M_o_R®

M_o_R® 4 Practitioner

Sample Paper 2

Question Booklet | Multiple Choice

Examination | 2 ¼ Hours

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Question Booklet
Multiple Choice
Examination Duration: 2 hours and 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 question 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 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) Official Book.

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) Official Book.

9. Each question is separate. Do not use information from one question to answer another question.

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 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

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
16.	Communicate to all TaxDept staff to remind them of their responsibilities to protect personal taxation data under data protection legislation.	D.	Compliance
		E.	Internal control environment
17.	Run a series of workshops to identify how the data breach occurred and what could be done to prevent future breaches.		

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
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.	D.	Portfolio office lead
		E.	Portfolio direction group
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.		

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
		C.	Aggregation to programme level
23.	Have the impact scales been tailored to suit the incremental nature of agile projects?	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
25.	Collect evidence that the delivery teams are trained in current health and safety regulations, including manual handling.	D.	Risk specialist
		E.	Workspace installation 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.	F.	Tracking software team manager

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

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
32.	Informing the DTP programme manager of any threats to tax collection that affect other product teams	C.	Aggregation
		D.	Escalation
		E.	Retrospectives
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

PeopleCert