

PMI

Exam Questions PMI-RMP

PMI Risk Management Professional



NEW QUESTION 1

Ned is the project manager of the HNN project for your company. Ned has asked you to help him complete some probability distributions for his project. What portion of the project will you most likely use for probability distributions?

- A. Bias towards risk in new resources
- B. Risk probability and impact matrixes
- C. Risk identification
- D. Uncertainty in values such as duration of schedule activities

Answer: D

NEW QUESTION 2

Adrian is the project manager of the NHP Project. In her project there are several work packages that deal with electrical wiring. Rather than to manage the risk internally she has decided to hire a vendor to complete all work packages that deal with the electrical wiring. By removing the risk internally to a licensed electrician Adrian feels more comfortable with project team being safe. What type of risk response has Adrian used in this example?

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

Answer: D

NEW QUESTION 3

Nancy is the project manager of a project with 78 stakeholders. This is a high-profile project and she needs to express to her project team and to the management the importance of communication in this project. She would like to show the number of stakeholder communication channels in the project. Based on this information how many communication channels exist within this project?

- A. 156
- B. 3,003
- C. 78
- D. 6,084

Answer: B

NEW QUESTION 4

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 5

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 6

_____ analysis is a statistical concept that calculates the average outcome when the future includes scenarios that may or may not happen.

- A. Expert judgment
- B. Expected monetary value
- C. Sensitivity
- D. Modeling and simulation

Answer: B

NEW QUESTION 7

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 8

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 9

You are interviewing members of a project team to test their understanding of the assigned risk responses as risk owners. You and the project manager are working together to evaluate the risk responses to determine their effectiveness in the project. What project management technique are you performing with the project manager in this scenario?

- A. Risk audits
- B. Stakeholder analysis as the project team is a stakeholder
- C. Risk identification with the project team
- D. Risk analysis

Answer: A

NEW QUESTION 10

You are a risk auditor for your company. You are reviewing the contract types a project manager has used in her project. Of the following, which contract type has the most risk for the project manager as a buyer?

- A. Cost plus percentage of costs
- B. Time and material
- C. Cost plus incentive fee
- D. Fixed-price, incentive fee

Answer: A

NEW QUESTION 10

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 of the BJA Project for your company. Management is worried about one of the identified risks in your project. The risk event has a probability of 90 percent and a cost impact of \$85,000. Management and you discuss possible solutions to address the risk. You share with them that for \$75,000 you can reduce the probability of the risk event to 15 percent and the impact to \$25,000. This solution will add three weeks to the project schedule. Management thinks this is a good idea and they would like you to add the time and cost additions to your project plan. What type of risk response is used?

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

Answer: D

NEW QUESTION 14

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 16

Consider a project with a budget at completion of \$1,345,000 and it is supposed to be completed by today, but it is only 80 percent complete. This project has spent \$1,250,000 to reach this point of completion. What is the schedule variance for this project?

- A. -\$217,500
- B. 20 percent
- C. -\$174,000
- D. -\$269,000

Answer: D

NEW QUESTION 18

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 or risk
- D. The availability of the individual

Answer: D

NEW QUESTION 20

You work as a project manager for BlueWell Inc. You are performing the quantitative risk analysis for your project. One of the project risks has a 50 percent probability of happening, and it will cost the project \$55,000 if the risk happens. What will be the expected monetary value of this risk event?

- A. Negative \$27,500
- B. Zero - the risk event has not yet occurred
- C. Negative \$26,000
- D. Negative \$55,000

Answer: A

NEW QUESTION 23

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 28

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 32

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 33

Which of the following processes is described in the statement below? "This is the process of numerically analyzing the effect of identified risks on overall project objectives."

- A. Identify Risks
- B. Perform Quantitative Risk Analysis
- C. Monitor and Control Risks
- D. Perform Qualitative Risk Analysis

Answer: B

NEW QUESTION 37

Your project has several risks that may cause serious financial impact should they happen. You have studied the risk events and made some potential risk responses for the risk events but management wants you to do more. They'd like for you to create some type of a chart that identified the risk probability and impact with a financial amount for each risk event. What is the likely outcome of creating this type of chart?

- A. Risk response
- B. Quantitative analysis
- C. Contingency reserve
- D. Risk response plan

Answer: C

NEW QUESTION 42

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 47

Melody is the project manager for her organization. She has created a risk response to conduct more tests on the software her project is creating. The identified risk that prompted this response was that the software is mission-critical and must be flawless before it can be put into product. What type of a risk response has Melody used in this scenario?

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

Answer: A

NEW QUESTION 52

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 53

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 56

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 57

Which types of project tends to have more well-understood risks?

- A. Operational work projects
- B. First-of-its kind technology projects
- C. Recurrent projects
- D. State-of-art technology projects

Answer: C

NEW QUESTION 61

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 64

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 69

You are the project manager of the GGG project. You have completed the risk identification process for the initial phases of your project. As you begin to document the risk events in the risk register what additional information can you associate with the identified risk events?

- A. Risk potential responses
- B. Risk schedule
- C. Risk owner
- D. Risk cost

Answer: A

NEW QUESTION 73

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 78

Thomas is a key stakeholder in your project. Thomas has requested several changes to the project scope for the project you are managing. Upon review of the proposed changes, you have discovered that these new requirements are laden with risks and you recommend to the change control board that the changes be excluded from the project scope. The change control board agrees with you. What component of the change control system communicates the approval or denial of a proposed change request?

- A. Configuration management system
- B. Scope change control system
- C. Integrated change control
- D. Change log

Answer: C

NEW QUESTION 83

What risk identification technique allows participants to identify the project risks and to remain anonymous?

- A. Influence diagrams
- B. Assumptions analysis

- C. Surveys
- D. Delphi technique

Answer: D

NEW QUESTION 85

You are the project manager of a new project in your organization. You and the project team have identified the project risks, completed risk analysis, and are planning the most appropriate risk responses. Which of the following tools is most effective to choose the most appropriate risk response?

- A. Cause-and-effect diagrams
- B. Project network diagrams
- C. Delphi Technique
- D. Decision tree analysis

Answer: D

NEW QUESTION 88

Harry is a project manager of a software development project. In the early stages of planning, he and the stakeholders operated with the belief that the software they were developing would work with their organization's current computer operating system. Now that the project team has started developing the software it has become apparent that the software will not work with nearly half of the organization's computer operating systems. The incorrect belief Harry had in the software compatibility is an example of what in project management?

- A. Issue
- B. Assumption
- C. Risk
- D. Constraint

Answer: B

NEW QUESTION 90

You work as a project manager for BlueWell Inc. You have to communicate the causes of risk events to the stakeholders. Which risk diagramming technique you will use to communicate the causes of risk events to project stakeholders?

- A. Project network diagrams
- B. Process flow charts
- C. Ishikawa diagrams
- D. Influence diagrams

Answer: C

NEW QUESTION 92

Ruth is the project manager of ISFH project for her company. This project is forty percent complete and it appears that some risk events are going to happen in the project that will have an adverse affect on the project. Ruth creates a change request regarding the risks. Is this a valid response?

- A. No, change requests should not address risks, only risk response strategies should be issued.
- B. No, change requests should not address pending risks, but only scope changes.
- C. Yes, change requests can be recommended for corrective actions for contingency plans.
- D. Yes, change requests can ask for additional funds to pay for the risk impact.

Answer: C

NEW QUESTION 95

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 100

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 104

Your organization has named you the project manager of the JKN Project. This project has a BAC of \$1,500,000 and it is expected to last 18 months. Management has agreed that if the schedule baseline has a variance of more than five percent then you will need to crash the project. What happens when the project manager crashes a project?

- A. Project risks will increase.
- B. The project will take longer to complete, but risks will diminish.
- C. Project costs will increase.
- D. The amount of hours a resource can be used will diminish.

Answer: C

NEW QUESTION 106

You are the project manager of the HJH project for your company. In your project, you have created the probability-impact risk matrix as shown in the following figure:

If Risk D happens in this project, how much will be left in the contingency reserve?

- A. \$440,000
- B. \$233,500
- C. \$258,500
- D. \$243,500

Answer: B

NEW QUESTION 108

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 113

Holly is the project manager of the NSS Project for her company. She is discussing some of the project risks and the issues that have happened in the project. Holly has faxed the status report to her project client for their review. Based on the standard communication model, which component in this scenario is the decoder?

- A. Project customer
- B. Telephone wire
- C. Holly
- D. Project customer's fax machine

Answer: D

NEW QUESTION 114

There are four inputs to the Monitoring and Controlling Project Risks process. Which one of the following will NOT help you, the project manager, to prepare for risk monitoring and controlling?

- A. Work Performance Information
- B. Project management plan
- C. Risk register
- D. Change requests

Answer: D

NEW QUESTION 115

Which of the following diagrams displays sensitivity analysis data?

- A. Fishbone
- B. Influence
- C. Tornado
- D. Cause and effect

Answer: C

NEW QUESTION 118

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 119

Your project is an agricultural-based project that deals with plant irrigation systems. You have discovered a byproduct in your project that your organization could use to make a profit. If your organization seizes this opportunity it would be an example of what risk response?

- A. Enhancing
- B. Opportunistic
- C. Positive
- D. Exploiting

Answer: D

NEW QUESTION 123

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 128

You work as a project manager for BlueWell Inc. You want to create a visual diagram, which can depict the resources that will be used within the project. Which of the following diagrams will you create to accomplish the task?

- A. Roles and responsibility matrix
- B. Work breakdown structure
- C. Resource breakdown structure
- D. RACI chart

Answer: C

NEW QUESTION 132

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 134

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 137

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 138

Risks with low ratings of probability and impact are included on a for future monitoring.

- A. Risk alarm
- B. Watchlist
- C. Observation list
- D. Risk register

Answer: B

NEW QUESTION 140

You are the project manager of the NHH project for your company. You have completed the first round of risk management planning and have created four outputs of the risk response planning process. Which one of the following is NOT an output of the risk response planning?

- A. Risk register updates
- B. Organizational process assets updates
- C. Project document updates
- D. Risk-related contract decisions

Answer: B

NEW QUESTION 141

You are the project manager of the NGQQ Project for your company. To help you communicate project status to your stakeholders, you are going to create a stakeholder register. All of the following information should be included in the stakeholder register except for which one?

- A. Assessment information of the stakeholders' major requirements, expectations, and potential influence
- B. Stakeholder classification of their role in the project
- C. Identification information for each stakeholder
- D. Stakeholder management strategy

Answer: D

NEW QUESTION 144

You are the project manager of the GGH 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 quantitative risk analysis process. What things will you need as inputs for the quantitative risk analysis of the project in this scenario?

- A. You will need the risk register, risk management plan, permission from the functional manager, and any relevant organizational process assets.
- B. You will need the risk register, risk management plan, cost management plan, schedule management plan, 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. Quantitative risk analysis does not happen through the project manager in a functional structure.

Answer: B

NEW QUESTION 147

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 148

You are the project manager of the AMD project for your organization. In this project, you are currently performing quantitative risk analysis. The tool and technique you are using is simulation where the project model is computed many times with the input values chosen at random for each iteration. The goal is to create a probability distribution from the iterations for the project schedule. What technique will you use with this simulation?

- A. Pareto modeling
- B. Expected Monetary Value
- C. Analogous modeling
- D. Monte Carlo Technique

Answer: D

NEW QUESTION 149

Nancy is the project manager of the NHH project. She and the project team have identified a significant risk in the project during the qualitative risk analysis process. Bob is familiar with the technology that the risk is affecting and proposes to Nancy a solution to the risk event. Nancy tells Bob that she has noted his response, but the risk really needs to pass through the quantitative risk analysis process before creating responses. Bob disagrees and ensures Nancy that his response is most appropriate for the identified risk. Who is correct in this scenario?

- A. Bob is correct
- B. Bob is familiar with the technology and the risk event so his response should be implemented.
- C. Bob is correct
- D. Not all risk events have to pass the quantitative risk analysis process to develop effective risk responses.
- E. Nancy is correct
- F. All risks of significant probability and impact should pass the quantitative risk analysis process before risk responses are created.
- G. Nancy is correct

H. Because Nancy is the project manager she can determine the correct procedures for risk analysis and risk response
I. In addition, she has noted the risk response that Bob recommends.

Answer: B

NEW QUESTION 152

You are the project manager of the GYH project for your organization. Management has asked you to begin identifying risks and to use an information gathering technique. Which one of the following risk identification approaches is an information gathering technique?

- A. Root cause analysis
- B. Assumptions analysis
- C. SWOT analysis
- D. Documentation reviews

Answer: A

NEW QUESTION 154

You are the project manager of a large construction project. This project will last for 18 months and will cost \$750,000 to complete. You are working with your project team, experts, and stakeholders to identify risks within the project before the project work begins.

Management wants to know why you have scheduled so many risk identification meetings throughout the project rather than just initially during the project planning. What is the best reason for the duplicate risk identification sessions?

- A. The iterative meetings allow the project manager and the risk identification participants to identify newly discovered risk events throughout the project.
- B. The iterative meetings allow all stakeholders to participate in the risk identification processes throughout the project phases.
- C. The iterative meetings allow the project manager to discuss the risk events which have passed the project and which did not happen.
- D. The iterative meetings allow the project manager to communicate pending risks events during project execution.

Answer: A

NEW QUESTION 157

You are the project manager of a large construction project. Part of the project involves the wiring of the electricity in the building your project is creating. You and the project team determine the electrical work is too dangerous to perform yourself so you hire an electrician to perform the work for the project. This is an example of what type of risk response?

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

Answer: C

NEW QUESTION 158

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 162

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 166

You are the project manager of the NHJ project for your company. This project has a budget at completion of \$1,650,000 and you are 60 percent complete. According to the project plan, however, the project should be 65 percent complete. In this project you have spent \$995,000 to reach this point of completion. There is a risk that this project may be late so you have taken some measures to recover the project schedule. Management would like to know, based on current performance, what the estimate at completion for this project will be. What is the estimate at completion?

- A. \$1,650,000
- B. \$1,666,667
- C. \$663,333
- D. -\$8,333

Answer: B

NEW QUESTION 167

Holly is the project manager of the GHH Project. During risk identification and the subsequent risk analysis process she has identified a risk with a high probability and high impact for her project. She and the stakeholder agree that the project management plan should be changed to eliminate the risk threat entirely. What risk response has Holly used in this instance?

- A. This is the risk mitigation response.
- B. This is the avoidance risk response.
- C. This is the transference risk response.
- D. This is a scope change and not a risk response.

Answer: B

NEW QUESTION 171

Mary is the project manager of PKT project. In Mary's project there are certain enterprise environmental factors that require Mary to use modeling and simulation techniques to predict the likelihood of achieving cost and schedule objectives in the project. Mary is using a technique for which the cost estimates are chosen at random for each iteration of the analysis, such as pessimistic, most likely, and worst-case scenarios. What type of analysis is Mary using in this project?

- A. Quantitative analysis
- B. Qualitative analysis
- C. Risk distribution
- D. Monte Carlo Analysis

Answer: D

NEW QUESTION 173

You are the project manager of the NJJ project. Your enterprise environmental factors require that you establish certain risk management rules regarding low risks within your project. What is the best policy for risks with low probability and low impact in the project management?

- A. These risks should be accepted.
- B. These risks should be placed on a watchlist for future monitoring.
- C. These risks should be identified, but dismissed.
- D. These risks should be placed in the risk register.

Answer: B

NEW QUESTION 174

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 175

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 180

Your project uses a piece of equipment that if the temperature of the machine goes above 450 degree Fahrenheit the machine will overheat and have to be shut down for 48 hours. Should this machine overheat even once it will delay the project's end date. You work with your project to create a response that should the temperature of the machine reach 430, the machine will be paused for at least an hour to cool it down. The temperature of 430 is called what?

- A. Risk response
- B. Risk event
- C. Risk trigger
- D. Risk identification

Answer: C

NEW QUESTION 181

You are the project manager of the NKJ Project for your company. The project's success or failure will have a significant impact on your organization's profitability for the coming year. Management has asked you to identify the risk events and communicate the event's probability and impact as early as possible in the project. Management wants to avoid risk events and needs to analyze the cost-benefits of each risk event in this project. What term is assigned to the low-level of stakeholder tolerance in this project?

- A. Mitigation-ready project management
- B. Risk utility function
- C. Risk avoidance
- D. Risk-reward mentality

Answer: B

NEW QUESTION 183

Donna is the project manager of the QSD Project and she believes Risk Event D in the following figure is likely to happen. If this event does happen, how much will Donna have left in the risk contingency reserve if none of the other risk events have happened?

- A. \$35,000
- B. \$41,700
- C. \$14,000
- D. \$6,700

Answer: D

NEW QUESTION 186

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 191

You are the project manager for BlueWell Inc. Your current project is a high priority and high profile project within your organization. You want to identify the project stakeholders that will have the most power in relation to their interest on your project. This will help you plan for project risks, stakeholder management, and ongoing communication with the key stakeholders in your project. In this process of stakeholder analysis, what type of a grid or model should you create based on these conditions?

- A. Stakeholder power/interest grid
- B. Influence/impact grid
- C. Salience model
- D. Stakeholder register

Answer: A

NEW QUESTION 195

Billy is the project manager of the HAR Project and is in month six of the project. The project is scheduled to last for 18 months. Management asks Billy how often the project team is participating in risk reassessment in this project. What should Billy tell management if he's following the best practices for risk management?

- A. Project risk management is scheduled for every month in the 18-month project.
- B. Project risk management has been concluded with the project planning.
- C. At every status meeting the project team project risk management is an agenda item.
- D. Project risk management happens at every milestone.

Answer: C

NEW QUESTION 200

You are the project manager for a construction project. The project includes a work that involves very high financial risks. You decide to insure processes so that any ill happening can be compensated. Which type of strategies have you used to deal with the risks involved with that particular work?

- A. Mitigate
- B. Avoid
- C. Accept
- D. Transfer

Answer: D

NEW QUESTION 201

You are the project manager for BlueWell Inc. You are reviewing the risk register for your project. The risk register provides much information to you, the project manager and to the project team during the risk response planning. All of the following are included in the risk register except for which item?

- A. Network diagram analysis of critical path activities
- B. Symptoms and warning signs of risks
- C. List of potential risk responses
- D. Trends in qualitative risk analysis results

Answer: A

NEW QUESTION 206

You are the project manager of the NHH project for your company. You and the project team have completed the quantitative risk analysis for your project. During this process you create a contingency reserve based on the risk probability-impact matrix as seen in the figure below. Based on the information in the figure above, what amount would you need to include in your risk contingency fund?

- A. -\$465,000
- B. \$171,500
- C. -\$258,500
- D. \$258,500

Answer: D

NEW QUESTION 211

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 213

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 214

Neil works as a project manager for SoftTech Inc. He is working with Tom, the COO of his company, on several risks within the project. Tom understands that through qualitative analysis Neil has identified many risks in the project. Tom's concern, however, is that the priority list of these risk events are sorted in "high-risk," "moderate-risk," and "low-risk" as conditions apply within the project. Tom wants to know that is there any other objective on which Neil can make the priority list for project risks. What will be Neil's reply to Tom?

- A. Risks may be listed by the additional analysis and response
- B. Risk may be listed by the responses in the near-term
- C. Risks may be listed by priority separately for schedule, cost, and performance
- D. Risks may be listed by categories

Answer: C

NEW QUESTION 215

Harold is the project manager of a large project in his organization. He has been actively communicating and working with the project stakeholders. One of the outputs of the manage stakeholder expectations process can actually create new risk events for Harold's project. Which output of the manage stakeholder expectations process can create risks?

- A. Project document updates
- B. Change requests
- C. Organizational process assets updates
- D. Project management plan updates

Answer: B

NEW QUESTION 217

You work as a project manager for BlueWell Inc. You are working on a project and the management wants a rapid and cost-effective means for establishing priorities for planning risk responses in your project. Which risk management process can satisfy management's objective for your project?

- A. Historical information
- B. Qualitative risk analysis
- C. Quantitative analysis
- D. Rolling wave planning

Answer: B

NEW QUESTION 222

You work as a project manager for BlueWell Inc. You are working with your team members on the risk responses in the project. Which risk response will likely cause a project to use the procurement processes?

- A. Exploiting
- B. Mitigation

- C. Sharing
- D. Acceptance

Answer: C

NEW QUESTION 224

You are the project manager of the NHQ project for your company. You are working with your project team to complete a risk audit. A recent issue that your project team responded to, and management approved, was to increase the project schedule because there was risk surrounding the installation time of a new material. Your logic was that with the expanded schedule there would be time to complete the installation without affecting downstream project activities. What type of risk response is being audited in this scenario?

- A. Parkinson's Law
- B. Mitigation
- C. Avoidance
- D. Lag Time

Answer: C

NEW QUESTION 228

John works as a project manager for BlueWell Inc. He is determining which risks can affect the project. Which of the following inputs of the identify risks process is useful in identifying risks associated to the time allowances for the activities or projects as a whole, with a width of the range indicating the degrees of risk?

- A. Activity duration estimates
- B. Schedule management plan
- C. Risk management plan
- D. Activity cost estimates

Answer: A

NEW QUESTION 231

Sam is the project manager of a construction project in south Florida. This area of the United States is prone to hurricanes during certain parts of the year. As part of the project plan Sam and the project team acknowledge the possibility of hurricanes and the damage the hurricane could have on the project's deliverables, the schedule of the project, and the overall cost of the project. Once Sam and the project stakeholders acknowledge the risk of the hurricane they go on planning the project as if the risk is not likely to happen. What type of risk response is Sam using?

- A. Active acceptance
- B. Passive acceptance
- C. Avoidance
- D. Mitigation

Answer: B

NEW QUESTION 233

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 237

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

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

Answer: B

NEW QUESTION 242

You are the project manager of the GGK project for your company. The GGK project has a budget of \$1,265,100 and is currently 40 percent complete. In this project, you elected to add labor to the project to increase the likelihood of completing the project early as the project was only scheduled to be 35 percent complete at this time. This positive risk response, while keeping the project ahead of schedule, has added significant costs to the project. You have already spent \$575,000 to reach this point in the project. Management would like to know what your cost performance index and the schedule performance index is for this project. What are these values?

- A. The CPI is -\$68,960 and the SPI is \$63,255.
- B. The CPI is .88 and the SPI is zero.
- C. The CPI is .88 and the SPI is 1.14.
- D. The CPI is 1.14 and the SPI is .88.

Answer: C

NEW QUESTION 245
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