



## **PMI**

### **Exam Questions PMI-RMP**

PMI Risk Management Professional

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#### NEW QUESTION 1

You are the project manager of the GHY Project for your company. You need to complete a project management process that will be on the lookout for new risks, changing risks, and risks that are now outdated. Which project management process is responsible for these actions?

- A. Risk planning
- B. Risk identification
- C. Risk monitoring and controlling
- D. Risk analysis

**Answer: C**

#### NEW QUESTION 2

Your organization has a project that is expected to last 20 months but the customer would really like the project completed in 18 months. You have worked on similar projects in the past and believe that you could fast track the project and reach the 18 month deadline. What increases when you fast track a project?

- A. Resources
- B. Costs
- C. Communication
- D. Risks

**Answer: D**

#### NEW QUESTION 3

Jeff works as a project manager for BlueWell Inc. He is determining which risks can affect the project. Which of the following are the inputs to the identify risks process that Jeff will use to accomplish the task? Each correct answer represents a complete solution. Choose all that apply.

- A. Scope baseline
- B. Activity cost estimates
- C. Risk register
- D. Risk management plan

**Answer: ABD**

#### NEW QUESTION 4

Where can a project manager find risk-rating rules?

- A. Risk management plan
- B. Organizational process assets
- C. Enterprise environmental factors
- D. Risk probability and impact matrix

**Answer: B**

#### NEW QUESTION 5

Tracy is the project manager of the NLT Project for her company. The NLT Project is scheduled to last 14 months and has a budget at completion of \$4,555,000. Tracy's organization will receive a bonus of \$80,000 per day that the project is completed early up to \$800,000. Tracy realizes that there are several opportunities within the project to save on time by crashing the project work. Crashing the project is what type of risk response?

- A. Transference
- B. Mitigation
- C. Exploit
- D. Enhance

**Answer: D**

#### NEW QUESTION 6

Frank is the project manager of the NHQ project for his company. Frank is working with the project team, key stakeholders, and several subject matter experts on risks dealing with the new materials in the project. Frank wants to utilize a risk analysis method that will help the team to make decisions in the presence of the current uncertainty surrounding the new materials. Which risk analysis approach can Frank use to create an approach to make decisions in the presence of uncertainty?

- A. Monte Carlo Technique
- B. Qualitative risk analysis process
- C. Quantitative risk analysis process
- D. Delphi Technique

**Answer: C**

#### NEW QUESTION 7

Joan is the project manager of the BTT project for her company. She has worked with her project to create risk responses for both positive and negative risk events within the project. As a result of this process Joan needs to update the project document updates. She has updated the assumptions log as a result of the findings and risk responses, but what other documentation will need to be updated as an output of risk response planning?

- A. Scope statement
- B. Lessons learned

- C. Risk Breakdown Structure
- D. Technical documentation

**Answer:** D

#### NEW QUESTION 8

You are the project manager of a large project that will last four years. In this project, you would like to model the risk based on its distribution, impact, and other factors. There are three modeling techniques that a project manager can use to include both event-oriented and project-oriented analysis. Which modeling technique does NOT provide event-oriented and project-oriented analysis for identified risks?

- A. Sensitivity analysis
- B. Jo-Hari Window
- C. Expected monetary value
- D. Modeling and simulation

**Answer:** B

#### NEW QUESTION 9

You are the project manager of the GHE Project. You have identified the following risks with the characteristics as shown in the following figure: How much capital should the project set aside for the risk contingency reserve?

- A. \$142,000
- B. \$41,750
- C. \$23,750
- D. \$232,000

**Answer:** C

#### NEW QUESTION 10

Virginia is the project manager for her organization. She has hired a subject matter expert to interview the project stakeholders on certain identified risks within the project. The subject matter expert will assess the risk event with what specific goal in mind?

- A. To determine the level of probability and impact for each risk event
- B. To determine the bias of the risk event based on each person interviewed
- C. To determine the probability and cost of the risk event
- D. To determine the validity of each risk event

**Answer:** A

#### NEW QUESTION 10

Courtney is the project manager for her organization. She is working with the project team to complete the qualitative risk analysis for her project. During the analysis Courtney encourages the project team to begin the grouping of identified risks by common causes. What is the primary advantage to group risks by common causes during qualitative risk analysis?

- A. It helps the project team realize the areas of the project most laden with risks.
- B. It saves time by collecting the related resources, such as project team members, to analyze the risk events.
- C. It can lead to developing effective risk responses.
- D. It can lead to the creation of risk categories unique to each project.

**Answer:** C

#### NEW QUESTION 12

You are the project manager of the GHG project for your company. You have identified the project risks, completed qualitative and quantitative analysis, and created risk responses. You also need to document how and when risk audits will be performed in the project. Where will you define the frequency of risk audits?

- A. Risk response plan
- B. Quality management plan
- C. Risk management plan
- D. Schedule management plan

**Answer:** C

#### NEW QUESTION 13

You are the project manager for your organization and you are working with Thomas, a project team member. You and Thomas have been working on a specific risk response for a probable risk event in the project. Thomas is empowered with a risk response and will control all aspects of the identified risk response in which a particular risk event will happen within the project. What title, in regard to risk, is bestowed on Thomas?

- A. Risk expeditor
- B. Risk owner
- C. Risk team leader
- D. Risk coordinator

**Answer:** B

#### NEW QUESTION 17

Management has asked you to perform a risk audit and report back on the results. Bonny, a project team member asks you what a risk audit is. What do you tell Bonny?

- A. A risk audit is a review of all the risks that have yet to occur and what their probability of happening are.
- B. A risk audit is a review of the effectiveness of the risk responses in dealing with identified risks and their root causes, as well as the effectiveness of the risk management process.
- C. A risk audit is a review of all the risk probability and impact for the risks, which are still present in the project but which have not yet occurred.
- D. A risk audit is an audit of all the risks that have occurred in the project and what their true impact on cost and time has been.

**Answer: B**

#### NEW QUESTION 21

Harry works as a project manager for the NHQ Project. He is performing quantitative risk analysis for his project. One of the project risks has a 40 percent probability of happening, and it will cost the project \$65,000 if the risk happens. What is the expected monetary value of this risk event?

- A. Negative \$26,000
- B. Negative \$67,000
- C. Zero - the risk event has not yet occurred
- D. \$27,000

**Answer: A**

#### NEW QUESTION 22

You are the project manager for Genpact Inc. You have established quarterly risk management meetings. Which of the following is not a component of a risk management meeting?

- A. Assessing the overall status of risks in the project
- B. Review of risk responses
- C. Assessment of risk
- D. The availability of the individual

**Answer: D**

#### NEW QUESTION 27

You work as a project manager for BlueWell Inc. Your project is running late and you must respond to the risk. Which risk response can you choose that will also cause you to update the human resource management plan?

- A. Teaming agreements
- B. Transference
- C. Crashing the project
- D. Fast tracking the project

**Answer: C**

#### NEW QUESTION 31

You are the project manager of the GHY project. In your organization you must follow certain enterprise environmental factors that establish the rules for risk management. One of the policies your project must adhere to requires periodic rapid analysis of risks within the project. These rapid, cost-effective sessions must be documented and performed monthly. What type of analysis are you required to perform according to your enterprise environmental factors?

- A. Brainstorming
- B. Qualitative analysis
- C. Delphi Technique
- D. Quantitative analysis

**Answer: B**

#### NEW QUESTION 36

You are the project manager of the NHQ project for your company. Management has told you that you must implement an agreed upon contingency response if the Cost Performance Index in your project is less than 0.90. Consider that your project has a budget at completion of \$250,000 and is 60 percent complete. You are scheduled to be however, 75 percent complete, and you have spent \$165,000 to date. What is the Cost Performance Index for this project to determine if the contingency response should happen?

- A. -\$37,500
- B. 0.91
- C. 0.88
- D. 0.80

**Answer: B**

#### NEW QUESTION 38

David is the project manager of the NKL Project for his organization. He has been asked to create a proposal for a construction project for a client. David realizes that there are several requirements within the SOW and RFP provided by the client that would eliminate his company from bidding on the construction project. David proposed to management that his organization create a partnership with a competitor so that together they could bid on the construction project and qualify for the customer's requirements. What risk response is David proposing to management?

- A. Exploiting
- B. Teaming agreement

- C. Transference
- D. Sharing

**Answer:** D

#### NEW QUESTION 41

You are the project manager for your organization. You are preparing for the quantitative risk analysis. Mark, a project team member, wants to know why you need to do quantitative risk analysis when you just completed qualitative risk analysis. Which one of the following statements best defines what quantitative risk analysis is?

- A. Quantitative risk analysis is the process of numerically analyzing the effect of identified risks on overall project objectives.
- B. Quantitative risk analysis is the planning and quantification of risk responses based on probability and impact of each risk event.
- C. Quantitative risk analysis is the review of the risk events with the high probability and the highest impact on the project objectives.
- D. Quantitative risk analysis is the process of prioritizing risks for further analysis or action by assessing and combining their probability of occurrence and impact.

**Answer:** A

#### NEW QUESTION 46

Holly is the project manager of the NHQ project for her company. Her project sponsor, Tracy, has requested that Thomas, the department manager, from the Risk Management Department, will work with Holly to determine the effectiveness of the risk responses. Tracy and Thomas are concerned that some of the risks within Holly's project may not be addressed to depth they would like. In this scenario, who is responsible for ensuring that risk audits are performed at an appropriate frequency throughout the project?

- A. Thomas
- B. Tracy
- C. The project team
- D. Holly

**Answer:** D

#### NEW QUESTION 47

Shawn is the project manager of the WHT Project for his company. In this project Shawn's team reports that they have found a way to complete the project work for less cost than what was originally planned. The project team presents a new software that will help to automate the project work. While the software and the associated training costs \$25,000 it will save the project nearly \$65,000 in total costs. Shawn agrees to the software and changes to the project management plan accordingly. What type of risk response has been used in this instance?

- A. Avoidance
- B. Exploiting
- C. Accepting
- D. Enhancing

**Answer:** B

#### NEW QUESTION 50

You are the project manager of the GHY Project for your company. You have completed the risk response planning with your project team. You now need to update the WBS. Why would the project manager need to update the WBS after the risk response planning process? Choose the best answer.

- A. Because of work that was omitted during the WBS creation
- B. Because of new work generated by the risk responses
- C. Because of risk responses that are now activities
- D. Because of risks associated with work packages

**Answer:** B

#### NEW QUESTION 55

Joan is a project management consultant and she has been hired by a firm to help them identify risk events within the project. Joan would first like to examine the project documents including the plans, assumptions lists, project files, and contracts. What key thing will help Joan to discover risks within the review of the project documents?

- A. The project documents will help the project manager, or Joan, to identify what risk identification approach is best to pursue.
- B. Lack of consistency between the plans and the project requirements and assumptions can be the indicators of risk in the project.
- C. Poorly written requirements will reveal inconsistencies in the project plans and documents.
- D. Plans that have loose definitions of terms and disconnected approaches will reveal risks.

**Answer:** B

#### NEW QUESTION 60

The Project Risk Management knowledge area focuses on which of the following processes? Each correct answer represents a complete solution. Choose all that apply.

- A. Quantitative Risk Analysis
- B. Risk Monitoring and Control
- C. Potential Risk Monitoring
- D. Risk Management Planning

**Answer:** ABD

#### NEW QUESTION 65

You work as a project manager for SoftTech Inc. You have implemented the risk action plan and it was not effective. What type of plan should you as a project manager will create for implementation if a selected risk strategy fails to be fully effective?

- A. Mitigation management plan
- B. Mitigation plan
- C. Fallback plan
- D. Risk response plan

**Answer: C**

#### NEW QUESTION 69

Beth is the project manager of the BFG Project for her company. In this project Beth has decided to create a contingency response based on the performance of the project schedule. If the project schedule variance is greater than \$10,000 the contingency plan will be implemented. What is the formula for the schedule variance?

- A.  $SV=EV/PV$
- B.  $SV=PV-EV$
- C.  $SV=EV/AC$
- D.  $SV=EV-PV$

**Answer: D**

#### NEW QUESTION 70

Lamont is the project manager of a project that has recently finished the final project deliverables. The project customer has signed off on the project deliverable and Lamont has a few administrative closure activities to complete. In the project, there were several large risks that could have wrecked the project but Lamont and his project team found some creative methods to resolve the risks without affecting the project costs or project end date. What should Lamont do with the risk responses he identified during the project's monitoring and controlling process?

- A. Include the risk response in the project risk management plan.
- B. Include the responses in the project management plan.
- C. Nothin
- D. The risk responses are included in the project's risk register already.
- E. Include the risk responses in the organization's lessons learned database.

**Answer: D**

#### NEW QUESTION 72

Joyce is the project manager for her company. Joyce and her project team are working through the quantitative analysis for certain risk events within her project. According to the enterprise environmental factors the project manager is to perform sensitivity analysis on any risk with an impact greater than \$5,000 in the project. What is the sensitivity analysis?

- A. It determines which risk events have the most potential impact on the project.
- B. It uses round of anonymous surveys to predict which events are most likely to happen.
- C. It uses rounds of anonymous surveys to predict probability and impact.
- D. It determines possible combinations of risk events to predict overall project success, failure, or probability of achieving project objectives.

**Answer: A**

#### NEW QUESTION 73

There are seven risk responses, a project manager can use to address risk events. Which one of the following is a risk response that is appropriate for positive or negative risk events depending on the scenario in the project?

- A. Avoidance
- B. Acceptance
- C. Sharing
- D. Transference

**Answer: B**

#### NEW QUESTION 76

Rex is the project manager of the BDF Project. This project will last for two years and has a budget of \$2,345,000. Management has instructed Rex that the project must not go over budget as funds are very tight in the organization. During the project planning Rex and the project team discover a positive risk event to save \$75,000. Rex wants to make certain that this risk event happens so which risk response method is most appropriate?

- A. Share
- B. Mitigation
- C. Exploit
- D. Enhance

**Answer: C**

#### NEW QUESTION 80

You are project manager for ABD project. You, with your team, are working on the following activities:

Probabilistic analysis of a project.

Probability of achieving cost and time objectives. Trends in Qualitative Risk Analysis results.

On which of the following processes are you working on?

- A. Plan Risk Management
- B. Perform Quantitative Risk Analysis
- C. Perform Qualitative Risk Analysis
- D. Identify Risks

**Answer:** B

#### NEW QUESTION 85

You are working as a project manager in your organization. You are nearing the final stages of project execution and looking towards the final risk monitoring and controlling activities. For your project archives, which one of the following is an output of risk monitoring and control?

- A. Quantitative risk analysis
- B. Risk audits
- C. Requested changes
- D. Qualitative risk analysis

**Answer:** C

#### NEW QUESTION 86

You are the project manager of the HJK Project for your organization. You and the project team have created risk responses for many of the risk events in the project. Where should you document the proposed responses and the current status of all identified risks?

- A. Stakeholder management strategy
- B. Risk management plan
- C. Risk register
- D. Lessons learned documentation

**Answer:** C

#### NEW QUESTION 90

You are the project manager of your organization. Your organization will receive a bonus if the project finishes by December 20. Management has communicated this bonus to you and your project team and has asked you to evaluate the project to see if it is possible to realize the reward. The bonus offered to your organization is \$750,000. You have examined the project and believe that you can crash the project for an additional \$275,000 and reach the December 20 date. Management is thrilled with your assessment and they approve the crash fee. What risk response is this?

- A. Crashing can be a type of the enhancing risk response.
- B. Crashing can be considered transference because of the \$275,000 is actually paid from the bonus, which is paid by the project customer.
- C. Crashing can be a type of the exploit risk response.
- D. Crashing is the addition of labor, not a risk response.

**Answer:** A

#### NEW QUESTION 92

Yolanda is the project manager of a high-profile project for her organization. This project has 124 stakeholders from across the organization and many of the stakeholders have high demands and expectations for the project. Yolanda will need several pieces of project information as she begins to communicate and manage the stakeholder expectations. Which of the following inputs of the manage stakeholder expectations process directly addresses the risks that could affect the project and which must be communicated to the project stakeholders?

- A. Change log
- B. Low-level risks watchlist
- C. Issue log
- D. Stakeholder register

**Answer:** A

#### NEW QUESTION 93

You are preparing to complete the quantitative risk analysis process with your project team and several subject matter experts. You gather the necessary inputs including the project's cost management plan. Why is it necessary to include the project's cost management plan in the preparation for the quantitative risk analysis process?

- A. The project's cost management plan can help you to determine what the total cost of the project is allowed to be.
- B. The project's cost management plan provides direction on how costs may be changed due to identified risks.
- C. The project's cost management plan provides control that may help determine the structure for quantitative analysis of the budget.
- D. The project's cost management plan is not an input to the quantitative risk analysis process.

**Answer:** C

#### NEW QUESTION 96

Lisa is the project manager of the SQL project for her company. She has completed the risk response planning with her project team and is now ready to update the risk register to reflect the risk response. Which of the following statements best describes the level of detail Lisa should include with the risk responses she has created?

- A. The level of detail is set by historical information.
- B. The level of detail should correspond with the priority ranking.
- C. The level of detail must define exactly the risk response for each identified risk.
- D. The level of detail is set of project risk governance.

**Answer: B**

**NEW QUESTION 98**

Which of the following documents is described in the statement below? "It is developed along with all processes of the risk management. It contains the results of the qualitative risk analysis, quantitative risk analysis, and risk response planning."

- A. Risk management plan
- B. Project charter
- C. Risk register
- D. Quality management plan

**Answer: C**

**NEW QUESTION 99**

You work as a project manager for TechSoft Inc. You are preparing to plan risk responses for your project with your project team. How many risk responses are available for a positive risk event in the project?

- A. Three
- B. Four
- C. Seven
- D. One

**Answer: B**

**NEW QUESTION 100**

You are working with the project stakeholders to analyze and prioritize their requirements for the project. One of the project requirements is to achieve a high-level of customer satisfaction for the project deliverable. What is the danger in this project requirement?

- A. Achieving customer satisfaction is an assumption and should be documented in the project scope.
- B. Achieving customer satisfaction is a subjective requirement and entails a high level of risk of being successfully accomplished.
- C. Achieving customer satisfaction is a risk as the project manager cannot control how satisfied the customer will be with the project deliverables.
- D. Achieving customer satisfaction should always map to the quality requirements for the project.

**Answer: B**

**NEW QUESTION 104**

You work as a project manager for BlueWell Inc. You are currently working with the project stakeholders to identify risks in your project. You understand that the qualitative risk assessment and analysis can reflect the attitude of the project team and other stakeholders to risk. Effective assessment of risk requires management of the risk attitudes of the participants. What should you, the project manager, do with assessment of identified risks in consideration of the attitude and bias of the participants towards the project risk?

- A. Evaluate and document the bias towards the risk events
- B. Evaluate the bias through SWOT for true analysis of the risk events
- C. Document the bias for the risk events and communicate the bias with management
- D. Evaluate the bias towards the risk events and correct the assessment accordingly

**Answer: D**

**NEW QUESTION 105**

Harry is the project manager of the MMQ Construction Project. In this project, Harry has identified a supplier who can create stained glass windows for 1,000 window units in the construction project. The supplier is an artist who works by himself, but creates windows for several companies throughout the United States. Management reviews the proposal to use this supplier and while they agree that the supplier is talented, they do not think the artist can fulfill the 1,000 window units in time for the project's deadline. Management asked Harry to find a supplier who can fulfill the completion of the windows by the needed date in the schedule. What risk response has management asked Harry to implement?

- A. Mitigation
- B. Acceptance
- C. Avoidance
- D. Transference

**Answer: A**

**NEW QUESTION 110**

Gary is the project manager of the MMQ project for his company. He is working with his project team to plan the risk responses for his project. Sarah, a project team member, does not understand the process that Gary is using to plan the risk responses. Which approach is the preferred method to address project risks and the risk responses?

- A. Risks in the project should be addressed by their probability for creating risk responses.
- B. Risks in the project should be addressed by the organization's risk tolerance for creating risk responses.
- C. Risks in the project should be addressed by their impact for creating risk responses.
- D. Risks in the project should be addressed by their priority for creating risk responses.

**Answer: D**

**NEW QUESTION 114**

You are the project manager of the HQQ Project for your company. You are working with your project stakeholders to discuss the risks in the project that can adversely affect the project objectives. You are discussing the possibilities of causes for an identified risk event in your project. Your stakeholder is confused on the difference between causes and risk events. Which of the following is NOT an example of a cause for a project risk?

- A. Limited team members to complete the project work
- B. Quality assurance programs within the company
- C. Work permit requirements
- D. Schedule constraints on the project

**Answer: B**

#### NEW QUESTION 118

Examine the figure given below.

What will be the expected monetary value of Risk C?

- A. -\$113,750
- B. \$175,000 if the risk event actually happens
- C. -\$175,000
- D. -\$27,000

**Answer: D**

#### NEW QUESTION 122

Harry works as a project manager for BlueWell Inc. He is determining how to conduct the risk management activities for a project. According to the PMBOK, there are six inputs to the plan risk management process. Which one of the following is NOT an input to this process?

- A. Project scope statement
- B. Risk management plan
- C. Schedule management plan
- D. Cost management plan

**Answer: B**

#### NEW QUESTION 126

You are the project manager of the GHG project. You are preparing for the quantitative risk analysis process. You are using organizational process assets to help you complete the quantitative risk analysis process. Which one of the following is NOT a valid reason to utilize organizational process assets as a part of the quantitative risk analysis process?

- A. You will use organizational process assets for risk databases that may be available from industry sources.
- B. You will use organizational process assets for studies of similar projects by risk specialists.
- C. You will use organizational process assets to determine costs of all risks events within the current project.
- D. You will use organizational process assets for information from prior similar projects.

**Answer: C**

#### NEW QUESTION 127

Which one of the following is the only output for the qualitative risk analysis process?

- A. Enterprise environmental factors
- B. Project management plan
- C. Risk register updates
- D. Organizational process assets

**Answer: C**

#### NEW QUESTION 129

You are the project manager for TTP project. You are in the Identify Risks process. You have to create the risk register. Which of the following are included in the risk register? Each correct answer represents a complete solution. Choose two.

- A. List of mitigation techniques
- B. List of key stakeholders
- C. List of identified risks
- D. List of potential responses

**Answer: CD**

#### NEW QUESTION 133

You are the project manager of the GHY project for your company. This project has a budget of \$543,000 and is expected to last 18 months. In this project, you have identified several risk events and created risk response plans. In what project management process group will you implement risk response plans?

- A. Executing
- B. Planning
- C. Monitoring and Controlling
- D. In any process group where the risk event resides

**Answer: C**

#### NEW QUESTION 135

You work as a project manager for TechSoft Inc. You, the project team, and the key project stakeholders have completed a round of quantitative risk analysis. You now need to update the risk register with your findings so that you can communicate the risk results to the project stakeholders - including management. You will need to update all of the following information except for which one?

- A. Probabilistic analysis of the project
- B. Probability of achieving cost and time objectives
- C. Risk distributions within the project schedule
- D. Trends in quantitative risk analysis

**Answer: C**

#### NEW QUESTION 136

You are the project manager of the HJK project for your organization. You and the project team have created risk responses for many of the risk events in the project. A teaming agreement is an example of what risk response?

- A. Transference
- B. Acceptance
- C. Mitigation
- D. Sharing

**Answer: D**

#### NEW QUESTION 137

A high-profile, high-priority project within your organization is being created. Management wants you to pay special attention to the project risks and do all that you can to ensure that all of the risks are identified early in the project. Management has to ensure that this project succeeds. Management's risk aversion in this project is associated with what term?

- A. Quantitative risk analysis
- B. Risk conscience
- C. Risk mitigation
- D. Utility function

**Answer: D**

#### NEW QUESTION 141

Elizabeth is a project manager for her organization and she finds risk management to be very difficult for her to manage. She asks you, a lead project manager, at what stage in the project will risk management become easier. What answer best resolves the difficulty of risk management practices and the effort required?

- A. Risk management only becomes easier the more often it is practiced.
- B. Risk management only becomes easier when the project is closed.
- C. Risk management only becomes easier when the project moves into project execution.
- D. Risk management is an iterative process and never becomes easier.

**Answer: A**

#### NEW QUESTION 144

Don has hired Jerry, a contractor, to complete a portion of his project work. The contract used was a cost-plus contract. If Don were to perform a risk audit, who would carry the risk in this scenario?

- A. Don would because he is the project manager.
- B. Jerry would because of the contract type.
- C. Don would because of the contract type.
- D. Jerry would because he is the hired contractor.

**Answer: C**

#### NEW QUESTION 145

You work as a project manager for BlueWell Inc. Your project is using a new material to construct a large warehouse in your city. This new material is cheaper than traditional building materials, but it takes some time to learn how to use the material properly. You have communicated to the project stakeholders that you will be able to save costs by using the new material, but you will need a few extra weeks to complete training to use the materials. This risk response of learning how to use the new materials can also be known as what term?

- A. Team development
- B. Benchmarking
- C. Cost of conformance to quality
- D. Cost-benefits analysis

**Answer: C**

#### NEW QUESTION 149

Frank is the project manager of the NHH Project. He is working with the project team to create a plan to document the procedures to manage risks throughout the project. This document will define how risks will be identified and quantified. It will also define how contingency plans will be implemented by the project team. What document is Frank and the NHH Project team creating in this scenario?

- A. Resource management plan
- B. Project plan

- C. Project management plan
- D. Risk management plan

**Answer:** D

#### NEW QUESTION 150

You are the project manager of the YHG project for your company. Within the project, you and the project team have identified a risk event that could have a financial impact on the project of \$450,000. This risk event has a 70 percent chance of occurring in the project. The project identifies a solution that will reduce the probability of the risk event to ten percent, but it will cost \$260,000 to implement. Management agrees with the solution and asks that you include the risk response in the project plan. What risk response is this?

- A. This is mitigation because the response reduces the probability.
- B. This is not a risk response, but a change request.
- C. This is transference because of the \$260,000 cost of the solution.
- D. This is avoidance because the risk response caused the project plan to be changed.

**Answer:** A

#### NEW QUESTION 151

You are the project manager of the NKQ project for your organization. You have completed the quantitative risk analysis process for this portion of the project. What is the only output of the quantitative risk analysis process?

- A. Probability of reaching project objectives
- B. Risk register updates
- C. Risk response
- D. Risk contingency reserve

**Answer:** B

#### NEW QUESTION 154

Frances is the project manager of a project in her organization. This project has a budget of \$567,000 and is schedule to last for three years. Frances wants to examine the risk events to determine which risk events have the most potential impact on the project. Which modeling technique can help Frances to accomplish this goal?

- A. Expected monetary value
- B. Sensitivity analysis
- C. Quantitative risk analysis
- D. Modeling and simulation

**Answer:** B

#### NEW QUESTION 156

You are the project manager for your organization. You have determined that an activity is too dangerous to complete internally so you hire licensed contractor to complete the work.

The contractor, however, may not complete the assigned work on time which could cause delays in subsequent work beginning. This is an example of what type of risk event?

- A. Internal
- B. Secondary risk
- C. Pure risk
- D. Transference

**Answer:** B

#### NEW QUESTION 158

Ben works as a project manager for the MJH Project. In this project, Ben is preparing to identify stakeholders so he can communicate project requirements, status, and risks. Ben has elected to use a salience model as part of his stakeholder identification process. Which of the following activities best describes a salience model?

- A. Influence/impact grid, grouping the stakeholders based on their active involvement ("influence") in the project and their ability to affect changes to the project's planning or execution ("impact").
- B. Grouping the stakeholders based on their level of authority ("power") and their active involvement ("influence") in the project.
- C. Grouping the stakeholders based on their level of authority ("power") and their level or concern ("interest") regarding the project outcomes.
- D. Describing classes of stakeholders based on their power (ability to impose their will), urgency (need for immediate attention), and legitimacy (their involvement is appropriate).

**Answer:** D

#### NEW QUESTION 163

John works as a project manager for ABD project. He and his team, are working on the following activities:

Relative ranking or priority list of project risks  
Watchlists of low priority risk  
Trends in Qualitative Risk Analysis results

On which of the following processes is John working on?

- A. Perform Qualitative Risk Analysis
- B. Plan Risk Management
- C. Plan Risk Responses

D. Perform Quantitative Risk Analysis

**Answer:** A

**NEW QUESTION 165**

You are working with your project stakeholders to identify risks within the JKP Project. You want to use an approach to engage the stakeholders to increase the breadth of the identified risks by including internally generated risk. Which risk identification approach is most suited for this goal?

- A. Delphi Technique
- B. SWOT analysis
- C. Assumptions analysis
- D. Brainstorming

**Answer:** B

**NEW QUESTION 169**

Which of the following processes looks at the complex web of actors, rules, conventions, processes, and mechanisms concerned with how relevant risk information is collected, analyzed and communicated, and how management decisions are taken?

- A. Risk Communication
- B. IRGC
- C. Risk Response Planning
- D. Risk Governance

**Answer:** D

**NEW QUESTION 174**

Which of the following processes must be repeated after Plan Risk Responses, as well as part of the Monitor and Control Risks, to determine if the overall project risk has been satisfactorily decreased?

- A. Risk Limitation
- B. Perform Qualitative Risk Analysis
- C. Identify Risk
- D. Perform Quantitative Risk Analysis

**Answer:** D

**NEW QUESTION 175**

You are the project manager of a large, high-profile project in your organization. You have realized that politics within your company may affect the true identification of risk events within the project. You decide that you'd like to use a method to identify risk events through an anonymous process. Which one of the following risk events will allow you to collect and distribute risk information without the stakeholders knowing what other stakeholders are communicating about the project risk events?

- A. Surveys
- B. Monte Carlo Technique
- C. Checklist analysis
- D. Delphi Technique

**Answer:** D

**NEW QUESTION 180**

You work as the project manager for Bluewell Inc. Your project has several risks that will affect several stakeholder requirements. Which project management plan will define who will be available to share information on the project risks?

- A. Risk Management Plan
- B. Stakeholder management strategy
- C. Resource Management Plan
- D. Communications Management Plan

**Answer:** D

**NEW QUESTION 185**

Mary is the project manager of the HGH Project for her company. She and her project team have agreed that if the vendor is late by more than ten days they will cancel the order and hire the NBG Company to fulfill the order. The NBG Company can guarantee orders within three days, but the costs of their products are significantly more expensive than the current vendor. What type of a response strategy is this?

- A. Internal risk management strategy
- B. Contingent response strategy
- C. External risk response
- D. Expert judgment

**Answer:** B

**NEW QUESTION 187**

You are the project manager of the NNH Project. In this project you have created a contingency response that the schedule performance index should be less than

0.93. The NHH Project has a budget at completion of \$945,000 and is 45 percent complete though the project should be 49 percent complete. The project has spent \$455,897 to reach the 45 percent complete milestone. What is the project's schedule performance index?

- A. -\$37,800
- B. 0.93
- C. 0.92
- D. 1.06

**Answer: C**

#### NEW QUESTION 189

Pete works as a project manager for BlueWell Inc. The Management has told him that he must implement an agreed-upon contingency response if the cost performance index in his project is less than 0.90. Consider that Pete's project has a budget at completion of \$275,000. His project is 65 percent complete and he has spent \$175,000 to date. However, Pete is scheduled to be 78 percent complete. What is the cost performance index for this project to determine if the contingency response should happen?

- A. 1.02
- B. 0.96
- C. 0.90
- D. 0.89

**Answer: A**

#### NEW QUESTION 193

You are the project manager of a large construction project. You are evaluating the strengths, weaknesses, opportunities, and threats involved in a project. In which of the following processes are you on?

- A. Define Scope
- B. Plan Risk Responses
- C. Plan Risk Management
- D. Identify Risks

**Answer: D**

#### NEW QUESTION 194

Sensitivity analysis is a technique for systematically changing parameters in a model to determine the effects of such changes and is useful for computer modelers for a range of purposes. Which of the following purposes does the sensitivity analysis include? Each correct answer represents a complete solution. Choose all that apply.

- A. Estimating the average outcome
- B. Model development
- C. Decision making or the development of recommendations for decision makers
- D. Increased understanding or quantification of the system

**Answer: BCD**

#### NEW QUESTION 198

Amy is the project manager for her company. In her current project the organization has a very low tolerance for risk events that will affect the project schedule. Management has asked Amy to consider the affect of all the risks on the project schedule. What approach can Amy take to create a bias against risks that will affect the schedule of the project?

- A. She can create an overall project rating scheme to reflect the bias towards risks that affect the project schedule.
- B. She can filter all risks based on their affect on schedule versus other project objectives.
- C. She can have the project team pad their time estimates to alleviate delays in the project schedule.
- D. She can shift risk-laden activities that affect the project schedule from the critical path as much as possible.

**Answer: A**

#### NEW QUESTION 200

Your organization, as part of its enterprise environmental factors, has established risk governance to be implemented in each project. Part of this governance is the reassessment of risks within each project. How much detail and repetition in approach for risks to be reassessed for probability and impact?

- A. Each risk reassessment should go into the same depth as the original risk assessment activity.
- B. The probability and impact of risk event should determine the level of reassessment throughout the project lifecycle.
- C. The amount of detail of repetition that is appropriate depends on how the project progresses relative to its objectives.
- D. The level of detail and reassessment should reflect the priority of the project.

**Answer: C**

#### NEW QUESTION 202

Kelly is the project manager of the NNQ Project for her company. This project will last for one year and has a budget of \$350,000. Kelly is working with her project team and subject matter experts to begin the risk response planning process. When the project manager begins the plan risk response process, what two inputs will she need?

- A. Risk register and the risk response plan
- B. Risk register and power to assign risk responses
- C. Risk register and the risk management plan

D. Risk register and the results of risk analysis

**Answer: C**

#### NEW QUESTION 206

Joan is the project manager of the KYU project for her company. She is working with management on defining a contingency reserve for her project. Currently the project is scheduled to last 18 months and it has a cost budget of \$2.5 million. What two areas of the project can the contingency reserve address in regard to risk management?

- A. Quality and costs
- B. Cost and resource management
- C. Risk and project planning
- D. Costs and schedule

**Answer: D**

#### NEW QUESTION 208

Bill is the project manager of the JKH Project. He and the project team have identified a risk event in the project with a high probability of occurrence and the risk event has a high cost impact on the project. Bill discusses the risk event with Virginia, the primary project customer, and she decides that the requirements surrounding the risk event should be removed from the project. The removal of the requirements does affect the project scope, but it can release the project from the high risk exposure. What risk response has been enacted in this project?

- A. Mitigation
- B. Transference
- C. Acceptance
- D. Avoidance

**Answer: D**

#### NEW QUESTION 212

You are the project manager of the CUL project in your organization. You and the project team are assessing the risk events and creating a probability and impact matrix for the identified risks. Which one of the following statements best describes the requirements for the data type used in qualitative risk analysis?

- A. A qualitative risk analysis requires fast and simple data to complete the analysis.
- B. A qualitative risk analysis requires accurate and unbiased data if it is to be credible.
- C. A qualitative risk analysis encourages biased data to reveal risk tolerances.
- D. A qualitative risk analysis required unbiased stakeholders with biased risk tolerances.

**Answer: B**

#### NEW QUESTION 215

You work as a project manager for BlueWell Inc. You would like to utilize sensitivity analysis in your project, but the management does not understand how this will be displayed. What type of chart is usually used with sensitivity analysis to show the relative affect of risks on the project?

- A. Ishikawa chart
- B. Force field analysis chart
- C. GERT Chart
- D. Tornado diagram

**Answer: D**

#### NEW QUESTION 216

Fill in the blank with an appropriate phrase. The \_\_\_\_\_ is the risk or danger of an action or an event, a method or a (technical) process that still conceives these dangers even if all theoretically possible safety measures would be applied.

- A. residual risk

**Answer: A**

#### NEW QUESTION 220

Adrian is a project manager for a new project using a technology that has recently been released and there's relatively little information about the technology. Initial testing of the technology makes the use of it look promising, but there's still uncertainty as to the longevity and reliability of the technology. Adrian wants to consider the technology factors a risk for her project. Where should she document the risks associated with this technology so she can track the risk status and responses?

- A. Project scope statement
- B. Risk register
- C. Project charter
- D. Risk low-level watch list

**Answer: B**

#### NEW QUESTION 223

You are the project manager for your company and a new change request has been approved for your project. This change request, however, has introduced several new risks to the project. You have communicated these risk events and the project stakeholders understand the possible effects these risks could have on

your project. You elect to create a mitigation response for the identified risk events. Where will you record the mitigation response?

- A. Risk register
- B. Risk log
- C. Risk management plan
- D. Project management plan

**Answer:** A

#### NEW QUESTION 224

Della works as a project manager for SoftTech Inc. She is working with the project stakeholders to begin the quantitative risk analysis process. Which of the following inputs will be needed for the quantitative risk analysis process in her project? Each correct answer represents a complete solution. Choose all that apply.

- A. Risk management plan
- B. Project scope statement
- C. Risk register
- D. Cost management plan

**Answer:** ACD

#### NEW QUESTION 226

Fred is the project manager of the PKL project. He is working with his project team to complete the quantitative risk analysis process as a part of risk management planning. Fred understands that once the quantitative risk analysis process is complete, the process will need to be completed again in at least two other times in the project. When will the quantitative risk analysis process need to be repeated?

- A. Quantitative risk analysis process will be completed again after the cost management planning and as a part of monitoring and controlling.
- B. Quantitative risk analysis process will be completed again after new risks are identified and as part of monitoring and controlling.
- C. Quantitative risk analysis process will be completed again after the risk response planning and as a part of monitoring and controlling.
- D. Quantitative risk analysis process will be completed again after the plan risk response planning and as part of procurement.

**Answer:** C

#### NEW QUESTION 228

Todd is the project manager of the EST project for his company. His organization has established certain rules in the enterprise environmental factors which affect the approach that Todd takes in managing his project. One of the rules requires Todd to consider the risk attitude of the stakeholders participating in risk analysis. Why must risk attitude be considered as a part of risk analysis?

- A. Risk attitude can affect the measurement of probability and impact.
- B. Risk attitude can establish a stakeholder's influence over project decisions.
- C. Risk attitude identifies stakeholders that are hygiene seekers or motivation seekers.
- D. Risk attitude establishes stakeholders as positive or negative stakeholders.

**Answer:** A

#### NEW QUESTION 229

Wendy is the project manager of the FBL project for your company. She has identified several risks within her project and has created a risk contingency reserve of \$45,000 total. Her project is nearly complete and many of the risks have not happened in the project. What should Wendy do with the funds in the contingency reserve?

- A. The funds remain in the contingency reserve until all of the risks have passed.
- B. The funds for the risks that have passed and have not happened are transferred to the project budget.
- C. The funds for the risks that have passed and have not happened are released.
- D. The funds remain in the contingency reserve until the project is closed.

**Answer:** C

#### NEW QUESTION 233

You are the project manager of the GHQ project for your company. You are working with your project team to prepare for the qualitative risk analysis process. Mary, a project team member, does not understand why you need to complete qualitative risks analysis. You explain to Mary that qualitative risks analysis helps you determine which risks needs additional analysis. There are also some other benefits that qualitative risks analysis can do for the project. Which one of the following is NOT an accomplishment of the qualitative risk analysis process?

- A. Corresponding impact on project objectives
- B. Time frame for a risk response
- C. Prioritization of identified risk events based on probability and impact
- D. Cost of the risk impact if the risk event occurs

**Answer:** D

#### NEW QUESTION 234

Who is responsible for the stakeholder expectations management in a high-profile, high- risk project?

- A. Project risk assessment officer
- B. Project management office
- C. Project sponsor
- D. Project manager

**Answer:** D

**NEW QUESTION 239**

A project team member has just identified a new project risk. The risk event is determined to have significant impact but a low probability in the project. Should the risk event happen it'll cause the project to be delayed by three weeks, which will cause new risk in the project. What should the project manager do with the risk event?

- A. Add the identified risk to a quality control management control chart.
- B. Add the identified risk to the issues log.
- C. Add the identified risk to the risk register.
- D. Add the identified risk to the low-level risk watchlist.

**Answer:** C

**NEW QUESTION 242**

You are completing the qualitative risk analysis process with your project team and are relying on the risk management plan to help you determine the budget, schedule for risk management, and risk categories. You discover that the risk categories have not been created. When should the risk categories have been created?

- A. Create work breakdown structure process
- B. Plan risk management process
- C. Risk identification process
- D. Define scope process

**Answer:** B

**NEW QUESTION 245**

Which of the following is a risk response planning technique associated with threats that seeks to reduce the probability of occurrence or impact of a risk to below an acceptable threshold?

- A. Avoidance
- B. Exploit
- C. Transference
- D. Mitigation

**Answer:** D

**NEW QUESTION 247**

You are the project manager of the BlueStar project in your company. Your company is structured as a functional organization and you report to the functional manager that you are ready to move onto the qualitative risk analysis process. What will you need as inputs for the qualitative risk analysis of the project in this scenario?

- A. Qualitative risk analysis does not happen through the project manager in a functional structure.
- B. You will need the risk register, risk management plan, project scope statement, and any relevant organizational process assets.
- C. You will need the risk register, risk management plan, outputs of qualitative risk analysis, and any relevant organizational process assets.
- D. You will need the risk register, risk management plan, permission from the functional manager, and any relevant organizational process assets.

**Answer:** B

**NEW QUESTION 251**

Tom is the project manager for his organization. In his project he has recently finished the risk response planning. He tells his manager that he will now need to update the cost and schedule baselines. Why would the risk response planning cause Tom the need to update the cost and schedule baselines?

- A. New or omitted work as part of a risk response can cause changes to the cost and/or schedule baseline.
- B. Risk responses protect the time and investment of the project.
- C. Risk responses may take time and money to implement.
- D. Baselines should not be updated, but refined through versions.

**Answer:** A

**NEW QUESTION 255**

You are the project manager of the GHY project for your organization. You are working with your project team to begin identifying risks for the project. As part of your preparation for identifying the risks within the project you will need eleven inputs for the process. Which one of the following is NOT an input to the risk identification process?

- A. Quality management plan
- B. Cost management plan
- C. Stakeholder register
- D. Procurement management plan

**Answer:** D

**NEW QUESTION 260**

Mary is the project manager for the BLB project. She has instructed the project team to assemble, to review the risks. She has included the schedule management plan as an input for the quantitative risk analysis process. Why is the schedule management plan needed for quantitative risk analysis?

- A. Mary will schedule when the identified risks are likely to happen and affect the project schedule.
- B. Mary will utilize the schedule controls and the nature of the schedule for the quantitative analysis of the schedule.
- C. Mary will use the schedule management plan to schedule the risk identification meetings throughout the remaining project.
- D. Mary will utilize the schedule controls to determine how risks may be allowed to change the project schedule.

**Answer: B**

#### **NEW QUESTION 262**

You are preparing to start the qualitative risk analysis process for your project. You will be relying on some organizational process assets to influence the process. Which one of the following is NOT a probable reason for relying on organizational process assets as an input for qualitative risk analysis?

- A. Studies of similar projects by risk specialists
- B. Risk databases that may be available from industry sources
- C. Review of vendor contracts to examine risks in past projects
- D. Information on prior, similar projects

**Answer: C**

#### **NEW QUESTION 265**

What project management plan is most likely to direct the quantitative risk analysis process for a project in a matrix environment?

- A. Risk analysis plan
- B. Staffing management plan
- C. Human resource management plan
- D. Risk management plan

**Answer: D**

#### **NEW QUESTION 268**

You are the project manager of the NHQ Project for your company. You are discussing some of the project issues that need to be resolved in the project. You and the project stakeholders come to an agreement about the risk issues and how they will be resolved. Where should you document this information for issue resolution?

- A. Project management plan for execution
- B. Lessons learned documentation
- C. Issue log
- D. Risk response plan

**Answer: C**

#### **NEW QUESTION 272**

Wendy is about to perform qualitative risk analysis on the identified risks within her project. Which one of the following will NOT help Wendy to perform this project management activity?

- A. Project scope statement
- B. Risk management plan
- C. Risk register
- D. Stakeholder register

**Answer: D**

#### **NEW QUESTION 275**

Which risk response is acceptable for both positive and negative risk events?

- A. Transferring
- B. Acceptance
- C. Sharing
- D. Enhancing

**Answer: B**

#### **NEW QUESTION 279**

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