PMI RMP Certification Test Bank

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Contents

Bank 1

1. A project sponsor asks for “the fastest way to get risk management going” before the team starts major planning work. You have access to the charter, contract, requirements draft, and prior project records. What is the best next action aligned to the PMI-RMP domains?
   A. Perform a preliminary document analysis to gather and review key documents before setting risk processes and tools
   B. Run a Monte Carlo simulation to forecast schedule and cost ranges immediately
   C. Implement contingency plans for the top three unknowns and document results later
   D. Close out expired risks from prior projects to keep the new register clean

2. Two senior stakeholders disagree sharply about how much schedule risk is acceptable, and the risk register is stalled because no one can agree on thresholds. What is the best action?
   A. Accept the risk and proceed without thresholds to avoid delay
   B. Lead conflict resolution to agree on risk appetite and discuss risk thresholds
   C. Escalate the disagreement and stop all risk activities until a decision is issued
   D. Replace the stakeholders with SMEs who will align more quickly

3. During a risk workshop, the team generates a long list but cannot tell which items are threats versus opportunities, and ownership is unclear. What is the best immediate step?
   A. Move directly to quantitative analysis so the numbers reveal priorities
   B. Add all items to the issue log so they can be resolved quickly
   C. Indicate each item as a threat or opportunity and establish risk origin and ownership
   D. Retire the list and repeat the workshop with a new facilitator next month

4. A project has dozens of identified risks, but the team needs a fast way to prioritize which ones deserve deeper work first. Which approach best fits the intent of the Risk Analysis domain?
   A. Assign contingency reserves to every risk to avoid missing anything
   B. Focus only on low-probability, high-impact items and ignore the rest
   C. Convert every risk to an issue and track it in the issue log
   D. Perform qualitative analysis using agreed classifications and prioritization logic

5. A risk manager is asked to set up consistent scoring and reporting so different teams stop using different definitions and metrics. Which output best aligns with

establishing risk management strategy?
A. Establish risk processes and tools, provide templates, and determine risk metrics and categories
B. Collect performance data and run variance analysis against the baseline
C. Execute the risk response plan and improvise changes as needed
D. Close out expired risks and update the lessons learned register

6. A program leader wants evidence that the current set of risk responses is actually reducing exposure, not just generating activity. What is the best way to communicate effectiveness in the Risk Response domain?
A. Replace the risk register with an issue log to show work is being done
B. Illustrate and communicate response effectiveness using a risk burndown chart or similar visualization
C. Retire all risks that have not occurred yet to reduce noise
D. Re-baseline the schedule so variance appears smaller

7. A risk response was implemented, but the team now sees new risks emerging because of the response itself, and some original exposure remains. What is the best action?
A. Record the items only as opportunities to keep morale high
B. Close the original risk since a response was executed
C. Evaluate and react to secondary and residual risks resulting from the response implementation
D. Treat the new risks as out of scope and ignore them

8. A governance stakeholder asks for an updated view of risk levels and wants documentation refreshed to reflect current exposure, decisions, and outcomes. What is the best action in the Monitor and Close Risks domain?
A. Re-run risk identification exercises to rebuild the entire register from scratch
B. Decide new response strategies for every risk without reviewing performance data
C. Stop reporting until the project is complete to avoid confusion
D. Aggregate and summarize risk data and update relevant project documents such as the risk register, lessons learned, and change logs

9. A team provides weekly risk-related status reports, but leadership suspects progress is being overstated. What is the best analysis step to validate status and detect early warning signals?
A. Analyze performance data to determine completion status against the baseline and perform variance analysis

B. Conduct a new focus group to generate more risks
C. Assign every risk a new owner and reclassify categories
D. Implement contingency plans immediately to demonstrate action

10. A project uses a hybrid approach, and a manager claims risk management "doesn't apply" because the plan will change every iteration. Which statement best reflects PMI-RMP domain coverage?
    A. Risk management applies only to predictive projects, not agile or hybrid projects
    B. Risk work is isolated to one domain and should be completed only at the start
    C. Predictive, agile, and hybrid approaches can appear throughout all five domains and are not isolated to a single domain
    D. Risk activities should be deferred until closeout because early data is unreliable

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1. Correct Answer: A. Perform a preliminary document analysis to gather and review key documents before setting risk processes and tools
   Explanation: The Risk Strategy and Planning domain includes performing a preliminary document analysis by gathering and reviewing documents. This step creates a reliable starting point for selecting processes, tools, templates, and metrics.

2. Correct Answer: B. Lead conflict resolution to agree on risk appetite and discuss risk thresholds
   Explanation: Establishing shared risk appetite and thresholds is part of Risk Strategy and Planning and directly unblocks consistent prioritization and decisions. The scenario centers on stakeholder disagreement, so facilitation and conflict resolution is the best fit.

3. Correct Answer: C. Indicate each item as a threat or opportunity and establish risk origin and ownership
   Explanation: The Risk Identification domain explicitly includes classifying risks as threats or opportunities and establishing origin and ownership. These steps turn a raw list into actionable, trackable items.

4. Correct Answer: D. Perform qualitative analysis using agreed classifications and prioritization logic
   Explanation: Qualitative analysis is designed to prioritize many risks quickly using agreed criteria and classifications. It is the typical best step before deeper quantitative work.

5. Correct Answer: A. Establish risk processes and tools, provide templates, and determine risk metrics and categories
   Explanation: Establishing risk management strategy includes defining processes and tools, providing templates, determining metrics, and identifying categories. This creates consistent scoring and reporting across teams.

6. Correct Answer: B. Illustrate and communicate response effectiveness using a risk burndown chart or similar visualization
   Explanation: Planning risk responses includes communicating the effectiveness of response strategies, including using a risk burndown chart or similar methods. The question asks for evidence of impact, so an effectiveness-focused communication method is the best choice.

7. Correct Answer: C. Evaluate and react to secondary and residual risks resulting from the response implementation
   Explanation: Implementing risk responses includes evaluating and reacting to secondary and residual risks created or left behind by the response. The scenario describes exactly that condition, so follow-on evaluation is required.

8. Correct Answer: D. Aggregate and summarize risk data and update relevant project documents such as the risk register, lessons learned, and change logs
   Explanation: Monitor and Close Risks includes updating project documents by aggregating and summarizing risk data and refreshing artifacts like the risk register and lessons learned. The stakeholder request is for updated risk levels and refreshed documentation, which matches this task.

9. Correct Answer: A. Analyze performance data to determine completion status against the baseline and perform variance analysis
   Explanation: Monitor and Close Risks includes gathering and analyzing performance data against the baseline and performing variance analysis. This directly addresses the concern that reported progress may not match reality.

10. Correct Answer: C. Predictive, agile, and hybrid approaches can appear throughout all five domains and are not isolated to a single domain
    Explanation: The official outline states that predictive, agile, and hybrid approaches are found throughout the five domains and are not isolated to any particular domain. The correct answer rejects the false idea that risk management stops applying because the approach is iterative.

Bank 2

1. A cross-functional workshop is producing wildly different probability estimates because a few senior voices dominate the discussion. You need a more objective way to converge on expert judgment without groupthink. What technique is the best fit?
   A. Brainstorming
   B. Facilitation to force a single consensus in one meeting
   C. Monte Carlo simulation
   D. Delphi technique

2. You have two competing response options for a threat. Option one costs more but reduces the likely financial impact; option two costs less but leaves higher exposure. Which method best supports choosing between them using a probability-weighted financial view?
   A. Expected Monetary Value (EMV)
   B. Risk breakdown structure
   C. Assumption log
   D. Issue log

3. A vendor dependency is trending toward failure, but leadership wants measurable early warning signals tied to thresholds rather than opinions. What should you establish?
   A. Residual risk statements
   B. Key risk indicators (KRIs)
   C. Contingency reserves only
   D. Change logs for all vendor communications

4. A critical system integration has already failed in the current iteration and is blocking work today. What is the most appropriate artifact to track and manage this situation?
   A. Risk register
   B. Assumption log
   C. Issue log
   D. Risk breakdown structure

5. Your risk register is growing, and senior leaders want a consistent way to group risks so patterns are visible across technical, external, and organizational sources. What tool best supports this?
   A. Probability and impact matrix

B. Risk breakdown structure (RBS)
C. Monte Carlo simulation
D. Change log

6. A schedule forecast is highly uncertain, and the steering committee asks for a range of outcomes with confidence levels rather than a single completion date. What analysis approach is most appropriate?
   A. Qualitative risk analysis only
   B. Decision tree analysis
   C. Fishbone diagram
   D. Monte Carlo simulation

7. A high-impact risk is driven by an enterprise-level policy decision that your project team cannot change, and it exceeds local authority. What is the best response strategy?
   A. Escalate
   B. Mitigate
   C. Accept
   D. Monitor

8. A mitigation action was implemented successfully, but some exposure clearly remains even after the response. How should the remaining exposure be handled?
   A. Close the risk because an action was taken
   B. Convert the remaining exposure into an issue
   C. Record and monitor the residual risk
   D. Re-baseline the plan so the exposure appears reduced

9. A regulatory approval risk existed earlier in the project, but the approval was granted last month and the window of exposure has passed. What is the best action now?
   A. Move it to the assumption log
   B. Keep it open for historical tracking
   C. Convert it into an opportunity
   D. Retire the risk

10. An upside scenario could significantly improve outcomes if it occurs, and the team can take actions to make it happen rather than just hoping for it. Which opportunity response strategy fits best?
    A. Accept
    B. Exploit

C. Escalate
D. Monitor

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1. Correct Answer: D. Delphi technique
   Explanation: The Delphi technique gathers expert input anonymously over multiple rounds to reduce bias and groupthink. It fits when strong personalities are distorting estimates and you still need expert judgment.
2. Correct Answer: A. Expected Monetary Value (EMV)
   Explanation: EMV compares options using probability-weighted financial impact, helping select the option with the better expected outcome. It is commonly used when the decision hinges on whether response cost is justified by reduced exposure.
3. Correct Answer: B. Key risk indicators (KRIs)
   Explanation: KRIs are measurable signals that risk exposure is increasing or conditions are moving toward a risk event. They support threshold-based monitoring and clearer escalation decisions.
4. Correct Answer: C. Issue log
   Explanation: An issue is a current problem that has already occurred, and an issue log tracks active issues with owners and status. The scenario describes a present blocker, so issue tracking is the right fit.
5. Correct Answer: B. Risk breakdown structure (RBS)
   Explanation: An RBS provides a hierarchical way to categorize risks so sources and patterns become visible across the register. It improves organization and reporting when many risks span different categories.
6. Correct Answer: D. Monte Carlo simulation
   Explanation: Monte Carlo simulation estimates ranges of outcomes by running many iterations and producing confidence-based forecasts. It is appropriate when leadership needs a range and probability, not a single-point date.
7. Correct Answer: A. Escalate
   Explanation: Escalation is used when a risk is outside the project's authority or control and requires higher-level decision-making. It is the best strategy when enterprise policy drives the exposure and local treatment is not feasible.

8. Correct Answer: C. Record and monitor the residual risk
   Explanation: Residual risk is the risk that remains after responses have been implemented. It should be documented and monitored because responses rarely eliminate exposure completely.

9. Correct Answer: D. Retire the risk
   Explanation: Retiring a risk means formally closing it when it is no longer relevant or the exposure window has passed. Doing so keeps the register current and prevents stale items from distorting priorities.

10. Correct Answer: B. Exploit
    Explanation: Exploit means taking action to ensure an opportunity happens and secure the benefit. It fits when the upside is valuable and the team can actively shape conditions to capture it.

Bank 3

1. A team is divided on whether to invest effort in quantitative analysis. The risk manager proposes a fast triage first, then deeper analysis only for the few risks that truly drive exposure. What is the best first step?
   A. Quantitative risk analysis for every identified risk
   B. Qualitative risk analysis to prioritize which risks justify deeper work
   C. Monte Carlo simulation for all schedule activities immediately
   D. Decision tree analysis for every response option

2. A project manager insists a key assumption is “obviously true” and does not want to track it. You are concerned it could drive major exposure if it changes. What is the best action?
   A. Record it in the assumption log and note validation status and potential impact
   B. Add it to the change log because assumptions are plan changes
   C. Move it to the issue log because it might become a problem
   D. Retire the assumption because it is not a risk yet

3. A risk report shows progress, but you suspect the status is not accurate. You want to confirm real completion against the approved plan and identify emerging risk signals. What is the best monitoring action?
   A. Conduct brainstorming to surface new threats
   B. Update the risk breakdown structure categories
   C. Analyze performance data against the baseline and perform variance analysis
   D. Replace the risk register with an issue log for clarity

4. A complex quality problem keeps reappearing even after multiple fixes. Leadership wants to understand the underlying drivers to reduce future exposure. What tool is most appropriate?
   A. Fishbone diagram
   B. Expected Monetary Value
   C. Risk burndown chart
   D. Probability and impact matrix

5. The steering committee needs a clear view of how different uncertainties and decisions interact at a high level before approving a major path forward. Which tool best supports this?
   A. Influence diagram
   B. Assumption log

C. Change log
D. Brainstorming

6. A project has strong governance expectations, and leaders want risk information delivered consistently to the right stakeholders with proper escalation paths. Which concept best addresses this need?
   A. Risk exposure
   B. Risk communication
   C. Criticality
   D. Flowchart

7. A team is choosing between two response options where different outcomes lead to different costs and probabilities. They want a structured way to compare choices and outcomes. Which technique best fits?
   A. Risk breakdown structure
   B. Monte Carlo simulation
   C. Decision tree analysis
   D. Brainstorming

8. A team is tracking risks, issues, changes, and lessons learned, but artifacts are inconsistent and hard to audit. Which plan best anchors how risk work is performed and reported?
   A. Risk management plan
   B. Contingency reserve
   C. Issue log
   D. Baseline

9. A stakeholder argues that low-probability risks are not worth discussing. You point out one risk that is unlikely but could cause severe damage if it occurs. How is this risk best described?
   A. Residual risk
   B. Low probability, high impact (LPHI) risk
   C. Retired risk
   D. Opportunity

10. A risk response is planned but might not work as expected, so the team wants a predefined alternative action if the primary response fails. What is that alternative plan called?
    A. Escalation plan
    B. Risk appetite statement

C. Fallback plan
D. Change log entry

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1. Correct Answer: B. Qualitative risk analysis to prioritize which risks justify deeper work
   Explanation: Qualitative analysis prioritizes risks quickly using relative measures like probability, impact, and urgency. It supports deciding where deeper quantitative analysis is truly needed.
2. Correct Answer: A. Record it in the assumption log and note validation status and potential impact
   Explanation: Assumptions can become key risk drivers when they are uncertain or unverified. An assumption log tracks assumptions and validation so the team can manage exposure if conditions change.
3. Correct Answer: C. Analyze performance data against the baseline and perform variance analysis
   Explanation: Monitoring includes analyzing performance data to confirm completion status against the baseline and performing variance analysis. This validates reported progress and can reveal early warning signals.
4. Correct Answer: A. Fishbone diagram
   Explanation: A fishbone diagram helps identify root causes by exploring contributing factors across categories. It fits when problems recur and the goal is to reduce future exposure by addressing drivers.
5. Correct Answer: A. Influence diagram
   Explanation: Influence diagrams show relationships among decisions, uncertainties, and outcomes at a high level. They help clarify what variables drive results before selecting deeper analysis or responses.
6. Correct Answer: B. Risk communication
   Explanation: Risk communication focuses on sharing risk information to the right stakeholders in a timely, usable form with clear escalation paths. It directly addresses consistent reporting and governance expectations.
7. Correct Answer: C. Decision tree analysis
   Explanation: Decision tree analysis compares choices and outcomes using probabilities and expected values. It is suited to selecting between response options with multiple possible outcomes.

8. Correct Answer: A. Risk management plan
   Explanation: A risk management plan defines how risk activities will be performed, including roles, tools, thresholds, and reporting. It creates consistency across artifacts like the register, logs, and lessons learned.

9. Correct Answer: B. Low probability, high impact (LPHI) risk
   Explanation: LPHI risks are unlikely but could cause severe harm if they occur. The exam often tests whether these risks still require monitoring, contingency thinking, or escalation despite low probability.

10. Correct Answer: C. Fallback plan
    Explanation: A fallback plan is a predefined alternative action used if the planned response is ineffective. It shows response planning maturity and supports faster action when triggers indicate failure.

Bank 4

1. A new project is about to begin, and the sponsor wants risk work to start immediately. You are given the charter, contract, requirements draft, and past project records. What is the best first action aligned to the exam domains?
   A. Perform a preliminary document analysis by gathering and reviewing documents
   B. Build an issue log to track every uncertainty as an active problem
   C. Run a Monte Carlo simulation to get a schedule range before planning
   D. Retire old risks from prior projects to keep the new register small

2. Two key stakeholders argue over how much risk is acceptable, and the team cannot agree on thresholds for escalation or response. What is the best next step?
   A. Accept the disagreement and proceed without thresholds to avoid delay
   B. Lead conflict resolution to agree on risk appetite and discuss risk thresholds
   C. Escalate immediately and stop risk work until leadership decides
   D. Replace stakeholders with different SMEs to force alignment

3. A team captures many uncertainties during a workshop, but the list is messy and mixes threats, opportunities, assumptions, and vague concerns. What is the best next action to make the output usable?
   A. Move straight to quantitative analysis so the numbers clarify everything
   B. Convert the entire list into issues to speed resolution
   C. Indicate each item as a threat or opportunity and establish risk origin and ownership
   D. Record only the highest-impact items and discard the rest

4. A project has a large risk register and needs a fast, consistent way to decide which risks deserve deeper analysis first. What is the best approach?
   A. Assign contingency reserves to every risk to avoid missing anything
   B. Use only expert intuition without any prioritization method
   C. Perform quantitative analysis on all risks before prioritizing
   D. Perform qualitative risk analysis using agreed classifications and prioritization logic

5. Multiple teams are using different definitions, categories, and scoring scales for risks, creating inconsistent reporting. What deliverable best fixes this at the source?
   A. Establish risk processes and tools, provide templates, and determine risk metrics and categories
   B. Replace the risk register with an issue log for simplicity

C. Focus only on retiring low-probability risks to reduce workload
D. Skip documentation and rely on verbal updates in meetings

6. Leadership wants proof that responses are reducing exposure, not just generating activity. What is the best way to illustrate and communicate response effectiveness?
   A. Re-baseline the schedule so variance appears smaller
   B. Use a risk burndown chart or similar visualization to show effectiveness
   C. Close all risks with responses to demonstrate progress
   D. Convert residual exposure into issues to show action

7. A mitigation action is implemented, but it creates new risks and some original exposure remains. What is the best follow-up action?
   A. Retire the original risk because action was taken
   B. Treat the new risks as out of scope and ignore them
   C. Evaluate and react to secondary and residual risks from the response implementation
   D. Reclassify the risks as opportunities to keep reporting positive

8. A governance stakeholder asks for a refreshed risk picture and updated documentation that reflects current exposure and outcomes. What is the best action?
   A. Re-run identification from scratch and discard the existing register
   B. Decide new response strategies for every risk without reviewing results
   C. Stop reporting until the project is complete to avoid confusion
   D. Aggregate and summarize risk data and update documents like the risk register, lessons learned, and change logs

9. Weekly status reports claim risk exposure is decreasing, but you suspect the reporting is optimistic. What is the best monitoring action to validate reality?
   A. Analyze performance data against the baseline and perform variance analysis
   B. Conduct brainstorming sessions to generate more risks
   C. Assign new owners to every risk and re-categorize them
   D. Implement contingency plans immediately to demonstrate action

10. A risk is driven by an enterprise-level policy decision outside the project's authority, and it exceeds local control. What is the best response strategy?
    A. Monitor without escalation until it becomes an issue
    B. Escalate to the appropriate level of authority

C. Mitigate locally with a response plan owned by the project team
D. Accept and remove it from reporting to reduce noise

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1. Correct Answer: A. Perform a preliminary document analysis by gathering and reviewing documents
   Explanation: Risk Strategy and Planning includes performing a preliminary document analysis by gathering and reviewing documents. This builds a reliable base for later choices about tools, templates, metrics, and thresholds.
2. Correct Answer: B. Lead conflict resolution to agree on risk appetite and discuss risk thresholds
   Explanation: Agreeing on risk appetite and thresholds is part of Risk Strategy and Planning and enables consistent decisions. Conflict resolution is the best fit because disagreement is the blocker, not lack of data.
3. Correct Answer: C. Indicate each item as a threat or opportunity and establish risk origin and ownership
   Explanation: Risk Identification includes classifying items as threats or opportunities and establishing origin and ownership. Those steps turn a raw list into actionable entries suitable for tracking and analysis.
4. Correct Answer: D. Perform qualitative risk analysis using agreed classifications and prioritization logic
   Explanation: Qualitative risk analysis is designed to prioritize many risks quickly using agreed criteria. It supports deciding which risks justify deeper quantitative work.
5. Correct Answer: A. Establish risk processes and tools, provide templates, and determine risk metrics and categories
   Explanation: Establishing processes, templates, metrics, and categories creates consistent scoring and reporting across teams. This is a core output of Risk Strategy and Planning.
6. Correct Answer: B. Use a risk burndown chart or similar visualization to show effectiveness
   Explanation: Risk Response includes illustrating and communicating effectiveness of response strategies using tools like a risk burndown chart. The question asks for evidence of reduced exposure, which this directly provides.

7. Correct Answer: C. Evaluate and react to secondary and residual risks from the response implementation
   Explanation: Implementing responses includes evaluating secondary and residual risks created or left after response actions. The scenario describes both, so follow-up evaluation and reaction is required.

8. Correct Answer: D. Aggregate and summarize risk data and update documents like the risk register, lessons learned, and change logs
   Explanation: Monitor and Close Risks includes aggregating and summarizing risk data and updating relevant project documents. The request is explicitly for refreshed documentation and current risk levels.

9. Correct Answer: A. Analyze performance data against the baseline and perform variance analysis
   Explanation: Monitoring includes gathering and analyzing performance data against the baseline and performing variance analysis. This validates whether reported improvement matches actual progress.

10. Correct Answer: B. Escalate to the appropriate level of authority
    Explanation: Escalation is appropriate when a risk is outside the project's authority or control. The scenario states an enterprise-level decision driver, so escalation is the best response strategy.

Bank 5

1. A project team is overwhelmed with a long list of risks and needs a consistent way to group them by source so patterns become visible in reporting. Which tool best supports this need?
   A. Risk breakdown structure (RBS)
   B. Expected Monetary Value (EMV)
   C. Fishbone diagram
   D. Assumption log

2. Stakeholders want a quick, measurable way to know when a risk is getting worse so they can trigger the planned response at the right time. What should the risk manager put in place?
   A. Contingency reserve
   B. Key risk indicators (KRIs)
   C. Risk appetite statement only
   D. Lessons learned register

3. A risk response is planned, but leadership asks, “What if this plan fails?” You want a predefined alternate action ready to use if the primary response does not work. What is that called?
   A. Escalation strategy
   B. Residual risk
   C. Fallback plan
   D. Risk tolerance

4. A team must choose between two response options with different outcomes, costs, and probabilities. They want a structured comparison of choices and branches. What technique best fits?
   A. Brainstorming
   B. Risk breakdown structure (RBS)
   C. Monte Carlo simulation
   D. Decision tree analysis

5. A sponsor wants a probability-based range for the project finish date and asks for confidence levels rather than a single date. What analysis method is most appropriate?
   A. Influence diagram
   B. Delphi technique

C. Qualitative risk analysis
D. Monte Carlo simulation

6. During monitoring, a risk owner claims the project is “basically on track,” but you need objective evidence of progress and early warning signs. What is the best action?
   A. Analyze performance data against the baseline and perform variance analysis
   B. Re-run risk identification workshops weekly until confidence improves
   C. Reclassify all risks into new categories
   D. Move key risks into the issue log to force resolution

7. A risk response has been executed, but it introduces new risks and also leaves some exposure behind. What is the best next step?
   A. Close the risk because action was taken
   B. Retire the risk to reduce noise
   C. Evaluate and react to secondary and residual risks from the response implementation
   D. Convert the remaining exposure into an issue automatically

8. A project is using a hybrid delivery approach, and a manager says formal risk management is unnecessary because plans change each iteration. Which statement best reflects how the exam frames this?
   A. Risk management applies only to predictive projects
   B. Predictive, agile, and hybrid approaches can appear throughout all five domains
   C. Risk work belongs only in the planning domain and should be completed once
   D. Risk activities should be deferred until closeout

9. Leadership wants a high-level view of how uncertainties, decisions, and outcomes influence one another before approving a major path forward. Which tool best supports this?
   A. Issue log
   B. Change log
   C. Influence diagram
   D. Probability and impact matrix

10. A regulatory approval uncertainty is discussed as a “risk,” but the approval was received last month and the exposure window is over. What is the best action now?
    A. Convert it into an opportunity
    B. Move it to the assumption log

C. Keep it open for historical reporting
D. Retire the risk

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1. Correct Answer: A. Risk breakdown structure (RBS)
   Explanation: An RBS categorizes risks hierarchically so sources and patterns become easier to see across the risk register. This improves analysis and communication when the register is large.
2. Correct Answer: B. Key risk indicators (KRIs)
   Explanation: KRIs are measurable signals that risk exposure is increasing or conditions are moving toward a risk event. They support threshold-based monitoring and timely triggering of responses.
3. Correct Answer: C. Fallback plan
   Explanation: A fallback plan is a predefined alternative action used if the planned response is ineffective. It reduces delay when the primary response fails or conditions change.
4. Correct Answer: D. Decision tree analysis
   Explanation: Decision tree analysis compares choices and outcomes using probabilities and expected values. It fits scenarios with branching outcomes and different cost or impact consequences.
5. Correct Answer: D. Monte Carlo simulation
   Explanation: Monte Carlo simulation produces a range of outcomes with probability-based confidence levels. It is used when leadership needs a forecast distribution rather than a single date.
6. Correct Answer: A. Analyze performance data against the baseline and perform variance analysis
   Explanation: Monitoring includes analyzing performance data against the baseline and performing variance analysis to confirm true progress. This provides objective evidence and can reveal emerging warning signs.
7. Correct Answer: C. Evaluate and react to secondary and residual risks from the response implementation
   Explanation: Secondary risks can be created by a response, and residual risk can remain after a response is implemented. The best follow-up is to evaluate both and react appropriately.

8. Correct Answer: B. Predictive, agile, and hybrid approaches can appear throughout all five domains
   Explanation: The exam framing treats predictive, agile, and hybrid approaches as relevant across all domains rather than isolated to one area. Risk work still applies and is performed iteratively when needed.

9. Correct Answer: C. Influence diagram
   Explanation: Influence diagrams show how decisions, uncertainties, and outcomes relate at a high level. They help clarify what drives results before choosing deeper analysis or responses.

10. Correct Answer: D. Retire the risk
    Explanation: Retiring a risk is appropriate when it is no longer relevant and the exposure window has passed. This keeps the risk register current and prevents stale items from distorting priorities.