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Exam MORF

Management of Risk Foundation

Version: 6.0

[Total Questions: 140]

Question No : 1

Which is a purpose of using a risk maturity model?

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

Answer: A

Question No : 2

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

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

Answer: D

Question No : 3

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

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

Answer: C

Question No : 4

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

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

Answer: A

Question No : 5

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

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

Answer: D

Question No : 6

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

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

Answer: B

Question No : 7

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

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

Answer: C

Question No : 8

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

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

Answer: C

Question No : 9

Which role provides sponsorship to ensure that risk management is embraced within the organization?

- A. Senior manager
- B. Manager
- C. Assurance
- D. Risk specialist

Answer: A

Question No : 10

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

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

D. Identify – context

Answer: B

Question No : 11

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

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

Answer: A

Question No : 12

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

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

Answer: D

Question No : 13

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

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

Answer: B

Question No : 14

Which of the M_o_R framework core concepts is informed by corporate governance principles and the international standard for risk management ISO31000:2009?

- A. M_o_R approach
- B. M_o_R principles
- C. M_o_R process
- D. Embedding and reviewing M_o_R

Answer: B

Question No : 15

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

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

Answer: C

Question No : 16

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

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

Answer: C

Question No : 17

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

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

Answer: B

Question No : 18

What is risk exposure?

- A. Amount of risk the organization, or subset of it, is willing to accept
- B. Maximum amount of risk that an organization can bear
- C. Combined effect of risks to a set of objectives
- D. System by which organizations are directed and controlled

Answer: C

Question No : 19

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

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

Answer: D

Question No : 20

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

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

Answer: C

Question No : 21

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

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

Answer: C

Question No : 22

Identify the missing word in the following sentence. The impact of risks to organizational goals at the [?] perspective may only become noticeable far into the future.

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

Answer: A

Question No : 23

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

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

D. Reduce

Answer: D

Question No : 24

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

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

Answer: C

Question No : 25

What is the goal of the 'assess - estimate' step?

- A. Identify the threats and opportunities facing the organizational activity
- B. Estimate and agree the budget required to manage risks to the activity
- C. Assess the effectiveness of the risk management processes within an organization
- D. Determine the risks with the greatest effect on an activities objectives

Answer: D

Question No : 26

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

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

Answer: A