Chapter 7

*Student: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

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| 1. | An uncertain event or condition that, if it occurs, has a positive or negative effect on project objectives is termed a      |  |  | | --- | --- | | A. | Random chance. |  |  |  | | --- | --- | | B. | Disaster. |  |  |  | | --- | --- | | C. | Risk. |  |  |  | | --- | --- | | D. | Hazard. |  |  |  | | --- | --- | | E. | Bad luck. | |

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| 2. | The chances of a risk event occurring as a project proceeds through its life cycle tend to      |  |  | | --- | --- | | A. | Slowly rise. |  |  |  | | --- | --- | | B. | Drop sharply and then level out. |  |  |  | | --- | --- | | C. | Rise sharply and then level out. |  |  |  | | --- | --- | | D. | Remain about the same. |  |  |  | | --- | --- | | E. | Slowly drop. | |

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| 3. | The cost impact of a risk event occurring as a project proceeds through its life cycle tends to      |  |  | | --- | --- | | A. | Slowly rise. |  |  |  | | --- | --- | | B. | Drop sharply and then level out. |  |  |  | | --- | --- | | C. | Rise sharply and then level out. |  |  |  | | --- | --- | | D. | Remain about the same. |  |  |  | | --- | --- | | E. | Slowly drop. | |

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| 4. | The attempt to recognize and manage potential and unforeseen trouble spots that may occur when a project is implemented is known as      |  |  | | --- | --- | | A. | Risk forecasting. |  |  |  | | --- | --- | | B. | Risk management. |  |  |  | | --- | --- | | C. | Contingency planning. |  |  |  | | --- | --- | | D. | Scenario analysis. |  |  |  | | --- | --- | | E. | Disaster protection. | |

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| 5. | Which of the following is NOT one of the steps in the risk management process?      |  |  | | --- | --- | | A. | Risk response development |  |  |  | | --- | --- | | B. | Risk assessment |  |  |  | | --- | --- | | C. | Risk identification |  |  |  | | --- | --- | | D. | Risk tracking |  |  |  | | --- | --- | | E. | Risk response control | |

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| 6. | The initial step in the risk management process is to      |  |  | | --- | --- | | A. | Determine the level of acceptable risk. |  |  |  | | --- | --- | | B. | Assess the risk potential. |  |  |  | | --- | --- | | C. | Identify the risks. |  |  |  | | --- | --- | | D. | Set aside budget funds for managing the risks. |  |  |  | | --- | --- | | E. | Appoint a risk manager. | |

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| 7. | One common mistake made early in the risk identification process is to      |  |  | | --- | --- | | A. | Not consider all possibilities |  |  |  | | --- | --- | | B. | Encourage participants be over optimistic |  |  |  | | --- | --- | | C. | Support participants being over pessimistic |  |  |  | | --- | --- | | D. | Focus on consequences and not on the events that could produce consequences |  |  |  | | --- | --- | | E. | Give too much attention to past events | |

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| 8. | Organizations use \_\_\_\_\_\_\_\_\_\_ in conjunction with work breakdown structures to help management teams identify and eventually analyze risk.      |  |  | | --- | --- | | A. | Risk breakdown structures |  |  |  | | --- | --- | | B. | Contingency breakdown structures |  |  |  | | --- | --- | | C. | Scenario analysis |  |  |  | | --- | --- | | D. | Organizational breakdown structure |  |  |  | | --- | --- | | E. | Risk assessment | |

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| 9. | Which of the following groups should NOT be a part of the risk identification process?      |  |  | | --- | --- | | A. | Project team |  |  |  | | --- | --- | | B. | Customers |  |  |  | | --- | --- | | C. | Subcontractors |  |  |  | | --- | --- | | D. | Vendors |  |  |  | | --- | --- | | E. | All of these groups can be included in the risk identification process | |

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| 10. | After your team has successfully identified potential risks that could affect the project, what is the next step?      |  |  | | --- | --- | | A. | Create a risk breakdown structure |  |  |  | | --- | --- | | B. | Assess identified risks |  |  |  | | --- | --- | | C. | Create contingency plans |  |  |  | | --- | --- | | D. | Decide how to respond to all risks |  |  |  | | --- | --- | | E. | Mitigate risks | |

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| 11. | A list of questions that address traditional areas of uncertainty on a project is termed a      |  |  | | --- | --- | | A. | Risk profile. |  |  |  | | --- | --- | | B. | Questionnaire. |  |  |  | | --- | --- | | C. | Research matrix. |  |  |  | | --- | --- | | D. | Query. |  |  |  | | --- | --- | | E. | Checklist. | |

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| 12. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ focuses on how to respond to events that have a positive impact on a project.      |  |  | | --- | --- | | A. | Risk management |  |  |  | | --- | --- | | B. | Opportunity management |  |  |  | | --- | --- | | C. | Value management |  |  |  | | --- | --- | | D. | Contingency management |  |  |  | | --- | --- | | E. | Prospect management | |

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| 13. | Tools such as a risk assessment form and a risk severity matrix are used to      |  |  | | --- | --- | | A. | Identify risks. |  |  |  | | --- | --- | | B. | Control risks. |  |  |  | | --- | --- | | C. | Assess risks. |  |  |  | | --- | --- | | D. | Regulate risks. |  |  |  | | --- | --- | | E. | Respond to risks. | |

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| 14. | Based on the following, which event should you be most concerned about?        |  |  | | --- | --- | | A. | Bad weather |  |  |  | | --- | --- | | B. | Design flaw |  |  |  | | --- | --- | | C. | Accident |  |  |  | | --- | --- | | D. | Shipment delay |  |  |  | | --- | --- | | E. | Power outage | |

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| 15. | \_\_\_\_\_\_\_\_\_\_\_\_\_ is a measure of how easy it would be to notice that a risk event was going to occur in time to take mitigating action, that is, how much warning you would have.      |  |  | | --- | --- | | A. | Detection difficulty |  |  |  | | --- | --- | | B. | Impact scaling |  |  |  | | --- | --- | | C. | Probability analysis |  |  |  | | --- | --- | | D. | Awareness level |  |  |  | | --- | --- | | E. | Warning assessment | |

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| 16. | Purchasing an accident insurance policy would be an example of responding to a risk by \_\_\_\_\_\_\_\_\_\_\_\_\_ it.      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | E. | Avoiding | |

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| 17. | The risk management tool that is divided into three color-coded zones representing major, moderate, and minor risks is the risk      |  |  | | --- | --- | | A. | Assessment form. |  |  |  | | --- | --- | | B. | Responsibility matrix. |  |  |  | | --- | --- | | C. | Scenario assessment. |  |  |  | | --- | --- | | D. | Impact assessment. |  |  |  | | --- | --- | | E. | Severity matrix. | |

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| 18. | The risk assessment form contains all of the following EXCEPT      |  |  | | --- | --- | | A. | Likelihood of the risk event occurring. |  |  |  | | --- | --- | | B. | Potential impact of the risk event. |  |  |  | | --- | --- | | C. | Who will detect the occurrence of the risk event. |  |  |  | | --- | --- | | D. | Difficulty of detecting the occurrence of the risk event. |  |  |  | | --- | --- | | E. | When the risk event may occur. | |

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| 19. | Risks are evaluated in terms of      |  |  | | --- | --- | | A. | Likelihood and cost. |  |  |  | | --- | --- | | B. | Cost and schedule. |  |  |  | | --- | --- | | C. | Impact and cost. |  |  |  | | --- | --- | | D. | Time and impact. |  |  |  | | --- | --- | | E. | Likelihood and impact. | |

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| 20. | Adopting proven technology instead of experimental technology in order to eliminate technical failure would be an example of which risk response?      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | E. | Avoiding | |

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| 21. | Which of the following activities might you consider adding a time buffer to?      |  |  | | --- | --- | | A. | Activities with severe risks |  |  |  | | --- | --- | | B. | Merge activities that are prone to delays |  |  |  | | --- | --- | | C. | Activities with scarce resources |  |  |  | | --- | --- | | D. | Noncritical activities with very little slack |  |  |  | | --- | --- | | E. | You might consider adding a time buffer to any of these activities | |

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| 22. | Which of the following is NOT included in a Failure Mode and Effects Analysis?      |  |  | | --- | --- | | A. | Impact |  |  |  | | --- | --- | | B. | Probability |  |  |  | | --- | --- | | C. | Detection |  |  |  | | --- | --- | | D. | Risk value |  |  |  | | --- | --- | | E. | All of these are included | |

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| 23. | A fixed price contract is an example of      |  |  | | --- | --- | | A. | Avoiding risk. |  |  |  | | --- | --- | | B. | Transferring risk. |  |  |  | | --- | --- | | C. | Accepting risk. |  |  |  | | --- | --- | | D. | Ignoring risk. |  |  |  | | --- | --- | | E. | Mitigating risk. | |

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| 24. | Which of the following is NOT one of the potential responses to a specific risk event?      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | E. | Avoiding | |

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| 25. | A Risk Response Matrix contains all of the following EXCEPT      |  |  | | --- | --- | | A. | Contingency plan. |  |  |  | | --- | --- | | B. | Trigger. |  |  |  | | --- | --- | | C. | Who is responsible. |  |  |  | | --- | --- | | D. | Response. |  |  |  | | --- | --- | | E. | When the risk will occur. | |

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| 26. | A key distinction between a risk response and a contingency plan is      |  |  | | --- | --- | | A. | A risk response is established only for moderate risks while contingency plans are established for major risks. |  |  |  | | --- | --- | | B. | A risk response is part of the actual implementation plan and action is taken before the risk can materialize, while a contingency plan goes into effect only after the risk has transpired. |  |  |  | | --- | --- | | C. | A risk response is only effective when you are able to assess the likelihood of the risk and its impact on the project; all other risks are covered by contingency planning. |  |  |  | | --- | --- | | D. | A risk response is created by the project team and the project manager while the project manager and the customer agree on the contingency plan. |  |  |  | | --- | --- | | E. | A risk response is action that is the response to a risk once it has happened and the contingency plan is created by the customer if the risk response fails. | |

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| 27. | The risk associated with the unlikelihood that one of the key members will be struck by lightning would most likely be handled by which of the following?      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | E. | Avoiding | |

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| 28. | Funds that are for identified risks that have a low probability of occurring and that decrease as the project progresses are called \_\_\_\_\_\_ reserves.      |  |  | | --- | --- | | A. | Management |  |  |  | | --- | --- | | B. | Budget |  |  |  | | --- | --- | | C. | Contingency |  |  |  | | --- | --- | | D. | Padded |  |  |  | | --- | --- | | E. | Just in case | |

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| 29. | Risks that can result in a system or process that will not work are known as      |  |  | | --- | --- | | A. | Technical risks. |  |  |  | | --- | --- | | B. | Funding risks. |  |  |  | | --- | --- | | C. | Schedule risks. |  |  |  | | --- | --- | | D. | Cost risks. |  |  |  | | --- | --- | | E. | Unnecessary risks. | |

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| 30. | Which of the following is NOT involved in risk control?      |  |  | | --- | --- | | A. | Executing the risk response strategy |  |  |  | | --- | --- | | B. | Initiating contingency plans |  |  |  | | --- | --- | | C. | Establishing a change control system |  |  |  | | --- | --- | | D. | Establishing contingency funds |  |  |  | | --- | --- | | E. | Watching for new risks | |

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| 31. | Which of the following is identified to cover major unforeseen risks and, hence, are applied to the total project?      |  |  | | --- | --- | | A. | Project reserves |  |  |  | | --- | --- | | B. | Management reserves |  |  |  | | --- | --- | | C. | Time buffers |  |  |  | | --- | --- | | D. | Activity reserves |  |  |  | | --- | --- | | E. | Budget reserves | |

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| 32. | Change management systems are designed to accomplish all of the following EXCEPT      |  |  | | --- | --- | | A. | Track all changes that are to be implemented. |  |  |  | | --- | --- | | B. | Review, evaluate, and approve/disapprove proposed changes formally. |  |  |  | | --- | --- | | C. | Identify expected effects of proposed changes on schedule and budget. |  |  |  | | --- | --- | | D. | Reflect scope changes in baseline and performance measures. |  |  |  | | --- | --- | | E. | All of these are examples of what change management systems are designed to accomplish. | |

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| 33. | An uncertain event or condition that, if it occurs, has a positive or negative effect on project objectives is known as a \_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 34. | The likelihood of a risk event occurring \_\_\_\_\_\_\_\_ as a project goes through its life cycle.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 35. | The first step in the risk management process is \_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 36. | The significance of a risk is assessed in terms of the \_\_\_\_\_\_\_\_ and the impact of the event.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 37. | A list of questions that address traditional areas of uncertainty on a project is known as a \_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 38. | The measurement of how easy it would be to detect that the event was going to occur in time to take mitigating action is known as \_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 39. | The \_\_\_\_\_\_\_\_ form identifies each risk event, the likelihood of it occurring, the potential impact, when it may occur, and the degree of difficulty in detecting it.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 40. | The \_\_\_\_\_\_\_\_ matrix is divided into red, yellow, and green zones representing major, moderate, and minor risks.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 41. | According to the Failure Mode and Effects Analysis (FMEA), Impact x Probability x Detection = \_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 42. | When considering risk response development, reducing the likelihood that an event will occur and/or reducing the impact that an adverse event would have on a project is known as \_\_\_\_\_\_\_\_\_ the risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 43. | When considering risk response development, changing the plan to eliminate the risk or condition is known as \_\_\_\_\_\_\_\_\_\_\_\_ the risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 44. | When considering risk response development, passing risk to another party instead of changing it is known as \_\_\_\_\_\_\_\_\_\_\_\_ the risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 45. | When considering risk response development, assuming the risk because the chance of such an event is slim is known as \_\_\_\_\_\_\_\_\_ the risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 46. | Testing a new project on a smaller isolated area prior to installing it for the entire organization is an example of \_\_\_\_\_\_\_\_ a risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 47. | Performance bonds, warranties, and insurance are examples of \_\_\_\_\_\_\_\_ a risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 48. | Choosing to move a concert indoors to eliminate the threat of bad weather is an example of \_\_\_\_\_\_\_\_\_\_\_\_ a risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 49. | Flooding would be devastating to the project; however, it is very unlikely. The project manager is most likely to \_\_\_\_\_\_\_\_\_\_ this risk.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 50. | The event or point in time when a contingency plan will be implemented is called a \_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 51. | \_\_\_\_\_\_\_\_ reserves are identified for specific work packages and are distributed by the project manager and the team members.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 52. | \_\_\_\_\_\_\_\_ reserves are controlled by the project manager and the owner of the project and are used to cover major unforeseen risks to the entire project.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 53. | A \_\_\_\_\_\_\_\_\_\_\_\_ is an alternative that will be used if a possible foreseen risk event becomes a reality.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 54. | \_\_\_\_\_\_\_\_\_\_\_\_\_ systems involve reporting, controlling, and recording changes to the project baseline.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 55. | The probability that a risk event will occur is higher during the initial stages of a project.    True    False |

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| 56. | Risk events that occur in the early stages of a project will have a greater cost impact than those that occur in later stages.    True    False |

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| 57. | Risk management is a reactive approach that is designed to ensure that surprises are reduced and that negative consequences associated with undesirable events are minimized.    True    False |

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| 58. | One common mistake that is made early on in the risk identification process is to focus on consequences and not on the events that could produce consequences.    True    False |

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| 59. | The project being delayed is an example of a major risk that should be assessed.    True    False |

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| 60. | The first step in the risk management process is risk assessment.    True    False |

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| 61. | A risk profile is a list of questions that have been developed and refined from previous, similar projects.    True    False |

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| 62. | The risk identification process should be limited to just the core project team.    True    False |

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| 63. | While a "can do" attitude is essential during implementation, project managers have to encourage critical thinking when it comes to risk identification.    True    False |

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| 64. | Responses to all identifiable risks should be a top priority for the project manager.    True    False |

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| 65. | When considering risk value, the lower the value, the higher the level of risk.    True    False |

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| 66. | If, during risk response development, you successfully identify how you will respond to a risk, contingency planning is unnecessary.    True    False |

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| 67. | Adopting proven technology instead of experimental technology is an example of mitigating a risk.    True    False |

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| 68. | A risk is an uncertain event that, if it occurs, can have a positive or negative effect on project objectives.    True    False |

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| 69. | Performance bonds, warranties, and guarantees are financial instruments used to share risk.    True    False |

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| 70. | Fixed-price contracts are an example of transferring risk from an owner to a contractor.    True    False |

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| 71. | When developing a response to a risk by scheduling outdoor work in the summer, investing in up-front safety training, or choosing high-quality materials, these are examples of retaining a risk.    True    False |

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| 72. | Budget reserves are set up to cover identified risks associated with specific segments of a project while management reserves are set up to cover unidentified risks associated with the total project.    True    False |

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| 73. | Change management systems involve reporting, controlling, and recording changes to the project baseline.    True    False |

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| 74. | Enhancing a risk is a tactic that seeks to eliminate the uncertainty associated with an opportunity to ensure that it definitely happens.    True    False |

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| 75. | Contingency funding is made up of budget reserves and management reserves.    True    False |

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| 76. | Describe the relationship between the likelihood of a risk event occurring and the cost of fixing the risk event as a project proceeds through its life cycle. |

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| 77. | Identify and briefly describe the four steps in the risk management process. |

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| 78. | What is the difference between mitigating a risk and a contingency plan? Provide real life examples that illustrate the difference. |

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| 79. | What is the purpose of using tools such as a risk assessment form and a risk severity matrix? |

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| 80. | Why might an organization be opposed to developing and implementing a thorough risk management process? |

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| 81. | Give a real life example of mitigating a risk, avoiding a risk, transferring a risk and retaining a risk. |

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| 82. | What is a "trigger" and why is it important when planning contingencies? |

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| 83. | Identify and briefly describe the four ways to respond to identified risks. |

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| 84. | What is the difference between *budget* *reserves* and *management* *reserves*? |

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| 85. | What is Change Control Management and what function does it perform? |

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| 86. | When considering risk management, what is an opportunity? List and briefly describe 4 different responses to an opportunity. |

Chapter 7 Key

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| 1. | An uncertain event or condition that, if it occurs, has a positive or negative effect on project objectives is termed a      |  |  | | --- | --- | | A. | Random chance. |  |  |  | | --- | --- | | B. | Disaster. |  |  |  | | --- | --- | | **C.** | Risk. |  |  |  | | --- | --- | | D. | Hazard. |  |  |  | | --- | --- | | E. | Bad luck. |   In the context of projects, risk is an uncertain event or condition that, if it occurs, has a positive or negative effect on project objectives. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #1 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 2. | The chances of a risk event occurring as a project proceeds through its life cycle tend to      |  |  | | --- | --- | | A. | Slowly rise. |  |  |  | | --- | --- | | B. | Drop sharply and then level out. |  |  |  | | --- | --- | | C. | Rise sharply and then level out. |  |  |  | | --- | --- | | D. | Remain about the same. |  |  |  | | --- | --- | | **E.** | Slowly drop. |   The chances of a risk event occurring are greatest during the early stages of the project. This is when uncertainty is highest and many questions remain unanswered. As the project progresses toward completion, risk declines as the answers to critical issues are resolved. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #2 Learning Objective: Risk Management Process Level of Difficulty: 2 Medium* |

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| 3. | The cost impact of a risk event occurring as a project proceeds through its life cycle tends to      |  |  | | --- | --- | | **A.** | Slowly rise. |  |  |  | | --- | --- | | B. | Drop sharply and then level out. |  |  |  | | --- | --- | | C. | Rise sharply and then level out. |  |  |  | | --- | --- | | D. | Remain about the same. |  |  |  | | --- | --- | | E. | Slowly drop. |   The cost impact of a risk increases over the life of the project. For example, the risk event of a design flaw occurring after a prototype has been made has a greater cost or time impact than if the flaw were discovered during the planning phase of the project. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #3 Learning Objective: Risk Management Process Level of Difficulty: 2 Medium* |

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| 4. | The attempt to recognize and manage potential and unforeseen trouble spots that may occur when a project is implemented is known as      |  |  | | --- | --- | | A. | Risk forecasting. |  |  |  | | --- | --- | | **B.** | Risk management. |  |  |  | | --- | --- | | C. | Contingency planning. |  |  |  | | --- | --- | | D. | Scenario analysis. |  |  |  | | --- | --- | | E. | Disaster protection. |   Risk management attempts to recognize and manage potential and unforeseen trouble spots that may occur when the project is implemented. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #4 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 5. | Which of the following is NOT one of the steps in the risk management process?      |  |  | | --- | --- | | A. | Risk response development |  |  |  | | --- | --- | | B. | Risk assessment |  |  |  | | --- | --- | | C. | Risk identification |  |  |  | | --- | --- | | **D.** | Risk tracking |  |  |  | | --- | --- | | E. | Risk response control |   The four steps in the risk management process are risk identification, risk assessment, risk response development and risk response control. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #5 Learning Objective: Risk Management Process Level of Difficulty: 2 Medium* |

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| 6. | The initial step in the risk management process is to      |  |  | | --- | --- | | A. | Determine the level of acceptable risk. |  |  |  | | --- | --- | | B. | Assess the risk potential. |  |  |  | | --- | --- | | **C.** | Identify the risks. |  |  |  | | --- | --- | | D. | Set aside budget funds for managing the risks. |  |  |  | | --- | --- | | E. | Appoint a risk manager. |   The risk management process begins by trying to generate a list of all the possible risks that could affect the project. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Remember Larson - Chapter 07 #6 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 7. | One common mistake made early in the risk identification process is to      |  |  | | --- | --- | | A. | Not consider all possibilities |  |  |  | | --- | --- | | B. | Encourage participants be over optimistic |  |  |  | | --- | --- | | C. | Support participants being over pessimistic |  |  |  | | --- | --- | | **D.** | Focus on consequences and not on the events that could produce consequences |  |  |  | | --- | --- | | E. | Give too much attention to past events |   One common mistake that is made early in the risk identification process is to focus on consequences and not on the events that could produce consequences. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #7 Learning Objective: Step 1: Risk Identification Level of Difficulty: 1 Easy* |

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| 8. | Organizations use \_\_\_\_\_\_\_\_\_\_ in conjunction with work breakdown structures to help management teams identify and eventually analyze risk.      |  |  | | --- | --- | | **A.** | Risk breakdown structures |  |  |  | | --- | --- | | B. | Contingency breakdown structures |  |  |  | | --- | --- | | C. | Scenario analysis |  |  |  | | --- | --- | | D. | Organizational breakdown structure |  |  |  | | --- | --- | | E. | Risk assessment |   Organizations use risk breakdown structures in conjunction with work breakdown structures to help management teams identify and eventually analyze risk. The focus at the beginning should be on risks that can affect the whole project as opposed to a specific section of the project or network. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #8 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 9. | Which of the following groups should NOT be a part of the risk identification process?      |  |  | | --- | --- | | A. | Project team |  |  |  | | --- | --- | | B. | Customers |  |  |  | | --- | --- | | C. | Subcontractors |  |  |  | | --- | --- | | D. | Vendors |  |  |  | | --- | --- | | **E.** | All of these groups can be included in the risk identification process |   The risk identification process should not be limited to just the core team. Input from customers, sponsors, subcontractors, vendors and other stakeholders should be solicited. Relevant stakeholders can be formally interviewed or included on the risk management team. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #9 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 10. | After your team has successfully identified potential risks that could affect the project, what is the next step?      |  |  | | --- | --- | | A. | Create a risk breakdown structure |  |  |  | | --- | --- | | **B.** | Assess identified risks |  |  |  | | --- | --- | | C. | Create contingency plans |  |  |  | | --- | --- | | D. | Decide how to respond to all risks |  |  |  | | --- | --- | | E. | Mitigate risks |   After risks have been identified, not all of them deserve attention. Managers have to develop methods for sifting through the list of risks, eliminating inconsequential or redundant ones and stratifying worthy ones in terms of importance and need for attention. This is risk assessment. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #10 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 11. | A list of questions that address traditional areas of uncertainty on a project is termed a      |  |  | | --- | --- | | **A.** | Risk profile. |  |  |  | | --- | --- | | B. | Questionnaire. |  |  |  | | --- | --- | | C. | Research matrix. |  |  |  | | --- | --- | | D. | Query. |  |  |  | | --- | --- | | E. | Checklist. |   A risk profile is a list of questions that address traditional areas of uncertainty on a project. These questions have been developed and refined from previous, similar projects. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Remember Larson - Chapter 07 #11 Learning Objective: Step 1: Risk Identification Level of Difficulty: 1 Easy* |

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| 12. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ focuses on how to respond to events that have a positive impact on a project.      |  |  | | --- | --- | | A. | Risk management |  |  |  | | --- | --- | | **B.** | Opportunity management |  |  |  | | --- | --- | | C. | Value management |  |  |  | | --- | --- | | D. | Contingency management |  |  |  | | --- | --- | | E. | Prospect management |   An opportunity is an event that can have a positive impact on project objectives. Essentially the same process that is used to manage negative risks is applied to positive risks. Opportunities are identified, assessed in terms of likelihood and impact, responses are determined and even contingency plans and funds can be established to take advantage of the opportunity if it occurs. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #12 Learning Objective: Opportunity Management Level of Difficulty: 1 Easy* |

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| 13. | Tools such as a risk assessment form and a risk severity matrix are used to      |  |  | | --- | --- | | A. | Identify risks. |  |  |  | | --- | --- | | B. | Control risks. |  |  |  | | --- | --- | | **C.** | Assess risks. |  |  |  | | --- | --- | | D. | Regulate risks. |  |  |  | | --- | --- | | E. | Respond to risks. |   A risk assessment form, a risk severity matrix and a probability analysis are all ways to assess risk. After the risk assessment you will know which risks need most attention. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #13 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 1 Easy* |

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| 14. | Based on the following, which event should you be most concerned about?        |  |  | | --- | --- | | A. | Bad weather |  |  |  | | --- | --- | | **B.** | Design flaw |  |  |  | | --- | --- | | C. | Accident |  |  |  | | --- | --- | | D. | Shipment delay |  |  |  | | --- | --- | | E. | Power outage |   Bad weather has a risk severity of 6, design flaw 15, accident 5, shipment delay 4 and power outage 5. Based on this, the event you should be most concerned about is a design flaw. |

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| *AACSB: Reflective Thinking Blooms: Apply Larson - Chapter 07 #14 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 15. | \_\_\_\_\_\_\_\_\_\_\_\_\_ is a measure of how easy it would be to notice that a risk event was going to occur in time to take mitigating action, that is, how much warning you would have.      |  |  | | --- | --- | | **A.** | Detection difficulty |  |  |  | | --- | --- | | B. | Impact scaling |  |  |  | | --- | --- | | C. | Probability analysis |  |  |  | | --- | --- | | D. | Awareness level |  |  |  | | --- | --- | | E. | Warning assessment |   Detection difficulty is a measure of how easy it would be to detect that the event was going to occur in time to take mitigating action. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #15 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 16. | Purchasing an accident insurance policy would be an example of responding to a risk by \_\_\_\_\_\_\_\_\_\_\_\_\_ it.      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | **D.** | Transferring |  |  |  | | --- | --- | | E. | Avoiding |   Purchasing an accident insurance policy is an example of transferring risk. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #16 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 17. | The risk management tool that is divided into three color-coded zones representing major, moderate, and minor risks is the risk      |  |  | | --- | --- | | A. | Assessment form. |  |  |  | | --- | --- | | B. | Responsibility matrix. |  |  |  | | --- | --- | | C. | Scenario assessment. |  |  |  | | --- | --- | | D. | Impact assessment. |  |  |  | | --- | --- | | **E.** | Severity matrix. |   The risk severity matrix provides a basis for prioritizing which risks to address. Red zone risks receive first priority followed by yellow zone risks. Green zone risks are typically considered inconsequential and ignored unless their status changes. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #17 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 18. | The risk assessment form contains all of the following EXCEPT      |  |  | | --- | --- | | A. | Likelihood of the risk event occurring. |  |  |  | | --- | --- | | B. | Potential impact of the risk event. |  |  |  | | --- | --- | | **C.** | Who will detect the occurrence of the risk event. |  |  |  | | --- | --- | | D. | Difficulty of detecting the occurrence of the risk event. |  |  |  | | --- | --- | | E. | When the risk event may occur. |   In addition to evaluating the severity and probability of risk events the team also assesses when the event might occur and its detection difficulty. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Remember Larson - Chapter 07 #18 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 19. | Risks are evaluated in terms of      |  |  | | --- | --- | | A. | Likelihood and cost. |  |  |  | | --- | --- | | B. | Cost and schedule. |  |  |  | | --- | --- | | C. | Impact and cost. |  |  |  | | --- | --- | | D. | Time and impact. |  |  |  | | --- | --- | | **E.** | Likelihood and impact. |   Risk management team members assess the significance of each risk event in terms of the probability or likelihood that the risk will occur and the impact of the event. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #19 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 20. | Adopting proven technology instead of experimental technology in order to eliminate technical failure would be an example of which risk response?      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | **E.** | Avoiding |   Although it is impossible to eliminate all risk events, some specific risks may be avoided before you launch the project. Adopting proven technology instead of experimental technology in order to eliminate technical failure would be an example of avoiding risk. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #20 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 21. | Which of the following activities might you consider adding a time buffer to?      |  |  | | --- | --- | | A. | Activities with severe risks |  |  |  | | --- | --- | | B. | Merge activities that are prone to delays |  |  |  | | --- | --- | | C. | Activities with scarce resources |  |  |  | | --- | --- | | D. | Noncritical activities with very little slack |  |  |  | | --- | --- | | **E.** | You might consider adding a time buffer to any of these activities |   Just as contingency funds are established to absorb unplanned costs, managers use time buffers to cushion against potential delays in the project. And like contingency funds, the amount of time is dependent upon the inherent uncertainty of the project. You might consider adding a time buffer to any of these activities. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #21 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 2 Medium* |

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| 22. | Which of the following is NOT included in a Failure Mode and Effects Analysis?      |  |  | | --- | --- | | A. | Impact |  |  |  | | --- | --- | | B. | Probability |  |  |  | | --- | --- | | C. | Detection |  |  |  | | --- | --- | | D. | Risk value |  |  |  | | --- | --- | | **E.** | All of these are included |   Failure Mode and Effects Analysis (FMEA) extends the risk severity matrix by including ease of detection in the equation: Impact x Probability x Detection = Risk Value. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Remember Larson - Chapter 07 #22 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 23. | A fixed price contract is an example of      |  |  | | --- | --- | | A. | Avoiding risk. |  |  |  | | --- | --- | | **B.** | Transferring risk. |  |  |  | | --- | --- | | C. | Accepting risk. |  |  |  | | --- | --- | | D. | Ignoring risk. |  |  |  | | --- | --- | | E. | Mitigating risk. |   Fixed price contracts are the classic example of transferring risk from an owner to a contractor. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #23 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 24. | Which of the following is NOT one of the potential responses to a specific risk event?      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | B. | Retaining |  |  |  | | --- | --- | | **C.** | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | E. | Avoiding |   When a risk event is identified and assessed, a decision must be made concerning which response is appropriate for the specific event. Responses to risk can be classified as mitigating, avoiding, transferring, or retaining. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Remember Larson - Chapter 07 #24 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 25. | A Risk Response Matrix contains all of the following EXCEPT      |  |  | | --- | --- | | A. | Contingency plan. |  |  |  | | --- | --- | | B. | Trigger. |  |  |  | | --- | --- | | C. | Who is responsible. |  |  |  | | --- | --- | | D. | Response. |  |  |  | | --- | --- | | **E.** | When the risk will occur. |   A risk response matrix will contain the risk event, the immediate response to that event, the contingency plan if that event were to occur despite our efforts to mitigate, avoid, transfer, the trigger, and who is responsible for putting that contingency plan into motion. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #25 Learning Objective: Contingency Planning Level of Difficulty: 2 Medium* |

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| 26. | A key distinction between a risk response and a contingency plan is      |  |  | | --- | --- | | A. | A risk response is established only for moderate risks while contingency plans are established for major risks. |  |  |  | | --- | --- | | **B.** | A risk response is part of the actual implementation plan and action is taken before the risk can materialize, while a contingency plan goes into effect only after the risk has transpired. |  |  |  | | --- | --- | | C. | A risk response is only effective when you are able to assess the likelihood of the risk and its impact on the project; all other risks are covered by contingency planning. |  |  |  | | --- | --- | | D. | A risk response is created by the project team and the project manager while the project manager and the customer agree on the contingency plan. |  |  |  | | --- | --- | | E. | A risk response is action that is the response to a risk once it has happened and the contingency plan is created by the customer if the risk response fails. |   A key distinction between a risk response and a contingency plan is that a response is part of the actual implementation plan and action is taken before the risk can materialize, while a contingency plan is not part of the initial implementation plan and goes into effect only after the risk is recognized. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #26 Learning Objective: Contingency Planning Level of Difficulty: 2 Medium* |

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| 27. | The risk associated with the unlikelihood that one of the key members will be struck by lightning would most likely be handled by which of the following?      |  |  | | --- | --- | | A. | Mitigating |  |  |  | | --- | --- | | **B.** | Retaining |  |  |  | | --- | --- | | C. | Ignoring |  |  |  | | --- | --- | | D. | Transferring |  |  |  | | --- | --- | | E. | Avoiding |   The risk of a project manager being struck by lightning at a work site would have major negative impact on the project, but the likelihood is so low it is not worthy of consideration. Conversely, people do change jobs, so an event like the loss of key project personnel would have not only an adverse impact but also a high likelihood of occurring in some organizations. If so, then it would be wise for that organization to be proactive and mitigate this risk by developing incentive schemes for retaining specialists and/or engaging in cross-training to reduce the impact of turnover. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #27 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 28. | Funds that are for identified risks that have a low probability of occurring and that decrease as the project progresses are called \_\_\_\_\_\_ reserves.      |  |  | | --- | --- | | A. | Management |  |  |  | | --- | --- | | **B.** | Budget |  |  |  | | --- | --- | | C. | Contingency |  |  |  | | --- | --- | | D. | Padded |  |  |  | | --- | --- | | E. | Just in case |   Budget reserves are set up to cover identified risks; these reserves are those allocated to specific segments or deliverables of the project. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #28 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 2 Medium* |

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| 29. | Risks that can result in a system or process that will not work are known as      |  |  | | --- | --- | | **A.** | Technical risks. |  |  |  | | --- | --- | | B. | Funding risks. |  |  |  | | --- | --- | | C. | Schedule risks. |  |  |  | | --- | --- | | D. | Cost risks. |  |  |  | | --- | --- | | E. | Unnecessary risks. |   Technical risks are problematic; they can often be the kind that cause the project to be shut down. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #29 Learning Objective: Contingency Planning Level of Difficulty: 2 Medium* |

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| 30. | Which of the following is NOT involved in risk control?      |  |  | | --- | --- | | A. | Executing the risk response strategy |  |  |  | | --- | --- | | B. | Initiating contingency plans |  |  |  | | --- | --- | | C. | Establishing a change control system |  |  |  | | --- | --- | | **D.** | Establishing contingency funds |  |  |  | | --- | --- | | E. | Watching for new risks |   Risk control involves executing the risk response strategy, monitoring triggering events, initiating contingency plans, and watching for new risks. Establishing a change management system to deal with events that require formal changes in the scope, budget, and/or schedule of the project is an essential element of risk control. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #30 Learning Objective: Step 4: Risk Response Control Level of Difficulty: 2 Medium* |

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| 31. | Which of the following is identified to cover major unforeseen risks and, hence, are applied to the total project?      |  |  | | --- | --- | | A. | Project reserves |  |  |  | | --- | --- | | **B.** | Management reserves |  |  |  | | --- | --- | | C. | Time buffers |  |  |  | | --- | --- | | D. | Activity reserves |  |  |  | | --- | --- | | E. | Budget reserves |   Management reserve funds are needed to cover major unforeseen risks and, hence, are applied to the total project. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #31 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 2 Medium* |

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| 32. | Change management systems are designed to accomplish all of the following EXCEPT      |  |  | | --- | --- | | A. | Track all changes that are to be implemented. |  |  |  | | --- | --- | | B. | Review, evaluate, and approve/disapprove proposed changes formally. |  |  |  | | --- | --- | | C. | Identify expected effects of proposed changes on schedule and budget. |  |  |  | | --- | --- | | D. | Reflect scope changes in baseline and performance measures. |  |  |  | | --- | --- | | **E.** | All of these are examples of what change management systems are designed to accomplish. |   Most change management systems are designed to identify proposed changes, list expected effects of proposed changes on schedule and budget, review, evaluate and approve or disapprove changes formally, negotiate and resolve conflicts of change, conditions and cost, communicate changes to parties affected, assign responsibility for implementing changes, adjust master schedule and budget, and track all changes that are to be implemented. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #32 Learning Objective: Change Control Management Level of Difficulty: 2 Medium* |

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| 33. | An uncertain event or condition that, if it occurs, has a positive or negative effect on project objectives is known as a \_\_\_\_\_\_\_\_\_\_.    **risk**  In the context of projects, a risk is an uncertain event or condition that, if it occurs, has a positive or negative effect on project objectives. A risk has a cause and, if it occurs, a positive or negative consequence. |

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| *AACSB: Reflective Thinking Blooms: Remember Larson - Chapter 07 #33 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 34. | The likelihood of a risk event occurring \_\_\_\_\_\_\_\_ as a project goes through its life cycle.    **decreases**  The chances of a risk event occurring are greatest during the early stages of a project. This is when uncertainty is highest and many questions remain unanswered. As the project progresses toward completion risk declines as the answers to critical issues are resolved. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #34 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 35. | The first step in the risk management process is \_\_\_\_\_\_\_\_.    **risk identification**  The four steps in the risk management process are risk identification, risk assessment, risk response development, and risk response control. |

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| *AACSB: Reflective Thinking Blooms: Remember Larson - Chapter 07 #35 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 36. | The significance of a risk is assessed in terms of the \_\_\_\_\_\_\_\_ and the impact of the event.    **likelihood**  Team members assess the significance of each risk event in terms of the probably of the event and the impact of the event. |

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| *AACSB: Reflective Thinking Blooms: Remember Larson - Chapter 07 #36 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 37. | A list of questions that address traditional areas of uncertainty on a project is known as a \_\_\_\_\_\_\_\_\_.    **risk profile**  A risk profile is a list of questions that address traditional areas of uncertainty on a project. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #37 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 38. | The measurement of how easy it would be to detect that the event was going to occur in time to take mitigating action is known as \_\_\_\_\_\_\_\_\_\_.    **detection difficulty**  Detection difficulty is a measure of how easy it would be to detect that the event was going to occur in time to take mitigating action, that is, how much warning we would have. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #38 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 3 Hard* |

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| 39. | The \_\_\_\_\_\_\_\_ form identifies each risk event, the likelihood of it occurring, the potential impact, when it may occur, and the degree of difficulty in detecting it.    **risk assessment**  The risk assessment form is a tool used to measure the likelihood that a risk event will occur, the impact of the risk and how difficult it will be to detect. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #39 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 40. | The \_\_\_\_\_\_\_\_ matrix is divided into red, yellow, and green zones representing major, moderate, and minor risks.    **risk severity**  The risk severity matrix provides a basis for prioritizing which risks to address. Red zone risks receive first priority followed by yellow zone risks. Green zone risks are typically considered inconsequential and ignored unless their status changes. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #40 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 41. | According to the Failure Mode and Effects Analysis (FMEA), Impact x Probability x Detection = \_\_\_\_\_\_\_\_\_\_.    **Risk Value**  Failure Mode and Effects Analysis (FMEA) extends the risk severity matrix by including ease of detection in the equation: Impact x Probability x Detection = Risk Value. |

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| *AACSB: Reflective Thinking Blooms: Remember Larson - Chapter 07 #41 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 42. | When considering risk response development, reducing the likelihood that an event will occur and/or reducing the impact that an adverse event would have on a project is known as \_\_\_\_\_\_\_\_\_ the risk.    **mitigating**  Reducing risk is usually the first alternative considered. There are basically two strategies for mitigating risk: (1) reduce the likelihood that the event will occur and/or (2) reduce the impact that the adverse event would have on the project. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #42 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 43. | When considering risk response development, changing the plan to eliminate the risk or condition is known as \_\_\_\_\_\_\_\_\_\_\_\_ the risk.    **avoiding**  Risk avoidance is changing the project plan to eliminate the risk or condition. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #43 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 44. | When considering risk response development, passing risk to another party instead of changing it is known as \_\_\_\_\_\_\_\_\_\_\_\_ the risk.    **transferring**  Passing risk to another party is common; this transfer does not change risk. Passing risk to another party almost always results in paying a premium for this exemption. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #44 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 45. | When considering risk response development, assuming the risk because the chance of such an event is slim is known as \_\_\_\_\_\_\_\_\_ the risk.    **retaining**  Some risks are so large it is not feasible to consider transferring or reducing the event. The project owner assumes the risk because the chance of such an event occurring is slim. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #45 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 46. | Testing a new project on a smaller isolated area prior to installing it for the entire organization is an example of \_\_\_\_\_\_\_\_ a risk.    **mitigating**  Reducing risk is usually the first alternative considered. There are basically two strategies for mitigating risk: (1) reduce the likelihood that the event will occur and/or (2) reduce the impact that the adverse event would have on the project. Most risk teams focus first on reducing the likelihood of risk events since, if successful, this may eliminate the need to consider the potentially costly second strategy. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #46 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 47. | Performance bonds, warranties, and insurance are examples of \_\_\_\_\_\_\_\_ a risk.    **transferring**  Passing risk to another party is common; this transfer does not change risk. Passing risk to another party almost always results in paying a premium for this exemption. Fixed-price contracts are the classic example of transferring risk from an owner to a contractor. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #47 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 48. | Choosing to move a concert indoors to eliminate the threat of bad weather is an example of \_\_\_\_\_\_\_\_\_\_\_\_ a risk.    **avoiding**  Risk avoidance is changing the project plan to eliminate the risk or condition. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #48 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 49. | Flooding would be devastating to the project; however, it is very unlikely. The project manager is most likely to \_\_\_\_\_\_\_\_\_\_ this risk.    **retain**  Some risks are so large it is not feasible to consider transferring or reducing the event (e.g., an earthquake or flood). The project owner assumes the risk because the chance of such an event occurring is slim. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #49 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 50. | The event or point in time when a contingency plan will be implemented is called a \_\_\_\_\_\_\_\_\_.    **trigger**  The risk management team will also need to discuss and agree on what would "trigger" implementation of the contingency plan. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #50 Learning Objective: Contingency Planning Level of Difficulty: 3 Hard* |

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| 51. | \_\_\_\_\_\_\_\_ reserves are identified for specific work packages and are distributed by the project manager and the team members.    **Budget**  These reserves are identified for specific work packages or segments of a project found in the baseline budget or work breakdown structure. For example, a reserve amount might be added to "computer coding" to cover the risk of "testing" showing a coding problem. The reserve amount is determined by costing out the accepted contingency or recovery plan. The budget reserves should be communicated to the project team. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #51 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 2 Medium* |

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| 52. | \_\_\_\_\_\_\_\_ reserves are controlled by the project manager and the owner of the project and are used to cover major unforeseen risks to the entire project.    **Management**  These reserve funds are needed to cover major unforeseen risks and, hence, are applied to the total project. For example, a major scope change may appear necessary midway in the project. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #52 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 2 Medium* |

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| 53. | A \_\_\_\_\_\_\_\_\_\_\_\_ is an alternative that will be used if a possible foreseen risk event becomes a reality.    **contingency plan**  A contingency plan is an alternative plan that will be used if a possible foreseen risk event becomes a reality. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #53 Learning Objective: Contingency Planning Level of Difficulty: 2 Medium* |

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| 54. | \_\_\_\_\_\_\_\_\_\_\_\_\_ systems involve reporting, controlling, and recording changes to the project baseline.    **Change management**  Because change is inevitable, a well-defined change review and control process should be set up early in the project planning cycle. Change management systems involve reporting, controlling, and recording changes to the project baseline. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #54 Learning Objective: Change Control Management Level of Difficulty: 2 Medium* |

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| 55. | The probability that a risk event will occur is higher during the initial stages of a project.    **TRUE**  The chances of a risk event occurring (e.g., an error in time estimates, cost estimates, or design technology) are greatest in the concept, planning, and start-up phases of the project. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #55 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 56. | Risk events that occur in the early stages of a project will have a greater cost impact than those that occur in later stages.    **FALSE**  The cost impact of a risk event in the project is less if the event occurs earlier rather than later. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #56 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 57. | Risk management is a reactive approach that is designed to ensure that surprises are reduced and that negative consequences associated with undesirable events are minimized.    **FALSE**  Risk management is a proactive approach that is designed to ensure that surprises are reduced and that negative consequences associated with undesirable events are minimized. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #57 Learning Objective: Risk Management Process Level of Difficulty: 2 Medium* |

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| 58. | One common mistake that is made early on in the risk identification process is to focus on consequences and not on the events that could produce consequences.    **TRUE**  One common mistake that is made early in the risk identification process is to focus on consequences and not on the events that could produce consequences. Only by focusing on actual events can potential solutions be found. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #58 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 59. | The project being delayed is an example of a major risk that should be assessed.    **FALSE**  The project being delayed is an example of a consequence and not the event that resulted in the consequence. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Apply Larson - Chapter 07 #59 Learning Objective: Step 1: Risk Identification Level of Difficulty: 3 Hard* |

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| 60. | The first step in the risk management process is risk assessment.    **FALSE**  The first step in the risk management process is risk identification. Risk assessment is the second step. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #60 Learning Objective: Step 1: Risk Identification Level of Difficulty: 1 Easy* |

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| 61. | A risk profile is a list of questions that have been developed and refined from previous, similar projects.    **TRUE**  A risk profile is a list of questions that address traditional areas of uncertainty on a project. These questions have been developed and refined from previous, similar projects. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #61 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 62. | The risk identification process should be limited to just the core project team.    **FALSE**  The risk identification process should not be limited to just the core team. Input from customers, sponsors, subcontractors, vendors, and other stakeholders should be solicited. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #62 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 63. | While a "can do" attitude is essential during implementation, project managers have to encourage critical thinking when it comes to risk identification.    **TRUE**  One of the keys to success in risk identification is attitude. While a "can do" attitude is essential during implementation, project managers have to encourage critical thinking when it comes to risk identification. The goal is to find potential problems before they happen. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #63 Learning Objective: Step 1: Risk Identification Level of Difficulty: 1 Easy* |

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| 64. | Responses to all identifiable risks should be a top priority for the project manager.    **FALSE**  Risk identification produces a list of potential risks. Not all of these risks deserve attention. Some risks are trivial and can be ignored, while others pose serious threats to the welfare of the project. Risk assessment will assess the risk identified and help determine which risks need an immediate response. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #64 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 65. | When considering risk value, the lower the value, the higher the level of risk.    **FALSE**  Failure Mode and Effects Analysis (FMEA) extends the risk severity matrix by including ease of detection in the equation: Impact x Probability x Detection = Risk Value. The higher the risk value, the higher the level of risk. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #65 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 66. | If, during risk response development, you successfully identify how you will respond to a risk, contingency planning is unnecessary.    **FALSE**  The contingency plan represents actions that will reduce or mitigate the negative impact of the risk event. A key distinction between a risk response and a contingency plan is that a response is part of the actual implementation plan and action is taken before the risk can materialize, while a contingency plan is not part of the initial implementation plan and goes into effect only after the risk is recognized. Both are necessary. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #66 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 67. | Adopting proven technology instead of experimental technology is an example of mitigating a risk.    **FALSE**  Adopting proven technology instead of experimental technology is an example of avoiding risk. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #67 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 68. | A risk is an uncertain event that, if it occurs, can have a positive or negative effect on project objectives.    **TRUE**  A risk is an uncertain event that, if it occurs, can have positive or negative effect on project objectives. A positive risk is known as an opportunity. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #68 Learning Objective: Opportunity Management Level of Difficulty: 1 Easy* |

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| 69. | Performance bonds, warranties, and guarantees are financial instruments used to share risk.    **FALSE**  Performance bonds, warranties, and guarantees are financial instruments used to transfer risk. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #69 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 70. | Fixed-price contracts are an example of transferring risk from an owner to a contractor.    **TRUE**  Fixed-price contracts are the classic example of transferring risk from an owner to a contractor. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #70 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 71. | When developing a response to a risk by scheduling outdoor work in the summer, investing in up-front safety training, or choosing high-quality materials, these are examples of retaining a risk.    **FALSE**  An example of reducing the probability of risks occurring (mitigating) are scheduling outdoor work during the summer months, investing in up-front safety training, and choosing high-quality materials and equipment. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #71 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 72. | Budget reserves are set up to cover identified risks associated with specific segments of a project while management reserves are set up to cover unidentified risks associated with the total project.    **TRUE**  Budget reserves are set up to cover identified risks; these reserves are those allocated to specific segments or deliverables of the project. Management reserves are set up to cover unidentified risks and are allocated to risks associated with the total project. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #72 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 1 Easy* |

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| 73. | Change management systems involve reporting, controlling, and recording changes to the project baseline.    **TRUE**  Change management systems involve reporting, controlling, and recording changes to the project baseline. (Note: Some organizations consider change control systems part of configuration management.) |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #73 Learning Objective: Change Control Management Level of Difficulty: 1 Easy* |

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| 74. | Enhancing a risk is a tactic that seeks to eliminate the uncertainty associated with an opportunity to ensure that it definitely happens.    **FALSE**  Exploiting a risk is a tactic that seeks to eliminate the uncertainty associated with an opportunity to ensure that it definitely happens. Enhancing a risk is taking action to increase the probability and/or the positive impact of an opportunity. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #74 Learning Objective: Opportunity Management Level of Difficulty: 3 Hard* |

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| 75. | Contingency funding is made up of budget reserves and management reserves.    **TRUE**  In practice, the contingency reserve fund is typically divided into budget and management reserve funds for control purposes. |

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| *AACSB: Reflective Thinking Accessibility: Keyboard Navigation Blooms: Understand Larson - Chapter 07 #75 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 1 Easy* |

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| 76. | Describe the relationship between the likelihood of a risk event occurring and the cost of fixing the risk event as a project proceeds through its life cycle.     Answer will vary  Feedback: In the early stages of the project life cycle the probability of a risk event occurring is greater than at any other time and the cost to fix it is lower than at any other point. As time passes the probability of occurrence drops lower and lower while the cost rises. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #76 Learning Objective: Risk Management Process Level of Difficulty: 1 Easy* |

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| 77. | Identify and briefly describe the four steps in the risk management process.     Answer will vary  Feedback: (1) Risk Identification-all possible risks are identified; (2) Risk Assessment-risks are assessed in terms of importance and need for attention; (3) Risk Response Development-plans are developed to respond if the risk actually occurs; (4) Risk Response Control-the actual response to the risk and controlling changes associated with the risks. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #77 Learning Objective: Step 1: Risk Identification Level of Difficulty: 2 Medium* |

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| 78. | What is the difference between mitigating a risk and a contingency plan? Provide real life examples that illustrate the difference.     Answer will vary  Feedback: The key distinction between a risk response or, for example, mitigating a risk, and a contingency plan is that a response is part of the actual implementation plan and action is taken before the risk can materialize, while a contingency plan is not part of the initial implementation plan and goes into effect only after the risk is recognized. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #78 Learning Objective: Contingency Planning Level of Difficulty: 2 Medium* |

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| 79. | What is the purpose of using tools such as a risk assessment form and a risk severity matrix?     Answer will vary  Feedback: These tools are used to assess risk. After risk identification there are many risks that are trivial and can be ignored. The risk assessment form and risk severity matrix help assess the probability of the event occurring and the impact of the event on the project. After assessment, responses are developed only for risks that pose serious threats to the welfare of the project. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #79 Learning Objective: Step 2: Risk Assessment Level of Difficulty: 2 Medium* |

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| 80. | Why might an organization be opposed to developing and implementing a thorough risk management process?     Answer will vary  Feedback: Managing risk takes time and money, which may deter organizations from implementing a management process. Organizational culture may also play a role in how much an organization values risk management. |

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| *AACSB: Analytic Blooms: Analyze Larson - Chapter 07 #80 Learning Objective: Risk Management Process Level of Difficulty: 3 Hard* |

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| 81. | Give a real life example of mitigating a risk, avoiding a risk, transferring a risk and retaining a risk.     Answer will vary  Feedback: Mitigating a risk: duplicate systems, backup systems, alternate technology development. Avoiding a risk: moving a concert indoors to avoid potential negative weather conditions. Transferring risk: fixed-price contract, insurance. Retaining risk: accept the risk of a lighting strike because the likelihood is so low. |

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| *AACSB: Analytic Blooms: Apply Larson - Chapter 07 #81 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 82. | What is a "trigger" and why is it important when planning contingencies?     Answer will vary  Feedback: A trigger is an event or point in time when the contingency plan will be implemented. It is not only important to know what you will do if a risk event actually occurs but at what point will it be implemented. This discourages implementing the plan too soon or waiting too long and potentially increasing the negative impact of the risk. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #82 Learning Objective: Contingency Planning Level of Difficulty: 2 Medium* |

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| 83. | Identify and briefly describe the four ways to respond to identified risks.     Answer will vary  Feedback: (1) Mitigate the risk-involves reducing the likelihood that the event will occur and/or reducing the impact that the adverse event would have on the project; (2) Avoid the risk-changing the project plan to eliminate the risk; (3) Transfer the risk-passing a risk to another party; (4) Retain the risk-making a conscious decision to accept the risk of an event occurring. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #83 Learning Objective: Step 3: Risk Response Development Level of Difficulty: 2 Medium* |

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| 84. | What is the difference between *budget* *reserves* and *management* *reserves*?     Answer will vary  Feedback: Budget reserves are controlled by team participants and have been identified for known risks that have a low chance of occurring and are directly associated with specific work packages. Management reserves are controlled by the project manager and the project "owner" and cover items which were unforeseen usually at the total project level. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #84 Learning Objective: Contingency Funding and Time Buffers Level of Difficulty: 2 Medium* |

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| 85. | What is Change Control Management and what function does it perform?     Answer will vary  Feedback: Change Control Management is the formal process for making and tracking changes once a project has started. Any changes must be detailed and accepted by the project team. Risks associated with making changes are thus assessed and documented. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #85 Learning Objective: Change Control Management Level of Difficulty: 3 Hard* |

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| 86. | When considering risk management, what is an opportunity? List and briefly describe 4 different responses to an opportunity.     Answer will vary  Feedback: An opportunity is an event that can have a positive impact on project objectives. One can exploit an opportunity or seek to eliminate the uncertainty associated with it, share an opportunity or allocate some ownership of an opportunity to another party who is best capable of capturing it, enhance the opportunity or increase the probability and/or positive impact of an opportunity, or accept the opportunity by taking advantage of it if it occurs, but not pursue it. |

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| *AACSB: Reflective Thinking Blooms: Understand Larson - Chapter 07 #86 Learning Objective: Opportunity Management Level of Difficulty: 3 Hard* |

Chapter 7 Summary

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| Level of Difficulty: 3 Hard | 7 |