



The M_o_R 4[®] Practitioner Examination

Sample Paper 2

Question Booklet

Multiple Choice

Examination Duration: 2 hours 15 minutes

Instructions

1. You should attempt all 65 question items. Each question item is worth one mark.
2. There is only one correct answer per question.
3. You need to answer 33 questions items correctly to pass the exam.
4. Mark your answers on the answer sheet provided. Use a pencil (NOT pen).
5. You have 2 hours 15 minutes hours to complete this exam.
6. This is a 'open book' exam. You can use the *Management of Risk: Creating and Protecting Value (M_o_R[®]4)* guidance.
7. No other material is allowed.
8. The questions in this paper should be answered in the context of Scenario 2 (TaxDept) described in the *Management of Risk: Creating and Protecting Value (M_o_R[®]4)* guidance.
9. Each question is separate. Do not use information from one question to answer another question.

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- 1) How should the exposure of an objective to a single risk measured?
- A. By analysing the number of issues raised against each
 - B. By multiplying the chance of the risk occurring by the size of its effect
 - C. By calculating the number of risk responses needed to minimize the risk
 - D. By estimating when the risk is likely to occur, impacting objectives
- 2) How is corporate governance likely to be demonstrated?
- 1. By complying with the code or explaining why the organization has departed from the code.
 - 2. By ensuring that progression to the desired future state is done incrementally.
 - 3. By implementing enterprise agility and being able to be flexible and responsive to drivers.
 - 4. By implementing assurance to provide transparency that objectives will be achieved.
- A. 1 and 2
 - B. 2 and 3
 - C. 3 and 4
 - D. 1 and 4
- 3) Which is a SPECIFIC risk management challenge MOST LIKELY to be faced by teams using a product-oriented approach?
- A. Teams work to continually improve and innovate at a faster rate to ensure resilience in a VUCA world
 - B. Teams work independently so it is difficult to obtain a clear view of the aggregated impact of risks
 - C. Teams are encouraged to display a positive attitude so that risks remain unrecognized and unmanaged
 - D. Teams are encouraged to follow a set of structured activities in a specific sequence to achieve objectives

- 4) Which statement about principles is CORRECT?
- A. Principles describe the steps that should be followed when practicing risk management
 - B. Principles provide guidance on how to engage with stakeholders and improve competence
 - C. The eight principles of the M_o_R integrated framework are enablers for compliance-driven activity
 - D. Principles should be used by operational managers to create operational value from risk management
- 5) The government has introduced legislation to phase out the use of gas-fired heating systems within 20 years. Research also suggests that the TaxDept could significantly reduce heating bills if they invested in new heating technologies. The executive management has discussed with the portfolio team about adding a new objective to replace all existing heating in TaxDept buildings within 20 years. However, the current objectives remain unchanged and the focus of the risk management is on ensuring the digital transformation of the department's services.

How effectively does this apply the 'aligns with objectives' principle, and why?

- A. It applies the principle well, because the portfolio team should be supported in their efforts to deliver the current high priority change activities
- B. It applies the principle well, because the executive management should wait for further information about the external context before updating the objectives
- C. It applies the principle poorly, because the objectives should be updated to reflect changes in the external context, with focused risk management
- D. It applies the principle poorly, because the executive management team should remain unwilling to adjust to the changing external context

- 6) The TaxDept are beginning to see the benefits of the digital transformation and flexible working programmes. The TaxDept is now capable of operating with 15% fewer call centre staff (with more reductions forecast) and at least half of all staff are now working from home for some of the week. The TaxDept is ready to reorganize existing reporting structures and sell some offices.

Which action demonstrates that the 'fits the context' principle is being applied?

- A. Create a risk register to record any threats and opportunities facing the programme selling office buildings
 - B. Review the risk management policy and process guide to ensure its continued effectiveness once staff numbers are reduced
 - C. Invite operational managers of the tax collection teams to attend a risk identification workshop for the restructuring programme
 - D. Organize training on the risk management approach for new staff involved in the programme selling office buildings
- 7) The project managers working on the DTP are worried that their role will no longer be required by projects adopting agile ways of working. The programme manager has suggested that these project managers should raise their concerns with the agile coaches supporting their projects.

Is this suggestion by the programme manager an appropriate application of the 'engages stakeholders' principle, and why?

- A. Yes, because the agile coach should be responsible for ensuring that the delivery teams apply appropriate techniques and practices
- B. Yes, because the behaviours that are valued in agile ways of working are consistent with those required in a mature risk culture
- C. No, because the project managers should have access to skilled facilitators who have sufficient seniority to challenge their incorrect perceptions
- D. No, because the project's risk specialist should be responsible for supporting the project manager in applying risk management

- 8) Project managers working on the TaxDept's DTP believe it is impossible to apply the programme's 'tight risk process' in an agile context. As a result, the programme manager has asked them to document specific examples that could be used to identify changes to the tailorable part of the process.

Which management of risk principle is being applied?

- A. Provides clear guidance
- B. Informs decision making
- C. Facilitates continual improvement
- D. Creates a supportive culture

- 9) The TaxDept's board members have asked the programme manager of the DTP to meet with operational managers to discuss a key systems change being implemented at a critical time in the tax year. In the past, the operational managers would have been notified just before the implementation date, significantly increasing operational workloads. This new approach has allowed programme and operational teams to voice their views on what is at risk so that an agreed way forward can be found.

Which principle is being applied, and why?

- A. Creates a supportive culture, because the board members have encouraged discussions about risks before they become issues
- B. Creates a supportive culture, because the board members need to gather risk data before agreeing the best implementation date
- C. Achieves measurable value, because identifying and acting upon risks is important to achieving the value from the DTP
- D. Achieves measurable value, because discussions about risk increases operational team confidence that rework will be minimal

10) The programme manager of the DTP has identified several key performance indicators to measure the return on the investment as a result of implementing the programme's risk management processes. A number of indicators have been proposed.

Which indicator MOST directly measures how effective risk management is on the programme?

- A. A reduction in the number of post-implementation fixes required after implementing the 'self-serve' taxation system due to risks being managed proactively
- B. An increase in the number of projects within the DTP delivering on time, to the right quality and within budget during this reporting period
- C. An increase in the number of projects within the DTP that are updating their risk registers on a regular basis, as defined in the project's risk approach
- D. A reduction in dis-satisfaction levels from individual taxpayers who have used TaxDept's 'self-serve' tax system to submit their tax returns

11) The TaxDept has identified that the demands of taxpayers for more online solutions is changing rapidly. As a result, the department has decided to introduce a product-oriented approach to developing its digital solutions for businesses and individual taxpayers. The department has decided to continue to use a linear project lifecycle to complete office moves, as the buildings are sold. This enables risks to the office move projects to be managed early and to protect the delivery of the project as a whole.

Which operating model is being used by the office move project?

- A. Product perspective - Functional orientation
- B. Product perspective - Product orientation
- C. Project perspective - Functional orientation
- D. Project perspective - Product orientation

12) Why should an organization create an integrated risk management approach that covers the operational perspective?

- A. To add value to uncertainties that would have an effect on one or more objectives
- B. To add value to the achievement of outcomes of benefit from change
- C. To help select methods of delivering the work that are appropriate to the task
- D. To add value to the achievement of reliable and efficient 'business as usual' activities

- 13) What is the MINIMUM that an organization needs to establish in order to integrate risk management across perspectives?
- A. A qualitative scale for impact and proximity
 - B. A quantitative scale for likelihood and velocity
 - C. A qualitative scale for risk likelihood and impact
 - D. A quantitative scale for risk likelihood and impact
- 14) The DTP is seen as mission-critical for the TaxDept. In order to escalate, delegate and aggregate risks across the projects in the DPT, the following impact scale has been defined. This scale is based on the forecast value of benefits over the next three years and will be used for all projects in the programme. These scales have been calibrated with the portfolio level and have been considered in relation to the projects' objectives.
- 1. Very low - variation of less than 1% from target
 - 2. Low - variation from 1-2% from target
 - 3. Medium - variation from 2-3% from target
 - 4. High - variation from 3-5% from target
 - 5. Very high - variation greater than 5% from target

Is this an appropriate calibration of scales for the DTP, and why?

- A. Yes, because specific impact scales should be calibrated for the DTP based on the capacity and appetite for risk
- B. Yes, because the scale accommodates how fast risks would have an impact on objectives, should they occur
- C. No, because best practice is not to use the same impact scale across the whole of the organization
- D. No, because organizations should choose to prioritize risks using parameters other than likelihood and impact

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Following an incident where a staff member was found selling confidential information about the non-payment of taxes to the national press, the executive management has asked for changes to the TaxDept's controls to prevent this kind of data breach happening again.

Here are a number of actions to improve the strategic controls.

Which strategic control (A-E) is being implemented by the identified action?

Choose only ONE strategic control for each action. Each strategic control can be used once, more than once, or not at all.

15) Implement changes to the tax collection system to ensure that a supervisor's authorization is required before access to payment status on customer records is allowed.	A. Risk policy and process B. Assurance C. Scenario Planning D. Compliance E. Internal control environment
16) Communicate to all TaxDept staff to remind them of their responsibilities to protect personal taxation data under data protection legislation.	
17) Run a series of workshops to identify how the data breach occurred and what could be done to prevent future breaches.	

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The TaxDept experienced significant disruption to critical operational activities last week. New services were introduced by the DTP at the same time as changes were made to one of the call centres by the flexible working programme. In response to this, the portfolio manager has identified some activities that need to be completed in order to prevent this happening in the future.

Which role (A-E) is MOST LIKELY to carry out each task?

Choose only ONE role for each action. Each role can be used once, more than once, or not at all.

18) Preparing a report detailing future transition plans for the DTP to see how likely it is that a similar event may occur in the future.	A. Business change director B. Executive sponsors C. Portfolio manager D. Portfolio office lead E. Portfolio direction group
19) Notifying the programme managers of the DTP and the flexible working programme that they will now need to attend regular meetings to discuss cross-programme risks and encourage collaborative working.	
20) Managing the impacts to tax collection by ensuring that transition plans for the flexible working programme are only approved if they clearly demonstrate a previous change to flexible working has been fully embedded.	

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A number of the projects in the DTP using agile ways of working have had issues. In support of the 'facilitates continual improvement' principle, the programme manager has decided to conduct a short health check and has asked a number of questions about the way risk management was implemented across the programme. The programme manager will then review the answers and take any necessary corrective action.

Here are the health check questions that have been asked.

Which programme control (A-E) does the health check question relate to?

Choose only ONE programme control for each health check question. Each programme control may be used once, more than once, or not at all.

21) Does the ownership of risks support the need for empowered agile project managers and teams?	A. Programme business case
22) Has the programme team identified the typical sources of risk to the agile projects and have plans to manage these risks been effective?	B. Planning progressive delivery
23) Have the impact scales been tailored to suit the incremental nature of agile projects?	C. Aggregation to programme level
	D. Escalation and delegation
	E. Programme level controls

The flexible working programme has just started a project at the TaxDept headquarters. The open plan project will replace existing offices with 12 soundproofed collaborative workspaces and 130 pre-bookable individual desks. The desks will capture details of staff logging into the IT network using tracking software to track which seats are in active use and by whom. The project is using multimodal delivery. There are two delivery teams; one to install the workspaces and individual desks using a linear delivery method, and one to install the tracking software and hardware using an iterative delivery method. The project manager has created a list of tasks to be completed.

Which role is MOST LIKELY to carry out each task?

Choose only ONE role for each action. Each role can be used once, more than once, or not at all.

24) Facilitate a workshop to discuss the risk that the tracking software might contravene global data protection legislation.	A. Project executive B. Project manager C. Project office lead D. Risk specialist
25) Collect evidence that the delivery teams are trained in current health and safety regulations, including manual handling.	E. Workspace installation team manager F. Tracking software team manager
26) Run very short daily meetings to give updates on the installation of the software and check that any identified risks have been logged correctly.	

27) Which TWO statements about how risk management is influenced by different modes of delivery are CORRECT?

1. Delivery teams using an iterative project lifecycle should escalate any risk related decisions to the project manager.
2. In a linear lifecycle the project manager should monitor risks that span multiple timeboxes.
3. When implementing continual improvement, operational teams focus on a process or system to reduce the risk of errors occurring.
4. When using an agile project lifecycle, risk management involves close collaboration with the customer to understand their needs.

- A. 1 and 2
- B. 2 and 3
- C. 3 and 4
- D. 1 and 4

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An individual taxpayer completed their online tax return and was advised that the tax liability was zero. Despite this, the taxpayer decided to make an online payment of zero. This caused the TaxDept's online tax collection system to crash. The system crash was out of normal working hours and the on-call IT support staff were off sick, with no cover. The head of the taxation department could not be contacted for advice and staff did not know who to contact instead.

Here are three issues relating to the online tax collection system's crash.

Which operational control (A-E) is affected by each issue?

Choose only ONE operational control for each issue. Each control can be used once, more than once, or not at all.

28) Not considering that a taxpayer may decide to make an online payment of zero, which would cause the tax collection system to crash.	A. Failure modes B. Optimal process efficiency C. Disaster recovery D. Insurance valuations E. Segregation of duties
29) Not having enough on-call IT support staff to cover out of hours and sickness.	
30) Not having a plan of what to do and if the online tax collection system fails and staff not knowing who else to contact for support.	

The TaxDept has identified that the demands of taxpayers for online solutions is changing rapidly. As a result, the department has decided to introduce a product-oriented approach to developing its digital solutions for individual taxpayers.

Here are a number of techniques to be used to ensure that the solutions delivered by the product team meet the needs of individual taxpayers.

Which control (A-E) is being applied?

Choose only ONE control for each action. Each control can be used once, more than once, or not at all.

31) Planning the work of the product team to meet the most important needs of individual taxpayers first, and managing any possible hurdles to delivery	A. Horizon scanning B. Prioritization of work within each timebox C. Aggregation D. Escalation E. Retrospectives
32) Informing the DTP programme manager of any threats to tax collection that affect other product teams	
33) Reviewing unemployment forecasts from economists to understand possible impact on tax revenue in the coming tax year	

34) Which action should BEST support the behaviours that are important in building a mature risk culture?

- A. Adopting agile ways of working to make risks transparent to decision-makers
- B. Implementing a risk management process that examines both external and internal contexts
- C. Seizing opportunities and protecting value by avoiding threats to objectives
- D. Using data to improve estimates of the likelihood and impact of risks to objectives

35) Which is a feature of a supportive culture for risk management?

- A. Reward and recognition systems to motivate heroic recovery from crises are developed
- B. The eight principles are universally applied wherever and however risk management is used
- C. The work to make better informed decisions is valued, while recognizing that luck plays a part
- D. The role of bad luck is taken into account when risk taking was unwarranted

36) The DTP is using agile ways of working on its projects to transform the delivery of services. Over the years, the project managers in the department have developed a number of heuristics that are affecting the way they make decisions on the agile projects.

Which is a heuristic that needs to be mitigated in order to help avoid this decision bias?

- A. Delegating actions to support agile ways of working that have not been resourced and are unlikely to be done
- B. Applying the department's existing 'tight risk process' consistently to agile projects to ensure that value is protected
- C. Believing that, as previous change initiatives have failed, the deployment of agile ways of working will also fail
- D. Accepting that using empowered, self-managed agile teams removes the need for the project manager

37) The project managers on the DTP lack experience in, and commitment to, the agile ways of working. This is increasing the risk of failure to transform the delivery of digital services. Therefore, the senior responsible owner (SRO) has appointed an external agile specialist to 'champion' and support the deployment of agile ways of working.

Which action demonstrates a useful attitude and a willingness to build competence in order to reduce this risk?

- A. The project managers being sent articles on the value of agile ways of working published by the external agile specialist
- B. The project managers disregarding their own concerns to participate actively in an 'implementing agile' workshop
- C. The SRO agreeing to integrate risk management of the agile projects to enable escalation across the TaxDept's perspectives
- D. The SRO agreeing to use the TaxDept's calibrated scales for determining the likelihood of the agile risks to enable escalation

38) The TaxDept's executive management has announced changes to the department's reward and recognition system. These changes will apply to project managers within the DTP who deliver the highest risk projects to the right quality, on time and within budget, regardless of how the project was managed. The programme manager has been asked to identify all project managers who should receive these additional payments as they, bravely, overcame a number of issues.

Is this action by the executive management an appropriate way to shape a supportive risk culture, and why?

- A. Yes, because the project managers should be rewarded for ensuring that risk management adds value to the achievement of outputs and capabilities
- B. Yes, because the programme manager should ensure that risk management at the project level adds value to the achievement of outcomes of benefit
- C. No, because the reward and recognition system should motivate effective risk management, rather than successful delivery
- D. No, because the reward and recognition system should encourage internal competition between the project managers

39) The programme manager of the TaxDept's behavioural programme commissioned a facilitated workshop to analyse the internal context. A number of contextual factors were identified, and the DTP programme manager was notified of these factors.

Which factor is LIKELY to help shape a supportive risk culture for the DTP?

- A. Very structured governance arrangements exist within the TaxDept
- B. Empowered agile teams are being used to collaboratively develop 'self-serve' taxation
- C. A rigid risk process is being used across the TaxDept to protect taxation income
- D. The TaxDept operates in a risk averse environment where accurate collection of taxes is critical

40) The TaxDept's DTP has published a document titled "How to tailor TaxDept's risk management policy and process guide to an agile environment."

Is this an appropriate way to overcome the common challenges in risk management application, and why?

- A. Yes, because each project should define its own processes to suit their individual agile ways of working
- B. Yes, because risk management should be tailored to the agile environment while enabling risk information to be aggregated
- C. No, because risk management should not need to be applied to projects using agile ways of working
- D. No, because agile teams should be empowered to use whichever techniques and processes they feel are appropriate

41) Which should be a result of the 'prioritize risks' process?

- A. Risk owners should be clear about how they should proactively monitor changes to risk exposure
- B. Risk owners should be focused on creating additional value through identifying opportunities
- C. Risk descriptions for identified risks should have been captured in the appropriate risk register
- D. Stakeholders should have a common understanding about what is 'at risk' within their own perspective

42) What should be the result of the 'assess combined risk profile' process?

- A. The same risks to achieving an objective are considered logically across perspectives
- B. Multiple methods are used to assess likelihood to integrate risk management across perspectives
- C. Objectives that are 'at risk' are understood together with the appetite for risk to those objectives
- D. The chosen risk tolerances are measurable in order to drive actions to manage risks effectively

- 43) Which is a purpose of the 'monitor and control progress' process?
- A. To provide the right information, at the right time, about how contingency has been used
 - B. To select leading indicators to proactively monitor how risks may change over time
 - C. To review the effectiveness of risk management, identifying what can be improved
 - D. To arrange assurance of risk content and the internal control framework
- 44) Which is an objective of the 'review and adapt' process?
- A. To ensure that there is a common understanding of what is 'at risk' in each context
 - B. To ensure that there is a good understanding of stakeholders' needs and wants
 - C. To ensure that an organization continues to want to realize benefits from risk management
 - D. To ensure that stakeholders are engaged and share their perceptions of risk causes
- 45) A new "Staff Motivation" project is being initiated and the project is in the 'define the context and objectives' process. The project team has identified some specific risk techniques and minor variations to be used when applying the TaxDept's risk management process.

In which output of the 'define the context and objectives' process should these techniques and variations be documented?

- A. The TaxDept's strategic risk management policy
- B. The TaxDept's strategic risk management process guide
- C. The "Staff Motivation" project's risk approach
- D. The TaxDept's current risk improvement plan

46) The TaxDept has decided to adopt a product-oriented approach for its digital solutions, initially appointing a product team for individual taxation products with a flatter, less hierarchical structure. The product team is starting M_o_R process cycle and wants to know whether there are some aspects of risk management that they can tailor to suit their new focus on digital taxation solutions to meet the needs of individual taxpayers.

Which document should the product team review?

- A. Organizational strategy and objectives
- B. Strategic risk management policy
- C. Decision register
- D. Business continuity plan

47) The government has introduced legislation to phase out the use of gas-fired heating systems within 20 years. In response, the TaxDept is starting a new programme to reduce the carbon footprint of their buildings. A senior responsible owner (SRO) has been appointed to the new carbon neutral programme. One project within the programme will be a feasibility project to determine the best approach to achieving carbon neutrality.

Which should be a responsibility of the programme's SRO during the 'define context and objectives' process?

- A. Produce a clear description of what is meant by a high-cost impact risk
- B. Approve the assessment of the influence and interest of the programme's stakeholders
- C. Notify potential risk owners that they may be required to own specific risks
- D. Approve the feasibility project's risk approach and calibrated impact scales

48) The executive management team has recorded several risks relating to the DTP, without the help of anyone with risk expertise. As a result, the risks identified were either not risks, or not relevant to the programme's objective to enable 'self-serve' taxation. Here is an example of one of the risks recorded: "Using agile ways of working for the first time could slow the DTP down, rather than speed it up." A risk specialist in agile ways of working has been consulted.

What advice should the risk specialist give in the 'describe risks' activity?

- A. To document "the use of agile ways of working for the first time" as the uncertain event
- B. To identify any possible benefits that using agile ways of working could bring to the DTP
- C. To document the "use of agile ways of working for the first time" as the risk cause
- D. To identify the executive management team's top ten risks relating to the use of agile ways of working

49) The DTP has been underway for two years. The department's executive management team has now agreed for the DTP to initially set up a single product team developing individual digital taxation solutions. This change to a product focus is to ensure tax is collected accurately and reliably. This agreement needs to be recorded and be used in the 'identify threats and opportunities' process.

Where should this agreement be recorded?

- A. Organizational strategy and objectives
- B. DTP risk approach
- C. Strategic issue register
- D. DTP decision register

50) The executive management team of the TaxDept has asked the senior responsible owner (SRO) of the DTP to adopt a product-oriented approach for its digital solutions, initially appointing a product manager for individual taxation products. The programme manager is currently using the department's existing checklists when identifying risks. However, concerns have been raised about how useful these checklists will be when identifying risks to the various products being delivered as part of the DTP. A workshop is being set up during the 'identify threats and opportunities' process to review these checklists.

Which role is MOST LIKELY to be consulted during the workshop?

- A. Executive management team
- B. DTP SRO
- C. DTP programme manager
- D. Product manager for individual taxation products

51) The Chief Executive of the TaxDept has to produce a quarterly report to government ministers covering 'principal risks'. As the next reporting period will cover government elections, the ministers have asked for a list of risks that might occur in this period.

In which activity of the 'prioritize risks' process should the executive management team identify these risks?

- A. Assess likelihood
- B. Assess proximity and/or velocity
- C. Calculate expected value
- D. Identify leading indicators

52) The DTP senior responsible owner (SRO) needs to include the prioritized risks in the programme's monthly risk report to executive management. This should show which risks currently exceed risk thresholds in an easily understandable format.

Which document should the programme manager update monthly to meet this need?

- A. Risk register
- B. Risk matrix
- C. Combined risk profile report
- D. Bow-tie diagram

53) The programme is in the 'prioritize risks' process in the tranche 2 and the following risk needs to be re-prioritized:

"Because of slow internet speeds in rural areas, there is a risk that individuals and businesses in those areas will be reluctant to 'self-serve' their taxation matters online, preventing full realization of the DTP business case in the required timescale."

This risk had initially been assessed during tranche 1, with leading indicators identified to measure the difference between online submissions expected and those received. It is now necessary to review this initial prioritization to reflect the programme's progress and changes in the environment.

Which role should monitor the leading indicators and re-prioritize this risk during tranche 2?

- A. DTP change sponsor (SRO)
- B. DTP programme manager
- C. Head of programme management office (PMO)
- D. Risk owner relating to slow internet speeds

54) The TaxDept has set up a programme to reduce the number of office buildings because fewer staff will be needed once taxpayers move to self-serving taxation online. There are a number of risks in the DTP that could cause delays to this buildings programme. The portfolio manager needs to understand the aggregated risk to the TaxDept's objective of reducing the cost of tax collection from these two programmes.

Which should the portfolio manager review BEFORE starting the 'assess combined risk profile' process?

- A. The risks that could cause possible delays to the DTP and how they are likely to delay to the buildings programme
- B. Whether the same risk to on-time delivery has been identified by both the DTP and the buildings programme and its impact
- C. The impact of delays to reducing cost of tax collection caused by the risks identified by the DTP and the buildings programme
- D. The likelihood and impact of the risks to on-time delivery recorded by the DTP and the buildings programme

55) At the beginning of the DTP, a number of threats and opportunities were identified relating to the adoption of agile ways of working. The executive management team requested a report on how these risks were likely to affect the business case, by allowing the reduction of scope and delivering on time and to budget. The programme is now at the beginning of tranche 2, and the analysis has been repeated to update the report. The results of the recent analysis look quite different to the initial report and a review needs to be undertaken as part of the 'assess combined risk profile' process to compare the results.

Which role is MOST LIKELY to conduct this review?

- A. Programme change sponsor (SRO)
- B. Programme manager
- C. Programme management office (PMO)
- D. Agile coach

56) As a result of a risk relating to weak controls over access to individual tax records, the TaxDept has decided to introduce "stricter access controls" as part of the 'plan responses' process. These new controls include requesting a team leader's permission to access a tax record, changing passwords on a more frequent basis, and logging off when IT systems are left unattended. The 'identify any secondary risks' activity now needs to be undertaken.

Which is an example of a secondary risk caused by these "stricter access controls"?

- A. Team leaders may not be able to provide authorization quickly enough impacting the response times for dealing with customer enquiries
- B. Team leaders may be able to continually improve the "self-serve" online taxation services, if the TaxDept adopts the product perspective
- C. Staff will have to change their password more often, causing them to forget their passwords increasing the need for helpdesk support
- D. Staff will have to log on and off more often when leaving their desks which is inconvenient and will increase the time to respond to queries

57) The DTP is in the 'plan responses' process and the following risk has been entered into the risk register, together with a proposed response:

Risk: Because of slow internet speeds in rural areas, there is a risk that individuals and businesses in those areas may be reluctant to 'self-serve' their taxation matters online, resulting in

Response: The TaxDept will provided tax incentives to internet service providers to upgrade their infrastructure in rural areas to provide faster internet speeds.

It is expected that some internet service providers will be in a position to take advantage of these tax incentives.

Which type of response is described?

- A. Avoid a threat
- B. Reduce a threat
- C. Transfer a risk
- D. Share the risk

58) The TaxDept was concerned that using a linear project lifecycle to implement 'self-serve' taxation could lead to major disruptions to tax collection and could also mean that the DTP's full business case was unlikely to be realized in the next three years. In response, the DTP is deploying agile ways of working for the first time. A number of new uncertainties have been caused by the introduction of agile ways of working.

How should these new uncertainties be recorded in the 'plan responses' process?

- A. As plausible scenarios that represent possible futures
- B. As secondary risks in the risk registers of the agile projects
- C. As secondary risks in the programme risk register
- D. As individual simulated outputs on a scatter plot

59) The operations manager responsible for on-line tax submissions has been discussing the following risk with the operational leadership team:

"Because January is the busiest month for online tax returns, there is a risk that the IT systems may slow down to unacceptable response times. This would affect the objective to reduce the number of customer complaints."

Which action should the operations manager take in response to this risk in the 'agree business continuity plans' activity?

- A. Agree with the helpline managers that additional staff will be available during the whole of January
- B. Develop "website queuing software" which can be switched on by operations staff if volumes reach a high level
- C. Train staff working in the customer complaints team in how to provide excellent customer service
- D. Arrange for the marketing team to launch an advertising campaign asking people to complete their returns early

60) The DTP is attempting to deploy agile ways of working for the first time. Time contingency needs to be added to some of the agile projects in the form of additional timeboxes, rather than a buffer, in support of deploying agile ways of working. Each project will need to be assessed to determine the right amount of time contingency to be allocated.

Which role is MOST LIKELY to undertake this assessment?

- A. Programme change sponsor/senior responsible owner
- B. Programme manager
- C. Programme office
- D. Programme risk specialist

61) The TaxDept has to produce a quarterly report to government ministers covering 'principal risks'. As the next reporting period includes forthcoming government elections, the ministers have asked for a special report on how the possible elections results could affect these risks.

In which activity in the 'monitor and report progress' process should the report be produced?

- A. Monitor planned actions
- B. Communicate progress
- C. Report use of contingency
- D. Escalate/delegate ownership of risks as appropriate

62) The online tax refund project is underway as part of the DTP. The project team is using an iterative project lifecycle. The programme manager has asked the project manager to specifically report on one risk relating to the fact the delivery team is new to using agile ways of working and therefore may have over-estimated the amount of work they could complete in each fixed timebox.

Which statement should the project manager include in the risk report to show that the risk is being managed effectively?

- A. The team are becoming increasingly confident in their use of iterative project delivery techniques
- B. The team has delivered the highest priority features so far and lower priority features will be descoped if needed
- C. The team will reflect on whether current reporting methods are effective at the end of each timebox
- D. The team will hold short meetings each morning to identify and prioritize any new risks that could affect the timebox

63) After completing a tranche of the DTP, the programme manager reviewed how the DTP risk approach had been applied. The review identified that on some projects risk impact scales were used that had not been correctly calibrated. As a result, some risks were not escalated to the programme appropriately.

Which action should the programme manager take in the 'define adjustments to guidance as necessary' activity?

- A. Ensure DTP's programme and project staff are empowered to adjust the impact scales as required
- B. Carry out a health check to identify if the selection of impact scales was a process or people issue
- C. Agree the correct impact scales with risk owners and document this in the DTP risk approach
- D. Amend the TaxDept's strategic risk management policy to include the DTP's calibrated impact scales

64) The TaxDept is conducting the 'review and adapt' process. As part of this review, it has been noted that the DTP is making progress in its deployment of agile ways of working. However, concern has been raised about the how value is created from risk management in an agile environment and how this compares to other governmental departments that are using a linear life cycle.

How should the TaxDept executive management attempt to ease those concerns?

- A. Commission a series of risk management health checks
- B. Monitor leading indicators to determine differences in exposure
- C. Monitor trends using 'burn-down' charts that show changing exposure
- D. Commission a series of risk management maturity assessments

65) The DTP is making progress in its deployment of agile ways of working. The 'review and adapt' process is underway and some suggestions for how risk management can better support the agile ways of working have been identified by members of the DTP team.

Which role is MOST LIKELY to review these suggestions?

- A. Board members/trustees
- B. Change sponsor (SRO)
- C. Programme manager
- D. Risk specialists

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Sample Paper 2

Answers and Rationales

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For exam paper: EN_MoR4_PRAC_2022_SamplePaper2_QuestionBk_v1.0

Q	A	Syllabus Ref	Rationale
1	B	1.1	<p>A. Incorrect. Issues are related to risks, but issues do not define risk exposure. "The exposure of an objective to a single risk is determined" by multiplying the threat or opportunity occurring, by an estimate of the impact on the objective. Ref 1.2</p> <p>B. Correct. The chance of occurring is probability and the size of its effect is the impact of the risk on the objective. "The exposure of an objective to a single risk is determined" by multiplying the threat or opportunity occurring, by an estimate of the impact on the objective. Ref 1.2</p> <p>C. Incorrect. The number of mitigations to reduce a risk do not define the exposure of the objective. This is measured by the probability and impact. "The exposure of an objective to a single risk is determined" by multiplying the threat or opportunity occurring, by an estimate of the impact on the objective. Ref 1.2</p> <p>D. Incorrect. The risk proximity (when a risk might occur) does not define the objectives exposure. "The exposure of an objective to a single risk is determined" by multiplying the threat or opportunity occurring, by an estimate of the impact on the objective. Ref 1.2</p>
2	D	1.2	<p>D. Correct.</p> <p>(1) "Corporate governance tends to operate on a 'comply or explain' basis." Ref 1.4</p> <p>(4) Correct. "Corporate governance is also concerned with assurance, to provide transparency and confidence about progress towards objectives." Ref 1.4</p> <p>A, B, C. Incorrect.</p> <p>(2) Incorrect. "Risk management in the programme perspective supports overall organizational objectives by ensuring that progression to the desired future state is done incrementally." It is not how is corporate governance likely to be demonstrated. Ref 3.5.1</p> <p>(3) Incorrect. Enterprise agility is "A condition of an organization that is able to be flexible and responsive to drivers in its environment." It is not how is corporate governance likely to be demonstrated. Ref 1.1</p>

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Q	A	Syllabus Ref	Rationale
3	B	1.5	<p>A. Incorrect. The product-oriented approach is a response to the need to continually improve and innovate at a faster rate. It is not a “challenge of risk management application.” “Product-oriented organizations have sought to ensure resilience in a VUCA environment by adopting agile ways of working that focus on delivering value early and often, using feedback to continually improve and innovate at a faster rate.” Ref 1.6</p> <p>B. Correct. “This approach has potential benefits for the delivery of value, but it can introduce specific challenges for risk management as organizations further explore new technologies and ways of working. Some of these challenges can be described as follows: ...When multiple teams are working autonomously, it can be difficult to ensure a clear understanding of the aggregated or cumulative impact of risks. This limits the effective prioritization of initiatives, products, and releases, and can lead to a disconnection between organizational strategy (and risk appetite) and its execution by the product or delivery team.” Ref 1.6</p> <p>C. Incorrect. “Desire for positive ‘can-do’ attitudes that effectively silence voices that perceive the situation differently” is one of the “12 common challenges [that] can impact the effective management of risk, regardless of the organization and its chosen operating model.” It is not a challenge faced specifically by product-oriented organizations. Ref 1.6</p> <p>D. Incorrect. This is the definition of a process within the M_o_R process cycle: “To create and protect organizational value through the use of risk management, it is necessary to follow eight distinct processes, each of which has a specific objective. All eight processes apply regardless of the perspective.” “The whole of the M_o_R integrated framework is necessary for the effective management of risk.” Ref 5, 1.6</p>

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Q	A	Syllabus Ref	Rationale
4	D	1.5	<p>A. Incorrect. This statement describes processes, not principles. A process is “a structured set of activities that define the sequence of actions and their inputs and outputs to achieve a specific objective.” A principle is defined as “a guiding obligation that is continually required to create and protect value from risk management.” They are applied “across and between... perspectives.” This includes the operational perspective. Ref 5, 2.1</p> <p>B. Incorrect. This statement describes guidance given in the People chapter. “Stakeholder engagement: A way of exercising influence and achieving positive outcomes through effective management of relationships.” “Competence in any subject depends on a combination of attitude, knowledge, skills, and experience.” “Fortunately, many elements of competence can be learned and developed.” A principle is defined as “a guiding obligation that is continually required to create and protect value from risk management.” They are applied “across and between... perspectives.” This includes the operational perspective. Ref 4.2, 4.4, 2.1</p> <p>C. Incorrect. “The first seven principles are enablers. The final principle is the result of implementing risk management well.” A principle is defined as “a guiding obligation that is continually required to create and protect value from risk management.” They are applied “across and between... perspectives.” This includes the operational perspective. Ref 2.1</p> <p>D. Correct. A principle is defined as “a guiding obligation that is continually required to create and protect value from risk management.” They are applied “across and between... perspectives.” This includes the operational perspective. Ref 2.1</p>

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Q	A	Syllabus Ref	Rationale
5	C	1.6	<p>A. Incorrect. While the portfolio team should feel supported in their efforts, this is applying the 'creates a supportive culture' principle which focuses "on people-related aspects of risk management." The 'aligns with objectives' principle "is achieved by: leaders being clear about objectives and the capacity and appetite for risk to those objectives." The leaders in this instance have not addressed the change in context. Also, "the primary outcome of satisfying the principle of aligning with objectives is that the risks that are prioritized for management action are those with the biggest potential to protect or enhance current value." By not addressing this change in context, TaxDept is ignoring a potential for cost savings and fines across the organization. Ref 2.8, 2.2</p> <p>B. Incorrect. The executive management would benefit from more information in order to make a decision, but this would be application of the 'informs decision-making' principle. The 'aligns with objectives' principle "is achieved by: leaders being clear about objectives and the capacity and appetite for risk to those objectives." The leaders in this instance have not addressed the change in context. Also, "the primary outcome of satisfying the principle of aligning with objectives is that the risks that are prioritized for management action are those with the biggest potential to protect or enhance current value." By not addressing this change in context, TaxDept is ignoring a potential for cost savings and fines across the organization. Ref 2.2</p> <p>C. Correct. The 'aligns with objectives' principle "is achieved by: leaders being clear about objectives and the capacity and appetite for risk to those objectives" and by "a risk management process that is continually applied to reflect changes to objectives over time." The leaders in this instance have not addressed the change in context. Also, "the primary outcome of satisfying the principle of aligning with objectives is that the risks that are prioritized for management action are those with the biggest potential to protect or enhance current value." By not addressing this change in context, TaxDept is ignoring a potential for cost savings and fines across the organization. Ref 2.2</p> <p>D. Incorrect. Not being "flexible and willing to adjust so that risk management is fit for the context" is a failure of the 'fits the context' principle. The 'aligns with objectives' principle "is achieved by: leaders being clear about objectives and the capacity and appetite for risk to those objectives." The leaders in this instance have not addressed the change in context. Also, "the primary outcome of satisfying the principle of aligning with objectives is that the risks that are prioritized for management action are those with the biggest potential to protect or enhance current value." By not addressing this change in context, TaxDept is ignoring a potential for cost savings and fines across the organization. Ref 2.3, 2.2</p>

Q	A	Syllabus Ref	Rationale
6	B	1.6b	<p>A. Incorrect. While a risk register would be needed for the programme selling office buildings, this would be an example of how risk management is being "consistently implemented", which demonstrates the 'provides clear guidance' principle. With the TaxDept likely to shed more staff and offices, this is a change to the internal context. "Changes to the internal context may lead to changes to roles, responsibilities, performance measures, or ways of working." Ref 2.5, 2.3</p> <p>B. Correct. "The internal context includes the strategy, formal and informal structures, relationship between stakeholders, and the processes and incentives deployed overall, or within part of the organization." With the TaxDept likely to make a number of staff redundant, this is a change to the internal context. "Changes to the internal context may lead to changes to roles, responsibilities, performance measures, or ways of working." Ref 2.3</p> <p>C. Incorrect. "A risk management process that explicitly identifies and engages the stakeholders relevant to the objective and associated decisions" is an example of how the 'engages stakeholders' principle is achieved. "The internal context includes the strategy, formal and informal structures, relationship between stakeholders, and the processes and incentives deployed overall, or within part of the organization." With the TaxDept likely to make a number of staff redundant, this is a change to the internal context. "Changes to the internal context may lead to changes to roles, responsibilities, performance measures, or ways of working." Ref 2.4, 2.3</p> <p>D. Incorrect. This is an example of the 'facilitates continual improvement' principle, which is achieved by "supporting the continued professional development of people involved in any aspect of the risk management process." "The internal context includes the strategy, formal and informal structures, relationship between stakeholders, and the processes and incentives deployed overall, or within part of the organization." With the TaxDept likely to make a number of staff redundant, this is a change to the internal context. "Changes to the internal context may lead to changes to roles, responsibilities, performance measures, or ways of working." Ref 2.7, 2.3</p>

Q	A	Syllabus Ref	Rationale
7	C	1.6c	<p>A. Incorrect. The agile coach is responsible for "ensuring that the delivery teams apply appropriate techniques and practices to their work." However, the 'engages stakeholders' principle is achieved by engaging "stakeholders relevant to the objective and associated decisions" and "having access to skilled facilitators who have... the gravitas to challenge stakeholders as required." Ref 3.6.2, tab 4.1, 2.4</p> <p>B. Incorrect. While it is true that "the behaviours that are valued in agile ways of working are complementary to the behaviours that are important in building a mature risk culture", this does not explain why the 'engages stakeholders' principle is achieved by engaging "stakeholders relevant to the objective and associated decisions" and "having access to skilled facilitators who have... the gravitas to challenge stakeholders as required." Ref 4.5.2, 2.4</p> <p>C. Correct. While the agile coach is responsible for "ensuring that the delivery teams apply appropriate techniques and practices to their work", the programme manager's suggestion is likely to lead to disengaged project managers. The 'engages stakeholders' principle is achieved by "having access to skilled facilitators who have... the gravitas to challenge stakeholders as required." A project's agile coach is unlikely to have the neutrality and gravitas to challenge the perceptions of project managers. Ref 2.4, 3.6.2</p> <p>D. Incorrect. While the project risk specialist, is responsible for "supporting the project manager to apply fit-for-purpose risk management to project activities, including, but not limited to, facilitation, analysis, and reporting", the project managers are not concerned about risk management, but their role, and the 'engages stakeholders' principle is achieved by engaging "stakeholders relevant to the objective and associated decisions" and "having access to skilled facilitators who have... the gravitas to challenge stakeholders as required." Ref 3.6.2, 2.4</p>

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Q	A	Syllabus Ref	Rationale
8	A	1.6d	<p>A. Correct. The 'provides clear guidance' principle is achieved by "keeping processes relevant by seeking feedback on current practices from stakeholders and adjusting to fit any changes in external and internal contexts." Ref 2.5</p> <p>B. Incorrect. 'Informs decision-making' is concerned with integrating "the best available information and expertise to inform decision-making at multiple levels", whereas 'provides clear guidance' is concerned with providing "clear guidance through a comprehensive, structured approach to the management of risk that can be tailored to the specific context." Ref 2.6, 2.5</p> <p>C. Incorrect. 'Facilitates continual improvement' is concerned with "learning from the application of risk management" to continually improve practices, whereas 'provides clear guidance' is concerned with providing "clear guidance through a comprehensive, structured approach to the management of risk that can be tailored to the specific context." Ref 2.7, 2.5</p> <p>D. Incorrect. 'Creates a supportive culture' is concerned with embedding "the conditions for people to take considered risk in the pursuit of value", whereas 'provides clear guidance' is concerned with providing "clear guidance through a comprehensive, structured approach to the management of risk that can be tailored to the specific context." Ref 2.8, 2.5</p>
9	A	1.6g	<p>A. Correct. The 'creates a supportive culture' principle involves the right management attitude and influence to discuss risks rather than just hoping for the best. Supportive culture "also values the work to try to make better-informed decisions rather than just 'going for it' and managing the issues that arise as they happen." The 'tone from the top' encourages people "to discuss their perceptions of risk." Ref 2.8</p> <p>B. Incorrect. Gathering and analysing is a consequence of applying the 'informs decision-making' principle. Using data "analysis to create the risk information required, drawing from historic data where relevant and deploying relevant expertise to shape and challenge the data." Ref 2.6</p> <p>C. Incorrect. The 'achieves measurable value' principle is about return on the investment made in risk management, not the achievement of a change business case. Achieving measurable value is achieved by "keeping a focus on creating additional value through seizing opportunities; not just protecting value by avoiding threats." Ref 2.9</p> <p>D. Incorrect. Meetings between programme and operational managers will not improve the value from risk management, they are designed to address current risk. The 'achieves measurable value' "ensures that the primary purpose of risk management is achieved, to create and protect value." Ref 2.9</p>

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Q	A	Syllabus Ref	Rationale
10	A	1.6h	<p>A. Correct. The 'achieves measurable value' principle "focuses on creating and protecting value." "In all organizations, improving risk management would be expected to reduce waste/rework levelsю" A reduction in the number of post-implementation fixes would mean that risks had been managed well reducing rework. Ref 2.9</p> <p>B. Incorrect. Project delivery is not a measure that can be directly linked to the performance of risk. "Good or bad luck can have as much of an influence as good or bad management." Ref 2.9</p> <p>C. Incorrect. Each project having its own risk register is a measure of compliance with the risk approach, it is more important to know what is on the risk register when measuring effectiveness. "Process-based measures: things that measure compliance with the risk management approach." Ref 2.9</p> <p>D. Incorrect. Customer satisfaction can be linked to quality of the deliverables, but not directly to risk management. "Performance measures need to be established" to link risk to improved customer satisfaction. Ref 2.9</p>
11	D	1.6	<p>A. Incorrect. "May exist in organizations as a way of isolating innovation and new product development from the core routines of the standing organization" describes the functional orientation in the product perspective. Ref tab 14.1</p> <p>B. Incorrect. "The chosen delivery mode for managing products and services from 'cradle to grave'. Risk management is focused on delivering solutions and value for customers in an ongoing and iterative way using real-time feedback" describes the product orientation in the product perspective. Ref tab 14.1</p> <p>C. Incorrect. "Projects are most likely to be focused on delivering new capability that is then transitioned to operations for ongoing use" describes the functional orientation in the project perspective. Ref tab 14.1</p> <p>D. Correct. "Projects may be used for some initial product development or for other change within the organization that is not product-related (e.g. an office move)." "When a linear/sequential project delivery mode is the correct choice, this supports the timely identification and management of risks focused on protecting delivery of the whole project." This describes the product orientation in the project perspective. Ref tab 14.1, 3.6.1.1</p>

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Q	A	Syllabus Ref	Rationale
12	D	2.1	<p>A. Incorrect. Risks are "uncertainties that would have an effect on one or more objectives if they occurred." This does not explain why an organization should create an integrated risk management approach that covers the operational perspective. Nor do you seek to add value to risks. You seek to manage risks. Ref 3.2.4, 3.5.1</p> <p>B. Incorrect. "The purpose of risk management in the programme perspective is to add value to the achievement of outcomes of benefit from change." This does not explain why an organization should create an integrated risk management approach that covers the operational perspective. Ref 3.5.1</p> <p>C. Incorrect. Multimodal delivery is "the selection of methods of delivering the work that are appropriate to the task, the team, the individuals (including customers, stakeholders, leaders, and workers), and the context." This does not explain why an organization should create an integrated risk management approach that covers the operational perspective. Ref 3.6.1</p> <p>D. Correct. "The purpose of risk management in the operational perspective is to add value to the achievement of reliable and efficient operational outputs." The objectives at risk are those of concern to the senior management team (executive management) of the organization in terms of ensuring the organization is able to perform its 'business as usual' activities as planned. Ref 3.8.1</p>
13	C	2.2	<p>A. Incorrect. "As a minimum, a qualitative scale is required for: likelihood... [and] impact", i.e. NOT proximity. Ref 3.2</p> <p>B. Incorrect. "As a minimum, a qualitative scale is required for: likelihood... [and] impact", i.e. NOT a quantitative scale for likelihood and velocity. Ref 3.2</p> <p>C. Correct. "As a minimum, a qualitative scale is required for: likelihood... [and] impact." Ref 3.2</p> <p>D. Incorrect. "As a minimum, a qualitative scale is required for: likelihood... [and] impact", i.e. NOT a quantitative scale. Ref 3.2</p>

Q	A	Syllabus Ref	Rationale
14	A	2.3	<p>A. Correct. "Best practice is not to use the same impact scale across the whole organization, but rather to calibrate specific impact scales based on the capacity and appetite for risk for each objective that is 'at risk'." The DTP is seen as being mission critical for the TaxDept and they are focused on realizing benefits from the programme incrementally, with the full business case realized in the next three years. "The concept of risk appetite can be applied for each perspective. Indeed, as part of establishing governance for a programme or project, the appetite for risk for each change objective must be determined. This can be done in isolation from other parts of the organization, but best practice is to have an integrated approach that makes the hierarchy of objectives at risk explicit, and in doing so define delegated limits of authority." Ref 3.2.1.2</p> <p>B. Incorrect. Velocity is concerned with "how quickly the risk would have an impact on objectives should it occur." Forecast value of benefits over the next three years is a measure of capacity, rather than velocity. Ref 3.2.1.3</p> <p>C. Incorrect. While "best practice is not to use the same impact scale across the whole organization", the proposal addresses the DTP and its associated projects only. This is a mission critical programme, and the impact scales have been set specifically and based on the capacity for risk for each objective that is 'at risk'. "The concept of risk appetite can be applied for each perspective. Indeed, as part of establishing governance for a programme or project, the appetite for risk for each change objective must be determined. This can be done in isolation from other parts of the organization, but best practice is to have an integrated approach that makes the hierarchy of objectives at risk explicit and in doing so define delegated limits of authority." Ref 3.2.1.2</p> <p>D. Incorrect. While it is true that "some organizations choose to prioritize risks by considering parameters other than likelihood and impact", the DTP is seen as being mission critical for the TaxDept and they are focused on realizing benefits from the programme incrementally, with the full business case realized in the next three years. As a result, likelihood and impact are appropriate. "The concept of risk appetite can be applied for each perspective. Indeed, as part of establishing governance for a programme or project, the appetite for risk for each change objective must be determined. This can be done in isolation from other parts of the organization, but best practice is to have an integrated approach that makes the hierarchy of objectives at risk explicit and in doing so define delegated limits of authority." Ref 3.2.1.3, 3.2.1.2</p>

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Q	A	Syllabus Ref	Rationale
15	E	2.4	E. Correct. Requiring authorization from supervisor is an example of segregated duties. The strategic control of the Internal control environment defines and assures the segregation of duties. Ref 3.3.3 A, B, C, D. Incorrect. Ref 3.3.3
16	D	2.4	D. Correct. All staff are required to comply with some laws, one of which is data protection. "Compliance: Influencing and monitoring the regulatory environment for the organization and planning effective controls for compliance-related risks." Ref 3.3.3 A, B, C, E. Incorrect. Ref 3.3.3
17	C	2.4	C. Correct. Identifying what can go wrong and planning future actions is an example of scenario planning. "Scenario planning: Creation and evaluation of multiple possible futures at strategic level." Ref 3.3.3 A, B, D, E. Incorrect. Ref 3.3.3
18	D	2.5	D. Correct. The "portfolio office lead: Responsible for supporting change activities across the organization, including... ensuring risk information is available to support decisions." The report is an example of making information available to support decisions. Ref 3.4.2 A, B, C, E. Incorrect. Ref 3.4.2
19	C	2.5	C. Correct. The "portfolio manager: Responsible... for day-to-day leadership of the portfolio, and therefore the efficacy of application of risk management across the portfolio." Organizing and notifying the programme managers of the new meeting demonstrates day-to-day leadership. Ref 3.4.2 A, B, D, E. Incorrect. Ref 3.4.2
20	B	2.5	B. Correct. "Executive sponsors (typically members of the senior management team): Responsible for sponsoring programmes and/or projects and owning risks where authority cannot be delegated to other team members." Approving the transition plans would be the responsibility of the programme sponsor (SRO). Ref 3.4.2 A, C, D, E. Incorrect. Ref 3.4.2
21	D	2.6	D. Correct. Escalation and delegation are concerned with "ensuring calibration of impact scales used in projects and programmes enables effective escalation and delegation so ownership of risk is aligned with delegated levels of authority." Ref 3.4.3 A, B, C, E. Incorrect. Ref 3.6.3, 3.5.3

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Q	A	Syllabus Ref	Rationale
22	E	2.6	E. Correct. "Programme level controls: Identifying common causes of project-level risks and implementing controls that directly target causes. Where the programme is part of a portfolio, this work will be part of the work to establish portfolio-level controls." Ref 3.5.3 A, B, C, D. Incorrect. Ref 3.6.3, 3.5.3
23	D	2.6	D. Correct. Escalation and delegation is concerned with "ensuring calibration of impact scales used in projects enables effective escalation and delegation so ownership of risk is aligned with delegated levels of authority." Ref 3.4.3 A, B, C, E. Incorrect. Ref 3.6.3, 3.5.3
24	D	2.7a	D. Correct. The "risk specialist [is] responsible for supporting the project manager to apply fit-for-purpose risk management to project activities, including, but not limited to, facilitation, analysis, and reporting." This is an example of risk analysis. Ref 3.6.2 A, B, C, E, F. Incorrect. Ref 3.6.2
25	C	2.7a	C. Correct. The "project office lead [is] responsible for managing delivery and capacity controls for the project, including the administration and support of the risk process." Gathering health and safety training information is an administrative task. A, B, D, E, F. Incorrect. Ref 3.6.2
26	F	2.7a	F. Correct The "agile coach or team manager [is] responsible (depending on the mode of delivery) for ensuring that the delivery teams apply appropriate techniques and practices effectively to their work and consider risks to the effective delivery of the timebox or work package objectives." A short daily meeting (often called a daily standup) is a technique often used by agile delivery teams to update each other on progress. Agile ways of working rely on "dedicated, empowered" teams to self-manage during a timebox. This would include managing risk within their tolerances. The project manager may be invited to observe but doesn't usually contribute. Ref 3.6.2, 3.6.1.2 A, B, C, D, E. Incorrect. Ref 3.6.2

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Q	A	Syllabus Ref	Rationale
27	C	2.7b	<p>C. Correct.</p> <p>(3) "Continual improvement to operations (e.g. using tools and techniques such Lean Six Sigma)" "enables an organization to identify waste or redundancy in a process, product, service, or system" and work to eliminate this. Ref 3.6.1.4</p> <p>(4) In iterative project lifecycles "customer focus and collaboration within the team ensures that there is wide input to understanding risks and making decisions accordingly." Ref 3.6.1.2</p> <p>A, B, D. Incorrect.</p> <p>(1) In an iterative project lifecycle, "for agile ways of working to be effective, dedicate and empowered teams must have the delegated authority to make decisions, so risks are captured and managed swiftly and at the appropriate level." Ref 3.6.1.2</p> <p>(2) A linear/sequential project delivery mode is defined as "A project delivery mode that aims to complete the delivery of outputs within a single pass through a set of distinct phases, completed in sequence." While risks that span multiple timeboxes will need to be managed, timeboxes are not a feature of a linear lifecycle. They are a feature of iterative project lifecycles that work "within fixed timeboxes from which scope and quality emerge." Ref 3.6.1.1, 3.6.1.2</p>
28	A	2.9	<p>A. Correct. Thinking of things that can go wrong is part of failure modes. "Failure modes: Understanding the underlying reasons why an operation may fail and putting in controls to strengthen reliability." Ref 3.8.3</p> <p>B, C, D, E. Incorrect. Ref 3.7.3</p>
29	B	2.9	<p>B. Correct. All aspects of the operational environment should have the correct amount of staff to achieve operational efficiency. "Optimal process efficiency: Understanding when a process could be 'too lean', leading to fragility/lack of resilience, and ensuring sufficient contingency or redundancy is provided." Ref 3.8.3</p> <p>A, C, D, E. Incorrect. Ref 3.7.3</p>
30	C	2.9	<p>C. Correct. As part of business continuity specific plans should be in place to recover from failures and staff should know who to contact in the event of an emergency. "Disaster recovery: Identifying critical operations and putting in place specific plans to recover from catastrophic failures." Ref 3.8.3</p> <p>A, B, D, E. Incorrect. Ref 3.7.3</p>
31	B	2.9	<p>B. Correct. Planning the work to focus on the most important work is "Prioritization of work within each timebox: Ensuring the team is focused on the priority work and removing actual and potential blockages to progress." Ref 3.7.3</p> <p>A, C, D, E. Incorrect. Ref 3.7.3</p>

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Q	A	Syllabus Ref	Rationale
32	D	2.9	D. Correct. Informing the programme manager of threats to objectives is “Escalation: Ensuring risks that cannot be resolved within the product team are escalated, including those identified during horizon scanning.” Ref 3.7.3 A, B, C, E. Incorrect. Ref 3.7.3
33	A	2.9	A. Correct. Reviewing economic forecasts for unemployment is “Horizon scanning: Ensuring a detailed and up-to-date understanding of disruptive trends and emerging risks.” Ref 3.7.3 B, C, D, E. Incorrect 3.7.3
34	A	3.1	A. Correct. "The behaviours that are valued in agile ways of working are complementary to the behaviours that are important in building a mature risk culture. This does not mean that risk management requires agile ways of working, but it does suggest that empowered, self-managed agile teams that demonstrate transparency, collaboration, and rich communication may have an advantage when making risk-based decisions." Ref 4.5.2 B. Incorrect. "A risk management process that explicitly assesses the external and internal contexts" is a response to a common challenge in application: "Discussion of risk in general terms, but with insufficient focus on the context and why risk matters to the specific objectives at risk." It is not a factor in building a mature risk culture. Ref 4.6, tab 4.1 C. Incorrect. "Keeping a focus during risk identification on creating additional value through seizing opportunities, not just protecting value by avoiding threats" is a response to a common challenge in application: "Downside thinking, limiting the ability to explore and exploit upside opportunities." It is not a factor in building a mature risk culture. Ref 4.6, tab 4.1 D. Incorrect. "Investment in analysis to create the risk information required, drawing from historic data where relevant and deploying relevant expertise to shape and challenge the data" is a response to a common challenge in application: "Data not being used to improve estimates of the chance of risks occurring, the most likely size of impact, and the interconnections between activities and risks." It is not a factor in building a mature risk culture. Ref 4.6, tab 4.1

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Q	A	Syllabus Ref	Rationale
35	C	3.1	<p>A. Incorrect. A supportive culture requires "reward and recognition systems that motivate risk management rather than issue/crisis management", heroic recovery from a crisis is to be avoided. Ref 4.5.4</p> <p>B. Incorrect. While it is true that "Eight principles are universally applicable when management risk using the M_o_R®4 integrated framework", this is NOT a feature of a supportive culture for risk management. Ref 2.10</p> <p>C. Correct. "A culture that supports risk management recognizes the role of luck, but also values the work to try to make better-informed decisions rather than just 'going for it' and managing the issues that arise as they happen." Ref 2.8</p> <p>D. Incorrect. Inevitably things will not always work out as anticipated or planned. Sometimes this is due to good luck (there are many risks that people take that they appear to 'get away with') or bad luck (the odds were that it was a risk worth taking but it didn't work out). "A culture that supports risk management recognizes the role of luck, but also values the work to try to make better-informed decisions rather than just 'going for it' and managing the issues that arise as they happen." Ref 2.8</p>
36	C	3.2b	<p>A. Incorrect. "Delegating actions that do not get resourced or done" is an example of one of the 'common challenges' that are overcome through "governance specifying ownership and delegated authority for each objective" and "continual focus on whether risk management actions and activities are designed to add value", rather than a heuristic to be mitigated. Ref tab 4.1</p> <p>B. Incorrect. Applying the 'tight risk' process is inconsistent with the 'aligns with objectives' principle, which is achieved by "a risk management process that is continually applied to reflect changes to objectives over time" and is an example of a cognitive bias, i.e. "systematic, inbuilt ways of thinking that skew perception" rather than a heuristic to be mitigated. Ref 2.2, 4.3</p> <p>C. Correct. A heuristic involves "mental short cuts or 'rules of thumb' based on previous experience." This is an example of a 'rule of thumb' based on previous experience. Ref 4.3</p> <p>D. Incorrect. This is an example of a cognitive bias, i.e. "systematic, inbuilt ways of thinking that skew perception" rather than a heuristic to be mitigated. Ref 4.3</p>

Q	A	Syllabus Ref	Rationale
37	B	3.2c	<p>A. Incorrect. While facilitation plays a critical role in engaging stakeholders in risk management. Facilitation needs to "provide a neutral challenge to the people involved, to help them consider different perspectives and points of view and therefore reduce the effect of decision bias." Sending articles from an 'agile specialist' is unlikely to be viewed as capable of providing 'neutral challenge'. Ref 4.2</p> <p>B. Correct. This demonstrates a willingness to "prioritize organizational needs over any personal agenda" and, hence, demonstrated an attitude that is "generally useful when managing risk", and will help develop competence to combat decision bias. Ref 4.4</p> <p>C. Incorrect. Integrating risk management across perspectives is "the phrase used to describe the creation of a mechanism whereby effective prioritization is possible within each perspective, and it is possible to escalate, delegate and/or aggregate risks, and to identify and manage common themes." It would assist in being able to understand the impact of the risk on the TaxDept's strategic objective, but it does not demonstrate "attitudes that are generally useful when managing risk" or help to reduce the risk of failure. Ref 3.2, 4.4</p> <p>D. Incorrect. Calibration of the scales used to determine the priority of risks is "key to being able to integrate risk management across the perspectives." It would assist in being able to understand the impact of the risk on the TaxDept's strategic objective, but it does not demonstrate "attitudes that are generally useful when managing risk" or help to reduce the risk of failure. Ref 3.2, 4.4</p>

Q	A	Syllabus Ref	Rationale
38	C	3.3	<p>A. Incorrect. While “the purpose of risk management in the project perspective is to add value to the achievement of outputs and capabilities where the project is part of a programme or portfolio”, the proposal is incorrect because reward and recognition systems “that motivate risk rather than issue/crisis management” are needed. The proposed change is likely to encourage inappropriate behaviours, i.e. competition for the riskiest projects and heroic recovery from a crisis. Ref 3.6.1, 4.5.4</p> <p>B. Incorrect. While “the purpose of risk management in the programme perspective is to add value to the achievement of outcomes of benefit from change”, the proposal is incorrect because reward and recognition systems “that motivate risk rather than issue/crisis management” are needed. The proposed change is likely to encourage inappropriate behaviours, i.e. competition for the riskiest projects and heroic recovery from a crisis. Ref 3.5.1, 4.5.4</p> <p>C. Correct. Reward and recognition systems “that motivate risk rather than issue/crisis management” are needed. The proposed change is likely to encourage inappropriate behaviours, i.e. competition for the riskiest projects and heroic recovery from a crisis. Ref 4.5.4</p> <p>D. Incorrect. Reward and recognition systems “that motivate risk rather than issue/crisis management” are needed. The proposed change is likely to encourage inappropriate behaviours, i.e. “competition, internally as well as externally.” Ref 4.5.4</p>
39	B	3.4	<p>A. Incorrect. “Empowered, self-managed agile teams that demonstrate transparency, collaboration, and rich communication may have an advantage when making risk-based decisions”; very structured governance arrangements are likely to hinder this. Ref 4.5.2</p> <p>B. Correct. "The behaviours that are valued in agile ways of working... are complementary to the behaviours that are important in building a mature risk culture." "Empowered, self-managed agile teams that demonstrate transparency, collaboration, and rich communication may have an advantage when making risk-based decisions." Ref 4.5.2</p> <p>C. Incorrect. "Empowered, self-managed agile teams that demonstrate transparency, collaboration, and rich communication may have an advantage when making risk-based decisions"; a 'rigid risk process' is likely to hinder this. Ref 4.5.2</p> <p>D. Incorrect. "Empowered, self-managed agile teams that demonstrate transparency, collaboration, and rich communication may have an advantage when making risk-based decisions"; a risk averse operating environment is likely to hinder this. Ref 4.5.2</p>

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Q	A	Syllabus Ref	Rationale
40	B	3.5	<p>A. Incorrect. "Clear criteria about what aspects of the risk management process can be tailored" helps to overcome "confusion and inconsistent assessments, combined with an inability to aggregate risk information and understand overall exposure to risk" caused by different approaches being used in different parts of the organization. Each project would need to follow the defined processes in the "How to guide." Ref tab 4.1</p> <p>B. Correct. "Clear criteria about what aspects of the risk management process can be tailored" helps to overcome "confusion and inconsistent assessments, combined with an inability to aggregate risk information and understand overall exposure to risk" caused by different approaches being used in different parts of the organization. Ref tab 4.1</p> <p>C. Incorrect. "Clear criteria about what aspects of the risk management process can be tailored" should be provided. However, risk management is still required when using agile ways of working: "For agile ways of working to be effective, dedicated and empowered teams must have the delegated authority to make decisions, so risks are captured and managed swiftly and at the appropriate level." Ref tab 4.1, 3.6.1.2</p> <p>D. Incorrect. "Clear criteria about what aspects of the risk management process can be tailored" helps to overcome "confusion and inconsistent assessments, combined with an inability to aggregate risk information and understand overall exposure to risk" caused by different approaches being used in different parts of the organization", i.e. agile or not. "For agile ways of working to be effective, dedicated empowered teams must have the delegated authority to make decisions, so risks are captured and managed swiftly and at the appropriate level." Ref tab 4.1, 3.6.1.2</p>

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Q	A	Syllabus Ref	Rationale
41	A	4.1c	<p>A. Correct. One of the objectives of the 'prioritize risks' process is to ensure that "risk owners understand how they will determine whether the risk exposure is changing by identifying suitable leading indicators." Furthermore, "risk owners select leading indicators during the 'prioritize risks' process with the purpose of proactively monitoring how the risks in their ownership may be changing over time." Ref 8.2, 12.3.2</p> <p>B. Incorrect. One of the objectives of the 'identify threats and opportunities' process is to ensure that "focus is kept on creating additional value through identifying opportunities, not just protecting value by identifying threats." Ref 7.2</p> <p>C. Incorrect. One of the objectives of the 'identify threats and opportunities' process is to ensure that "risks are well described." They should also be used to populate the risk register, an output of the 'identify threats and opportunities' process. Ref 7.2, tab 7.1</p> <p>D. Incorrect. "The purpose of the 'define context and objectives' process is to ensure there is a good understanding of the drivers for stakeholders in both the external and internal contexts, and that this is translated into a common understanding of what is 'at risk' in the situation." Ref 6.1</p>
42	A	4.1d	<p>A. Correct. It is one of the objectives of the 'assess combined risk profile' that "multiple risks associated with the same objective are considered in a logical way." "Often, the same risk will have been identified and prioritized within individual operations or projects, or product teams, yet a relevant decision needs to be made at a programme, portfolio, or strategic level." Ref 9.2, 9.3.1</p> <p>B. Incorrect. "Best practice is to use the same likelihood scale across the whole organization", rather than multiple techniques as suggested. Ref 3.2.1.1</p> <p>C. Incorrect. One of the objectives of the 'define context and objectives' process is to ensure that "objectives 'at risk' are clear and the capacity and appetite for risk to those objectives is defined." Ref 6.2</p> <p>D. Incorrect. While "the choice of risk tolerances must be... measurable in a way that can drive action", 'define risk tolerances' is an activity of the 'define context and objectives' process. Ref 6.3.4</p>

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Q	A	Syllabus Ref	Rationale
43	A	4.1g	<p>A. Correct. "The purpose of the 'monitor and report progress' process is to provide timely and insightful information to decision-makers about the status of risks to objectives, including changes to risk exposure, use of contingency, or where risks are no longer relevant, or have occurred and become issues." Ref 12.1</p> <p>B. Incorrect. "Risk owners selected leading indicators during the prioritize risks process with the purpose of proactively monitoring how the risks and their ownership may be changing over time." Ref 12.3.2</p> <p>C. Incorrect. "The purpose of the 'review and adapt' process is for stakeholders to evaluate the effectiveness of risk management: what is working well and what can be improved." Ref 13.1</p> <p>D. Incorrect. "Commission assurance of risk content and M_o_R integrated framework" is an activity of the 'review and adapt' process. "In the strategic perspective the board of directors/trustees is accountable for ensuring risk management creates and protects value, including the effectiveness of the internal control framework." Ref tab 13.1, 13.3.1</p>
44	C	4.1h	<p>A. Incorrect. "The purpose of the 'define context and objectives' process is to ensure that there is a good understanding of the drivers for stakeholders in both the external and internal contexts." Ref 6.1</p> <p>B. Incorrect. "The purpose of the 'define context and objectives' process is to ensure that there is a good understanding of the drivers for stakeholders... and that this is translated into a common understanding of what is 'at risk' in the situation." Ref 6.1</p> <p>C. Correct. One of the objectives of the 'review and adapt' process is to ensure that "there is a desire to keep driving value from risk management." Ref 13.2</p> <p>D. Incorrect. "The purpose of the 'identify threats and opportunities' process is to ensure that stakeholders are engaged and share their perceptions of the risks to defined objectives and their causes." Ref 7.1</p>

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Q	A	Syllabus Ref	Rationale
45	C	4.2a	<p>A. Incorrect. The risk management process guide defines how risk management should be applied to the whole organization. It does not contain individual process changes for each perspective. "The objectives of the 'define context and objectives' process are to ensure that: a strategic risk management policy and process guide is clearly defined and communicated and can be implemented across the organization." Ref 6.2</p> <p>B. Incorrect. The risk management process guide defines how risk management should be applied to the whole organization. It does not contain individual process changes for each perspective. "The objectives of the 'define context and objectives' process are to ensure that: a strategic risk management policy and process guide is clearly defined and communicated and can be implemented across the organization. Ref 6.2</p> <p>C. Correct. The risk management policy and process guide refer to the organization-wide risk approach. Changes to the organization approach (if allowed) are documented in the perspective level approach. "Each organization must have a single strategic risk management policy and process guide. This should explain which aspects of the policy and process guide (if any) can be tailored within the portfolio, programme, project, product, and operational perspectives. Where tailoring is permitted, the work must be done within this process." Ref tab 6.1, 6.3.6</p> <p>D. Incorrect. After each cycle of risk management changes may be identified to improve how risk is performed. This is documented in a risk improvement plan. However, any existing risk improvement plan is an input to the 'define context and objectives' process, rather than an output of this process. Ref tab 6.1</p>
46	B	4.2c	<p>A. Incorrect. The organizational strategy and objectives “describes strategic objectives of the organization and therefore what is ‘at risk’.” Ref tab 6.2</p> <p>B. Correct. This “describes the organization’s commitment to risk management and the non-negotiable aspects of how risk management is applied.” Ref tab 6.2</p> <p>C. Incorrect. Where one exists, a decision register is used “to record decisions made at governance boards, providing an audit trail of decisions and their underpinning rationale. Useful to consider if decisions cause new risks.” Ref tab 7.2</p> <p>D. Incorrect. A business continuity plan is used “to show how an organization would respond to the occurrence of a catastrophic risk.” Ref tab 11.2</p>

Q	A	Syllabus Ref	Rationale
47	B	4.2d	<p>A. Incorrect. This is a task for the programme manager who is "responsible" for the activities in this process. " 'Executive management/change sponsors' is used to describe senior leadership roles with strategic and operational responsibilities who may also adopt a role in sponsoring investments in change as a... senior responsible owner" (SRO). They are accountable for the 'define context and objectives' process. This would include approving the documentation. Ref 6.6, tab 6.3</p> <p>B. Correct. " 'Executive management/change sponsors' is used to describe senior leadership roles with strategic and operational responsibilities who may also adopt a role in sponsoring investments in change as a... senior responsible owner" (SRO). They are accountable for the 'define context and objectives' process. This should include approving the documentation. Producing a list of stakeholders should be the responsibility of the programme manager. Ref 6.6, tab 6.3</p> <p>C. Incorrect. This is a task for the programme manager who is "responsible" for the activities in this process. " 'Executive management/change sponsors' is used to describe senior leadership roles with strategic and operational responsibilities who may also adopt a role in sponsoring investments in change as a... senior responsible owner" (SRO). They are accountable for the 'define context and objectives' process. This would include approving the documentation. Ref 6.6, tab 6.3</p> <p>D. Incorrect. This is a task for the feasibility project's executive/project sponsor who is responsible for "the risks to achieving those outputs and capabilities." The " 'Executive management/change sponsors' is used to describe senior leadership roles with strategic and operational responsibilities who may also adopt a role in sponsoring investments in change as a... senior responsible owner" (SRO). They are accountable for the 'define context and objectives'. This would include the programme SRO approving the documentation at the programme level. Ref 3.6.2, 6.6, tab 6.3</p>

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Q	A	Syllabus Ref	Rationale
48	C	4.3a	<p>A. Incorrect. As part of the 'describe risks' activity, it is "best practice is to describe risks in three parts in the risk register as follows: the cause which is a fact now, or an assumption held true for planning purposes; the uncertain event that may occur; the impact on objectives." The use of agile for the first time is a fact now and is therefore a risk cause, not a risk event: an event that may occur. Ref 7.3.4</p> <p>B. Incorrect. While there may be opportunities arising from the agile ways of working, these would be identified in the 'identify opportunities' activity, not the 'describe risks' activity. Ref 7.3.1</p> <p>C. Correct. As part of the 'describe risks' activity, it is "best practice is to describe risks in three parts in the risk register as follows: the cause which is a fact now, or an assumption held true for planning purposes; the uncertain event that may occur; the impact on objectives." The use of agile for the first time is a fact now and is therefore a risk cause. Ref 7.3.4</p> <p>D. Incorrect. The executive management team should not focus on just ten risks. In the 'identify threats and opportunities' process, "it is a common error to try to constrain this process by asking for people to identify the 'main' risks." Ref 7.1</p>
49	D	4.3c	<p>A. Incorrect. The organizational strategy and objectives "describes strategic objectives of the organization and therefore what is 'at risk'." Ref tab 6.2</p> <p>B. Incorrect. Where one exists, a perspective level risk approach "describes how the strategic risk management process guide is tailored for the perspective in question. This document will be named differently depending on the situation; for example, the programme risk approach, or the project risk approach." Ref tab 6.2</p> <p>C. Incorrect. At the moment, this is only an issue/decision for the DTP, not the strategic perspective as there is no change to objectives of the organization and no impact in other areas. An issue register will be used "to record issues and the impact on objectives if not managed. Useful to consider if issues cause new risks." Ref tab 7.2</p> <p>D. Correct. "When it works well, risk identification is a creative and divergent process, with the objective of making risks explicit." Where one exists, a decision register will be used "to record decisions made at governance boards, providing an audit trail of decisions and their underpinning rationale. Useful to consider if decisions cause new risks." Ref 7.1, tab 7.2</p>

Q	A	Syllabus Ref	Rationale
50	D	4.3d	<p>A. Incorrect. Executive management are “Accountable” and will most likely choose to delegate the task to another RACI role responsible (to them). The work is most likely to be delegated to the programme manager who is “Responsible.” The risk specialist and other stakeholders are "Consulted." The product manager falls into both categories and should therefore be consulted. Ref tab 7.3</p> <p>B. Incorrect. The change sponsor (SRO) could be “Responsible” for activities during the ‘identify threats and opportunities’ process. In this instance, they will most likely choose to delegate the actual work to another RACI role responsible (to them). The programme manager who is definitely “Responsible.” The risk specialist and other stakeholders are "Consulted." The product manager falls into both categories and should therefore be consulted. Ref tab 7.3</p> <p>C. Incorrect. The change sponsor (SRO) could be “Responsible” for activities during the ‘identify threats and opportunities’ process. In this instance, they will most likely choose to delegate the actual work to another RACI role responsible (to them). The programme manager who is definitely “Responsible.” The risk specialist and other stakeholders are "Consulted." The product manager falls into both categories and should therefore be consulted. Ref tab 7.3</p> <p>D. Correct. The change sponsor (SRO) will most likely choose to delegate the actual work to another RACI role responsible (to them). The programme manager who is definitely “Responsible.” The risk specialist and other stakeholders are "Consulted." The product manager falls into both of these categories and should therefore be consulted. The product owner/manager is "responsible for the success of a product in the market and therefore the risks to achieving the specific success criteria that contribute to organizational objectives." Ref tab 7.3, 3.7.2</p>

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Q	A	Syllabus Ref	Rationale
51	B	4.4a	<p>A. Incorrect. The 'assess likelihood' activity should identify the chance of a risk occurring, not when e.g. "Probabilities: for example, '60-80% chance of occurrence'." Risk proximity is "how close in time the risk may occur." Ref 8.3.1, 8.3.3</p> <p>B. Correct. Assessment of whether a risk would occur in a given time period would require looking at the risks' proximity in the 'assess proximity and/or velocity' activity. Proximity is "how close in time the risk may occur." Ref 8.3.3, 3.2.1.3</p> <p>C. Incorrect. The 'calculate expected value' activity is where "the expected value... is calculated by multiplying the estimated likelihood of the risk as a percentage with the estimated size of impact." Risk proximity is "how close in time the risk may occur." Ref 8.3.5, 8.3.3</p> <p>D. Incorrect. The 'identify leading indicators' activity is where "the risk owner must identify what leading indicators they will use to determine how the initial assessments underpinning the relative priorities of the identified risks are changing over time. Leading indicators are required to predict changing exposure." Risk proximity is "how close in time the risk may occur." Ref 8.3.4, 8.3.3</p>
52	B	4.4c	<p>A. Incorrect. A risk register is used "to show the prioritization of each identified risk." However, this is unlikely to be presented as a graph as a "visual representation of the prioritized risks within a perspective." Ref tab 8.2, fig 8.2</p> <p>B. Correct. "When it works well, risk prioritization is a methodical and convergent process, with the objective of comparing all identified risks in a logical way." A risk matrix may be used "to provide a visual representation of the prioritized risks within a perspective." The risk matrix includes "risk threshold." Ref 8.1, tab 8.2</p> <p>C. Incorrect. A combined risk profile report is produced to support the 'assess combined risk profile' process and will "show the overall risk of achieving a particular objective, or to compare multiple options with different risk profiles", it will NOT be presented as a graph and "provide a visual representation of the prioritized risks within a perspective." Ref tab 9.2, tab 8.2, fig 8.2</p> <p>D. Incorrect. Bow-tie diagrams are produced to support the 'plan responses process' and provide "a visual representation of multiple causes, proactive controls/responses, reactive controls/responses and multiple impacts." However, this is unlikely to be presented as a graph as a "visual representation of the prioritized risks within a perspective." Ref 10.4.2, tab 8.2, fig 8.2</p>

Q	A	Syllabus Ref	Rationale
53	D	4.4d	<p>A. Incorrect. "The risk owner must identify what leading indicators they will use to determine how the initial assessments underpinning the relative priorities of the identified risks are changing over time." Programme change sponsors are "Accountable" for the 'prioritize risks' process. Ref 8.3.4, tab 8.3</p> <p>B. Incorrect. "The risk owner must identify what leading indicators they will use to determine how the initial assessments underpinning the relative priorities of the identified risks are changing over time." Programme managers are "Consulted" for the 'prioritize risks' process. Ref 8.3.4, tab 8.3</p> <p>C. Incorrect. "The risk owner must identify what leading indicators they will use to determine how the initial assessments underpinning the relative priorities of the identified risks are changing over time." The portfolio, programme or project management office (PMO) is "Consulted" for the 'prioritize risks' process. Ref 8.3.4, tab 8.3</p> <p>D. Correct. "The risk owner must identify what leading indicators they will use to determine how the initial assessments underpinning the relative priorities of the identified risks are changing over time", i.e. risk owners are "Responsible" for the 'prioritize risks' process. Ref 8.3.4, tab 8.3</p>
54	D	4.5a	<p>A. Incorrect. As part of the 'model relationships between risks and assess combined impact on objective(s)' activity, it is important to "look at the relationship between risks and their contribution to an overall impact on an objective." Reviewing whether risks in the DTP could cause delays to the buildings programme looks at the relationships between risks and the impact on objectives. Ref 9.3.2</p> <p>B. Incorrect. "Often, the same risk will have been identified and prioritized by individual operations, projects, or product teams, yet a relevant decision needs to be made at a programme, portfolio, or strategic level. In such a situation, the aggregate exposure to risk needs to be determined to support decision-makers." This is the 'aggregate risks to the level of the decision' activity.' Whether the same risk has been identified by the two programmes is therefore considered in this activity. Ref 9.3.1</p> <p>C. Incorrect. The combined risk profile report's purpose is "to show the overall risk of achieving a particular objective, or to compare multiple options with different risk profiles." This is an output of the 'assess combined risk profile' process, not an input and therefore should not be reviewed before starting this process. Ref tab 9.2</p> <p>D. Correct. The "risk register populated with prioritized risks" is an input to the 'assess combined risk profile' process and should therefore be reviewed by the portfolio manager before starting the 'assess combined risk profile' process. Ref tab 9.1</p>

Q	A	Syllabus Ref	Rationale
55	B	4.5d	<p>A. Incorrect. The probabilistic risk analysis technique uses “probabilistic risk models [that] aim to represent an uncertain situation (e.g. a programme or project business case) by taking into account: the combined effect of specific threats and opportunities from the risk register.” The programme change sponsor (SRO) would be “Accountable” and will most likely choose to delegate the task to another RACI role responsible (to them). The work is MOST likely to be delegated to the programme manager, who is “Responsible.” Ref 9.4.3, tab 9.3</p> <p>B. Correct. The probabilistic risk analysis technique uses “probabilistic risk models [that] aim to represent an uncertain situation (e.g. a programme or project business case) by taking into account: the combined effect of specific threats and opportunities from the risk register.” The programme change sponsor (SRO) would be “Accountable” and will most likely choose to delegate the task to another RACI role responsible (to them). The work is MOST likely to be delegated to the programme manager, who is “Responsible” for the 'assess combined risk profile' process at the programme perspective. Ref 9.4.3, tab 9.3</p> <p>C. Incorrect. The probabilistic risk analysis technique uses “probabilistic risk models [that] aim to represent an uncertain situation (e.g. a programme or project business case) by taking into account: the combined effect of specific threats and opportunities from the risk register.” The PMO would be "Consulted." The work is MOST likely to be delegated to the programme manager, who is “Responsible.” Ref 9.4.3, tab 9.3</p> <p>D. Incorrect. The probabilistic risk analysis technique uses “probabilistic risk models [that] aim to represent an uncertain situation (e.g. a programme or project business case) by taking into account: the combined effect of specific threats and opportunities from the risk register.” The agile coach is a risk specialist who is likely to be “Consulted” and a stakeholder who is likely to be "Informed", but the work is MOST likely to be delegated to the programme manager, who is “Responsible.” Ref 9.4.3, tab 9.3</p>

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Q	A	Syllabus Ref	Rationale
56	A	4.6a	<p>A. Correct. Requesting authorization to access records from a team leader could create a further risk of delays if they are not available. As part of the 'identify any secondary risks' activity, "when planning additional proactive or reactive responses to risks, the risk owner must ensure that any secondary risks that arise are understood." A secondary risk is "a risk that arises directly as a result of implementing a risk response." Ref 10.3.4</p> <p>B. Incorrect. The TaxDept is considering "adopting the product perspective" and this is therefore the uncertain event caused by the "emerging view that the DTP should transition to adopt the product perspective", not by the implementation of "stricter access controls." Therefore, this is not a secondary risk caused by this response. Ref 10.3.4</p> <p>C. Incorrect. The need for staff to change passwords more frequently needing more helpdesk support is an issue, not a risk. An issue is "an unplanned event that has occurred and requires management action. An issue may be a problem, a query, a change request, or a risk that has occurred." A secondary risk is "a risk that arises directly as a result of implementing a risk response." Ref 1.2, 10.3.4</p> <p>D. Incorrect. As written this is an issue, not a risk because staff will have to log on and off more often leading to slower response times. An issue is "an unplanned event that has occurred and requires management action. An issue may be a problem, a query, a change request, or a risk that has occurred." A secondary risk is "a risk that arises directly as a result of implementing a risk response." Ref 1.2, 10.3.4</p>

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Q	A	Syllabus Ref	Rationale
57	B	4.6b	<p>A. Incorrect. Avoid a threat has the effect of "making the uncertain situation certain by removing the risk." The response may incentivize some providers to upgrade their infrastructure, this will have the effect of removing the cause for some individuals and businesses, reducing the effect for the TaxDept. Ref tab 10.2</p> <p>B. Correct. 'Reduce a threat' has the effect of choosing "definite action now to change the probability and/or the impact of the risk." The response may incentivize some providers to upgrade their infrastructure, this will have the effect of removing the cause for some individuals and businesses, reducing the effect for the TaxDept. Ref tab 10.2</p> <p>C. Incorrect. Transferring the risk is an option that "aims to pass part of the risk to a third party." The response does not do that; it may incentivize some providers to upgrade their infrastructure, this will have the effect of removing the cause for some individuals and businesses, reducing the effect for the TaxDept. Ref tab 10.2</p> <p>D. Incorrect. Sharing the risk "seeks for multiple parties, typically within a supply chain, to share the risk on a pain/gain share basis." There is no pain/gain; the response may incentivize some providers to upgrade their infrastructure, this will have the effect of removing the cause for some individuals and businesses, reducing the effect for the TaxDept. Ref tab 10.2</p>

Q	A	Syllabus Ref	Rationale
58	C	4.6c	<p>A. Incorrect. Scenario analysis, used within the ‘assess combined risk profile’ process works with prioritized risks, selects the two risks where exposure (combination of likelihood and impact) is highest and then works to create four plausible scenarios that could occur. This is a secondary risk that should be recorded in the programme risk register, which should be “populated with risk responses and any secondary risks.” Ref 9.4.5, 10.3.4, tab 10.3</p> <p>B. Incorrect. This is a secondary risk, i.e. “A risk that arises directly as a result of implementing a risk response.”, but the risk response (deploying agile ways of working) has been applied at programme level, NOT project level. Ref 10.3.4, tab 10.3</p> <p>C. Correct. This is a secondary risk, i.e. “A risk that arises directly as a result of implementing a risk response.”, and the risk response (deploying agile ways of working) has been applied at programme level. Therefore, this secondary risk should be recorded in the programme risk register, which should be “populated with risk responses and any secondary risks.” Ref 10.3.4, tab 10.3</p> <p>D. Incorrect. A scatter plot from a probabilistic risk model, used within the ‘assess combined risk profile’ process shows points plotted to “show the individual simulated outputs that have the project out-turns... ahead of or behind schedule, and below or above budget.” This is a secondary risk that should be recorded in the programme risk register, which should be “populated with risk responses and any secondary risks.” Ref fig 9.5, 10.3.4, tab 10.3</p>

Q	A	Syllabus Ref	Rationale
59	B	4.7a	<p>A. Incorrect. Providing additional staffing is not waiting for the risk to happen. This is a proactive response which would be identified in the 'identify and cost-justify additional proactive responses' activity: "Proactive responses are focused on investing now to either reduce the likelihood of a threat or increase the likelihood of an opportunity, and/or to change the size of impact should the risk occur." Ref 10.3.2</p> <p>B. Correct. Creating software that can be turned on if there is a high volume of traffic is an example of resilience planning. As part of the 'agree continuity plans' activity: "Business continuity plans ensure that the organization can continue to provide essential products and services in the face of significant risks occurring, such as natural disasters, cyber-attacks or pandemics. Business continuity is alternatively described as disaster recovery, crisis management, or resilience planning." Ref 11.3.3</p> <p>C. Incorrect. Training staff in customer service is not waiting for the risk to happen. This is either an existing control or a proactive risk response. Both of these would be identified in the 'plan responses' process, rather than the 'agree contingency' process: "The purpose of the plan responses process is to validate the effectiveness of existing controls and to agree plans to further invest in increasing the certainty of achieving objectives." Ref 10.3, 10.1</p> <p>D. Incorrect. Launching a marketing campaign is not waiting for the risk to happen. This is a proactive response which would be identified in the 'identify and cost-justify additional proactive responses' activity: "Proactive responses are focused on investing now to either reduce the likelihood of a threat or increase the likelihood of an opportunity, and/or to change the size of impact should the risk occur." Ref 10.3.2</p>

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Q	A	Syllabus Ref	Rationale
60	B	4.7d	<p>A. Incorrect. The table "mapping of key roles to perspectives for the agree contingency process" shows that the programme change sponsor would be "Accountable" for the activities undertaken at the programme perspective. However, they will most likely choose to delegate the task of assessing the projects to identify the appropriate time contingency to the "Responsible" role, the programme manager. Ref 11.4.1, tab 11.3</p> <p>B. Correct. The table "mapping of key roles to perspectives for the agree contingency process" shows that the programme change sponsor would be "Accountable" for the activities undertaken at the programme perspective. However, they will most likely choose to delegate the task of assessing the projects to identify the appropriate time contingency to the "Responsible" role, the programme manager. Ref 11.4.1, tab 11.3</p> <p>C. Incorrect. The table "mapping of key roles to perspectives for the agree contingency process" shows that the portfolio, programme office may be "Consulted" about techniques/activities undertaken during the process at the programme perspective. However, the programme manager is "Responsible." Ref 11.4.1, tab 11.3</p> <p>D. Incorrect. The table "mapping of key roles to perspectives for the agree contingency process" shows that the programme risk specialist is likely to be "Consulted" about techniques/activities undertaken during the process at the programme perspective. However, the programme manager is "Responsible." Ref 11.4.1, tab 11.3</p>

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Q	A	Syllabus Ref	Rationale
61	B	4.8a	<p>A. Incorrect. The 'monitor planned actions' activity is where risk responses are monitored to establish if they are effective. "Risk owners are responsible for ensuring that planned actions are completed and that their status is accurately reported. Planned actions include the implementation of existing controls so that control effectiveness can be reported, as well as monitoring the implementation and effectiveness of all proactive and reactive risk responses." Ref 12.3.1</p> <p>B. Correct. Monitoring the impact of the elections on the principal risks would occur during the 'communicate progress' activity. "Communicating progress must also reflect any known changes in the internal and external contexts that are relevant to the risks and their exposure." Ref 12.3.3</p> <p>C. Incorrect. In this case contingency does not affect the reporting of when the risk might occur. The 'report use of contingency' activity involves "what was used and why, and what contingency remains." Ref 12.3.4</p> <p>D. Incorrect. In this case information is required about when a risk might occur. The risk is not being delegated or escalated. In the 'escalate/delegate ownership of risks as appropriate' activity, "there will be times when a risk cannot be effectively managed within one perspective and needs to be escalated to an owner with a higher level of delegated authority. Conversely, there will be times when a risk could be managed effectively by a person with a lower level of delegated authority." Ref 12.3.5</p>
62	B	4.8c	<p>A. Incorrect. This information describes the general status of the delivery team. Risk reports "show the status of individual risks and/or the combined risk profile, focusing on the implementation of planned actions and the use of contingency." Ref tab 12.2</p> <p>B. Correct. Risk reports "show the status of individual risks and/or the combined risk profile, focusing on the implementation of planned actions and the use of contingency." Iterative project lifecycles are chosen to allow "scope and quality [to] emerge." Contingency in an iterative project lifecycle is often in the form of descoping low priority features since they use "fixed timeboxes" and fixed cost. Ref tab 12.2, 3.6.1.2</p> <p>C. Incorrect. This information describes an action to be taken by the delivery team that is not related to the risk. Risk reports "show the status of individual risks and/or the combined risk profile, focusing on the implementation of planned actions and the use of contingency." Ref tab 12.2</p> <p>D. Incorrect. This information describes actions taken by the delivery team that do not address the risk. Risk reports "show the status of individual risks and/or the combined risk profile, focusing on the implementation of planned actions and the use of contingency." Ref tab 12.2</p>

Q	A	Syllabus Ref	Rationale
63	C	4.9a	<p>A. Incorrect. Empowering staff is not performed in the 'define adjustments to documentation as necessary' activity. Empowerment is part of the 'Analyse risk competence and culture'. "Processes can be carefully designed and described, but without a supportive culture, people are not empowered to take considered risks. Risk management can then quickly become an administrative exercise that barely protects value and certainly does not create it. It follows therefore that analysing the maturity of the risk culture is an important part of the process cycle." Ref 13.3.2</p> <p>B. Incorrect. Performing health checks is not performed in the define adjustments to documentation activity. Health checks are performed in the 'Commission assurance of risk content and M_o_R integrated framework' activity. "In the strategic perspective the board of directors/trustees is accountable for ensuring that risk management creates and protects value, including the effectiveness of the internal control framework. One way in which the board will fulfil their role is by commissioning risk-informed assurance activities through the internal (or outsourced) audit function: the third line of defence in the corporate governance three-lines model." Ref 13.4.1, 13.3.1</p> <p>C. Correct. In the 'define adjustments to guidance as necessary' activity, "changes to techniques used by the organization, training of staff and stakeholders, and (possibly) changes to technology used to support risk management. Where this happens, commensurate changes to guidance will be needed across all relevant perspective specific guidance. Requirements for change should be detailed in a risk management improvement plan." The DTP risk approach "describes how the strategic risk management process guide is tailored for the perspective in question [including]... calibrated qualitative scales" and should therefore be updated. Ref 13.3.3, tab 6.2</p> <p>D. Incorrect. It is true that changing the organization's strategic risk management policy is considered as part of the 'define adjustments to guidance as necessary' activity, "after formal reviews of risk management at the strategic level, the organization's strategic risk policy and process guide may need to be updated." However, here the situation is talking about the incorrectly calibrated scales at programme level. These would not be included in the strategic risk management policy which "describes the organization's commitment to risk management and the non-negotiable aspects of how risk management is applied." In addition, "best practice is not to use the same impact scale across the whole organization, but rather to calibrate specific impact scales based on the capacity and appetite for risk for each objective that is 'at risk'." They should be included in the programme level risk approach which includes "calibrated qualitative scales." Ref 13.3.3, tab 6.2, 3.2.1.2</p>

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64	D	4.9b	<p>A. Incorrect. The health of risk management "can be determined using a form of audit or health check." However, this does not provide for benchmarking of performance, that requires a maturity assessment. Ref 13.4.1, 13.4.2</p> <p>B. Incorrect. "Risk owners selected leading indicators during the prioritize risks process with the purpose of proactively monitoring how the risks and their ownership may be changing over time." Leading indicators are therefore not a technique used in the 'review and adapt' process. Ref 12.3.2</p> <p>C. Incorrect. Trend reporting using "approaches such as 'burndown' charts... that show changing exposure using expected values" is a technique used "to provide timely and insightful information to decision-makers about the status of risks to objectives, including changes to risk exposure, use of contingency, or where risks are no longer relevant, or have occurred and become issues." Trend reporting is therefore not a technique used in the 'review and adapt' process. Ref 12.4.3, 12.1</p> <p>D. Correct. "To reflect the need to continually improve how value is created from risk management, many organizations use a maturity model approach to plan improvement activities and to benchmark their performance in their sector, or across sectors." As the TaxDept wants to compare how agile is adding value with the linear life cycle, a benchmarking method is required. Ref 13.4.2</p>
65	C	4.9d	<p>A. Incorrect. Board members /trustees are "Accountable" for the activities undertaken during the 'review and adapt' process for the strategic perspective (i.e. above programme). Ref tab 13.4</p> <p>B. Incorrect. The change sponsor (SRO) is "Accountable", for the activities undertaken during the 'review and adapt' process for the programme perspective. They will most likely choose to delegate the task to another RACI role responsible (to them). Ref tab 13.4</p> <p>C. Correct. The change sponsor (SRO) is "Accountable", for the activities undertaken during the 'review and adapt' process for the programme perspective. They will most likely choose to delegate the task to another RACI role responsible (to them). The programme manager is "Responsible" and, consequently, will carry out the necessary task. As part of the 'define adjustments to guidance as necessary' activity There will be minor adjustments to make on "a regular basis as each cycle completes and starts again. Building continual improvement into each cycle across all perspectives is a principle of M_o_R and keeping the team focused on how risk management can be continually improved is one way to keep the conversation about risk alive." Ref tab 13.4, 13.3.3</p> <p>D. Incorrect. Risk specialists may be "Consulted", but they will not apply the 'review and adapt' process, i.e. carry out the task. Ref tab 13.4</p>