c. risk management plan
d. cause and effect diagram

3. While all projects use _____ risk analysis, _____ risk analysis is only used when it is needed, and there is sufficient data to develop appropriate models.
   a. quantitative, qualitative
   b. quantitative, opportunity
   c. opportunity, qualitative
   d. qualitative, quantitative
4. A team endeavor to list, on individual sticky notes, all of the possible threats and opportunities that could occur to an upcoming project might be used during the _____ process.
   a. plan risk responses
   b. perform qualitative risk analysis
   c. identify risks
   d. perform quantitative risk analysis
5. Avoid risk, mitigate risk, accept risk, and _____ are all strategies for responding to negative risks, also known as threats.
   a. enhance risk
   b. prevent risk
   c. transfer risk
   d. share risk
6. An analytical technique used to determine the basic underlying source of a variance, a defect, or a risk is called _____.
   a. qualitative risk analysis
   b. Monte Carlo analysis
   c. SWOT analysis
   a. organizational breakdown structure (OBS)
   b. risk breakdown structure (RBS)
   c. work breakdown structure (WBS)
   d. requirements breakdown structure (RBS)
8. Risks that have been identified and may or may not happen are referred to as "known unknowns," and a _____ should be established to cover them if they are triggered.
   a. contingency reserve
   b. management reserve
   c. funding reserve
   d. risk buffer
9. _____ is a quantitative risk analysis modeling technique used to help determine which risks have the most powerful impact on the project. Using a tool such as a Tornado Diagram, it "examines the extent to which the uncertainty of each project element affects the objective being studied when all other uncertain elements are held at their baseline values."
   a. Fishbone diagram
   b. Monte Carlo technique
   c. Expected monetary value analysis
   d. Sensitivity analysis
10. Expected monetary value (EMV) is commonly used within this type of analysis:
    a. root cause
    b. decision tree
    c. Monte Carlo
    d. cost/benefit

Example Project

Create a risk register for your example project. Categorize each risk, list potential causes, and list potential responses for each cause, as shown in Exhibit 10.9.

Describe what each project success measure (from Exhibit 10.1) looks like on your example project. Identify at least three risks to each success measure, determine which are major risks, and for each major risk develop one or more contingency plans. Identify whether the contingency plan is an avoidance plan (reducing the probability of the risk event), a mitigation plan (reducing the impact of the event), or both.

Facilitate a discussion with the sponsor and other key stakeholders of your project. Have them determine the relative importance of their priorities and document them, as shown in Exhibit 10.2.

Perform a risk review for your example project. Use at least three types of review, as shown in Exhibit 10.8. Which of these types gave you the most useful information? Why?

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Endnotes

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3. *PMBOK® Guide* 564.
4. *PMBOK® Guide* 548.
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10. *PMBOK® Guide* 561.
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12. *PMBOK® Guide* 560.