

PMI Risk Management Professional

1. A risk manager is preparing risk reports to be included in the monthly status report for project executives. How should the risk manager present the information?

A. The format established in the risk management plan

B. Earned value management (EVM) variance metrics

C. A risk burndown chart showing remaining risks

D. An itemized list of remaining risks and their scores

Answer(s): D

2. The project team is updating the risk register with the minimum acceptable level of exposure and impact for each risk. The team also wants to determine if they have reached the maximum level of exposure before they escalate the risk.

A. Quantitative risk analysis

B. Risk response planning

C. Monitor and control risks

D. Risk urgency assessment

Answer(s): A

3. 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.

A. The audit team

B. The risk manager

C. The risk owners

D. The discipline engineers

Answer(s): B

4. An organization is embarking on a multi-million-dollar project with numerous identified risks. What should the project risk team do to navigate the risks on this project?

A. Go for a low-risk threshold of $\pm 5\%$ around a cost objective.

B. Conduct risk identification to populate the risk register.

C. Confirm stakeholders risk thresholds based on risk appetites.

D. Go for a high-risk threshold of $\pm 10\%$ around a cost objective.

Answer(s): B

5. A risk manager has a well-structured risk management process in place for a complex project with a tight schedule. Despite implementing preventive actions, one of the risks identified in the early stages of the project has still occurred and is now an issue.

A. Implement the risk response plan to remedy the problem as soon as possible.

B. Initiate discussions with the project manager to decide how to manage the problem.

C. Escalate the problem to the project sponsor to agree on the best course of action.

D. Meet with the project team to brainstorm potential solutions to the problem.

Answer(s): A

6. A project manager for a large product development project assigned a risk manager to perform the risk management. The project sponsor questions why this project requires a risk manager as it is similar to a previous project with a developed risk strategy.

A. A risk strategy aligns individual project risk thresholds with organizational risk appetite.

B. A risk strategy is a best practice and ensures quality in the project planning.

C. A project specific risk strategy includes enough information to respond to audits and compliance requirements.

D. A risk strategy ensures alignment of the organizational structure to the specific project.

Answer(s): A

7. 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

Answer(s): B,E

8. One project in a program needs to be completed in 6 months because there is a large bonus for early completion. Consequently, the program manager transfers all resources to this project and arranges for employees to receive overtime pay.

A. Transfer

B. Escalate

C. Exploit

D. Enhance

Answer(s): C

9. 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

Answer(s): A

10. A project that 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.

A. Project contracts

B. Lessons learned registers from analogous projects

C. Risk register

D. Risk management plan

E. Code of regulations

Answer(s): A,B,D

11. The project risk manager is in the process of identifying risks. The project sponsor has communicated that there is an influential stakeholder who has a senior management position. The other stakeholders do not feel comfortable speaking in front of this stakeholder.

A. Review the risk breakdown structure to ensure project scope is covered.

B. Use the brainstorming technique to remove personal bias.

C. Use expert judgment to remove ego or emotional conflict.

D. Consider the Delphi technique to gather all stakeholder opinions.

Answer(s): D

12. After the initial assessment of a new project, a project manager found that in order to complete the expected results, detailed and exhaustive planning will be required to ensure the product's characteristics and quality. What should the risk manager propose to the project manager what to do?

A. Use an adaptive approach for the delivery.

B. Use a predictive approach for the delivery.

C. Use a hybrid approach for the delivery.

D. Use an agile approach for the delivery.

Answer(s): B

13. 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.

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.

Answer(s): B

14. 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.

A. Plan Risk Management

B. Perform Qualitative Risk Analysis

C. Perform Quantitative Risk Analysis

D. Monitor and Control Risk

Answer(s): B

15. 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.

Answer(s): C

16. Product testing can be done in multiple ways. A few project team members suggest testing be done in a laboratory environment, whereas others recommend completing the analysis via simulation methods. The testing manager has consulted with a peer, who recommends undertaking testing using field trials. The testing manager consults with the risk manager to assess the risk involved in the testing.

A. Probability and impact matrix

B. Monte Carlo simulation

C. Scenario analysis

D. Sensitivity analysis

Answer(s): A

17. 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.

A. Sensitivity analysis

B. What-if scenario analysis

C. Regression analysis

D. Decision tree analysis

Answer(s): B

18. 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.

A. Monte Carlo analysis

B. Qualitative risk analysis

C. Sensitivity analysis

D. Quantitative risk analysis

Answer(s): C

19. A risk manager has been assigned to replace a risk manager on sick leave. The new risk manager notices that the risk register is missing data that are key to the risk management process.

A. Project plan, risk priority, and tool availability

B. Project plan, risk complexity, and secondary risk

C. Risk description risk response, and quantitative data

D. Risk description, risk probability, and risk impact

Answer(s): A

20. 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.

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.

Answer(s): D

