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Introduction

Thank you for your interest in the RIMS Certified Risk Management Professional (RIMS-CRMP) examination administered by RIMS, the risk management society™.

Those who qualify for the RIMS-CRMP examination have already met the eligibility requirements identified in the Candidate Handbook, and on the RIMS-CRMP website. The Candidate Handbook provides detail on eligibility requirements, examination logistics, and recertification requirements, the Code of Ethics and additional policies. The Candidate Handbook is available on the RIMS website at:


The purpose of this document is to serve as a study guide for candidates taking the RIMS-CRMP certification examination. It is not intended to replace any textbook or other resources you need to prepare for the examination, and using this guide does not guarantee that you will pass the examination. The study guide is divided into two sections. The first section deals with the background of the CRMP designation and provides guidance on the process of studying, taking examinations, and managing expectations around testing centers.

The second section summarizes five core competencies of a risk professional:

1. Analyzing the Business Model
2. Designing Organizational Risk Strategies
3. Implementing Risk Process
4. Developing Organizational Risk Competency, and

It then reviews each of the core competencies based on six review components:

1. Content area specifics
2. Learning objectives
3. Examples
4. Recommended reading
5. Self-assessment of content areas, and
6. Sample exam questions

The study guide concludes with a consolidated glossary of terms and bibliography.
Section 1 - Background and Process

About the RIMS-CRMP Certification

As the preeminent organization dedicated to advancing the practice of risk management, RIMS is a global not-for-profit organization representing more than 3,500 industrial, service, nonprofit, charitable and government entities throughout the world. Founded in 1950, RIMS brings networking, professional development and education opportunities to its membership of more than 11,000 risk management professionals who are located in more than 60 countries.

The RIMS-CRMP certification defines the highest achievement of risk management competencies for the risk management professional. Individuals who earn the RIMS-CRMP have demonstrated their knowledge and competency in the area of risk management, and are dedicated to upholding high standards of ethical and professional conduct. It represents the standard of education, experience and integrity that the discipline requires. Individuals who earn and retain the RIMS-CRMP certification are required to: meet the application requirements, provide supporting documentation, pass a rigorous exam, uphold an established Code of Ethics and meet certification maintenance requirements. Typically RIMS-CRMPs have expertise in risk management and have chosen to supplement their existing professional knowledge by earning the RIMS-CRMP certification.

RIMS-CRMPs may use the credential to establish credibility within their organization and among risk management professionals. Adding the RIMS-CRMP certification to your professional profile verifies that you have achieved the highest level of expertise, education and experience required to successfully manage risk and create value for your organization.

Study Review Process

People review and process information in different ways. Some individuals find memorization easily, while others sort facts into a contextual framework. The RIMS-CRMP examination requires that you know factual data and use the information in decision-making and/or apply the information to a situation.

Some individuals prefer to study alone, while others prefer a study partner or study group. Discussing information with a partner or in a group can help clarify, process and integrate information. You are the best judge of your study preferences, so stick with what has worked best in the past. Some individuals learn better by hearing information, while others learn better by reading or writing information.

How do you tackle new objectives? If you hear about something exciting and want to learn more, how do you go about finding information? Do you read about it, take a class, call an expert and ask for a demonstration, purchase equipment and teach yourself?

If you chose one of these options, then that is most likely the way you prefer to learn. Some choose a combination of methods and that is fine too. However, one choice may stand out more than the others. For example, if you chose to ask an expert, then you may prefer a hands-on approach where you can encounter trial and error and get input and feedback from someone knowledgeable in that area.

Determine your preference and find activities to support that learning preference. For example, you can attend courses, view webinars that can be repeated, highlight texts or write flash cards that can be reviewed.

Study groups are a great way to be accountable for studying for an exam. The leader may utilize this study guide and/or additional resources as tools. It is helpful when candidates can talk through ideas and support each other in their learning endeavors. Finally, plan a study strategy and schedule in advance to allow sufficient time to prepare.
Approaches to Memory and Retention

This section outlines some tips for memorization and retention. While the RIMS-CRMP examination is not based on “rote-learning” and memorization, these techniques can prove effective to remember and recall pertinent concepts and facts to not only help on the exam but in other learning ventures as well.

Memorization and recall is a key component of studying. While you may already possess the practical knowledge, recalling it during a time of stress may prove challenging.

One key strategy to recalling information is to self-test. As you compile and address areas of content areas from the exam, a theory called the testing effect shows that learning is enhanced by the act of recalling information after exposure (Dobson, J.L. and Linderholm, 2015). This simply means that by reading information, recalling and reviewing as much as possible (self-test) and then re-reading the information, retention was found to be greater than just reading and taking notes.

Other techniques associated with recalling information are:

1. **Get organized.** Find a quiet, uncluttered space in which to study. Organize notes according to domain and content area. If you are studying in a group, make sure the group space is free from distractions from outside noise, chatter and clutter.

2. **Make it meaningful.** Create mnemonic devices to help recall formal names of concepts. Various types of devices include rhyming (I before E except after C...), names (Roy G Biv = colors of the rainbow), or notecards. It’s also best, when possible to relate a concept to a personal experience. If personal experience is attached, the concept holds more meaning therefore it may be recalled more readily.

3. **Don’t cram.** Spread studying out over several days or weeks. Study in chunks of time. Do not spend three, four, or five consecutive hours studying. Take frequent breaks (every 20-25 minutes) to refresh and have some recuperation time.

4. **Take notes and create flashcards.** Everyone has a laptop at their disposal. Research shows that taking notes by hand is better than taking notes on a laptop for remembering conceptual information over the long term (Mueller, P.A. and Oppenheimer, D.M. 2014). The old-fashioned method of taking notes by hand forces you to synthesize information in ways that typing doesn’t.

5. **Get enough sleep.** The right amount of sleep aids in better performance, mental agility and wards off stress. While sleeping the brain converts facts from short-term memory into long-term memory.

Strategies for analysis of an exam question

All questions on the RIMS-CRMP examination are in the four-choice multiple-choice item type format. This item format consists of a stem, which is in the form of a question or incomplete statement, and four response options. Only one of the response options correctly answers the stem (the key); the other three options are incorrect (the distractors). When responding to the questions on the RIMS-CRMP examination; the candidate selects ONLY one of the response options. Figure one is a generic labeled example of a four-choice multiple-choice item. (Please note, this item is only representative of the format of the item and DOES NOT represent the content on the RIMS-CRMP examination.)

![Figure 1](image_url)
The questions on the RIMS-CRMP examination may vary in complexity. Some questions ask the candidate to recall information (such as, “What is X defined as ...”) and some questions require the candidate to apply knowledge in order to select the most appropriate response or action given the situation in the stem. When responding to each question, the candidate should always select the BEST option. The candidate should also pay close attention the words in the stem, to determine what the question is truly asking, as the question may be asking what MUST be done or what is MOST commonly done vs. what can be done.

Each question on the exam is written so that all four answers are plausible. If this was not the case, and the incorrect answers were implausible, then the candidate's knowledge would not be effectively measured. The exam does not use “trick” questions. Instead, the candidate must either know the data or be able to effectively manipulate the data in a decision-making process to choose the BEST answer.

All questions and answers are referenced to an industry-accepted textbook or resource. Each question has been reviewed by a number of experienced professionals in the field who agree on the correct answer. In addition, a substantial amount of empirical data has been collected on each question to assure that it performs appropriately and effectively. The four answers presented may not agree with your individual interpretation of the material. Regardless, it will be necessary to choose one of the four answers provided as the best answer.

Being familiar with how test items are constructed may help when analyzing a question or choosing a correct answer if stuck. More information about how multiple choice items are developed can be found here: https://cft.vanderbilt.edu/guides-sub-pages/writing-good-multiple-choice-test-questions/

**General strategies for taking the exam**

Prior to the exam:

Prepare for the multiple choice exam by employing a variety of test-taking strategies. These strategies do not guarantee passing the exam, but they will give insight as to how the candidate can interpret questions and evaluate information.

**Test strategies:**

- Read the directions carefully
- Know how much time is allowed (this governs your strategy)
- If time allows, review both questions and answers. It is possible to misread questions the first time

**Answering options:**

Improve your odds by thinking critically.

**Cover the options, read the stem, and try to answer:**

Select the option that most closely matches your answer.

**Strategies for answering difficult questions:**

1. Eliminate options you know to be incorrect
2. Give each option of a question the “true-false test.” This may reduce your selection to the best answer.
3. “Eliminate look alike options.” Choose the best answer but disregard choices that mean basically the same thing, and thus cancel each other out.
4. If two alternatives seem correct, compare them for differences, then refer to the stem to find your BEST answer.

**Remember that you are looking for the best answer** not only a correct one, and not one that must be true all of the time, in all cases, and without exception.
Test Preparation Strategies

References provided throughout the review section do not constitute a required reading list. The important topics that candidates should study to successfully prepare for the examination are listed in the examination blueprint of core competencies (Page XX). Candidates are strongly encouraged to carefully review the examination blueprint to identify topic areas that may require extra review and study.

Moreover, learning objectives and examples provided below have been developed independently of the examination questions. Rather than representing an exhaustive list of learning objectives or examples, they create a starting point for you to think about the concepts in a way that not only helps you retain information to take a test but also to become a better risk professional.

Candidates should decide what they want to read and study based on their current experience and knowledge about risk management to determine how much preparation is required for each topic area of the examination.

As you prepare for the RIMS-CRMP certification examination, you are strongly encouraged to review the examination blueprint. The blueprint contains the major content areas on the exam, and the percentage of the exam each content area represents.

Use the blueprint to guide you in identifying any content areas you need extra time and resources to prepare for, and ask yourself these questions.

- Which content areas represent the greatest number of test questions? The greater the number of possible questions on the exam, the more focus you need on these topics to prepare.
- How much time do you need to focus on these areas to prepare for the exam, versus other areas? For example, if there is only one question on a specific item, it would not make sense to spend 50% of your study time on that topic.
- How do your current knowledge and skills compare to the content areas of the exam? Are you strong in some, but weak on others? Making this assessment will help you budget your study time.
- How much training or work have you done in the areas on the exam? If you have had extensive training and/or experience in a specific area, you may decide that your focus should be on the areas that are less familiar to you.

Your analysis of the content outline and your answers to the questions above will help you determine where you need to spend your study time. Eventually you will decide that you have studied all you can. Once you have reached this point, you should schedule an appointment to take the examination.

What to expect at the testing center

On the day of the exam:

- Plan to arrive at the exam site at least 30 minutes prior to your appointment to allow plenty of time for registration and processing. If you have considerable distance to travel, consider arriving the night before.
- If you are unfamiliar with the area where the test center is located, find the location before test day. Allow for extra time for unforeseen events such as traffic.
- Get a good night’s rest the night before.
- Eat a well-balanced meal prior to reporting to the exam site. Avoid excessive stimulants such as caffeine.
- Read and follow the instructions carefully. Ask the proctor for clarification if you are not sure about the instructions. Remember, the proctors will not answer questions related to exam content.
- Periodically check progress. This will allow time to make adjustments.
- You may go back to review any items, so mark questions you wish to review if time permits.
- Pay attention to reminders of the time you have left to finish the exam.
To view a short video of test-taker tips and what to expect at the test center, go to:

https://www.youtube.com/embed/gJF4jkkXhaU?rel=0&enablejsapi=1

If during the examination the candidate has questions or concerns about a test item, they may leave a comment by clicking the “comment” button on the computer screen. All examination questions are copyrighted property of RIMS. It is forbidden under federal copyright law to copy, reproduce, record, distribute or display these examination questions by any means, in whole or in part. Doing so may subject the candidate to severe civil and criminal penalties and actions by the RIMS organization.

The Test Administrator will keep the official time and ensure that candidates are given the allotted time of two hours for the examination. If a candidate leaves the room to take a restroom break the examination time will not stop. **Candidates are not permitted to leave the examination area to go to their cars, to speak to anyone, or make personal calls.**

The Test Administrator may dismiss a candidate from the examination for any of the following reasons:

- If the candidate's admission to the examination is unauthorized.
- If a candidate creates a disturbance or gives or receives help.
- If a candidate attempts to remove examination materials or notes from the testing room.
- If a candidate attempts to take the examination for someone else.
- If a candidate has in his or her possession any prohibited item.
- If a candidate exhibits behavior consistent with memorization or copying of examination items.

Candidates who are taking the RIMS-CRMP examination at a Pearson VUE testing center will be required to provide two forms of valid ID. A primary ID must contain a photo and signature, and one secondary ID with a signature.

The following IDs meet the **primary ID requirements:**

- Government-issued driver’s license
- Alien registration card (green card, permanent resident visa)
- State/national identification card
- U.S. Passport card
- Passport
- U.S. Dept. of State Driver’s License
- Military ID*

* The primary ID must contain a photo and signature unless the signature is embedded in the identification. When this occurs, candidate must present another form of signature identification from the primary or secondary list.

The following IDs meet the **secondary ID requirements:**

- Any ID on the primary list OR Social Security card credit/bank ATM card (signature required).
Section 2 - Exam Outline and Review Components

Summary of core competencies

Table one shows the five domains—also referred to as core competencies—and some of the key duties and tasks associated with each domain. The columns on the right side of the table show the percentage weight each domain has within the overall exam, and each task within each domain have based on the number of potential exam questions. The weighting will help you prioritize study time and identify opportunities for personal improvement. For example, the domain of “implementing risk process” represents slightly over a third of the exam, and its six duties and tasks are almost equally weighted. On the other hand, the domain of “analyzing the business model” represents 15% of potential exam questions, and of its seven duties and tasks, three are more heavily weighted: obtaining internal organizational information, analyzing operations, and understanding value chain.

In general, the domains are sequential in nature and pre-requisites of the next domain. For example, you could say that you

“Analyze the business model” so that you can
“Design organization risk strategies” so that you can
“Implement risk process” so that you can
“Develop organizational risk competency” throughout the organization so that you can also
“Support decision making” holistically in the organization.

It is also natural in any business process to have feedback loops. In the case of the five domains associated with the RIMS-CRMP core competencies, the decision-making domain easily flows back into the first domain of (on-going) analysis of the business model. In fact, in a dynamic business context, the decision making domain could result in changes to any of the other domains. Figure two is a graphical representation of domains within the certification curriculum. Keep in mind that the domains do not represent a standard, nor do they represent a risk management framework, per se. Their primary purpose is to communicate the core competencies associated with effective risk management as defined by the RIMS CRMP certification curriculum.

Graphical Representation of Core Competencies of the RIMS-CRMP Certification
### Table 1
#### Domains and Key Duties

<table>
<thead>
<tr>
<th>Duties and Tasks</th>
<th>Average % on Exam</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Analyzing the Business Model</strong></td>
<td></td>
</tr>
<tr>
<td>A.1 Obtain internal organization information</td>
<td>15%</td>
</tr>
<tr>
<td>A.2 Obtain external information about organization</td>
<td>3%</td>
</tr>
<tr>
<td>A.3 Consolidate organizational information</td>
<td>1%</td>
</tr>
<tr>
<td>A.4 Analyze operations of the organization due diligence</td>
<td>3%</td>
</tr>
<tr>
<td>A.5 Conduct benchmarking</td>
<td>1%</td>
</tr>
<tr>
<td>A.6 Describe and/or understand organization's value chain</td>
<td>3%</td>
</tr>
<tr>
<td>A.7 Identify organizational uncertainties</td>
<td>2%</td>
</tr>
<tr>
<td><strong>B. Designing Organizational Risk Strategies</strong></td>
<td>17%</td>
</tr>
<tr>
<td>B.1 Develop risk strategy approach</td>
<td>3%</td>
</tr>
<tr>
<td>B.2 Define organizational risk competency capabilities</td>
<td>2%</td>
</tr>
<tr>
<td>B.3 Define success measures</td>
<td>2%</td>
</tr>
<tr>
<td>B.4 Design risk governance</td>
<td>2%</td>
</tr>
<tr>
<td>B.5 Design implementation plan</td>
<td>2%</td>
</tr>
<tr>
<td>B.6 Develop risk communication strategy</td>
<td>3%</td>
</tr>
<tr>
<td>B.7 Obtain organizational support for risk strategy</td>
<td>3%</td>
</tr>
<tr>
<td><strong>C. Implementing Risk Process</strong></td>
<td>35%</td>
</tr>
<tr>
<td>C.1 Identify risks</td>
<td>6%</td>
</tr>
<tr>
<td>C.2 Analyze identified risk</td>
<td>6%</td>
</tr>
<tr>
<td>C.3 Evaluate risk</td>
<td>6%</td>
</tr>
<tr>
<td>C.4 Consult and create risk solutions</td>
<td>6%</td>
</tr>
<tr>
<td>C.5 Monitor risk</td>
<td>5%</td>
</tr>
<tr>
<td>C.6 Advise on risk management (e.g., strategic, enterprise, operational, business area, business initiatives)</td>
<td>6%</td>
</tr>
<tr>
<td><strong>D. Developing Organizational Risk Competency</strong></td>
<td>16%</td>
</tr>
<tr>
<td>D.1 Deliver risk training</td>
<td>3%</td>
</tr>
<tr>
<td>D.2 Engage organization's risk network (e.g., safety, security, business continuity, internal audit)</td>
<td>3%</td>
</tr>
<tr>
<td>D.3 Coach organization on the risk process and techniques</td>
<td>3%</td>
</tr>
<tr>
<td>D.4 Continuously improve risk management process</td>
<td>3%</td>
</tr>
<tr>
<td>D.5 Integrate risk management into day-to-day operations</td>
<td>4%</td>
</tr>
<tr>
<td><strong>E. Supporting Decision Making</strong></td>
<td>17%</td>
</tr>
<tr>
<td>E.1 Influence risk-based decision making</td>
<td>8%</td>
</tr>
<tr>
<td>E.2 Facilitate risk discussions</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
</tr>
<tr>
<td><strong>Average % on Exam</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>

**Review Components**

Detail on each domain is broken down into five areas in order to aid the studying process.

1. Learning objectives provide more detail around the tasks identified in the exam blueprint.
2. The examples section provides more detail in the form of definitions and examples.
3. The recommended reading section provides useful recommendations on books, articles, white papers, and other material that will help you learn concepts more thoroughly and find more examples.
4. The self-assessment of content areas offers you an important opportunity to self-rate your competency in each domain area generally and each content area more specifically. Appendix A has a clean copy of the self-assessment worksheet that can be used multiple times to track your progress.
5. The sample exam questions are actual questions from the test bank utilized for certification and give a real-life look at how questions are worded and show the source that supports the answer to the question.
Section 3 - Review

Domain 1: Analyzing the Business Model

The first domain in the RIMS-CRMP curriculum addresses analysis of the business model of an organization. The first domain creates a solid foundation for the remainder of the process.

Learning Objectives

In order to successfully complete this portion of the examination, the certification candidate should be able to:

1. Describe internal and external sources of information that help explain the purpose of the organization and the environment within which it operates.
2. Explain ways risk professionals compile, organize, synthesize, and prioritize information.
3. Describe methods to analyze operations of an organization in order to validate and compare operations to culture and strategy.
4. Explain different approaches to benchmarking an organization to peers and identify the benefits of benchmarking.
5. Explain the value chain identification process within an organization and its link to macro-economic factors.
6. Describe different ways to identify organizational uncertainties and document them based on business needs.

Examples

Internal and external sources of information. Establishing the internal and external context of an organization is an important first step in the risk management process. There are two primary sources of internal information. First, reports and documents organized by department are typically a good starting point to learn about organizational structure and process. Some examples include reports from finance, operations or human resources. Second, meeting with internal stakeholders and making site visits, if applicable, provides additional detail not captured in formal reports. A successful risk professional will be able to use not only his or her business acumen to interpret technical documents but also utilize communication and research skills to collect information and identify connections between organizational objectives and the organization's risk attitude and culture.

Consolidate organizational information. After collecting and reading various reports, information is combined and prioritized based on relevance to specific risks and opportunities within the organization. For example, in a heavily-regulated industry, the risk professional will pay close attention to material that focuses on reducing regulatory and compliance risk.

Analysis of operations. Analyzing operations of the organization is like an internal due diligence process. At this stage, the risk professional utilizes active listening, interviewing, and communication skills to validate the business model. Specifically, information and behavior are compared to organizational culture, and alignment or potential disconnects are documented. The validation process also extends to a comparison of information and behavior as they relate to organizational strategy and the organization's attitudes toward uncertainties. For example, over-managed risks may come to light that initially may seem like a poor use of resources. However, after learning that the organization's tolerance for the risk is extremely low because it could destroy the value of the entire organization if managed incorrectly, the over-management makes better sense (i.e., within the context of the organization's appetite and tolerance for risk).

Benchmarking. After having performed an internal due diligence process, the risk professional turns his attention to validation against external peers. Benchmarking involves measuring the performance of an organization against external standards of reference that frequently come from similar organizations doing similar things. The risk professional continues to utilize his or her other research skills to firstly identify peers for common practices. Often, this involves an analysis of the industry sector and relevant market segments. Next, information on peers is collected through a careful review of key external drivers such as political, economic, social, technological, environmental, and legal drivers (PESTEL analysis). One's own organization is ranked against peers based on deviations from value, either positive or negative. For example, stock prices of publicly traded companies with varying maturity levels of ERM programs can be compared to each other in order to demonstrate the positive value of mature ERM programs (Farrell and Gallagher, 2014).

Value chain. Describing an organization's value chain begins with identification of:

- Value chains (i.e., series of business process steps that follow each other in succession and result in value creation (or destruction) for the organization.
- Resources within those value chains.
• Key inputs and outputs of the value chains
• Differentiators within an organization compared to peers.
• Influential macroeconomic factors

Results should be summarized in a way that is easily shared with stakeholders (e.g., prose description or slide-based presentation style). As an extension of benchmarking, the description of value chains helps set the stage for identifying uncertainties the organization faces regarding achievement of objectives.

**Uncertainty identification.** The identification of organizational uncertainties is a natural conclusion of the business analysis step as a whole. After having collected and compiled various data regarding value creation, the risk professional looks for obstacles and accelerators to achieving organizational objectives. Common methods include gap analysis and analysis of strengths, weaknesses, opportunities, and threats (SWOT). A risk professional should be assertive and inquisitive as the analysis is performed and look for key assumptions and operational biases built into the business model that may or may not be explicitly understood throughout the organization. After documenting insights related to both risks and opportunities the organization faces, the stage is set for designing strategies around risk that should align with higher-level strategic objectives of the enterprise.

**Recommended Reading**

Remember that all works cited throughout the study guide and provided in recommended reading lists are consolidated in the bibliography.


**Self-assessment of Content Areas**

See the sample self-assessment checklist in Table 2 prior to filling it out for yourself. The hypothetical person who filled out the sample self-assessment feels strong in the domain of “analyzing the business model” (hence the score of 4 out of 5). In terms of specific tasks associated with the domain, the individual is strongest when it comes to obtaining internal information but feels weakest regarding “describing an organization’s value chain” because he has not done this before. Given limited resources to prepare for the exam, this student would focus more on “describing an organization’s value chain.”

<table>
<thead>
<tr>
<th>Domain</th>
<th>Duties and Tasks</th>
<th>Self Rank Score¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Analyzing the Business Model</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.1 Obtain internal organization information</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>A.2 Obtain external information about organization</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>A.3 Consolidate organizational information</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>A.4 Analyze operations of the organization/due diligence</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>A.5 Conduct benchmarking</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>A.6 Describe and/or understand organization’s value chain</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>A.7 Identify organizational uncertainties</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

**Notes**

¹ Score your knowledge of each domain and task based on a 5 point scale with 1 being the weakest and 5 being the strongest.
Table 3 is the self-assessment for the domain area of “Analyzing the Business Model.” Please fill it out based on your self-ranked proficiency in the domain and the duties. Use a scale of 1 through 5 where 1 is weakest and 5 is strongest. This will help you prioritize your time for additional reading and studying. Enter only one score for the domain and one score each for the task areas, just like the example above. Remember, Appendix A has a clean copy of the self-assessment worksheet that can be used multiple times to track your progress and shows all domains and tasks in one location.

### Table 3
Self-Assessment for the Domain Area of Analyzing the Business Model

<table>
<thead>
<tr>
<th>Domain</th>
<th>Duties and Tasks</th>
<th>Self Rank Score¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Analyzing the Business Model</td>
<td>A.1 Obtain internal organization information</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A.2 Obtain external information about organization</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A.3 Consolidate organizational information</td>
<td></td>
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<tr>
<td></td>
<td>A.4 Analyze operations of the organization/due diligence</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A.5 Conduct benchmarking</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A.6 Describe and/or understand organization's value chain</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A.7 Identify organizational uncertainties</td>
<td></td>
</tr>
</tbody>
</table>

**Notes**

1. Score your knowledge of each domain and task based on a 5 point scale with 1 being the weakest and 5 being the strongest.

### Sample Exam Questions

1. A business model is a set of assumptions about the
   A. financial stability of an organization.
   B. organizational structure of a business.
   C. products and services’ past performance.
   D. way an organization creates value.

   **Answer: D**

   The business model represents the value an organization creates.


2. What two analytical tools are particularly useful in analyzing the business model?
   A. Key performance indicators and total cost of risk
   B. Key risk indicators and gap analysis
   C. Pareto analysis and root cause analysis
   D. Value chain analysis and benchmarking

   **Answer: D**

   The risk management professional should utilize appropriate analytical tools for analyzing the business model.

3. Risk management professionals conduct supply-chain analyses to identify
A. contingent business interruption coverage.
B. customer technology needs.
C. international regulatory requirements.
D. potential vulnerabilities to the organization.

   **Answer: D**
   The vulnerability of the supply-chain helps determine the organization's ability to meet performance objectives.

   **Reference: Gamble and Thompson, Essentials of Strategic Management, 2010**

4. Which activity does the risk management professional perform immediately after obtaining internal and external information about the organization?
A. Analyze the information.
B. Organize the information.
C. Prioritize the information.
D. Report the information.

   **Answer: B**
   To properly perform due diligence, the risk management professional needs to know the order of processing the information. Information must be organized before it can be analyzed, prioritized, or reported.

   **Reference: General knowledge. See RIMS Strategic Risk Implementation Guide, pg. 27**

### Domain 2: Designing Organizational Risk Strategies

The second domain in the RIMS-CRMP curriculum addresses the design of organizational risk strategies based on the business model of the organization.

#### Learning Objectives
In order to successfully complete this portion of the examination, the certification candidate should be able to:

1. Describe the process of developing a risk strategy approach that is rooted in the culture of an organization and integrated into the support structure of the organization.
2. Define organizational risk competency capabilities.
3. Define success measures that align risk strategy with organizational goals.
4. Design risk governance based on process, framework and technical design.
5. Design a risk strategy implementation plan.
6. Create and apply a risk communication strategy.
7. Develop a business case for obtaining organizational support for risk strategy.

#### Examples
*Develop risk strategy approach.* After analyzing the business model of the organization, the risk professional moves on to the design phase of the risk management process where the focus is on identifying risk management approaches. Before selecting a risk strategy option, some important steps should be followed in order to ensure success. First, risk management approaches should be culturally appropriate. For example, an organization with a foundation in quantitative metrics will prefer quantitative analysis for risk assessment and prioritization. Additionally, since the design stage of the process helps determine risk management needs, it requires a good working knowledge of various risk management standards and frameworks.
The design stage also offers an important opportunity to align risk management goals and objectives with organizational goals and objectives. Valuable skills for designing risk management process include budgeting, project management, and persuasive skills. As risk management goals are calibrated against the business model, risk owners need to identify resources (e.g., money), internal support (people) in order to manage risk to acceptable tolerance and appetite levels. The calibration process often results in risk strategies changing to accommodate the application of limited resources to desired outcomes. Once the risk strategy is selected, the focus turns to risk management capabilities within the organization.

Define organizational risk competency capabilities. Once risk strategies are selected, the organization needs to determine if it has the ability to successfully execute the risk management approach. A review of existing capabilities frequently based on a gap analysis approach will determine capabilities already in place. As gaps between risk management competency and risk strategy are identified, adequate resources should be either developed or acquired in order to meet risk management goals. For example, an organization may have strong risk identification process in place (e.g., ability to perform business risk assessments), but lacks the ability to follow through on the business risk assessments and reinforce the importance of governance.

Define success measures that align risk strategy with organizational goals. Success measures are based on a solid understanding of organizational goals and objectives as they relate to internal and external benchmarks. The measures can be risk based in the form of key risk indicators (KRIs) and designed to manage downside risk, or can be performance based and focus on key performance indicators (KPIs) that emphasize opportunities and strategic objectives. Success measures of the risk strategy itself are also an important component of this stage of the risk management process. For example, if the organization has committed to managing a risk within certain upper and lower control limits, the risk process should contribute to this by defining risk appetite, and providing the methodology for communicating deviations from expected outcomes.

Design risk governance based on process, framework and technical design. Designing risk governance is a process step that requires technical enterprise-wide risk management skills. The risk professional first defines the risk management process and framework that is most applicable to his or her organization and puts the structure in place to execute the risk management process. Documentation of risk ownership is also an important aspect of the technical design of risk governance. For example, there is clarification of roles, responsibility and accountability within the governance structure. Finally, documentation around policy, procedure, common vocabulary and standards is written and included in the implementation plan.

Design a risk strategy implementation plan. The main components of an implementation plan are similar to project plans for most other major initiatives. As the author of a high quality implementation plan, the risk professional needs to identify the scope of the risk management initiative, priorities for implementation, and key internal and external stakeholders. Additionally, the implementation plan should identify key milestones, resources needed, checkpoints and deliverables associated with the process. An important part of this step of the process is to identify assumptions that may be implicitly or explicitly built into the plan, dependencies (e.g., prerequisites) and constraints to meeting milestones. After setting timelines to the milestones and deliverables, the implementation plan should be subjected to its own quality review based on project risk analysis and lastly, the plan should be documented.

Create a risk communication strategy. The next step in designing organizational risk strategies is to create a communication plan. Audience analysis is the critical first step and requires identification of primary and secondary audiences. Next, the risk professional develops key messages that support the risk strategy and the channels that best support delivery of those messages. Finally, a delivery schedule of communication content should be developed and, after a careful review of available resources, the risk professional documents the communication plan as a component of the implementation plan as a whole.

Obtain organizational support for risk strategy. The final step in the design phase is to develop a value-based business case for the risk strategy, implementation plan and communication plan. The first step is to develop a clear, compelling and concise message regarding the value expected to be gained from the risk strategy. Value-based messages may be:

- specific and identify positive outcomes on a project specific basis (e.g., we expect a 10% increase in new highly qualified clients for our program);
- more general (e.g., we will see an increase in share price vis a vis both the market and our competitors of 10%); and
- process based: During the next quarter, when there are deviations from formally established risk appetite and tolerance, there also will be an explanation that justifies why more risk was taken in pursuit of greater reward.

Once the messages are constructed around tangible value-based goals and outcomes, the risk professional needs to identify key decision makers and influencers within the organization and preview the business plan with them. It is important to validate the business plan with these key decision makers to ensure that goals are “SMART”: specific, measurable, achievable, relevant, and timely.
Equally important to validation of goals is the pursuit of risk champions. If the risk professional convinces key decision makers and influencers within the organization of the value risk management creates early on in the process, those key decision makers will become early adopters of the process and champions of the process throughout the organization.

**Recommended Reading**


ISO 31000:2009


**Self-Assessment of Content Areas**

See page ** for an example of how to fill out a self-assessment checklist.

**Sample Exam Questions**

5. The organization’s resources and internal support are ______ the risk management strategy.

A. adjustable to match
B. inputs in the development of
C. metrics used to measure the value of
D. outcomes of the development of

**Answer:** B

The appropriate risk management strategy aligns with the organization’s internal resources and support

6. When defining the success measures for the organization’s risk strategy, the risk management professional will include which of the following steps?

A. A review of the goals and objectives of the risk strategy
B. A selection of appropriate media for communicating the risk strategy
C. An analysis of the organization’s total cost of insurable risk
D. The development of timelines for implementing the risk strategy

Answer: A


Domain 3: Implementing Risk Process

The third domain in the RIMS-CRMP curriculum addresses the details of implementing risk process.

Learning Objectives
In order to successfully complete this portion of the examination, the certification candidate should be able to:

1. Describe a risk identification process. (1)
2. Explain the basic components of risk analysis. (2)
3. Describe a process to evaluate risk. (3)
4. Create and apply risk solutions based on a collaborative approach (4).
5. Explain a process for monitoring risk (5)
6. Apply a risk management approach that is integrated throughout the enterprise and based on advising.

Examples
Describe a risk identification process. The third domain of the RIMS-CRMP risk management process is called “Implementing Risk Process” and takes the background work from domain one and the design work from domain two and puts them into practice. The first step for domain three deals with risk identification and requires definition of the scope of risk assessment work and determination of methods and techniques that will be used to collect information about uncertainties. Also useful at this stage of the process is to review the uncertainties previously identified in the business model analysis as they relate to the scope of the risk process. For example, if a SWOT analysis was utilized to identify obstacles and accelerators to the achievement of organizational goals in domain one, the same methodology (and results) can be incorporated into this stage of the risk identification process. Additional data collection methods that might be useful include stakeholder interviews, focus groups, incident details, insurance claims, surveys, financial statements, document reviews and benchmarking. After data are collected, the results are validated for applicability to the scope of the risk process and then recorded in a standardized format that captures both risks and opportunities.

Explain the basic components of risk analysis. High-quality risk analysis is predicated upon determining the criteria that will be employed to support the analysis and subsequent evaluation of risk. For example, will the analysis be qualitative or quantitative in nature? Or will the analytical framework be a combination of each approach? Analysis criteria support analytical methods. For example, focus groups create long transcripts of words that can be organized thematically and support content analysis. Alternatively, financial results can be easily measured against different independent variables by using statistical analysis. Finally, survey results may benefit from a hybrid method where data are first organized qualitatively and then converted to numbers for quantitative analysis. Regardless of approach, there are key characteristics of risk that are captured in the analysis. For example, for pure risks the analysis would identify frequency and consequences of loss. The analysis would also identify vulnerabilities of the organization (i.e., its effectiveness in managing downside loss) and also interdependencies among and between different loss scenarios. Similarly, for speculative risks, the analysis would identify potential benefits, organizational strengths and expected benefits in other areas of the business. Finally, results are documented in a standardized and consistent fashion in order to support the next step in the process: risk evaluation.

Describe a process to evaluate risk. As with risk analysis, successful risk evaluation is based on determining accurate evaluation criteria. Common considerations at this stage of the risk assessment process deal with establishment of risk categories, establishing definitions of what is “significant” for an organization, and defining thresholds to determine if risk appetite or risk tolerance have been exceeded (or are
not being maximized). Evaluation methods flow logically from analysis methods. For example, if the risk professional utilizes a quantitative approach to analyzing risk, a prioritization (i.e., evaluation) of the same risks would naturally be based on a numerical ranking.

Determining whether or not a risk or opportunity is inside (or outside) established control limits for risk appetite and tolerance supports the creation of risk solutions because it partially answers questions about resource allocation (i.e., which risks and opportunities should receive more (or less) time and money)?

Interpretation of results of risk analysis also helps identify interdependencies among and between risks, supports aggregation of risk (i.e., tolerance), and is able to explain potential consequences to the business model. In sum, the main objective of risk evaluation is to determine the acceptability of risk, that is, whether or not the risk is within established control limits.

Create and apply risk solutions based on a collaborative approach. Once risks and opportunities have been prioritized, the risk professional turns attention to developing and applying solutions to manage uncertainty. Collaboration is critical at this stage since successful solutions must be tied to business model drivers and risk owners. Collaboration also helps identify interdependencies between different solutions and both leverages opportunities to manage multiple risks with the same treatment and identifies inefficiencies where the solution may create more risk that it manages. Finally, documentation of risk solutions should focus clearly and concisely on expected outcomes and align action with governance accountabilities.

Explain a process for monitoring risk. A process for monitoring risk begins with identification of priorities for monitoring, which ensures resources are applied to the risk solutions expected to create the most value. Performance metrics are developed as measures of deviations from expected outcomes and can be applied to downside risks as much as upside/opportunistic risks. Monitoring schedules provide the foundation for the continuous improvement process, which emphasizes measurement of performance against metrics and validates the performance of risk solutions. The risk report is generated which informs risk owners, communicates the information to various levels of the organization, helps to drive change by making groups accountable and responsible, in writing, and is used to conduct follow-up activities as required. It is also good governance to formally record risks, identify risk owners and create action plans.

Apply a risk management approach that is integrated throughout the enterprise and based on advising. The final step of the implementing risk process domain takes monitoring one step further and focuses on the role of the risk professional as advisor. Specifically, at this stage, the risk professional has an opportunity to offer suggestions to other leaders within the organization (e.g., strategists, operations heads, or owners of business initiatives). After evaluating the metrics report created from the previous step, the risk professional should be able to develop insights into overall organizational performance as they relate to the effectiveness of risk management. These insights should be validated with key stakeholders in order to develop additional recommendations that can be communicated throughout the organization in an effort to focus on learning lessons and providing feedback about the effectiveness of risk management.

Recommended Reading


Self-Assessment of Content Areas.
See page ** for an example of how to fill out a self-assessment checklist.
### Sample Exam Questions

7. Which of the following is considered a risk analysis technique?
   - A. Budget allocation
   - B. Consensus building
   - C. Insurance placement
   - D. Monte Carlo simulation

   **Answer: D**
   
   Insurance placement is considered risk treatment - not analysis.


8. When an operational area develops a treatment for a critical risk, the risk management professional MUST
   - A. add the risk to the risk map.
   - B. communicate the treatment plan directly with internal audit.
   - C. evaluate the dollar savings associated with the treatment.
   - D. evaluate the impact upon other areas.

   **Answer: D**

   **Reference:** ANSI/ASIS/RIMS RA 1-2015 Standard 1.4.4.5, Annex F

9. A risk management professional advises management on the status of key risks by
   - A. annually identifying the inventory of risks.
   - B. providing information about competitors’ risk management plan.
   - C. providing insights into the changing characteristics of a risk.
   - D. summarizing internal audit reports.

   **Answer: C**

   Evaluating the inventory of risks and monitoring internal audit reports is a risk identification activity not advising on risk management.

   **Reference:** COSO ERM 2004, pgs. B6-B7

---

### Table 5

| Domain | Duties and Tasks | Self Rank Score
|--------|------------------|-----------------
| C: Implementing Risk Process | | |
| | C.1 Identify risks | |
| | C.2 Analyze identified risk | |
| | C.3 Evaluate risk | |
| | C.4 Consult and create risk solutions | |
| | C.5 Monitor risk | |
| | C.6 Advise on risk management (e.g., strategic, enterprise, operational, business area, business initiatives) | |

**Notes**

1. Score your knowledge of each domain and task based on a 5 point scale with 1 being the weakest and 5 being the strongest.
Domain 4: Developing Organizational Risk Competency

The fourth domain in the RIMS-CRMP curriculum deals with developing organizational risk competency.

Learning Objectives
In order to successfully complete this portion of the examination, the certification candidate should be able to:

1. Describe the steps in a successful risk management training delivery program.
2. Explain how to engage an organization’s risk network to manage risk.
3. Explain how to coach an organization on the risk process and techniques.
4. Explain how to continuously improve risk management process.
5. Explain how to integrate risk management into day-to-day operations.

Examples

Describe the steps in a successful risk management training delivery program. Successfully implementing a risk process is heavily dependent upon risk owners throughout the organization understanding their roles and responsibilities and performing specific tasks to support the risk management process. Training is the primary method of ensuring organizational risk competency is maintained. After identifying educational needs of people in the organization, existing training resources need to be compared against those educational needs. The results of this comparison, or gap analysis, determine the training content that needs to be provided to different audiences within the organization. Selection of communication channels is just as important as the content. For example, depending on organizational culture and structure, the effectiveness of face-to-face communication may be far outweighed by the use of social media-based platforms that diffuse information quickly throughout matrix organizations. Prior to conducting training, a curriculum must be written and validated. The final step is to schedule the training sessions.

Explain how to engage an organization’s risk network to manage risk. Organizational risk competency is influenced by training as much as it is by coaching. Whereas training is a process of teaching and imparting knowledge regarding skills required to perform duties, coaching is about engaging an organization’s risk network through motivation and leadership in order to create a sense of urgency to manage risk well. Engaging an organization’s risk network begins with identifying key relationships across the value chain and further prioritizes them into primary and secondary stakeholders. After developing a stakeholder engagement plan, the risk professional should meet with those stakeholders and adapt the risk management strategy to potential changes in their needs.

Explain how to coach an organization on the risk process and techniques. Coaching should be used in conjunction with training to help establish an understanding of risk process and techniques. First, identification of coaching needs is required. For example, a risk professional may determine that front line employees need a better understanding of what their roles are as risk owners in the process of managing operational risk. Next, existing coaching relationships should be identified and compared to the needs via gap analysis. As a result, coaches—and coaching approaches—are paired with stakeholders and the process begins.

Explain how to continuously improve risk management process. Another aspect of organizational risk competency is highlighted through the process of continuous improvement. While the monitoring step of the risk process discussed in domain three identifies opportunities for continuous improvement in meeting organizational goals and objectives, the continuous improvement process can, and should, be applied to the risk management process itself as well. The process begins by identifying aspects of the risk process that need improving and then collaborating with other key stakeholders to develop alternative approaches. Alternatives should be validated with key stakeholders and risk owners before a new approach is chosen and implemented. Finally, the results of the new option should be monitored and modified as needed through an iterative process. For example, after doing a business risk assessment based on qualitative responses in interviews, staff in charge of the risk process may determine that a more quantitative approach will be more helpful.

Explain how to integrate risk management into day-to-day operations. One of the indicators of a mature risk management process within an organization is the extent to which risk management is integrated into the support structure of the organization. Signs of success include integration of:

- Risk governance into organizational strategy. For example, has the organization built in a process to explicitly ask and answer risk based questions about threats to organizational objectives?
- Risk process with organizational process. For example, does the organization have an understanding of how risk process fits into each level of analysis in the organization? Furthermore, has it communicated what the process is with internal stakeholders?
• Risk strategy with organizational strategy. For example, is there alignment between risk management methods and business outcomes being measured?

• Risk process monitoring into daily operations. For example, do front line employees understand their role as tactical risk managers and their role in communicating deviations from expected outcomes upward through the appropriate channels?

Recommended Reading

Self-Assessment of Content Areas
See page ** for an example of how to fill out a self-assessment checklist.

Table 6
Self-Assessment for the Domain Area of Developing Organizational Risk Competency

<table>
<thead>
<tr>
<th>Domain</th>
<th>Duties and Tasks</th>
<th>Self Rank Score(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>D. Developing Organizational Risk Competency</td>
<td>D.1 Deliver risk training</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D.2 Engage organization's risk network (e.g., safety, security, business continuity, internal audit)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D.3 Coach organization on the risk process and techniques</td>
<td></td>
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<tr>
<td></td>
<td>D.4 Continuously improve risk management process</td>
<td></td>
</tr>
<tr>
<td></td>
<td>D.5 Integrate risk management into day-to-day operations</td>
<td></td>
</tr>
</tbody>
</table>

Notes
1. Score your knowledge of each domain and task based on a 5 point scale with 1 being the weakest and 5 being the strongest.

Sample Exam Questions
10. After validating the training curricula, a risk management professional
   A. develops training.
   B. develops and schedules training.
   C. matches training to audience.
   D. schedules and conducts training.

Answer: D

Thinking through a process identify needs, develop, validate, schedule, and conduct

Reference: ISO 31000, 2008, 5.4.1
Domain 5: Supporting Decision Making

The final domain in the RIMS-CRMP curriculum deals with supporting decision making.

Learning Objectives

In order to successfully complete this portion of the examination, the certification candidate should be able to:

1. Explain how to influence risk-based decision making.
2. Create and apply a process to facilitate risk discussions.

Examples

*Explain how to influence risk-based decision making.* In many ways, the pinnacle of organizational risk competency is the ability to incorporate risk management into the routine decision making process of the organization. For the risk professional to be successful in building organizational awareness of the benefits of risk-based decision making, he or she needs to be both a persuasive communicator and facilitator. In order to determine the degree of potential influence that exists in the decision making process, the decision making environment must be identified. There are three types of decision making environments. First is a pre-decision environment in which a decision has yet to be made. The second is an active decision environment in which a decision is in the process of being made. Finally, a post-decision environment is one in which the decision has already been made.

Next, one should identify decisions within each environment that have the greatest impact on the business model, which helps allocate resources to maximize value. For example, the risk professional may choose to emphasize high-impact decisions in the pre-decision category in order to minimize as much downside risk as possible and maximize as much gain as possible. Figure three below utilizes a nine-box approach to comparing decision making environment to impact of decisions. Key considerations are to identify who the actual decision makers are and to determine if there is a difference between the actual decision maker and the person accountable for the decision. The next step is to characterize the risk-taking attitudes in each of the decision making environments and then engage decision makers about how the organization’s objectives could be impacted by perceptions of risk and the decision making process.

For example, the farther along people are in a decision-making process about a strategic initiative, the less likely they might be to openly raise concerns regarding threats to the success of project for fear of being punished for making bad decisions. Conversely, if incentives are in place that reward people for sharing bad news quickly and calling attention to threats to strategy, the better the chances are to correct course and reduce the chance of failure.
Create and apply a process to facilitate risk discussions. As with the process of influencing decision-making, the first step of facilitating risk discussions is to identify the decision making environment as pre-decision, active decision, or post-decision. Next, the risk professional should identify who should be engaged in the discussion (e.g., decision makers, accountable individuals, or impacted stakeholders). Successful risk discussions should draw out opportunities as well as uncertainties associated with potential outcomes of decisions. The goal is to ensure effective risk-informed decisions are made. Emphasis should be on transparency and consensus building around risk management decisions. Finally, if transparency suffers or if consensus is unattainable, then the discussion and decision should be escalated.

Conflict arises in many organizations when management says it wants a certain outcome but rewards a behavior that contradicts that outcome. For example, management may state that it wants a high-quality service or product but actually rewards speed and efficiency, which results in lower quality of service or product. One way to resolve the dissonance is to have a candid conversation about what the organization truly values, and if lower quality is indeed acceptable, then the associated risks should be quantified and built into the decision making process around risks and rewards. A risk professional who has implemented a solid foundation based on the RIMS-CRMP core competencies has a unique opportunity to act as facilitator in such a conversation.

Recommended Reading


Self-Assessment of Content Areas

See page ** for an example of how to fill out a self-assessment checklist.

![Table 7: Self-Assessment for the Domain Area of Supporting Decision Making](image)

Sample Exam Questions

11. What is the role of risk management in the strategic planning process?
   A. Challenge the decisions made.
   B. Develop risk treatment plans.
   C. Draft the decisions to be made.
   D. Identify threats and opportunities.
   
   **Answer:** D
   
   **Reference:** Elliott, Risk Assessment and Treatment, The Institutes, page 1.11-1.12
## Appendix A

### Complete Self-Assessment Checklist Sample

<table>
<thead>
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<td>B. Designing Organizational Risk Strategies</td>
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<td>B.2 Define organizational risk competency capabilities</td>
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<td>B.4 Design risk governance</td>
<td>5.0</td>
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<td></td>
<td>B.5 Design implementation plan</td>
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</tr>
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<td></td>
<td>B.6 Develop risk communication strategy</td>
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<td></td>
<td>B.7 Obtain organizational support for risk strategy</td>
<td>5.0</td>
</tr>
<tr>
<td>C. Implementing Risk Process</td>
<td>C.1 Identify risks</td>
<td>5.0</td>
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<td></td>
<td>E.2 Facilitate risk discussions</td>
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</tbody>
</table>

Average (based on 5 domains and 27 duties / tasks)² | 2.2 | 3.1

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¹ Self Rank Score is a subjective measure of proficiency in each task.

² Average is calculated by summing all self-rank scores and dividing by the total number of tasks.
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<td>A. Analyzing the Business Model</td>
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<td>A.1 Obtain internal organization information</td>
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<td>A.2 Obtain external information about organization</td>
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<td>A.3 Consolidate organizational information</td>
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<td>A.4 Analyze operations of the organization/due diligence</td>
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<td>A.5 Conduct benchmarking</td>
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<td></td>
<td>A.6 Describe and/or understand organization's value chain</td>
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<td>A.7 Identify organizational uncertainties</td>
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<td>B. Designing Organizational Risk Strategies</td>
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<td></td>
<td>B.1 Develop risk strategy approach</td>
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<td>B.2 Define organizational risk competency capabilities</td>
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<td>B.3 Define success measures</td>
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<td>B.4 Design risk governance</td>
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<td>B.5 Design implementation plan</td>
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<td>B.6 Develop risk communication strategy</td>
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<td>B.7 Obtain organizational support for risk strategy</td>
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<td>C. Implementing Risk Process</td>
<td>C.1 Identify risks</td>
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<td>C.2 Analyze identified risk</td>
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<td>C.3 Evaluate risk</td>
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<td>C.4 Consult and create risk solutions</td>
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<td>C.5 Monitor risk</td>
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<td>C.6 Advise on risk management (e.g., strategic, enterprise, operational, business area, business initiatives)</td>
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<td>D. Developing Organizational Risk Competency</td>
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<td></td>
<td>D.1 Deliver risk training</td>
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<td>D.2 Engage organization's risk network (e.g., safety, security, business continuity, internal audit)</td>
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<td>D.3 Coach organization on the risk process and techniques</td>
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<td>D.4 Continuously improve risk management process</td>
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<td>D.5 Integrate risk management into day-to-day operations</td>
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<td>E. Supporting Decision Making</td>
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<td>E.1 Influence risk-based decision making</td>
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<td>E.2 Facilitate risk discussions</td>
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Average (based on 5 domains and 27 duties / tasks)^2
**Glossary**

**Benchmarking:** The process of measuring the performance of an organization against external standards of reference that frequently come from similar organizations doing similar things.

**Corporate governance:** The system of rules, practices and processes by which a company is directed and controlled (Investopedia [http://www.investopedia.com/terms/c/corporategovernance.asp#ixzz4QO62g4aC](http://www.investopedia.com/terms/c/corporategovernance.asp#ixzz4QO62g4aC)).

**Enterprise risk management:** A strategic discipline that supports the achievement of an organization’s objectives by addressing the full spectrum of its risk and managing the combined impact of those risks as an interrelated risk portfolio. (RIMS, 2010).

**Gap analysis:** Comparison of an existing process or procedure to recognized standards in order to identify deficiencies or excesses in the existing process.

**Key performance indicator (KPI):** An activity that signals the achievement of organizational objectives (Elliott, 2014).

**Key risk indicator (KRI):** A measurement of how risk and volatility relate to achieving organizational objectives (Elliott, 2014).

**PESTLE analysis:** PESTLE is an acronym for Political, Economic, Social, Technological, Legal and Environmental and identifies the categories utilized to analyze internal and external environments. Other forms of the acronym include “PEST” and “PESTEL.”

**Risk:** The effect of uncertainty on objectives. (ISO 31000, Guide 73)

**Risk appetite:** The total exposed amount that an organization wishes to undertake on the basis of risk-return trade-offs for one or more desired and expected outcomes (RIMS, Exploring Risk Appetite and Risk Tolerance, 2012).

**Risk attitude:** An organization’s or individuals’ view/perspective of the perceived qualitative and quantitative value that may be gained in comparison to the related potential loss or losses.

**Risk culture:** The beliefs, values, norms and traditions of behavior of individuals and groups within an organization that determine the way in which they identify, understand, discuss and act on the risk(s) the organization confronts and takes.

**Risk champion:** Any person in an organization who is a leader and influences peers regarding the value that risk management adds to the organization.

**Risk governance:** The architecture within which risk management operates in a company (Elliott, 2014, p. 4.13)

**Risk management:** The process of making and implementing decisions that will minimize the adverse effects of accidental losses on an organization (Elliott, 2014, p. 7.22).

**Risk owner:** An individual accountable for the identification, assessment, treatment, and monitoring of risks in a specific environment (Elliott, 2014, p. 3.5).

**Risk portfolio:** A complete collection and range of uncertainties that affect an organization’s future.

**Risk tolerance:** The amount of uncertainty an organization is prepared to accept in total or more narrowly within a certain business unit, a particular risk category or for a specific initiative (RIMS, Exploring Risk Appetite and Risk Tolerance, 2012).

**Root cause:** A factor that, if removed from a chain of events, causes a problem to not occur or lessens the impact of a problem.

**Root cause analysis:** A problem-solving methodology used to find the root causes of problems.

**Strategic risk management (SRM):** A business discipline that drives deliberation and action regarding uncertainties and untapped opportunities that affect an organization's strategy and strategy execution.

**SWOT analysis:** SWOT is an acronym for Strengths, Weaknesses, Opportunities, and Threats and is an analytical approach for environmental scanning that combines internal and external context with obstacles and accelerators to success in achieving objectives.

**SMART goals:** SMART is an acronym for Simple, Measurable, Achievable, Realistic and Timely and refers to characteristics of high quality goals and objectives.

**Value chain:** A high-level model developed by Michael Porter used to describe the process by which businesses receive raw materials, add value to the raw materials through various processes to create a finished product, and then sell that end product to customers. Companies conduct value-chain analysis by looking at every production step required to create a product and identifying ways to increase the efficiency of the chain. The overall goal is to deliver maximum value for the least possible total cost and create a competitive advantage (Investopedia [http://www.investopedia.com/terms/v/valuechain.asp#ixzz4Q05T8TRD](http://www.investopedia.com/terms/v/valuechain.asp#ixzz4Q05T8TRD)).
Exam References


Elliott, Michael, ed. Enterprise Risk Management. 1st ed. The Institutes, 2014..


Fraser, John and Simkins, Betty (2010) eds.. Enterprise Risk Management: Today's Leading Research and Best Practices for Tomorrow's Executives


ISO 31000:2009


RIMS Strategic Risk Implementation Guide.


Cited References


Disclaimer

This guide is intended to provide only a general overview of the topics related to the RIMS-CRMP certification exam. This is not a complete analysis. The information provided is for general use only and is not intended to provide specific advice or recommendations, legal or otherwise, for any individual or organization. The information provided in this document is not mandatory to study nor does it guarantee a passing score on the RIMS-CRMP certification examination.

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