

Testkings MORF 108q

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MORF

Management of Risk Foundation



Passed on 2014-02-02 with a 836 having exclusively used this dump. Questions were largely valid, but as another commented, you must know the material as answers are worded differently at times. Don't just memorize the answers - understand why they are the answers and be prepared for subtle changes in the questions.

Exam A**QUESTION 1**

Which is a purpose of using a risk maturity model?

- A. Identify where the application of risk management within an organization can be improved
- B. Understand the nature of risks facing an organization and the actions needed to respond
- C. Provide independent risk information at key decision points within a programme or project
- D. Show to which organizational activities risk management should be applied

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 2

Which does the SWOT analysis technique help to identify about an organization?

- A. Long-term trends
- B. Stakeholder views
- C. Corporate governance requirements
- D. Internal strengths

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 3

Which technique can be used to clarify potential sources of risks across an activity?

- A. Probabilistic risk models
- B. Summary risk profiles
- C. Risk breakdown structure
- D. Decision trees

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 4

What objectives are associated with decisions on risks to the achievement of long-term goals?

- A. Strategic
- B. Programme
- C. Project
- D. Operational

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 5

Which explains a use of the risk management policy in the identify context' step?

- A. Identifies changes to the organization's market
- B. Identifies how past events could become sources of risk
- C. Describes how corporate governance will affect the risk management process
- D. Understand the maximum amount of risk that should be taken

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 6

What step is used to determine those risks which have the greatest effect on the objectives of a planned activity?

- A. Identify

- B. Assess
- C. Plan
- D. Implement

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 7

Which is NOT a reason for carrying out an `M_o_R health check?

- A. Identify areas for improvement
- B. Help gain maximum value from investment in risk management
- C. Provide a snapshot of the current status of identified risks
- D. Review how well risk management practices have been embedded

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 8

Which is NOT an action needed to achieve the goal of the 'assess - evaluate' step?

- A. Determine which other risks will occur if a risk occurs
- B. Calculate the total risk exposure for the activity
- C. Evaluate the effectiveness of risk management across the organization
- D. Determine which risks are independent of other risks

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 9

What step is used to determine the time period when a risk might occur?

- A. Identify - risks
- B. Assess - estimate
- C. Assess - evaluate
- D. Identify context

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 10

How is the risk progress report used in the 'implement' step?

- A. Identify the status against the activity's stated measures for risk management
- B. Identify the scales used to measure the probability and impact of a risk
- C. Describe actions to enhance how risk management is performed
- D. Gain agreement for the amount of risk that can be taken

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 11

Which document describes how risk management activities will support the achievement of corporate objectives throughout an organization?

- A. Risk management strategy
- B. Risk management process guide
- C. Risk progress report
- D. Risk management policy

Correct Answer: D

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 12

Which is a goal of the 'assess - evaluate' step?

- A. Evaluate the impact, probability and how soon risks might occur
- B. Calculate the net effect of risks facing the activity
- C. Assess and evaluate the effectiveness of procedures for managing risks
- D. Evaluate the net cost of planned risk responses

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 13

What ensures that an organization's implementation of the 'M_o_R approach' and 'M_o_R process' undergoes frequent improvement to remain effective?

- A. Corporate governance
- B. Internal controls
- C. Embedding and reviewing
- D. Contingency planning

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 14

Identify the missing words in the following sentence. The lack of [?] is a common barrier to implementing the risk management process.

- A. a high-risk appetite

- B. appropriate responses to risks
- C. clear guidance for managers and staff
- D. an assigned risk owner

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 15

What step is used to determine the likelihood of a risk occurring?

- A. Identify - risks
- B. Assess - estimate
- C. Assess - evaluate
- D. Identify context

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 16

Which activity is focused on when the 'aligns with objectives' principle is applied to the project perspective?

- A. Implementing business strategy to improve organizational performance
- B. Developing plans to improve the overall efficiency of the organization
- C. Maintaining the appropriate levels of service delivery to new and existing customers
- D. Delivering defined business change products within budget and on time

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 17

Which BEST describes an area of uncertainty at the operational perspective?

- A. Changes to the delivery schedule of business products
- B. Conflicts during the implementation of business strategy
- C. Capabilities of the infrastructure to deliver services
- D. Opinions of stakeholders that may affect the organizational reputation

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 18

Which task will be carried out while performing the 'identify - risks' step?

- A. Calculating when an identified risk is likely to occur
- B. Ranking the importance of the stakeholders involved in the activity
- C. Ensuring that all participants agree on the identified risks
- D. Developing an appropriate response to the identified risks

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 19

Which is NOT a recommended risk response option for an 'opportunity'?

- A. Enhance
- B. Transfer
- C. Share
- D. Reduce

Correct Answer: D

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 20

Which is a purpose of the 'risk management policy'?

- A. Explain the actions required to implement risk management
- B. Define the Specific risk management activities that will be performed for an activity
- C. Describe how risk management practices will be implemented throughout an organization
- D. Record information about threats and opportunities for an organizational activity

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 21

Which BEST describes an area of uncertainty at the programme perspective?

- A. Disruptions to operations during business change implementation
- B. Introduction of new laws that affect core business activities
- C. Availability of resources for the day-to-day delivery of services to customers
- D. Changes to the scope of defined business products

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 22

Which perspective ensures risk management maintains a view of the adequacy of controls that support service delivery to satisfy the fits the context principle?

- A. Strategic

- B. Programme
- C. Operational
- D. Project

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 23

Which BEST describes an area of uncertainty at the programme perspective?

- A. Schedule of business products to time and cost
- B. Availability of skills to deliver services to new and existing customers
- C. Implementing new business practices across organizational boundaries
- D. Legislation that affects core business activities

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 24

Which is a common barrier to implementing the risk management process?

- A. Lack of a high-risk appetite at senior management level
- B. Lack of an appropriate response to a risk in an activity's risk register
- C. Lack of an assigned risk owner
- D. Lack of policies, processes, strategies and plans

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 25

Who does a 'risk actionee' keep up to date on progress when implementing a response to a risk?

- A. Senior team
- B. Audit committee
- C. Risk owner
- D. Team

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 26

Identify the missing word in the following sentence. Applying the 'aligns with objectives' principle at the [?] perspective ensures risk management is responsive to changes to objectives that meet shareholder needs, reputation and demand for services.

- A. operational
- B. project
- C. programme
- D. strategic

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 27

Which BEST describes an area of uncertainty at the programme perspective?

- A. Changes to customer requirements for business products
- B. Interdependences between business change initiatives
- C. Ability of the infrastructure to meet the required level of service
- D. Operational activities that may affect the organizational reputation

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 28

Identify the missing words in the following sentence. Because organizations [?] they need to use the environmental risk management' specialism.

- A. are concerned about stakeholder perceptions
- B. see brand and reputation as key assets
- C. face financial penalties for polluting waterways
- D. fail to deliver minimum standards

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 29

Which action is NOT needed in order for risk management to be effective?

- A. Identify the risk
- B. Eliminate the risk
- C. Assess the risk
- D. Control the risk

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 30

What is a 'central risk function'?

- A. A group with formal responsibility for supporting strategic risk management

- B. A group that may pose a risk to objectives through its opposition to plans
- C. A group responsible for approving the funding for risk management
- D. A group that acts on risks escalated from other perspectives

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 31

Which is a use of the risk management policy in the 'identify - context' step for an activity?

- A. Recording departures from the risk management process guide
- B. Identifying the activity-specific categories to be used for grouping risks
- C. Providing guidance on setting risk tolerance thresholds
- D. Defining the records to be used

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 32

Which effect on the organization's objectives could the PESTLE analysis technique help to identify

- A. Risk exposure trends
- B. Current external factors
- C. Long-term developments
- D. Internal strengths

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 33

Which M_o_R principle advocates that an organization's risk appetite should be within the organization's risk capacity?

- A. Aligns with objectives
- B. Fits the context
- C. Informs decision-making
- D. Provides clear guidance

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 34

Which is a benefit of effective risk management?

- A. Successful completion of all change activities
- B. Organizations are better prepared to recover from unplanned incidents
- C. Eliminates risk-taking within an organization
- D. Guarantees business benefits will be delivered

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 35

Which BEST describes the 'reduce the threat' risk response option?

- A. Changing the planned tasks in an activity
- B. Performing an action to minimise the chance of a risk impacting objectives
- C. Monitoring a risk to ensure it remains within acceptable tolerance
- D. Partaking in a pain/gain contract with another party for a specified risk

Correct Answer: B

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 36

What is defined as the level of risk exposure that, once exceeded, will trigger an escalation?

- A. Risk appetite
- B. Risk capacity
- C. Risk tolerance
- D. Risk perception

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 37

Which information is NOT found in the risk management process guide?

- A. Which templates are to be used on a project
- B. Why standard forms should be used
- C. Where to find a blank risk register
- D. How to use an issue register

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 38

Which is NOT a use of the 'SWOT analysis' technique?

- A. Identify external factors that may have an effect on the organization's objectives

- B. Create an understanding of a current market position
- C. Identify long-term developments that could affect the organization's objectives
- D. Provide an internal and external environmental analysis when used with other techniques

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 39

Which is a responsibility of the senior team role?

- A. Approve assessments of risk probability, impact and proximity
- B. Specify the required budget to fund risks
- C. Document the importance of risk management towards achieving organizational objectives
- D. Agree the timing of risk progress reports for an activity

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 40

Which is a common barrier to implementing the risk management process?

- A. Lack of a high-risk appetite at senior management level
- B. Lack of an appropriate response to a risk in an activity's risk register
- C. Lack of an assigned risk owner
- D. Lack of risk facilitation resources and time

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 41

Which is a benefit of effective risk management?

- A. Successful completion of all change activities
- B. Eliminates risk-taking within an organization
- C. Improves the chances of organizational changes being successful
- D. Guarantees business benefits will be delivered

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 42

Which is a purpose of the risk management process guide?

- A. Explain how the risk management steps will be carried out across the organization
- B. Describe the specific risk management activities that will be performed on a particular organizational activity
- C. Explain how risk management practices will be implemented throughout an organization
- D. Describe the steps required to improve the level of risk management within an organization

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 43

What objectives are associated with decisions about risks to the delivery of business change capabilities?

- A. Strategic
- B. Enterprise
- C. Programme
- D. Operational

Correct Answer: C

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 44

Which information does the 'PESTLE analysis' technique help to discover?

- A. Identification of who should communicate with key stakeholders involved in an activity
- B. Risks identified on previous similar activities
- C. External factors that may have an impact on an activity
- D. Future developments that are at the margins of current thinking and planning

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 45

Identify the missing words in the following sentence. The [?] technique is used to measure the net effect of the threats and opportunities facing an activity.

- A. cost-benefit analysis
- B. summary expected value assessment
- C. summary risk profile
- D. impact assessment

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 46

Which is a goal of the 'plan' process step?

- A. Choose appropriate actions to deal with risks

- B. Set the risk tolerance of an activity
- C. Agree the timing of the risk communications plan
- D. Understand an activity's pre-response risk exposure

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 47

What is a threat?

- A. An uncertain event that could have a negative impact on objectives
- B. An uncertain event that could have a favourable impact on objectives
- C. An event that has occurred resulting in a negative impact on objectives
- D. An event that has occurred resulting in a favourable impact on objectives

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 48

Identify the missing word(s) in the following sentence. The risk [?] used during the 'implement' step compares the performance of response actions with their planned outcomes.

- A. register
- B. management strategy
- C. progress report
- D. response plan

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 49

What is represented graphically on a 'summary risk profile'?

- A. Proximity of the identified risks
- B. Information found in the risk register
- C. Summary of the actions required to respond to the risks in the activity
- D. Risk capacity for the activity

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 50

Which is a method for obtaining senior management commitment and support for understanding and managing risk?

- A. Developing management of risk guidance handbooks and training materials
- B. Ensuring the risk management function has a direct reporting line to a senior executive
- C. Escalating risks from the programme, project or operational perspectives to higher levels as required
- D. Making formal assessments of management of risk implementation in areas of concern

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 51

What document describes how risk management activities relate to the achievement of strategic objectives?

- A. Risk progress report
- B. Risk management process guide
- C. Risk management policy
- D. Risk register

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 52

Which is a central 'M_o_R approach' document?

- A. Risk management policy
- B. Risk register
- C. Risk improvement plan
- D. Risk communications plan

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 53

What is the initial probability recorded in the risk register based on?

- A. Proximity of the risk
- B. Stage of the activity
- C. Post-response assessment
- D. Pre-response assessment

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 54

Which activity is focused on when the 'aligns with objectives' principle is applied to the project perspective?

- A. Delivering a defined business change product within budget

- B. Maintaining the appropriate level of business services to customers
- C. Enhancing an existing capability to improve organizational performance
- D. Ensuring the on-going viability of the organization

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 55

What principle promotes dialogue with affected parties in a timely manner to help achieve organizational objectives?

- A. Achieves measurable value
- B. Aligns with objectives
- C. Engages stakeholders
- D. Fits the context

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 56

What are the M_o_R principles informed by?

- A. Corporate governance principles
- B. Statement of internal control
- C. M_o_R approach
- D. Basel II

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 57

Which step has a goal of checking the success of risk responses?

- A. Plan
- B. Assess - evaluate
- C. Implement
- D. Assess estimate

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 58

Identify the missing words in the following sentence. The primary outcome of the [?] principle is that organizations learn from their mistakes.

- A. achieves measurable value
- B. provides clear guidance
- C. creates a supportive culture
- D. facilitates continual improvement

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 59

Which is a responsibility of the M_o_R manager role?

- A. Define risk tolerance thresholds
- B. Prepares risk workshop materials
- C. Defines how much risk should be taken
- D. Ensures a risk review process is in operation

Correct Answer: D

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 60

Which is NOT a method for obtaining senior management commitment and support for understanding and managing risk?

- A. Having a board-level sponsor defined and communicated to all staff
- B. Undertaking qualitative and quantitative assessment of risks
- C. Communicating risk management successes
- D. Having risk delivery linked to performance objectives

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 61

What principle is supported by early warning indicators?

- A. Engages stakeholders
- B. Fits the context
- C. Aligns with objectives
- D. Informs decision-making

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 62

What is an issue?

- A. An uncertain event that may occur in the future

- B. An outcome perceived as negative by one or more stakeholders
- C. An intangible artefact produced as a result of a planned activity
- D. A relevant event that has happened requiring management action

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 63

Which describes the risk response option 'share the risk'?

- A. Perform an action to minimise the impact of the risk should it occur
- B. Carry out an action to make the uncertain situation certain
- C. Obtain an insurance policy to cover the impact should the risk occur
- D. Partake in a pain/gain contract with another party for the specified risk

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 64

What is the difference between a risk and an issue?

- A. A risk is impacting objectives now, an issue may have an impact on objectives
- B. A risk has a negative impact on objectives, an issue has a positive impact on objectives
- C. A risk can impact on all activities, an issue impacts on project deliverables only
- D. A risk may have an impact on objectives, an issue is impacting objectives now

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 65

Identify the missing word in the following sentence, The focus of risk management at the [?] perspective is delivering a defined business product through a temporary organization. .

- A. strategic
- B. project
- C. programme
- D. operational

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 66

Which is a purpose for carrying out an 'M_o_R health check'?

- A. Provide a snapshot of the current status of identified risks
- B. Review how well risk management practices have been embedded
- C. Examine future developments that may affect an organization's level of exposure to risk
- D. Identify the number of risks emerging in different risk categories

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 67

What is an opportunity?

- A. An uncertain event that could have a negative impact on objectives or benefits
- B. An uncertain event that could have a favourable impact on objectives or benefits
- C. An event that has occurred resulting in a negative impact on objectives or benefits
- D. An event that has occurred resulting in a favourable impact on objectives or benefits

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 68

What risk management specialism is focused on ensuring an organization keeps operating following an incident?

- A. Business continuity management
- B. Safety and security
- C. Health and safety
- D. Financial risk management

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 69

Which perspective would the 'fits the context' principle be applied to in order to identify laws that impact core business activities?

- A. Strategic
- B. Programme
- C. Project
- D. Operational

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 70

Which is used in the calculation of 'inherent' risk exposure?

- A. Likelihood of a secondary risk occurring

- B. Effect on objectives if a risk occurs after completed risk response actions
- C. Probability of a risk before risk response actions are implemented
- D. Proximity of a risk before risk response actions are implemented

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 71

Which statement describes the 'avoid a threat' risk response option?

- A. Perform an action to minimise the impact of the risk should it occur
- B. Remove the cause of the threat
- C. Obtain an insurance policy to cover the impact should the risk occur
- D. Partake in a pain/gain contract with another party for the specified risk

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 72

Which sub-steps are included in the 'assess' step?

- A. Plan and evaluate
- B. Estimate and evaluate
- C. Context and risks
- D. Context and estimate

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 73

Which is NOT described in the M_o_R risk management process guide?

- A. Roles and responsibilities for the process
- B. Tools and techniques to support the risk management process steps
- C. Procedures for escalation and delegation between the different perspectives
- D. Templates, their purpose and locations

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 74

Which describes the 'reduce a threat' risk response option?

- A. Perform an action to minimise the impact and/or probability of the risk
- B. Remove the cause of the threat
- C. Obtain an insurance policy to cover the impact should the risk occur
- D. Partake in a pain/gain contract with another party for the specified risk

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 75

Which BEST describes an area of uncertainty at the strategic perspective?

- A. Changes to scope, quality, cost and schedule of business products
- B. Impact of business changes on current organizational performance
- C. Ability of the infrastructure to meet the required level of service
- D. Stakeholder opinions of operational activities that may affect the organizational reputation

Correct Answer: D

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 76

What does a 'risk management strategy' describe?

- A. Series of steps needed to implement risk management
- B. Specific risk management practices that will be performed within an activity
- C. Risk management policies that will be implemented throughout an organization
- D. Processes required to improve risk management within an organization

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 77

What provides an analysis of trends of risks in different risk categories?

- A. Risk management strategy
- B. Risk progress report
- C. Risk communications plan
- D. Risk improvement plan

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 78

Which is provided by the 'M_o_R principles'?

- A. Guidance for the design of a risk management approach

- B. Design for an organization's corporate governance policy
- C. Criteria used to measure the development of risk management
- D. Inputs, outputs, tasks and techniques needed to implement risk management

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 79

What M_o_R principle states that managing risks is most effective when staff members are rewarded for proactive risk management behaviour?

- A. Informs decision-making
- B. Facilitates continual improvement
- C. Creates a supportive culture
- D. Achieves measurable value

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 80

Which is a benefit of effective risk management?

- A. Guarantees business benefits will be delivered
- B. Increases the number of risks that may occur for an activity
- C. Improves the probability of achieving objectives
- D. Eliminates risk to an activity

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 81

Which is a responsibility of the team?

- A. Ensure adequate resources are available to implement the risk management strategy
- B. Run risk management workshops
- C. Develop the risk improvement plan
- D. Identify and escalate risks

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 82

Which is needed together with the risk management policy and risk management process guide to form an 'M_o_R approach'?

- A. Risk response plan
- B. Risk progress report
- C. Risk register
- D. Risk management strategy

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 83

What M_o_R principle recommends the sharing of experiences across the organization to help senior management decision making?

- A. Informs decision making
- B. Facilitates continual improvement
- C. Achieves measurable value
- D. Provides clear guidance

Correct Answer: B

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 84

What is the difference between a risk and an issue?

- A. An issue has a short time-scale proximity and risk has medium- or long-term proximity
- B. An issue impacts on quality, a risk impacts on benefits
- C. An Issue is a risk that has occurred, a risk is yet to occur
- D. A risk can impact on all activities, an issue impacts on project deliverables only

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 85

Which is a goal of the 'assess - evaluate' step?

- A. Obtain information about the external factors that may affect the planned activity
- B. Calculate the total risk exposure to the activity
- C. Gather information about threats to the organization that may reduce the likelihood of the activity succeeding
- D. Understand the organization's approach to managing risk

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 86

Which is a primary step within the 'M_o_R process'?

- A. Manage

- B. Assess
- C. Embed
- D. Control

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 87

Which is identified by use of the 'SWOT analysis' technique?

- A. Stakeholders involved in an activity
- B. Roles and responsibilities of those involved in an activity
- C. Factors that may impact the objectives of an activity
- D. Net effect of risks on the objectives of an activity

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 88

Which is a use of a risk management maturity model?

- A. Enabling organizations to benchmark their current risk management capability
- B. Checking the state of current risk management
- C. Identifying areas where application of risk management can be improved
- D. Carrying out an enterprise wide assessment

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 89

Which defines an 'MoR health check'?

- A. A list of actions to improve the way risk management is performed
- B. A benchmarking of current capability
- C. A tool to identify how the application of M_o_R might be improved
- D. An approach to embed the M_o_R principles

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 90

Identify the missing word in the following sentence. The primary steps in the 'MoR process' are 'implement', identify', [?] and assess'.

- A. perform
- B. record
- C. plan
- D. manage

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 91

Identify the missing words in the following sentence. Actions to [?] are the source of secondary risks.

- A. improve how risk is managed
- B. transform process step inputs to outputs
- C. embed risk management
- D. tackle risks to an organizational activity

Correct Answer: D

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 92

How is the risk register used in the 'assess - estimate' step?

- A. Revise risk descriptions as necessary
- B. Record identified risks
- C. Identify risk owners
- D. Update the residual risk exposure

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 93

What document provides a record of the risks identified for a particular activity?

- A. Risk progress report
- B. Risk register
- C. Risk management strategy
- D. Risk improvement plan

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 94

Which document defines how much risk should be taken for a particular activity?

- A. Risk management policy

- B. Risk management process guide
- C. Risk management strategy
- D. Risk progress report

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 95

Which is recorded in the 'risk register'?

- A. Events that have already occurred
- B. Organizational risk appetite and capacity
- C. Risk management practices within an organization
- D. Threats and opportunities

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 96

Which is a responsibility of the M_o_R risk specialist role?

- A. Develop plans to improve risk management
- B. Establish how risk management will be integrated with performance management
- C. Review progress to develop the risk management policy
- D. Ensure that risk management strategies have been created

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 97

Which is recorded in the risk response plan during the 'plan' step?

- A. Actions to improve risk management
- B. Unmanaged risks
- C. Number of risks in different categories
- D. Actions developed to mitigate threats

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 98

Which is an M_o_R principle?

- A. Supports organizational performance
- B. Achieves measurable value
- C. Changes the culture of risk management
- D. Embedding and reviewing

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 99

What provides a comparison of completed risk response actions with planned outcomes?

- A. Risk management strategy
- B. Risk improvement plan
- C. Risk progress report
- D. Risk response plan

Correct Answer: C

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 100

Which is a purpose of 'embedding and reviewing' M_o_R?

- A. Maximizing the return on investment in risk management
- B. Assuring the appointment of risk owners
- C. Ensuring the availability of appropriate techniques used in the risk management process steps
- D. Reporting on the risk response plan'

Correct Answer: A
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 101

Which is NOT a purpose of 'embedding and reviewing M_o_R'?

- A. Assessing the implementation of risk management
- B. Improving the risk culture of an organization
- C. Reviewing risk descriptions as a result of changes to the context
- D. Identifies the opportunities for updating existing risk management practices.

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 102

Identify the missing words in the following sentence. In order to safeguard value-creating activities, [?] is used to build an effective response to threats.

- A. corporate governance

- B. business continuity management
- C. programme management
- D. project management

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 103

Which describes 'residual' risk exposure?

- A. Probability of a secondary risk occurring
- B. Effect on objectives if a risk occurs after implementing risk response actions
- C. Chance of a risk occurring before risk response actions commence
- D. Proximity of a risk before risk response actions are completed

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 104

Which information from the risk register is used during the 'assess - evaluate' step to calculate the total risk exposure of an activity?

- A. Identified risks resulting from a risk response action
- B. Estimated likelihood of the risks occurring
- C. Exposure of the risks after completion of risk responses
- D. The timeframe in which the risks are likely to occur

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 105

Which is a responsibility of a 'risk actionee'?

- A. Identify risks that might occur to activities in their department
- B. Develop strategies to improve the management of risk
- C. Manage all aspects of an assigned risk
- D. Perform a risk response action to respond to a particular risk

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 106

Which is a purpose for an `M_o_R health check'?

- A. Review how well risk management practices have been embedded
- B. Examine future developments that may affect an organization's level of exposure to risk
- C. Provide a snapshot of the current status of identified risks
- D. Identify individuals or groups of individuals that have an interest in an organizations planned activity

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Explanation:

QUESTION 107

Which describes the threat response option 'accept the risk'?

- A. Perform an action to minimize the impact of the risk should it occur
- B. Carry out an action to make the uncertain situation certain
- C. Take no action except monitor the risk to ensure it remains tolerable
- D. Partake in a pain/gain contract with another party for the specified risk

Correct Answer: C

Section: (none)
Explanation

Explanation/Reference:
Explanation:

QUESTION 108

Which is identified by the use of the 'PESTLE' analysis technique?

- A. Stakeholders involved in an activity
- B. Roles and responsibilities of those involved in an activity
- C. Factors that may impact the activity
- D. Net effect of risks identified during an activity

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference: