can also help to incorporate uncertainty and risk into the decision making process, as it shows the range of possible outcomes and their likelihoods2. Therefore, the project manager should perform a decision tree analysis to evaluate and select the best option based on costs and probabilities for a mega facility development project. Performing a FMECA fault tree analysis, conducting a sensitivity analysis, or conducting an analytic hierarchy process are not the best options to evaluate and select the best option based on costs and probabilities. A FMECA fault tree analysis is a tool that helps to identify and analyze the potential causes and effects of failures in a system or process. It uses a graphical representation of a failure event, where each node represents a basic or intermediate event that contributes to the failure. The branches of the tree show the logical relationships between the events, using AND or OR gates.A FMECA fault tree analysis can help to calculate the probability and severity of failures, as well as to prioritize and mitigate the risks3. However, a FMECA fault tree analysis does not help to compare different options or alternatives, as it focuses on a single failure scenario. Conducting a sensitivity analysis is a tool that helps to measure how the uncertainty in the input variables of a model affects the output or outcome of the model. It uses a graphical or numerical representation of the relationship between the input and output variables, showing how the output changes when the input changes.A sensitivity analysis can help to identify the most critical or influential variables, as well as to test the robustness or reliability of the model4. However, a sensitivity analysis does not help to compare different options or alternatives, as it focuses on a single model or option. Conducting an analytic hierarchy process is a tool that helps to evaluate and select the best option among different alternatives based on multiple criteria. It uses a mathematical method of pairwise comparison, where each alternative is compared to each other in terms of each criterion. The results of the comparisons are then aggregated

into a matrix, which shows the relative importance or preference of each alternative.An analytic hierarchy process can help to rank the alternatives and choose the one that best satisfies the criteria5.However, an analytic hierarchy process does not help to incorporate costs and probabilities into the decision making process, as it relies on subjective judgments and preferences.Reference:1,2,3,4,5.
A decision tree analysis is a quantitative risk analysis technique that helps evaluate and select the best option based on costs and probabilities. It visually represents different decision paths and their associated probabilities, allowing the project manager to compare and select the most appropriate option for the project.

QUESTION 28
When processing freight invoices for a project, the project manager notices the shipping costs exceeded the budget due to increased fuel costs. The risk manager included this risk in the project's contingency allowance.
When reviewing the project budget execution reports, the project manager notices unused budget remaining in other closed tasks of the project that could cover the additional shipping costs.
What should the project manager do?

A. Process the freight invoices at higher shipping costs against the project's contingency allowance.
B. Request a formal change order from the customer to increase the project's total budget.
C. Process the freight invoices for the budgeted amount and hope the shipping company will forgive the difference.
D. Ask the project sponsor to cover the additional shipping costs on the company's reserves account.

Correct Answer: A
Section:
Explanation:
The project's contingency allowance is a provision in the project budget that is intended to cover known risks that may affect the project costs. The risk of increased fuel costs was identified and included in the contingency allowance, so the project manager should use it to process the freight invoices at the actual shipping costs. This is the best way to handle the risk without affecting the project scope, schedule, or quality. Requesting a formal change order from the customer (option B) is not necessary, as the project budget already has a provision for this risk. Processing the freight invoices for the budgeted amount and hoping the shipping company will forgive the difference (option C) is unethical and unprofessional, as it violates the terms of the contract and the PMI Code of Ethics and Professional Conduct. Asking the project sponsor to cover the additional shipping costs on the company's reserves account (option D) is also not appropriate, as the company's reserves are meant for unknown risks that are beyond the project's control, not for known risks that are already accounted for in the project budget.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 72; PMI, A Guide to the Project Management Body of Knowledge (PMBOK Guide), 6th ed., 2017, p. 252.
The project manager should use the contingency allowance to cover the additional shipping costs, as it was specifically included in the project budget for such risks. This approach avoids requesting unnecessary changes or relying on external sources to cover the cost overrun.
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QUESTION 29
A new risk manager has been hired on a project and meets with the project director. The project director supplies the project's risk register and asks the risk manager for an analysis of its effectiveness.
What two actions should the risk manager do next? (Choose two.)

A. Check to ensure that the risk is supported by a Monte Carlo simulation.
B. Check to ensure that the risks are gathered using Delphi technique.
C. Check for risk classification and that probability and impact are identified.
D. Check to ensure that risk origin, triggering event, and ownership is identified.
E. Check to ensure the risk meeting agenda and supporting documents are distributed.

Correct Answer: C, D
Section:
Explanation:
The risk manager should first check the risk register for proper risk classification, probability, and impact (C), as these are essential components of an effective risk management process. Next, the risk manager should ensure that the risk origin, triggering events, and ownership are identified (D), as this information helps in assigning responsibilities and taking appropriate actions for each risk. Reference to these steps can be found in the Project Management Institute's (PMI) A Guide to the Project Management Body of Knowledge (PMBOK Guide), Sixth Edition.
The risk manager should check for risk classification and that probability and impact are identified, as these are essential elements of a risk register. Risk classification helps to group risks into categories based on their sources, types, or impacts, which can facilitate risk analysis and response planning. Probability and impact are the two dimensions of risk assessment, which help to measure the likelihood and severity of a risk event, and to prioritize risks based on their significance. The risk manager should also check to ensure that risk origin, triggering event, and ownership is identified, as these are also important components of a risk register. Risk origin refers to the root cause or source of a risk, which can help to understand the nature and characteristics of a risk, and to devise effective risk responses. Triggering event is a specific occurrence or condition that indicates that a risk event

has occurred or is about to occur, which can help to monitor and control risks. Ownership is the assignment of a risk to a person or a group who is responsible for managing the risk, which can help to ensure accountability and communication. The risk manager should not check to ensure that the risk is supported by a Monte Carlo simulation, as this is not a mandatory or universal requirement for a risk register. Monte Carlo simulation is a quantitative risk analysis technique that uses computer-generated random scenarios to model the possible outcomes of a project, based on the probability distributions of the input variables. While this technique can provide useful information about the overall project risk exposure and the probability of achieving project objectives, it is not a necessary or sufficient condition for an effective risk register. The risk manager should not check to ensure that the risks are gathered using Delphi technique, as this is also not a compulsory or exclusive requirement for a risk register. Delphi technique is a qualitative risk identification technique that uses a panel of experts to anonymously provide their opinions on potential risks, which are then aggregated and refined through a series of rounds until a consensus is reached. While this technique can help to elicit expert judgment and reduce bias, it is not the only or the best way to identify risks. The risk manager should not check to ensure the risk meeting agenda and supporting documents are distributed, as this is not a relevant or appropriate action for analyzing the effectiveness of a risk register. The risk meeting agenda and supporting documents are part of the risk management plan, which describes how the project team will conduct risk management activities, such as identifying, analyzing, responding, and monitoring risks. The risk meeting agenda and supporting documents are useful for planning and conducting risk meetings, but they are not part of the risk register, which is the output of the risk identification process and the input for the risk analysis and response processes.Reference:PMI. (2017). A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition. Chapter 11: Project Risk Management, pp. 395-454. 5

QUESTION 30
A project manager works on a long-term and high visibility project at an organization that has a low risk appetite towards this project due to its impact on the company's business. The project sponsors follow up weekly with the project manager, who was just informed by one of the risk owners that the exposure from two high-impact risks are hitting the risk thresholds.
What should the project manager do next?

A. Update the project management plan to add contingency.
B. Perform an assumptions and constraints analysis.
C. Complete an assessment and confirm the response with the sponsors.
D. Implement mitigation measures for those risks.

Correct Answer: C
Section:
Explanation:
According to the PMBOK Guide, 6th edition, Section 11.4.3.1, Risk Thresholds, risk thresholds are the level of risk exposure above which risks are addressed and below which risks may be accepted. Risk thresholds are determined by the organization's risk appetite, which is the degree of uncertainty that an organization is willing to accept in pursuit of its goals. Therefore, when the project manager is informed by the risk owner that the exposure from two high-impact risks are hitting the risk thresholds, the project manager should complete an assessment and confirm the response with the sponsors, who are the key stakeholders for the project and have a low risk appetite.The project manager should not update the project management plan, perform an assumptions and constraints analysis, or implement mitigation measures without first consulting with the sponsors and obtaining their approval.Reference: PMBOK Guide, 6th edition, Section 11.4.3.1, Risk Thresholds

QUESTION 31
A project manager is working on a high priority and high profile project. The project team had identified three opportunities, and after analysis, risk responses were recorded. Although risk responses were adequate for the identified opportunities, two of those opportunities were not acted upon. During the risk audit, the project manager found out that several of the planned risk responses were not implemented.
What should the project manager have done to avoid this?

A. Provided regular training to the risk owners for plan implementation
B. Determined risk triggers and thresholds in the risk response plan
C. Increased communications to influence stakeholder risk responses
D. Updated the project schedule, adding risk owner implementation tasks.

Correct Answer: D
Section:
Explanation:
The project manager should have updated the project schedule by adding risk owner implementation tasks. This would have ensured that the planned risk responses were implemented in a timely manner and tracked as part of the project schedule. This would also have allowed the project manager to monitor the progress of risk response implementation and take corrective action if necessary.
According to the PMI-RMP Exam Content Outline and Specifications1, one of the tasks under Domain 4: Risk Monitoring and Reporting is to ''update project schedule, budget, and risk register with risk response outcomes''. This implies that the project manager should have added the risk owner implementation tasks to the project schedule, so that they can be tracked and monitored. By doing so, the project manager could have ensured that the planned risk responses were executed as intended, and that the opportunities were not missed.Reference:PMI-RMP Exam Content Outline and Specifications, page 10.

QUESTION 32
A project manager is working on a complex construction project. During the risk identification process, hundreds of risks were identified. The team seems to be confused regarding on which risks to focus. The project manager advises the team to go ahead and start assessing the likelihood and impact of each risk.
What process is this part of?

A. Plan Risk Management
B. Perform Qualitative Risk Analysis
C. Perform Quantitative Risk Analysis
D. Monitor and Control Risk

Correct Answer: B
Section:
Explanation:
The process of assessing the likelihood and impact of each identified risk is part of the Perform Qualitative Risk Analysis process. This process helps prioritize risks based on their probability and impact, allowing the project team to focus on the most significant risks. By doing so, the project manager and team can allocate resources and effort to address the risks that pose the greatest threat or opportunity to the project.
The process of assessing the likelihood and impact of each risk is part of the Perform Qualitative Risk Analysis process, which is the process of prioritizing individual project risks for further analysis or action by assessing their probability of occurrence and impact as well as other characteristics. This process helps the project manager and the team to focus on the high-priority risks that have the most influence on achieving the project objectives.
The other processes are not relevant to the question scenario. Plan Risk Management is the process of defining how to conduct risk management activities for a project. Perform Quantitative Risk Analysis is the process of numerically analyzing the effect of identified risks on overall project objectives.Monitor and Control Risk is the process of implementing risk response plans, tracking identified risks, monitoring residual risks, identifying new risks, and evaluating risk process effectiveness throughout the project.Reference:PMI Risk Management Professional (PMI-RMP) Examination Content Outline and Specifications, page 71.A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, pages 397-3982.
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QUESTION 33
A home solar panel project has many internal and external stakeholders including households, businesses, community groups, electric utility companies, local government officials, landlords, and investors. What should the project manager do when engaging stakeholders?

A. Include all stakeholders in the project's governance.
B. Communicate response strategies to all stakeholders.
C. Ignore any risks beyond stakeholders' tolerance.
D. Consider stakeholders' positions and opinions regarding the project's output.

Correct Answer: D
Section:
Explanation:
The project manager should consider stakeholders' positions and opinions regarding the project's output when engaging stakeholders. This approach helps to address stakeholders' concerns, expectations, and potential objections, and it can lead to better decision-making and more successful project outcomes. It is important for the project manager to maintain open communication with stakeholders and to be responsive to their needs and perspectives.
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline, one of the tasks under the domain of stakeholder engagement is to ''engage stakeholders by communicating with them to understand their positions and opinions regarding the project's output, and to ensure that their interests are considered in the risk management process'' (Task 1.3). This implies that the project manager should consider stakeholders' perspectives and expectations when engaging them, and not ignore, exclude, or impose on them. Therefore, option D is the correct answer.
Option A is incorrect because not all stakeholders need to be involved in the project's governance, which is the set of policies, processes, and procedures that define how the project is managed and controlled. The project's governance should be determined by the project sponsor and the project management office (PMO), and only include those stakeholders who have authority and responsibility for the project's success.
Option B is incorrect because communicating response strategies to all stakeholders is not a stakeholder engagement activity, but a risk communication activity. The project manager should communicate response strategies to the relevant stakeholders who are assigned to implement or monitor them, and not to all stakeholders indiscriminately.
Option C is incorrect because ignoring any risks beyond stakeholders' tolerance is not a stakeholder engagement activity, but a risk attitude activity. The project manager should identify and assess all risks that may affect the project's objectives, regardless of stakeholders' tolerance levels. The project manager should also consult with stakeholders to determine their risk appetite, threshold, and attitude, and use this information to prioritize and respond to risks accordingly.

QUESTION 34
A project manager is developing the risk register and works with the team to analyze risks and determine their probability and impact. There is valuable historical data available that may be used to simulate the overall risk outcome.
Which type of analysis should the project manager use in this instance?

A. Check list analysis
B. Cause and effect
C. Specialized meeting
D. Quantitative analysis

Correct Answer: D
Section:
Explanation:
In this instance, the project manager should use quantitative analysis to simulate the overall risk outcome. Quantitative analysis techniques, such as Monte Carlo simulation or decision tree analysis, can be used to model the combined effect of individual risks on project objectives. By leveraging historical data, the project manager can generate more accurate and reliable risk assessments, which can help inform risk response strategies and improve project decision-making.
Quantitative analysis is a type of risk analysis that numerically analyzes the effect of identified risks on overall project objectives1.It involves using historical data and other information to estimate the probability and impact of risks, and then applying mathematical techniques such as simulation, sensitivity analysis, decision tree analysis, or expected monetary value analysis to quantify the overall risk exposure of the project2. Quantitative analysis can provide more accurate and objective results than qualitative analysis, which relies on subjective judgments and ratings.Quantitative analysis can also help the project manager prioritize risks, determine the optimal risk response strategy, and allocate contingency reserves3. Therefore, the correct answer is D.

QUESTION 35
A risk manager was recently hired to assist with a mid-sized infrastructure project. The risk manager becomes aware that they have an inexperienced project team.
What two items should the risk manager have their team review in order to prepare for an upcoming risk identification workshop? (Choose two.)

A. Scope of work and requirements
B. Monte Carlo analysis from a similar project
C. List of pre-approved contractors
D. Organization chart for city permit department
E. Risk management plan

Correct Answer: A, E
Section:
Explanation:
The risk manager should have their team review the scope of work and requirements to ensure they understand the project's objectives and deliverables. Additionally, reviewing the risk management plan will help the team understand the risk management process, roles, and responsibilities, and prepare for the risk identification workshop.
According to the PMBOK Guide -- Sixth Edition1, the scope of work and requirements are key inputs for the risk identification process, as they define the project boundaries, deliverables, assumptions, and constraints. The risk management plan is also an essential input, as it provides the guidelines and framework for how risk management will be performed throughout the project. The other options are not relevant for risk identification, as they are either related to other processes (such as Monte Carlo analysis for quantitative risk analysis) or not directly related to the project risks (such as the list of pre-approved contractors or the organization chart for city permit department).Reference:PMBOK Guide -- Sixth Edition, pages 397-398.

QUESTION 36
Project stakeholders can often be risk averse with little to no knowledge of the risk process. How should a risk manager increase stakeholder risk appetite?

A. Exclude risk averse stakeholders from future risk discussions
B. Explain risk handling and mitigation strategies
C. Increase the impact of all risks in the risk breakdown structure (RBS)
D. Develop a generous probabilistic cash flow model

Correct Answer: B
Section:
Explanation:
The risk manager should increase stakeholder risk appetite by explaining risk handling and mitigation strategies, which will help stakeholders understand how risks can be managed and reduced, making them more comfortable with the risk process.
The best way to increase stakeholder risk appetite is to explain risk handling and mitigation strategies, which are the actions taken to reduce the probability and/or impact of risks, or to enhance the opportunities. By doing so, the risk manager can help the stakeholders understand how the risks can be managed effectively and efficiently, and how the potential benefits can outweigh the potential costs. This can also increase the stakeholder confidence and trust in the risk process and the project outcomes. The other options are not appropriate ways to increase stakeholder risk appetite. Excluding risk averse stakeholders from future risk discussions can alienate them and create conflicts. Increasing the impact of all risks in the risk breakdown structure (RBS) can exaggerate the risk exposure and create unnecessary fear and anxiety.Developing a generous probabilistic cash flow model can create unrealistic expectations and lead to poor decision making.Reference:PMI Risk Management Professional (PMI-RMP) Examination Content Outline and Specifications, page 81.A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, pages 403-4042.

QUESTION 37
A risk manager documents the causes in the risk register and needs to ensure the risk is adequately described. What is critical for the risk manager to consider when describing the causes?

A. Each cause has a degree of uncertainty
B. Each cause has well defined owner
C. The causes represent actual conditions
D. The causes must be validated by the risk owner

Correct Answer: C
Section:
Explanation:
When describing the causes of a risk, it is critical for the risk manager to ensure that the causes represent actual conditions, as this will help in the accurate identification and assessment of the.
According to the PMBOK Guide, a risk is defined as ''an uncertain event or condition that, if it occurs, has a positive or negative effect on one or more project objectives'' (page 720). A risk can be described by its causes, effects, and probability of occurrence. The causes are the factors or circumstances that give rise to the risk, and they should represent the actual conditions that exist or may exist in the project environment. The causes should not be based on assumptions, opinions, or speculations, but on facts, evidence, or data. Therefore, option C is the correct answer.
Option A is incorrect because not every cause has a degree of uncertainty. Some causes may be certain or deterministic, such as contractual obligations, regulatory requirements, or physical laws. Uncertainty is a characteristic of the risk itself, not the cause.
Option B is incorrect because not every cause has a well-defined owner. The owner is the person or entity who is assigned the responsibility and authority to manage the risk, not the cause. The owner should be identified after the risk is analyzed and prioritized, not before.
Option D is incorrect because the causes do not need to be validated by the risk owner. The risk owner is the person or entity who is accountable for the risk response, not the risk identification. The causes should be validated by the risk manager or the risk identification team, who are responsible for collecting and documenting the risk information.

QUESTION 38
The project director and project manager have met with the board and determined that the project has depleted the entire contingency reserve and has started eroding the profit margin.
The project manager would like the risk manager to take full advantage of opportunities.
Which response should the risk manager take?

A. Mitigate
B. Accept
C. Transfer
D. Exploit

Correct Answer: D
Section:
Explanation:
The risk manager should choose to exploit opportunities, as this response aims to maximize the positive effects of opportunities, which can help recover the project's contingency reserve and profit margin.
Exploit is a positive risk response strategy that aims to ensure that the opportunity is realized1.It involves eliminating the uncertainty associated with a particular upside risk and making it happen2. For example, if there is an

opportunity to reduce the project cost by using a cheaper supplier, the project manager can exploit it by signing a contract with the supplier and securing the savings.Exploit is the opposite of avoid, which is a negative risk response strategy that seeks to eliminate the threat or protect the project from its impact2.
The other options are not appropriate for taking full advantage of opportunities.Mitigate is a negative risk response strategy that reduces the probability and/or impact of a threat2.It is the opposite of enhance, which is a positive risk response strategy that increases the probability and/or impact of an opportunity1.Accept is a risk response strategy that involves acknowledging the risk and not taking any action unless the risk occurs2. It can be applied to both threats and opportunities, but it does not actively pursue them.Transfer is a negative risk response strategy that shifts the impact of a threat to a third party, along with ownership of the response2.It is the opposite of share, which is a positive risk response strategy that allocates ownership of an opportunity to a third party who is best able to capture it for the benefit of the project1.

QUESTION 39
The project manager performed' a variance analysis on the project during the execution phase. The variances were shown as increasing
What does this result imply?

A. The uncertainty and risk are increasing.
B. The project schedule is lagging behind.
C. There is no potential for future deviation.
D. The project is over budget.

Correct Answer: A
Section:
Explanation:
Increasing variances during the execution phase imply that the uncertainty and risk are increasing, as the project performance is deviating from the planned values.
According to the PMBOK Guide -- Sixth Edition1, variance analysis is a technique used to compare the actual performance of the project against the planned or expected performance. It can be applied to various aspects of the project, such as scope, schedule, cost, quality, and risk. Variance analysis can help identify deviations from the baseline and determine the causes and impacts of those deviations. If the variances are shown as increasing, it means that the actual performance is deviating more and more from the planned performance, which implies that the uncertainty and risk are increasing. This could affect the project objectives and deliverables, and require corrective or preventive actions to bring the project back on track. The other options are not correct, as they are either too specific (B and D) or contradictory to the result of the variance analysis.Reference:PMBOK Guide -- Sixth Edition, pages 262-263.

QUESTION 40
The risk manager conducted an updated Monte Carlo simul-ation for the project at the end of a phase. The simul-ation reveals a key activity is now on the critical path.
What recommendation should the risk manager make to the project manager?

A. Add more float to the key activity
B. Add more contingency to the project
C. Review the plans for the key activity
D. Increase the budget for the key activity

Correct Answer: C
Section:
Explanation:
The risk manager should recommend that the project manager review the plans for the key activity, as this will help identify potential issues and opportunities to improve the activity's performance and reduce its impact on the critical path.
The risk manager should recommend the project manager to review the plans for the key activity, which is now on the critical path according to the Monte Carlo simulation. The critical path is the sequence of activities that determines the minimum possible duration of the project. Any delay on the critical path will affect the project completion date. Therefore, it is important to review the plans for the key activity and identify any potential risks, issues, or opportunities that may affect its performance. The risk manager and the project manager should also evaluate the feasibility and effectiveness of any risk response strategies for the key activity, such as fast-tracking, crashing, or resource optimization. The other options are not appropriate recommendations for the risk manager to make. Adding more float to the key activity is not possible, since the critical path has zero float by definition. Adding more contingency to the project may not address the specific risks or issues related to the key activity.Increasing the budget for the key activity may not improve its duration or quality, and may also increase the project cost baseline unnecessarily.Reference:PMI Risk Management Professional (PMI-RMP) Examination Content Outline and Specifications, page 91.A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, pages 215-2162.Project Critical Path Analysis Using Monte Carlo Simulation3.

QUESTION 41

A project lihat was in the execution phase for the last six months was put on hold and was eventually cancelled after numerous scope related challenges. It was decided to re-plan the scope and divide the project into multiple projects to have better insight into end objectives. As part of the project start up. the project manager is developing the risk planning for the project.
What three artifacts should the project manager consult or review during this process? (Choose three.)

A. Project contracts
B. Lessons learned registers from analogous projects
C. Risk register
D. Risk management plan
E. Code of regulations

Correct Answer: A, B, D
Section:
Explanation:
The project manager should consult or review project contracts, lessons learned registers from analogous projects, and the risk management plan to develop an effective risk planning for the project.
According to the PMBOK Guide, the risk management plan is one of the key inputs for the plan risk management process, which is the first process in the project risk management knowledge area. The risk management plan describes how risk management activities will be structured and performed throughout the project. It includes information such as the methodology, roles and responsibilities, budget, timing, risk categories, definitions of risk probability and impact, probability and impact matrix, revised stakeholders' risk tolerances, reporting formats, and tracking (page 409). Therefore, option D is the correct answer.
The project contracts are also an important input for the plan risk management process, as they may contain terms and conditions that can create or affect various project risks. For example, contracts may include clauses related to penalties, incentives, warranties, intellectual property rights, termination, force majeure, arbitration, indemnification, etc. The project manager should review the project contracts to identify any potential sources of risk and plan appropriate responses (page 410). Therefore, option A is the correct answer.
The lessons learned registers from analogous projects are another valuable input for the plan risk management process, as they provide historical information and knowledge that can help the project manager identify and analyze risks, as well as plan risk responses. The lessons learned registers may contain information such as the risks that occurred, the root causes of the risks, the risk triggers, the effectiveness of the risk responses, the residual and secondary risks, the risk owners, the risk ratings, the risk trends, etc. The project manager should consult the lessons learned registers from similar or comparable projects to learn from past experiences and avoid repeating mistakes (page 411). Therefore, option B is the correct answer.
The risk register is not an input for the plan risk management process, but an output. The risk register is a document that contains the list of identified risks, their causes, potential responses, and other relevant information. The risk register is created during the identify risks process, which is the second process in the project risk management knowledge area. The risk register is then updated and refined throughout the project as more information becomes available and new risks emerge (page 414). Therefore, option C is incorrect.
The code of regulations is not an input for the plan risk management process, but a type of enterprise environmental factor. Enterprise environmental factors are the conditions, not under the control of the project team, that influence, constrain, or direct the project. The code of regulations refers to the rules and standards that govern the project's industry, domain, or sector. The code of regulations may affect the project's scope, schedule, cost, quality, resources, communications, procurement, and risk management. The project manager should consider the code of regulations when planning risk management activities, but it is not an artifact that needs to be reviewed or consulted (page 38). Therefore, option E is incorrect.

QUESTION 42
A risk manager of a major project facilitates a meeting to develop the risk management plan. What two factors does the risk manager need to consider to ensure an effective risk management plan is developed? (Choose two.)

A. Applying modern risk management techniques.
B. Aligning to project constraints and priorities.
C. Ensuring risk response strategies mitigate all risks.
D. Minimizing implementation costs.
E. Obtaining stakeholder acceptance

Correct Answer: B, E
Section:
Explanation:
To ensure an effective risk management plan, the risk manager needs to consider aligning the plan to project constraints and priorities and obtaining stakeholder acceptance, as these factors will help ensure that the plan is relevant and supported by the project team and stakeholders.
According to the PMI-RMP Handbook, the risk management plan is a document that describes how risk management activities will be structured and performed on the project. It is one of the main outputs of the Plan Risk

Management process. The risk management plan should consider the following factors to ensure its effectiveness:
Aligning to project constraints and priorities: The risk management plan should be aligned with the project objectives, scope, schedule, cost, quality, resources, and stakeholder expectations. It should also reflect the project's risk appetite, tolerance, and threshold levels, which indicate the degree of uncertainty that the project can accept. The risk management plan should prioritize the risk management activities based on the project's critical success factors and key performance indicators.
Obtaining stakeholder acceptance: The risk management plan should be developed with the involvement and input of key stakeholders, such as the project sponsor, customer, team members, subject matter experts, and other relevant parties. The risk management plan should be communicated and approved by the stakeholders to ensure their commitment and support for the risk management process. The risk management plan should also define the roles and responsibilities of the stakeholders in risk management, as well as the reporting and escalation mechanisms.
The other options are not valid factors for ensuring an effective risk management plan:
Applying modern risk management techniques: The risk management plan should apply the appropriate risk management techniques that suit the project's context, complexity, and characteristics. The techniques should be based on the best practices and standards of the profession, such as the PMBOK Guide and the Practice Standard for Project Risk Management. The techniques do not have to be modern or innovative, as long as they are effective and efficient.
Ensuring risk response strategies mitigate all risks: The risk management plan should define the risk response strategies that will be used to address the identified risks. However, the risk response strategies do not have to mitigate all risks, as some risks may be accepted, transferred, or avoided. The risk response strategies should be based on the risk analysis and evaluation, which consider the probability and impact of the risks, as well as the cost and benefits of the responses.
Minimizing implementation costs: The risk management plan should consider the budget and resources available for the risk management activities. However, the risk management plan should not aim to minimize the implementation costs at the expense of the quality and effectiveness of the risk management process. The risk management plan should balance the costs and benefits of the risk management activities, and ensure that they provide value to the project.

QUESTION 43
Upon reviewing the risk analysis results, the project manager notices several risks that occur more frequently than others. What should the project manager do?

A. Reduce the probabilities of those risks on the risk register
B. Transfer ownership of those risks to the customer
C. Implement the risk handling strategies for those risks
D. Request additional management reserve for those risks

Correct Answer: D
Section:
Explanation:
The project manager should implement the risk handling strategies for the risks that occur more frequently, as this will help reduce their impact on the project and improve overall project performance.
Exploit is a positive risk response strategy that aims to ensure that the opportunity is realized1.It involves eliminating the uncertainty associated with a particular upside risk and making it happen2. For example, if there is an opportunity to reduce the project cost by using a cheaper supplier, the project manager can exploit it by signing a contract with the supplier and securing the savings.Exploit is the opposite of avoid, which is a negative risk response strategy that seeks to eliminate the threat or protect the project from its impact2.
The other options are not appropriate for taking full advantage of opportunities.Mitigate is a negative risk response strategy that reduces the probability and/or impact of a threat2.It is the opposite of enhance, which is a positive risk response strategy that increases the probability and/or impact of an opportunity1.Accept is a risk response strategy that involves acknowledging the risk and not taking any action unless the risk occurs2. It can be applied to both threats and opportunities, but it does not actively pursue them.Transfer is a negative risk response strategy that shifts the impact of a threat to a third party, along with ownership of the response2.It is the opposite of share, which is a positive risk response strategy that allocates ownership of an opportunity to a third party who is best able to capture it for the benefit of the project1.

QUESTION 44
A company manages confidential customer information, and a data breach exposing sensitive information was discovered. What should the risk manager do?

A. Execute the security risks contingency plan.
B. Get a report of customers affected by the risk.
C. Identify residual and secondary risks.
D. Coordinate a response with the risk owner.

Correct Answer: D
Section:
Explanation:

According to the PMBOK Guide, the risk owner is the person assigned the responsibility of monitoring the risk and implementing the risk response plan. The risk owner should be involved in the risk response execution and evaluation, and should communicate the results and outcomes to the relevant stakeholders. In the case of a data breach, the risk owner should coordinate a response with the risk manager and other parties involved, such as the security team, the legal team, the customer service team, and the senior management. The risk owner should also report the status of the risk and the effectiveness of the response plan to the risk manager. The risk manager should oversee the risk response process and ensure that the risk is handled appropriately and in alignment with the project objectives and stakeholder expectations.Reference: = PMBOK Guide, 6th edition, pages 452-453; The Standard for Risk Management in Portfolios, Programs, and Projects, page 79.

QUESTION 45
During the weekly project meeting a risk manager identified new risks in the last sprint, which might impact the project cost by implementing mitigation plans. The sponsor and some project team members do not agree that those risks can impact the project cost.
What should the risk manager do to resolve the sponsor and project team members' concerns about risk identification?

A. Reinforce to the stakeholders that the risk identification was done properly during the last sprint.
B. Highlight the importance of agreeing on the risk identification to avoid further delays.
C. Conduct a separate meeting to show the risk identification analysis to the stakeholders.
D. Ensure that the most knowledgeable members of the team validate risk identification processes.

Correct Answer: C
Section:

QUESTION 46
Some project risks are applicable for the project's lifecycle while others risks are only applicable to specific project activities. When should project risks be closed?

A. When the forecast activity date has been met or exceeded
B. When the stakeholders agree a risk is no longer applicable
C. When the risk has been realized and can no longer happen again
D. When iterative data analysis determines the risk is not applicable

Correct Answer: B
Section:
Explanation:
Project risks should be closed when the stakeholders agree a risk is no longer applicable. This ensures that risks are actively managed and only relevant risks are considered throughout the project lifecycle.
According to the PMI Risk Management Professional (PMI-RMP) Reference Materials, project risks are uncertain events or conditions that may have a positive or negative effect on one or more project objectives1. Project risks can be closed when they are no longer applicable to the project or its activities.The process of closing project risks involves verifying that the risk responses have been completed, documenting the outcomes, and evaluating the effectiveness of the risk management process2. The decision to close a project risk should be made by the stakeholders who are responsible for or affected by the risk, as they are the ones who can determine whether the risk is still relevant or not. Therefore, the correct answer is B. When the stakeholders agree a risk is no longer applicable.

QUESTION 47
The risk manager is facilitating risk planning activities with the team. The team is documenting all the check points along the way that might indicate delays on critical deliverables.
What is this an example of?

A. Risk responses
B. Risk triggers
C. Risk registers
D. Risk categories

Correct Answer: B
Section:
Explanation:

The team is documenting all the checkpoints along the way that might indicate delays on critical deliverables, which is an example of risk triggers. Risk triggers are events or conditions that indicate a risk may be about to occur or has already occurred, helping the project team to monitor and respond to risks effectively.
Risk triggers are indicators or warning signs that a risk event is about to occur or has occurred. They help to monitor the status of risks and initiate risk responses when needed. Documenting risk triggers is part of the Plan Risk Responses process, which aims to develop options and actions to enhance opportunities and reduce threats to project objectives.Reference:The Standard for Risk Management in Portfolios, Programs, and Projects, page 78; PMBOK Guide, 6th edition, page 402.

QUESTION 48
Three months into a program, multiple workstreams are showing issues. At this point, the program manager requires that a risk impact assessment be conducted.
What will help calculate the impact?

A. Risk analysis
B. Risk identification
C. Risk treatment
D. Risk evaluation

Correct Answer: A
Section:
Explanation:
Risk impact assessment involves calculating the impact of identified risks. Risk analysis is the process of examining, estimating, and evaluating the impact of risks, which helps in calculating the impact (Reference: PMBOK Guide, 6th Edition, p. 417)
Risk analysis is the process of assessing the likelihood and impact of the identified risks on the program objectives. It helps to calculate the impact of the risks by using qualitative or quantitative methods. Risk analysis can provide useful information for risk prioritization, risk response planning, and risk reporting.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 67; PMI, The Standard for Program Management, Fourth Edition, 2017, p. 113.

QUESTION 49
A risk manager administered a pre-workshop risk survey in preparation for the upcoming workshop. The workshop invitees participated in the survey and submitted many risks encompassing all project phases and risk areas. The risk manager sorts risks by similarities and categories for the workshop.
What should the risk manager do next to visually organize the risks?

A. Develop an affinity diagram
B. Perform the analytical hierarchy process
C. Perform a SWOT analysis
D. Assign probability and impact

Correct Answer: A
Section:
Explanation:
An affinity diagram is a tool used to visually organize and group risks or ideas based on their similarities and categories. It helps in structuring the risks for further analysis and discussion. (Reference: PMBOK Guide, 6th Edition, p. 138)
According to the PMBOK Guide, anaffinity diagramis a tool and technique for the identify risks process that allows large numbers of ideas to be sorted into groups for review and analysis. An affinity diagram can help the risk manager to visually organize the risks identified in the pre-workshop survey by grouping them into categories based on their similarities or common characteristics. This can help the risk manager to facilitate the risk analysis and prioritization in the workshop, as well as to stimulate new patterns of thinking and generate additional risks.
Some of the other options are not relevant or appropriate for the question scenario:
Theanalytical hierarchy processis a technique for the plan risk management process that provides a method for comparing and ranking alternatives based on multiple criteria. It is not a tool for visually organizing risks.
ASWOT analysisis a technique for the identify risks process that examines the project from the perspective of its strengths, weaknesses, opportunities, and threats. It is not a tool for visually organizing risks, but rather for generating them.
Assigningprobability and impactis a technique for the perform qualitative risk analysis process that assesses the likelihood and the potential effect of each individual risk on the project objectives. It is not a tool for visually organizing risks, but rather for evaluating them.

QUESTION 50
A risk manager on an infrastructure project gathers and analyzes performance data. The risk manager wants to identify which variables will impact the schedule and determine how these factors interact.
Which data analysis tool should the risk manager use to forecast future performance?

A. Sensitivity analysis
B. What-if scenario analysis
C. Regression analysis
D. Decision tree analysis

Correct Answer: B
Section:
Explanation:
Regression analysis is a data analysis tool that helps identify variables that impact the schedule and determine how these factors interact. It is used to forecast future performance based on historical data and the relationship between variables. (Reference: PMBOK Guide, 6th Edition, p. 248)
According to the PMI Risk Management Professional (PMI-RMP) Reference Materials, regression analysis is a data analysis tool that examines the relationship between one or more independent variables and a dependent variable1.Regression analysis can be used to forecast future performance based on historical data and trends2. In this case, the risk manager wants to identify which variables will impact the schedule (the dependent variable) and determine how these factors interact (the independent variables). Therefore, the risk manager should use regression analysis to create a mathematical model that can predict the schedule performance based on the values of the variables.Regression analysis can also help the risk manager to assess the significance and strength of the relationship between the variables and the schedule3.

QUESTION 51
A project manager has finished the project charter for a project and has now moved into the planning phase. In the first planning meeting, the project manager is trying to determine the risk tolerance and risk attitudes of the project's key stakeholders.
What is the first resource the project manager should reference?

A. Benefits management plan
B. Enterprise environmental factors (EEFs)
C. Project charter
D. Requirements management plan

Correct Answer: C
Section:
Explanation:
The project charter is the first resource the project manager should reference to determine the risk tolerance and risk attitudes of the project's key stakeholders, as it contains information such as the project purpose, objectives, success criteria, high-level risks, and key stakeholder list. The project charter is an output of the Develop Project Charter process, which is part of the Initiating process group. The project charter provides the project manager with the authority to apply organizational resources to project activities and establishes a partnership between the performing organization and the requesting organization.Reference:PMBOK Guide, 6th edition, page 81-82.
Enterprise environmental factors (EEFs) provide information about the organization's culture, risk tolerance, and risk attitudes, which can help the project manager determine the risk tolerance and risk attitudes of the project's key stakeholders. (Reference: PMBOK Guide, 6th Edition, p. 39)

QUESTION 52
A large, land-based infrastructure project has begun. The project makes assumptions about the site conditions and has economic, technical, and environmental constraints
What should the project manager do next to determine risk impact of assumptions and constraints?

A. Add all assumptions and constraints to the risk register.
B. Add the risk impact of the assumptions in the risk register.
C. Add the assumptions and constraints to the assumption log.
D. Add the assumptions and constraints in the project charter.

Correct Answer: C
Section:
Explanation:
The project manager should add the assumptions and constraints to the assumption log to track and analyze their impact on the project. The assumption log is a project document that records all project assumptions and constraints throughout the project life cycle. (Reference: PMBOK Guide, 6th Edition, p. 89)
The project manager should add the assumptions and constraints to the assumption log, which is a project document that records the assumptions and constraints that affect the project scope, schedule, cost, and quality. The assumption log can help the project manager to identify and analyze the risks that may arise from the validity of the assumptions and the impact of the constraints. The assumption log can also be used as an input for the Identify Risks process, where the project manager can determine the risk impact of the assumptions and constraints and add them to the risk register accordingly.Reference:PMI, A Guide to the Project Management Body of Knowledge (PMBOK Guide), Sixth Edition, 2017, p. 38, 397.

QUESTION 53
During a risk reassessment workshop with the project team and some external stakeholders, two key external stakeholders are overemphasizing the impact of a few project risks. This has led to a conflict.
How should the risk manager handle this situation?

A. Request for a skilled facilitator to help resolve conflicts that have arise.
B. Refer to the team's ground rules on how to resolve conflicts.
C. Run a sensitivity analysis to check which risks have the most impact.
D. Use the assumption analysis techniques to validate the assumptions.

Correct Answer: B
Section:
Explanation:
According to the PMBOK Guide, one of the tools and techniques for the plan risk management process isground rules. Ground rules are the rules of conduct or behavior that are established by the project team and other stakeholders to ensure a productive and respectful environment for risk management activities.Ground rules can cover various aspects of risk management, such as roles and responsibilities, communication protocols, decision-making processes, meeting agendas, and conflict resolution methods1. By referring to the team's ground rules on how to resolve conflicts, the risk manager can handle the situation where two key external stakeholders are overemphasizing the impact of a few project risks. This can help the risk manager to maintain a constructive and collaborative atmosphere in the risk reassessment workshop, as well as to ensure that the risk analysis and prioritization are based on objective and consistent criteria.
Some of the other options are not relevant or appropriate for the question scenario:
Requesting for a skilled facilitator to help resolve conflicts that have arisen is not a feasible or effective option, as it would interrupt the flow of the risk reassessment workshop and delay the risk management process. The risk manager should be able to facilitate the workshop and handle conflicts by themselves, using the tools and techniques that they have planned and agreed upon with the project team and stakeholders.
Running a sensitivity analysis to check which risks have the most impact is a technique for the perform quantitative risk analysis process, which is not applicable in the context of a risk reassessment workshop. A sensitivity analysis is a quantitative method that examines the effect of varying one risk parameter at a time on the project objectives, such as cost or schedule.It is not a tool for resolving conflicts or validating the impact of risks, as it does not consider the interrelationships and dependencies among risks or the probability of risk occurrence1.
Using the assumption analysis technique to validate the assumptions is a technique for the identify risks process, which is not suitable for the situation where conflicts have already arisen in the risk reassessment workshop. An assumption analysis is a technique that explores the validity of the assumptions that are made during the project planning and risk management processes.It is not a tool for resolving conflicts or verifying the impact of risks, as it does not address the root causes or the consequences of the disagreements among the stakeholders1.

QUESTION 54
After starting a new pipeline project, a risk manager schedules an initial meeting with the project sponsor. For the meeting, the project sponsor requests a presentation of the risks that have the most impact on achieving the project objectives.
What should the risk manager do to facilitate the sponsor's ask?

A. Monte Carlo analysis
B. Qualitative risk analysis
C. Sensitivity analysis
D. Quantitative risk analysis

Correct Answer: C
Section:

Explanation:
Quantitative risk analysis helps to numerically analyze the probability and impact of risks on project objectives. By performing quantitative risk analysis, the risk manager can present the risks with the most impact on achieving the project objectives to the project sponsor. (Reference: PMBOK Guide, 6th Edition, p. 423)
According to the PMI Risk Management Professional (PMI-RMP) Reference Materials, sensitivity analysis is a type of probabilistic analysis that determines how sensitive the results of the analysis are to uncertainties in input variables.Sensitivity analysis determines which uncertainty has the greatest potential for an impact on the project objectives, such as cost, schedule, scope, or quality1. In this case, the risk manager should use sensitivity analysis to facilitate the sponsor's ask, as it will help to identify and present the risks that have the most impact on achieving the project objectives.Sensitivity analysis can also show how the project objectives will vary with the changes in the input variables, such as the probability and impact of risks2.Sensitivity analysis can be performed using various tools and techniques, such as tornado diagrams, spider charts, or influence diagrams3.

QUESTION 55
A risk manager of a complex project has identified a risk and believes a deeper understanding of the source and likelihood is necessary. How should the risk manager proceed?

A. Develop and employ an Ishikawa diagram
B. Analyze the assumptions and constraints
C. Perform a review of project documents
D. Create prompt lists for expert interviews

Correct Answer: A
Section:
Explanation:
An Ishikawa diagram (also known as a fishbone or cause-and-effect diagram) is a tool used to identify and analyze the root causes and sources of a risk. It helps the risk manager gain a deeper understanding of the risk source and likelihood. (Reference: PMBOK Guide, 6th Edition, p. 139)
An Ishikawa diagram, also known as a fishbone diagram or a cause-and-effect diagram, is a tool that can help the risk manager to analyze the root causes of a risk and to identify the factors that influence its occurrence and impact. An Ishikawa diagram can also help to visualize the relationships among different causes and to prioritize the most significant ones. By developing and employing an Ishikawa diagram, the risk manager can gain a deeper understanding of the source and likelihood of the risk and plan appropriate responses accordingly.Reference:The Standard for Risk Management in Portfolios, Programs, and Projects, page 72; PMBOK Guide, 6th edition, page 398.

QUESTION 56
The project manager asks the risk manager to determine the initial risk assessment for a six month initiative that is about to kick-off. Which two artifacts will help the risk manager conduct the related analysis? (Choose two.)

A. Work breakdown structure (W&S)
B. Project organizational chart
C. Configuration management plan
D. Brainstorming
E. Monte Carlo analysis

Correct Answer: A, B
Section:
Explanation:
According to the PMBOK Guide, one of the tools and techniques for the identify risks process isdata gathering. Data gathering is the process of collecting information from various sources to identify potential risks that may affect the project objectives.One of the data gathering techniques isdocument analysis, which involves reviewing and analyzing available project documents and other information sources to identify potential risks1.
Two of the artifacts that will help the risk manager conduct the initial risk assessment for a six month initiative are thework breakdown structure (WBS)and theproject organizational chart. These are two of the project documents that can be analyzed for potential risks in the project.
Thework breakdown structure (WBS)is a hierarchical decomposition of the total scope of work to be carried out by the project team to accomplish the project objectives and create the required deliverables. The WBS represents the work defined in the current approved project scope statement and provides the framework for detailed cost estimating, resource planning, and risk management.By reviewing the WBS, the risk manager can identify potential risks that are associated with each work package, deliverable, or scope element, such as technical complexity, quality requirements, dependencies, assumptions, constraints, and uncertainties1.
Theproject organizational chartis a graphical representation of the project team members and their reporting relationships. The project organizational chart depicts the roles and responsibilities of the project team, as well as the communication channels and authority levels among the team members and other stakeholders.By reviewing the project organizational chart, the risk manager can identify potential risks that are related to the project team structure, such as resource availability, skill gaps, team dynamics, stakeholder expectations, and conflict resolution1.

Some of the other options are not relevant or appropriate for the question scenario:
Theconfiguration management planis a component of the project management plan that describes how the project team will manage the configuration of the project's deliverables and documentation. The configuration management plan defines the processes, tools, and methods for identifying, controlling, tracking, and auditing the changes to the project's baselines.The configuration management plan is not an artifact that will help the risk manager conduct the initial risk assessment, as it does not provide information on the potential risks that may affect the project objectives or scope1.
Brainstormingis a technique for the identify risks process that involves generating a list of potential risks through a group discussion. Brainstorming is not an artifact, but rather a tool and technique for identifying risks.Brainstorming can help the risk manager conduct the initial risk assessment, but only after reviewing and analyzing the available project documents and information sources1.
Monte Carlo analysisis a technique for the perform quantitative risk analysis process that involves simulating the combined effect of individual project risks and other sources of uncertainty on the project objectives, such as cost or schedule. Monte Carlo analysis is not an artifact, but rather a tool and technique for analyzing risks.Monte Carlo analysis can help the risk manager conduct the initial risk assessment, but only after identifying and prioritizing the individual project risks and their probability and impact1.

QUESTION 57
A project manager is educating the project team on risk management regarding the role of threats and opportunities. The team decides to log the opportunities in the current project's risk register to try to maximize their chances of occurrence.
What should the project team do next?

A. Conduct a strengths, weaknesses, opportunities, and threats (SWOT) analysis.
B. Log the threats in the risk register to try to minimize the probability of occurrence.
C. Log the threats in the risk register to try to maximize the probability of occurrence.
D. Update the project management plan to ensure the results of the opportunities are captured.

Correct Answer: D
Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Reference Materials, the project management plan is the document that describes how the project will be executed, monitored, and controlled.It integrates and consolidates all the subsidiary plans and baselines from the project management processes1.The project management plan should be updated whenever there are changes in the project scope, schedule, cost, quality, resources, communications, risks, procurements, or stakeholder engagement2. In this case, the project team has decided to log the opportunities in the current project's risk register, which is a component of the project management plan.Opportunities are positive risks that may have a beneficial effect on the project objectives, such as cost savings, schedule acceleration, or quality improvement3. Therefore, the project team should update the project management plan to ensure the results of the opportunities are captured and reflected in the relevant subsidiary plans and baselines. For example, if an opportunity leads to a cost saving, the project team should update the cost management plan and the cost baseline accordingly.

QUESTION 58
At an oil and gas company, a major unified management information system is to be implemented. The project manager noted that risks gathered from the organization's business functions are not properly identified and categorized, making it difficult to develop an effective risk response.
How should the project manager handle this situation?

A. Outsource conducting the risk response plan to risk consultants.
B. Ask functional managers to improve their risk register and process.
C. Adjust the risk response plans to effectively handle the identified risks.
D. Coach the functional groups on how to properly conduct the process.

Correct Answer: D
Section:
Explanation:
The project manager should provide guidance and coaching to the functional groups on how to properly identify and categorize risks. This will help improve the quality of the risk register and ensure an effective risk response plan can be developed.
The project manager should coach the functional groups on how to properly conduct the process of identifying and categorizing risks, as this will help to improve the quality and consistency of the risk information and to facilitate the development of an effective risk response plan. The project manager should also provide guidance and support on how to use the appropriate tools and techniques, such as risk breakdown structure, risk taxonomy, risk checklists, risk interviews, and risk workshops, to elicit and document the risks from different perspectives and sources. By coaching the functional groups, the project manager can also enhance their risk awareness and ownership, and foster a collaborative risk culture within the project.Reference:The Standard for Risk Management in Portfolios, Programs, and Projects, page 71-72; PMBOK Guide, 6th edition, page 397-398.

QUESTION 59
A project manager has determined that they cannot outsource work nor eliminate the scope. They also discover that they cannot buy insurance or mitigate the risk.
What should the project manager do?

A. Avoid the risk
B. Transfer the risk
C. Ignore the risk
D. Accept the risk

Correct Answer: D
Section:
Explanation:
Since the project manager cannot avoid, transfer, or mitigate the risk, the only remaining option is to accept the risk and develop a contingency plan to handle it if it occurs.
According to the PMI-RMP Exam Content Outline1, one of the tools and techniques for risk response planning is risk response strategies. These are the actions that the project manager and the project team take to address the identified risks, either positive or negative.For negative risks or threats, the PMI-RMP Exam Content Outline1lists four possible strategies: avoid, transfer, mitigate, and accept.
Avoid risk means changing the project plan to eliminate the threat or its impact2. For example, changing the scope, schedule, or budget to avoid a risk.
Transfer risk means shifting the impact of a threat to a third party, such as a contractor, vendor, or insurer2. For example, buying insurance, outsourcing, or using performance bonds to transfer a risk.
Mitigate risk means reducing the probability and/or impact of a threat2. For example, conducting more tests, adopting best practices, or providing training to mitigate a risk.
Accept risk means acknowledging the existence of a threat and being willing to deal with its consequences2. For example, doing nothing, establishing a contingency reserve, or developing a contingency plan to accept a risk.
In this question, the project manager has determined that they cannot outsource work (transfer) nor eliminate the scope (avoid). They also discover that they cannot buy insurance (transfer) or mitigate the risk. Therefore, the only remaining option is to accept the risk. Accepting the risk does not mean ignoring the risk, but rather recognizing it and preparing for its potential occurrence and impact. Therefore, the best answer is D.

QUESTION 60
A project is In the initiation phase. The project stakeholders are Invited to a meeting to share their thoughts that may impact the project In a positive or negative way.
What will be the main output of this meeting?

A. Evaluating the project's probability of success
B. Identifying threats and opportunities
C. Evaluating the project's impact
D. Performing a qualitative analysis

Correct Answer: B
Section:
Explanation:
The main output of the stakeholder meeting in the initiation phase is to identify threats and opportunities that may impact the project in a positive or negative way. This information will be used to develop the risk management plan.
The meeting that the project stakeholders are invited to in the initiation phase is part of the Identify Risks process. The purpose of this process is to identify the risks that may affect the project objectives in a positive or negative way, and to document their characteristics. The main output of this process is the risk register, which is a document that contains the list of identified risks, their causes, potential responses, and other relevant information. The risk register is an essential input for the subsequent risk management processes, such as Perform Qualitative Risk Analysis, Perform Quantitative Risk Analysis, Plan Risk Responses, and Monitor Risks.
Therefore, the correct answer is B. Identifying threats and opportunities.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 79-80, 86-87.

QUESTION 61
When selecting strategies as an activity of Plan Risk Response, what is the overall goal?

A. Select the strategies with the least overall impact to resources.
B. Select the strategies with the least financial impact.
C. Select the strategies with the greatest overall positive influence.
D. Select the strategies with the greatest benefit to stakeholders.

Correct Answer: C
Section:
Explanation:
The overall goal of selecting strategies during the Plan Risk Response activity is to choose those strategies that have the greatest overall positive influence on the project, considering factors such as cost, schedule, and resources.
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Responseis to select risk response strategies based on the risk appetite and tolerance of the organization and stakeholders1. The overall goal of selecting risk response strategies is to select the strategies with the greatest overall positive influence on the project objectives, such as scope, schedule, cost, quality, etc.The risk response strategies should aim to enhance the opportunities and reduce the threats to the project, while considering the cost-benefit analysis, the feasibility, and the alignment with the project goals and stakeholder expectations2.The risk response strategies should not be selected based on the least overall impact to resources, because that may not be the most effective or efficient way to address the risks, and it may ignore the potential benefits of some strategies that may require more resources but also deliver more value3. The risk response strategies should not be selected based on the least financial impact, because that may not be the most relevant or comprehensive criterion to evaluate the risks, and it may overlook other aspects of the project, such as quality, customer satisfaction, reputation, etc.that may also be affected by the risks4.The risk response strategies should not be selected based on the greatest benefit to stakeholders, because that may not be the most realistic or achievable goal, and it may create conflicts or trade-offs among different stakeholder groups that may have different or competing interests, needs, and expectations5.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 102: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4403: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4414: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4425: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 518.

QUESTION 62
An agriculture government agency faces different challenges with farmers and landlords In implementing its ambitious growth strategy. The agency decided to establish an enterprise risk management unit to identify risks, analyze risks, and provide a handbook showing how to handle the surrounding uncertainty.
What should the risk management expert recommend the agency do first to identify risks and develop the handbook?

A. Follow standard risk Identification tools dedicated for agriculture and tailor them to the environment.
B. Hire an agriculture expert who can develop the required handbook and discuss it with the agriculture minister.
C. Prepare a list of the key resources that will be used to compile a risk management plan.
D. Conduct meetings, facilitated workshops, and interviews with stakeholders to identify potential risks.

Correct Answer: D
Section:
Explanation:
According to the PMBOK Guide1, risk identification is the process of determining which risks may affect the project and documenting their characteristics. It involves the use of various techniques to gather information from different sources and perspectives, such as stakeholders, experts, historical data, assumptions, and environmental factors. Some of the common techniques for risk identification are meetings, facilitated workshops, interviews, brainstorming, checklists, questionnaires, SWOT analysis, and root cause analysis. These techniques help to elicit the knowledge and opinions of the participants, and to generate a comprehensive list of potential risks that can be further analyzed and prioritized. In this case, the risk management expert should recommend the agency to conduct meetings, facilitated workshops, and interviews with stakeholders to identify potential risks and develop the handbook. This will help to understand the context and objectives of the agency, the expectations and concerns of the farmers and landlords, the challenges and opportunities in the agriculture sector, and the possible sources and impacts of uncertainty. The risk management expert can then use the information gathered from these techniques to create a risk register and a risk management plan, which can form the basis of the handbook.This is part of the Identify Risks process in the PMBOK Guide1.Reference:1: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition
Engaging stakeholders through meetings, workshops, and interviews is crucial for risk identification, as it allows the agency to gather diverse perspectives and insights on potential risks. This approach is more effective than relying solely on standard tools or hiring an expert.

QUESTION 63
When approving the risk contingency budget for a project, the CEO notices each team has a different approach to report risks and their impacts. The CEO decides to create a new centralized risk management function to help resolve the problem.
How does centralizing the risk management function help resolve the problem?

A. Enhance the process of identification of different Individual project risks.
B. Allows monitoring the impact against the overall project risk exposure.
C. Establishes risk sources and ownership for trigger monitoring.
D. Creates a single repository for all project risk documents.

Correct Answer: B
Section:
Explanation:
Centralizing the risk management function enables the organization to have a consistent approach to reporting risks and their impacts. This allows for better monitoring of the impact against the overall project risk exposure, which helps in making informed decisions and allocating resources effectively.
According to the PMI-RMP Exam Content Outline1, one of the tasks in the domain of risk governance is to ''establish and maintain a centralized risk management function to support the project and organizational objectives''. A centralized risk management function can help resolve the problem of inconsistent risk reporting by providing a common framework, methodology, and standards for risk management across the organization. One of the benefits of centralizing the risk management function is that it allows monitoring the impact of individual project risks against the overall project risk exposure, as well as the organizational risk appetite and tolerance. This can help the CEO and other senior management to make informed decisions and allocate resources accordingly. Therefore, the best answer is B.

QUESTION 64
Which statement describes the risk portrayed on the risk matrix heat map below?

A. The risk has a probability of 60% of occurrence and a medium impact rating.
B. The risk has a probability of 40% of occurrence and a high impact rating.
C. The risk has a high impact and probability of occurring.
D. The risk has a low probability and high impact rating.

Correct Answer: B
Section:
Explanation:
The risk matrix heat map is a graphical tool that displays the probability and impact of risks in a project. The horizontal axis represents the probability of occurrence, and the vertical axis represents the impact rating. The colors indicate the level of risk exposure, from green (low) to red (high). The risk in question is located in the upper right quadrant of the matrix, which means it has a high impact rating. The probability of occurrence can be estimated by looking at the scale on the horizontal axis. The risk is slightly to the left of the 50% mark, which means it has a probability of occurrence of about 40%. Therefore, the correct statement that describes the risk is B. The risk has a probability of 40% of occurrence and a high impact rating.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 104-105.

QUESTION 65
A supplier Is delayed in delivering fuel for a project. The project manager anticipated this risk and is requesting fuel from another supplier. When speaking with the other supplier, a new risk appears because fulfilling the order will cause delays with several other projects.
After performing a detailed analysis, what should the risk manager do?

A. Escalate the problem to the project sponsors.
B. Execute the approved risk response plan.
C. Negotiate with the supplier to resolve the problem.
D. Assign a team member to update the issue leg.

Correct Answer: B
Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Responseis to execute the approved risk response plan in accordance with project guidelines and procedures1.A risk response plan is a component of the project management plan that describes the agreed-upon and funded actions to address the project risks, both positive and negative2. In this scenario, the risk manager should execute the approved risk response plan to deal with the new risk that appears when requesting fuel from another supplier, which will cause delays with several other projects.The risk response plan should have been developed and approved during the risk response planning process, which involves selecting and prioritizing the appropriate risk strategies and actions for each risk3.The risk response plan should also be aligned with the project guidelines and procedures, which are the rules and directions that define the project's scope, schedule, cost, quality, and other aspects4.The risk manager should not escalate the problem to the project sponsors, because that is not a risk response strategy, but rather a way to seek higher-level authority or support for a risk that is outside the project's scope or influence5.The risk manager should not negotiate with the supplier to resolve the problem, because that is not a risk response strategy, but rather a procurement management technique that involves reaching a mutually acceptable agreement with the supplier on the terms and conditions of the contract6.The risk manager should not assign a team member to update the issue log, because that is not a risk response strategy, but rather a risk monitoring and reporting technique that involves tracking and documenting the issues that have occurred or are currently affecting the project7.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 102: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4143: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4404: A Guide to the Project Management Body of Knowledge

(PMBOK Guide) -- Sixth Edition, page 385: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4376: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4717: What Is an Issue Log?Templates & Tips7.

QUESTION 66
A project manager wants to introduce a new technology to improve a project's performance. However, there are some costs associated that are beyond the current budget, and the proposed technology has not been applied to any previous company projects.
What should the project manager do in this situation?

A. Escalate this initiative to project decision makers and sponsors.
B. Accept the fact that there is a risk associated with this new technology.
C. Take advantage of this opportunity of Improving the project performance.
D. Outsource the implementation of the new technology as soon as possible.

Correct Answer: C
Section:
Explanation:
The project manager should escalate this initiative to project decision makers and sponsors, as they have the authority to approve changes in budget and scope. They can evaluate the potential benefits and associated with the new technology and make an informed decision on whether to proceed.
According to the PMBOK Guide1, an opportunity is a risk that would have a positive effect on one or more project objectives if it occurs. Opportunities are uncertain events or conditions that can enhance or facilitate the achievement of project goals, such as cost savings, schedule acceleration, quality improvement, or scope expansion. A project manager should take advantage of opportunities by implementing risk responses that seek to maximize their probability and/or positive impact. In this case, the project manager wants to introduce a new technology to improve the project's performance, which is an opportunity for the project. The project manager should take advantage of this opportunity by planning and executing appropriate risk responses, such as exploiting, enhancing, sharing, or accepting the opportunity.This is part of the Plan Risk Responses and Implement Risk Responses processes in the PMBOK Guide1.Reference:1: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition.

QUESTION 67
A risk manager for a large project has completed documenting the risk management plan. The project is moving from planning to execution.
Which three actions should the risk manager take to ensure the risk management plan remains effective during the project timeframe? (Choose 3)

A. Verify whether or not any identified risks might occur and implement the risk response plan.
B. Regularly check and report on the status of risks identified according to their prioritization.
C. Monitor the status and oversee execution of the risk response plan for each identified risk.
D. Ensure management reserves are sufficient to cover the mitigation plans for all identified risks.
E. Allocate and lock in project resources according to the initial risk prioritization for all identified risks.

Correct Answer: B, C, D
Section:
Explanation:
According to the PMI-RMP Exam Content Outline1, one of the domains of the PMI-RMP certification is risk monitoring and reporting. This domain includes tasks such as ''monitor and report on risk metrics and trends'', ''monitor the status of risk response activities and update risk register and risk report accordingly'', and ''monitor and control project contingency and management reserves''. These tasks imply that the risk manager should regularly check and report on the status of risks identified according to their prioritization (B), monitor the status and oversee execution of the risk response plan for each identified risk , and ensure management reserves are sufficient to cover the mitigation plans for all identified risks (D). These actions will help the risk manager to ensure the risk management plan remains effective during the project timeframe. Therefore, the best answers are B, C, and D.

QUESTION 68
A risk manager and relevant stakeholders have completed a risk response plan for a project. They have identified and planned responses to the known risks; however, a risk owner has identified and reported some residual risks not previously addressed.
What should the risk manager do first?

A. Develop a residual risk management plan to manage the residual risks.
B. Analyze, document, and communicate the residual risks to stakeholders.
C. Record the residual risks in the watch list for future reference.
D. Implement the contingency plan when the residual risks occur.

Correct Answer: B
Section:
Explanation:
Residual risks are the risks that remain after the risk response plan has been implemented. They are the risks that are accepted by the project team and stakeholders as part of the project. Residual risks may have low probability or impact, but they still need to be monitored and controlled throughout the project. The first thing that the risk manager should do when a risk owner identifies and reports some residual risks is to analyze, document, and communicate them to the relevant stakeholders. The risk manager should assess the probability and impact of the residual risks, and determine if they require any further response or contingency plan. The risk manager should also update the risk register and the risk report with the information about the residual risks, and share them with the stakeholders who need to be aware of them. This will help the project team and stakeholders to be prepared for any potential occurrence of the residual risks, and to take appropriate actions if needed.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 94-95, 101.

QUESTION 69
A risk manager is reviewing documentation for a project following a risk planning workshop with project stakeholders and team members. Several items have been identified on the risk log that would be detrimental to project success, but the associated triggers cannot be managed by the organization and are unlikely to occur.
Which response should the risk manager recommend for these risk items?

A. Mitigate
B. Accept
C. Enhance
D. Exploit

Correct Answer: B
Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Responseis to recommend risk response strategies based on the risk appetite and tolerance of the organization and stakeholders1.One of the strategies for negative risks or threats isrisk acceptance, which involves acknowledging the existence of a threat and making a conscious decision to accept it without taking any action2. In this scenario, the risk manager should recommend risk acceptance for the risk items that would be detrimental to project success, but the associated triggers cannot be managed by the organization and are unlikely to occur.Risk acceptance is appropriate when the risk exposure is low, the cost of other responses is high, or the risk response is outside the scope or influence of the project3.The risk manager should not recommend risk mitigation, which involves reducing the probability and/or impact of a threat2.The risk manager should not recommend risk enhancement, which is a strategy for positive risks or opportunities, not negative risks or threats2.The risk manager should not recommend risk exploitation, which is also a strategy for positive risks or opportunities, not negative risks or threats2.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 102: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4363: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 437.

QUESTION 70
A risk manager for a cross-functional project is initiating the risk identification process. The risk manager conducted some meetings for stakeholders to express their concerns, but some stakeholders are complaining that their opinions were not considered.
How should the risk manager address these concerns?

A. Refer to the requirements documentation to confirm stakeholder requirements as they relate to risks.
B. Refer to the project charter to find guidelines and stakeholder communication channels.
C. Review the stakeholder register and stakeholder engagement plan to communicate and solicit stakeholder input.
D. Rewrite the risk register to include the additional possible risks and inform the stakeholders.

Correct Answer: C

Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Identificationis to review the stakeholder register and stakeholder engagement plan to communicate and solicit stakeholder input on risks throughout the project life cycle1.The stakeholder register is a project document that identifies the project stakeholders, their roles, interests, expectations, influence, and communication requirements2.The stakeholder engagement plan is a component of the project management plan that describes the strategies and actions to promote productive involvement of stakeholders in project decision making and execution3. In this scenario, the risk manager should review these documents to address the concerns of some stakeholders who are complaining that their opinions were not considered in the risk identification process. The risk manager should communicate with the stakeholders according to their preferences and needs, and solicit their input on the project risks using various tools and techniques, such as interviews, surveys, brainstorming, etc. The risk manager should also update the stakeholder register and stakeholder engagement plan as needed to reflect any changes in the stakeholder community or their expectations.The risk manager should not refer to the requirements documentation to confirm stakeholder requirements as they relate to risks, because that is not a direct way to address the stakeholders' concerns, and it may not capture all the potential risks that the stakeholders may identify4.The risk manager should not refer to the project charter to find guidelines and stakeholder communication channels, because the project charter is a high-level document that does not provide detailed information on how to communicate and engage with the stakeholders5.The risk manager should not rewrite the risk register to include the additional possible risks and inform the stakeholders, because that is a premature and presumptuous action that may not reflect the actual views and inputs of the stakeholders, and it may create more confusion and dissatisfaction among them6.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 82: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 5133: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 5184: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 1525: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 776: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 414.

QUESTION 71
An organization faces immense competition in the market and decides to accelerate a key project. What is the first action for the project risk manager to take?

A. Update the risk register
B. Meet with the project's stakeholders
C. Revise the risk management plan
D. Ensure sufficient resources are available

Correct Answer: C
Section:
Explanation:
According to the PMBOK Guide1, the risk management plan is a component of the project management plan that describes how risk management activities will be structured and performed. It provides guidance on how the project team will identify, analyze, respond, monitor, and control risks throughout the project life cycle. The risk management plan should be reviewed and updated whenever there are changes in the project scope, schedule, budget, or objectives, as these changes may introduce new risks or affect the existing ones. In this case, the organization's decision to accelerate a key project is a significant change that may alter the risk profile of the project. Therefore, the first action for the project risk manager to take is to revise the risk management plan to reflect the new situation and ensure that the risk management processes are aligned with the project objectives and constraints.This is part of the Plan Risk Management process in the PMBOK Guide1.Reference:1: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition

QUESTION 72
A project team has just initiated a large project to move an organization's headquarters to another location. The risk manager has scheduled a risk identification session but notices that the project charter, work breakdown structure (WBS). and scope statement are not available.
What should the risk manager consider?

A. Aligning with the project manager to hold an open brainstorm session with all stakeholders will suffice.
B. The ideal solution is to find alternate documents that provide good visibility on the environment.
C. The risk identification process can be carried out as long as the project statement is available.
D. Risk evaluation will be challenging without these elements as a frame of reference.

Correct Answer: D
Section:
Explanation:
According to the PMI-RMP Exam Content Outline1, one of the tasks in the domain of risk identification is to ''review project documents, assumptions, and constraints, and understand the project environment and organizational factors to identify risks''. The project charter, work breakdown structure (WBS), and scope statement are essential project documents that provide information about the project objectives, deliverables, requirements, assumptions, and constraints. Without these elements, the risk manager will have difficulty identifying and evaluating the risks that may affect the project.Therefore, the best answer is D.Reference:1: PMI-RMP

Exam Content Outline, page 7.

QUESTION 73
A new risk manager has been assigned to a delayed strategic project. The risk manager presented a new plan to get the project back on track using lessons learned and applying risk response strategies. Senior management wants to remove contingency reserves because they want to finish the project earlier.
What should the risk manager do in this scenario?

A. Review project schedule estimates.
B. Change the response strategies.
C. Reduce the contingency reserves.
D. Conduct a risk planning workshop.

Correct Answer: D
Section:
Explanation:
The risk manager should conduct a risk planning workshop with senior management and other key stakeholders to review the risk management plan, the risk register, and the contingency reserves. The risk manager should explain the purpose and benefits of contingency reserves, and how they are calculated and allocated based on the risk exposure of the project. The risk manager should also discuss the potential impact of removing or reducing the contingency reserves on the project objectives, scope, schedule, cost, and quality. The risk manager should facilitate a collaborative decision-making process to reach a consensus on the best course of action for the project.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 77-78, 92-93.

QUESTION 74
A risk manager is assigned to a new system deployment project with a strict contractually agreed-on schedule. One of the key risks identified is the availability of experts because many are shared on other strategic projects in the organization.
What should the risk manager do to address this situation?

A. Implement a disciplined tracking method and report to stakeholders accordingly.
B. Call for a project team meeting to review risk strategies and make required adjustments.
C. Escalate the staffing topic to the sponsor and request more budget for contingencies.
D. Revisit the project charter for scope adjustments and sign them off with the customer.

Correct Answer: A
Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Responseis to call for a project team meeting to review risk strategies and make required adjustments, as needed, based on risk monitoring and reporting1. In this scenario, the risk manager should do this to address the situation of the availability of experts, which is a key risk for the project. The project team meeting will help the risk manager and the project team to evaluate the effectiveness of the current risk response plan, identify any new risks or changes in existing risks, and develop alternative risk strategies and actions to deal with the staffing issue. The project team meeting will also facilitate the communication and collaboration among the project team members and other stakeholders, and ensure that the project objectives and expectations are aligned.The risk manager should not implement a disciplined tracking method and report to stakeholders accordingly, because that is not a proactive risk response strategy, but rather a passive risk monitoring and reporting technique2.The risk manager should not escalate the staffing topic to the sponsor and request more budget for contingencies, because that is not a feasible or appropriate risk response strategy, as it does not address the root cause of the risk or provide a solution to the problem3.The risk manager should not revisit the project charter for scope adjustments and sign them off with the customer, because that is not a risk response strategy, but rather a scope management process that may have negative impacts on the project quality, cost, and schedule, and may violate the contractual agreement with the customer4.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 102: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4563: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4364: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 133.

QUESTION 75
An external vendor needs to be contracted to provide additional capacity and expertise to a project team to reduce the probability of delays in a project. The contracts department is raising a concern about confidentiality risks not addressed in the proposed contract and missing from the risk register.
What should the risk manager do next?

A. Assess the identified secondary risk.
B. Implement the risk response plan.
C. Implement the risk contingency plan.
D. Communicate the identified residual risk.

Correct Answer: A
Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, a secondary risk is a risk that arises as a direct result of implementing a risk response to a specific risk. In this case, the risk response is to contract an external vendor to provide additional capacity and expertise to the project team. The secondary risk is the confidentiality risk that the contracts department has identified. The risk manager should assess the secondary risk to determine its probability, impact, and priority, and to plan appropriate responses.This is part of the Perform Qualitative Risk Analysis and Plan Risk Responses processes in the PMBOK Guide2.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline2: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition

QUESTION 76
A risk manager for a financial organization is assigned to support a project team in developing a custom software solution to manage loans. Which document should the risk manager request first from the project sponsor to identify major risks?

A. Risk management plan
B. Clients' credit scores
C. Organization's mission and vision
D. Historical data from the credit portfolio

Correct Answer: A
Section:
Explanation:
According to the PMBOK Guide, 6th edition, Chapter 11: Project Risk Management1, the risk manager should request the risk management plan first from the project sponsor to identify major risks. This is because:
The risk management plan is a document that describes how risk management activities will be planned, structured, and performed throughout the project life cycle. The risk management plan provides guidance and direction for the risk manager and the project team on how to identify, analyze, prioritize, respond, and monitor risks, as well as how to allocate resources, define roles and responsibilities, establish risk categories, and document risk-related information.
The risk management plan is a key input for the risk identification process, which is the process of determining which risks may affect the project and documenting their characteristics. The risk identification process involves using various tools and techniques, such as brainstorming, interviews, checklists, assumptions and constraints analysis, SWOT analysis, expert judgment, and data gathering, to generate a comprehensive list of potential risks that may impact the project objectives, such as scope, schedule, cost, quality, or stakeholder satisfaction.
The risk management plan helps the risk manager to identify major risks by providing the following information:
The risk management strategy, which defines the approach and methodology for managing risks, including the level of detail, rigor, and frequency of the risk management activities, and the alignment with the project management plan and the organization's policies and procedures.
The risk thresholds, which specify the acceptable level of risk exposure for the project and its objectives, based on the risk appetite, tolerance, and attitude of the project sponsor and other key stakeholders.
The risk categories, which are a group of potential causes of risk that can be used to structure and organize the identified risks into a hierarchical structure, such as a risk breakdown structure (RBS). The risk categories can be derived from various sources, such as the project scope statement, the work breakdown structure (WBS), the organizational process assets, or the industry standards and practices.
The roles and responsibilities, which define the authority and accountability of the project team members and other stakeholders involved in the risk management process, such as the risk manager, the risk owner, the risk committee, the risk auditor, and the risk reviewer.
The resources, which specify the budget, time, and human resources allocated for the risk management process, as well as the tools, techniques, and software applications that will be used to support the risk management activities.
The communication and reporting, which describe the type, format, content, frequency, and distribution of the risk-related information and reports that will be shared among the project team and other stakeholders, such as the risk register, the risk report, the risk dashboard, and the risk audit report.
The other options are not the best documents to request first from the project sponsor to identify major risks because:
The clients' credit scores are a specific type of data that can be used to assess the credit risk of the loans, but they do not provide a comprehensive view of all the potential risks that may affect the project, such as technical, operational, legal, regulatory, or market risks.
The organization's mission and vision are high-level statements that describe the purpose, values, and goals of the organization, but they do not provide specific guidance or direction on how to manage risks for the project, such as the risk management strategy, methodology, or tools.

The historical data from the credit portfolio are a source of information that can be used to analyze the past performance and trends of the loans, but they do not reflect the current or future uncertainties and opportunities that may impact the project, such as changes in customer behavior, technology, competition, or regulation.
PMBOK Guide, 6th edition, Chapter 11: Project Risk Management1
Risk Management Professional (PMI-RMP) Exam Cert Guide2

QUESTION 77
A risk manager is facilitating a risk identification workshop on a new product with technical experts. There is no consensus among the technical experts on most of the identified risks and their characteristics. The risk manager decides to resolve this difference using another technique.
Which technique should the risk manager use in this situation?

A. Brainstorming
B. Delphi method
C. Focus group
D. Checklist analysis

Correct Answer: B
Section:
Explanation:
The risk manager should use the Delphi method in this situation, as this is a technique that can help resolve differences among experts and reach a consensus on the identified risks and their characteristics. The Delphi method is a tool used to make quick decisions with consensus. This technique consists of sending several sets of anonymous questions to each expert. This is followed by a group discussion after every round. The Delphi method can help the risk manager to solicit the opinions of all experts without revealing their identities. This way, the experts can express their views freely and honestly, without being influenced or intimidated by others. The Delphi method can also reduce personal bias, ego, or emotional conflict among the participants. The risk manager can use the results of the Delphi method to create a list of potential risks and their causes, effects, and probabilities. The other options are not appropriate techniques for the risk manager to use in this situation. Brainstorming is a technique that can help generate ideas and identify risks, but it may not be effective in resolving differences among experts, as it involves open and spontaneous discussion. Focus group is a technique that can help collect requirements and opinions from stakeholders, but it may not be suitable for resolving technical disagreements among experts, as it involves a moderated and structured discussion. Checklist analysis is a technique that can help identify risks based on historical information and lessons learned, but it may not be helpful in resolving differences among experts, as it involves a predefined list of potential risks.Reference:3,4,5

QUESTION 78
As a project approached completion, a risk manager conducted a risk response audit and verified the effectiveness of risk responses. What should the risk manager do next?

A. Close and communicate the results of the risk response actions.
B. Run a workshop to analyze the effectiveness of the risk plan.
C. Conduct a risk reserve analysis and document the results.
D. Verify that all risk response actions have been documented.

Correct Answer: A
Section:

QUESTION 79
A risk manager and project team are managing a software system project, which is expected to be completed within 12 months. The project is currently halfway through, and the team has just delivered the second version of the prototype. During the weekly status meeting, a team member reported that an important stakeholder is facing an issue, which will likely result in a change request that is outside the scope of the current prototype.
What should the risk manager advise the team to do first?

A. Mitigate the risk by asking the team member to gather more information.
B. Add the risk to the issue log and revisit it when there is more information.
C. Arrange a meeting with the stakeholder to discuss the risk and information.
D. Add the risk to the risk register and gather information about its probability and impact.

Correct Answer: D
Section:

QUESTION 80
In reviewing the team's identified project risks, a project manager identified an opportunity to assign more resources to ensure the company receives the project's incentive payment for early completion.
In implementing this plan, which response should the risk manager use?

A. Exploit
B. Accept
C. Share
D. Enhance

Correct Answer: A
Section:

QUESTION 81
During project development, a risk manager notices that a major update in the country's regulations might be happening in the upcoming months. These changes will affect the materials used in building some of the components of the final product. The project team is unsure if this risk will affect the project negatively or positively.
Which tool should the project team use to determine this?

A. Sensitivity analysis
B. Threshold analysis
C. Reserve analysis
D. Strengths, weaknesses, opportunities, and threats (SWOT) analysis

Correct Answer: A
Section:

QUESTION 82
Some issues and unexpected results were found after completing the first phase of a project. The project team is planning the next phase and team members want to avoid the previous issues.
What should the risk manager do to avoid the previous issues?

A. Use the information for a risk workshop.
B. Improve monitoring and controlling of activities.
C. Document the issues in the lessons learned.
D. Create an issue log to share with the team.

Correct Answer: A
Section:
Explanation:
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline1, one of the tasks in the domain ofRisk Identificationis to use the information from project documents, lessons learned, and other sources to facilitate the risk identification process1.A risk workshop is a tool and technique for risk identification that involves bringing together the project team, stakeholders, subject matter experts, and risk management experts to identify and analyze the project risks in a structured and collaborative manner2. In this scenario, the risk manager should use the information from the issues and unexpected results found in the first phase of the project for a risk workshop, to avoid the previous issues in the next phase. The risk workshop will help the risk manager and the project team to identify the root causes of the issues, assess their probability and impact, and develop appropriate risk responses. The risk workshop will also enable the risk manager to update the risk register and the risk report with the new information and communicate the risk status to the relevant stakeholders.The risk manager should not improve monitoring and controlling of activities, because that is not a specific action to avoid the previous issues, but rather a general practice that should be done throughout the project life cycle3.The risk manager should not document the issues in the lessons learned, because that is not enough to avoid the previous issues, but rather a way to capture and share the knowledge gained from the project for future reference4.The risk manager should not create an issue log to share with the team, because that is not a proactive risk management technique, but rather a reactive way to track and resolve the issues that

have already occurred5.Reference:1: PMI Risk Management Professional (PMI-RMP) Examination Content Outline, page 82: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4003: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 4564: A Guide to the Project Management Body of Knowledge (PMBOK Guide) -- Sixth Edition, page 1005: What Is an Issue Log?Templates & Tips6.

QUESTION 83
A project manager for a predictive project just received a scope change request where additional development is required. What should the risk manager do to support the project manager with this scope change request?

A. Evaluate any new risks that are introduced due to the change in scope.
B. Update the risk management plan to reflect the scope change.
C. Reassess the identified risks that impact the project scope.
D. Update the risk register to identify, analyze, and plan a response for any new risk.

Correct Answer: A
Section:
Explanation:
According to the PMBOK Guide, a scope change request is a formal proposal to modify any project document, deliverable, or baseline. It is an output of the Perform Integrated Change Control process, which is the process of reviewing all change requests, approving changes, and managing changes to the deliverables, organizational process assets, project documents, and the project management plan. A scope change request may introduce new risks or affect existing risks on the project, which may impact the project objectives, such as scope, schedule, cost, and quality.
The risk manager should support the project manager with the scope change request by evaluating any new risks that are introduced due to the change in scope. This is because the risk manager is responsible for planning, implementing, and monitoring the risk management activities on the project, as well as communicating and reporting the risk information to the project manager and other stakeholders. The risk manager should use the appropriate risk identification and analysis techniques, such as brainstorming, interviews, checklists, SWOT analysis, cause and effect diagrams, probability and impact assessment, etc., to identify and evaluate the new risks that may arise from the scope change. The risk manager should also document the new risks in the risk register, which is a project document that contains the details of all identified individual project risks and other relevant information.
The other options are not valid for what the risk manager should do to support the project manager with the scope change request:
Update the risk management plan to reflect the scope change: This is not a valid option because the risk management plan is a component of the project management plan, which describes how risk management activities will be structured and performed on the project. It is an output of the Plan Risk Management process, which is the process of defining how to conduct risk management activities for a project. The risk management plan should not be updated to reflect the scope change, but rather to reflect any changes in the risk management approach, methodology, roles and responsibilities, budget, timing, risk categories, definitions, reporting formats, etc. The risk management plan should be updated only when there is a change in the risk management process, not in the project scope.
Reassess the identified risks that impact the project scope: This is not a valid option because reassessing the identified risks that impact the project scope is part of the Monitor Risks process, which is the process of implementing risk response plans, tracking identified risks, monitoring residual risks, identifying new risks, and evaluating risk process effectiveness throughout the project. The risk manager should not reassess the identified risks that impact the project scope before evaluating any new risks that are introduced due to the change in scope. The risk manager should first identify and analyze the new risks, and then reassess the existing risks to determine if they are still valid, relevant, and prioritized.
Update the risk register to identify, analyze, and plan a response for any new risk: This is not a valid option because updating the risk register to identify, analyze, and plan a response for any new risk is a combination of several risk management processes, such as Identify Risks, Perform Qualitative Risk Analysis, Perform Quantitative Risk Analysis, and Plan Risk Responses. The risk manager should not update the risk register to identify, analyze, and plan a response for any new risk in one step, but rather follow the sequential and iterative risk management processes to ensure a comprehensive and consistent risk management approach. The risk manager should also coordinate and communicate with the project manager and other stakeholders when updating the risk register, as well as obtain their approval and input.

QUESTION 84
The project team recorded a risk in the risk register indicating that weather-related delays may impact equipment delivery during project execution. When it is time to request the equipment shipment there is bad weather, but the client wants the equipment delivered anyway.
What should the project manager do?

A. Wait until the weather improves before sending the equipment.
B. Ask the project sponsor to approve shipping the equipment.
C. Proceed with the planned risk response to move the equipment.
D. Request the shipment of the equipment to satisfy the client.

Correct Answer: C
Section:

Explanation:
The project manager should proceed with the planned risk response to move the equipment, as this is the best way to deal with the weather-related risk that was identified and recorded in the risk register.A risk register is a document that lists all the identified risks, their causes, impacts, probabilities, and responses for a project1.A risk response is a strategy or action that is taken to reduce the negative effects or enhance the positive effects of a risk event2.A risk response should be planned and executed according to the risk management plan, which is a document that describes how risk management activities will be structured and performed on a project3.The risk management plan should also define the roles and responsibilities, risk categories, risk appetite and thresholds, risk identification and analysis methods, risk response strategies, risk monitoring and reporting mechanisms, and risk governance mechanisms3. Therefore, the project manager should follow the risk management plan and the risk register to implement the planned risk response to move the equipment, as this is the most effective and efficient way to manage the risk and meet the project objectives. Waiting until the weather improves before sending the equipment, asking the project sponsor to approve shipping the equipment, or requesting the shipment of the equipment to satisfy the client are not the best options to deal with the weather-related risk. Waiting until the weather improves may cause further delays and increase the cost and scope of the project, as well as damage the relationship with the client. Asking the project sponsor to approve shipping the equipment may not be necessary or feasible, as the project sponsor may not have the authority or the availability to make such a decision. Requesting the shipment of the equipment to satisfy the client may not be realistic or safe, as the bad weather may pose a threat to the quality and integrity of the equipment, as well as the health and safety of the people involved in the transportation.These options may also deviate from the risk management plan and the risk register, which may create confusion and inconsistency in the risk management process.Reference:1,2,3.

QUESTION 85
A project manager has been assigned to a project that is just starting. The organization has a very low risk appetite towards this project due to constraints on budget and schedule. The project stakeholders are very engaged on the project and want to ensure that there is clear visibility on the project risks and progress.
How should the project manager handle stakeholder expectations?

A. Add buffers to the schedule to accommodate risk.
B. Ensure the risk register includes all identified risks.
C. Discuss the risk response strategies with the stakeholders.
D. Develop a communication plan to share updates on risks.

Correct Answer: D
Section:
Explanation:
The project manager should discuss the risk response strategies with the stakeholders to handle their expectations. This will help the project manager to align the risk responses with the stakeholder's risk appetite, preferences, and expectations. It will also help the project manager to obtain the stakeholder's support and approval for the risk responses. This is the best way to ensure clear visibility on the project risks and progress.
Adding buffers to the schedule to accommodate risk (option A) is not a good practice, as it may create false expectations and hide the true impact of risk. Ensuring the risk register includes all identified risks (option B) is important, but it is not enough to handle stakeholder expectations. The project manager also needs to communicate the risk register to the stakeholders and discuss the risk responses with them. Developing a communication plan to share updates on risks (option D) is also a good practice, but it is not sufficient to handle stakeholder expectations. The project manager also needs to involve the stakeholders in the risk response planning process and obtain their feedback and approval.Reference:PMI, The Standard for Risk Management in Portfolios, Programs, and Projects, 2019, p. 97; PMI, A Guide to the Project Management Body of Knowledge (PMBOK Guide), 6th ed., 2017, p. 407.
The project manager should develop a communication plan to share updates on risks (D) to handle stakeholder expectations, especially since the organization has a low risk appetite and stakeholders are very engaged. This approach ensures that stakeholders are regularly informed about the project's risks and progress, addressing their concerns and expectations. This is supported by the PMI's PMBOK Guide, Sixth Edition.

QUESTION 86
A company in the mining industry accommodates a lot of innovation and changing work conditions. Because of this, the company experiences difficulty in predicting long term business plans.
How should a professional risk manager manage the risks in such situations?

A. Adopt a predictive approach to manage the risks.
B. Adopt agile approaches to manage the risks.
C. Utilize proper documentation to help manage the risks.
D. Conduct weekly risk management meetings with all stakeholders.

Correct Answer: B
Section:
Explanation:
In a company with rapidly changing work conditions and difficulty in predicting long-term business plans, a professional risk manager should adopt agile approaches to manage the risks (B). Agile approaches allow for

flexibility, adaptability, and quick response to changes, making them suitable for managing risks in such situations. This is supported by the PMI's PMBOK Guide, Sixth Edition, and the Agile Practice Guide.
A professional risk manager should adopt agile approaches to manage the risks in situations where the company accommodates a lot of innovation and changing work conditions, and experiences difficulty in predicting long term business plans. Agile approaches are adaptive, iterative, and collaborative methods that focus on delivering value and reducing uncertainty in a dynamic and complex environment. Agile approaches can help the risk manager to identify, analyze, respond, and monitor risks in a flexible and timely manner, by using tools and techniques such as risk-adjusted backlog, risk burndown charts, risk-based spike, and risk-based testing. Agile approaches can also help the risk manager to engage the stakeholders and the project team in risk management activities, by using practices such as daily stand-up meetings, sprint planning, sprint review, and sprint retrospective. Agile approaches can enable the risk manager to manage the risks effectively and efficiently, by aligning the risk management strategy with the project goals and the customer needs. Adopting a predictive approach to manage the risks is not the best option, as it may not be suitable or feasible for situations where the project scope, schedule, and budget are uncertain or variable. A predictive approach is a plan-driven and sequential method that relies on upfront planning and detailed documentation to manage the risks. A predictive approach may not be able to cope with the frequent changes and emerging risks that may occur in an innovative and dynamic environment. Utilizing proper documentation to help manage the risks is not the best option, as it may not be sufficient or effective for situations where the project requirements and deliverables are evolving or changing. Proper documentation is a useful and necessary component of risk management, but it is not a substitute for agile risk management practices. Proper documentation may not be able to capture and communicate the current and relevant information about the risks and their impacts in a timely and accurate manner. Conducting weekly risk management meetings with all stakeholders is not the best option, as it may not be optimal or efficient for situations where the project risks and opportunities are changing rapidly or frequently. Weekly risk management meetings are a common and beneficial practice for risk management, but they may not be enough or appropriate for agile risk management. Weekly risk management meetings may not be able to address the risks and their responses as soon as they arise or occur, and they may not be able to involve all the relevant and available stakeholders and project team members.Reference:3,4,5

QUESTION 87
While implementing the risk response plan for a previously identified risk, some secondary risks were identified but not captured on the risk register. The project manager decided to review the risk management plan to ensure this does not happen for future, similar situations.
What should the project manager do next?

A. Identify secondary or residual risks for associated risk plans.
B. Develop risk response plans for all identified risks.
C. Update the communications management plan to avoid future issues
D. Monitor and control secondary and residual risks in the risk register.

Correct Answer: A
Section:
Explanation:
The project manager should monitor and control secondary and residual risks in the risk register. This will ensure that any new risks identified during the implementation of the risk response plan are captured and managed effectively. Monitoring and controlling risks is a continuous process that helps in identifying, analyzing, and planning for new risks as well as updating the risk register as needed.
According to the PMI Risk Management Professional (PMI-RMP) Examination Content Outline, one of the tasks under the domain of Risk Response Planning is to ''identify and assess the effectiveness of alternative strategies to reduce threats or enhance opportunities, such as mitigation, transference, avoidance, and acceptance''1. This implies that the project manager should also consider the potential secondary or residual risks that may arise from implementing the chosen risk response strategy.Secondary risks are new risks that are created as a direct result of implementing a risk response, while residual risks are those that remain after the risk response has been executed2. Both types of risks should be identified and assessed for their impact and probability, and added to the risk register for further monitoring and control. Therefore, the correct answer is A.

QUESTION 88
A company manages confidential customer information, and a data breach exposing sensitive information was discovered. What should the risk manager do?

A. Execute the security risks contingency plan.
B. Get a report of customers affected by the risk.
C. Identify residual and secondary risks.
D. Coordinate a response with the risk owner.

Correct Answer: D
Section:

QUESTION 89
The risk manager for an IT project developing a software application has a major stakeholder concerned that the project will not conclude within the available funding. The risk manager found delays in the iterations and increments in the project's budget, potentially increasing the duration by two weeks.

What tools should the risk manager use to properly decide the risk of not finishing the project within the budget?

A. Stakeholder management and communication tools
B. Team performance reports and analysis tools
C. Schedule management tools (i.e., Gantt Charts)
D. Estimation and probability analysis tools (i.e. Monte Carlo simulations)

Correct Answer: D
Section:

QUESTION 90
A risk manager recently had to take an unexpected leave of absence. An interim risk manager has been tasked with completing risk planning for a new project. The interim risk manager has been provided with a strength, weaknesses, opportunities, and threats (SWOT) analysis that was completed during a project kickoff meeting several weeks ago.
What should the interim risk manager do to derive actionable risk responses from the SWOT analysis?

A. Determine risks from the SWOT analysis and break them down into threats and opportunities.
B. Work with the project sponsor to understand which items they would prioritize from the SWOT analysis.
C. Conduct an extensive review with the project team to ensure all SWOT items can be mitigated or eliminated.
D. Input the items identified on the SWOT analysis into the project's risk register for consideration as-is.

Correct Answer: A
Section: