Third-Party Risk Management

Build greater resilience and achieve business objectives with confidence

Business drivers

Organizations across all sectors and geographies are considering their third-party risk management priorities and looking at how technology can enable their processes to create a robust, integrated and effective third-party risk management (TPRM) capability.

The EY organization is one of the few Global Elite Partners of ServiceNow and we work together to help deliver transformation projects worldwide. Our broad implementation services help you identify the capabilities necessary to improve your TPRM processes on your journey to establishing a robust TPRM target operating model.

Solution overview

The EY TPRM Accelerator supports end-to-end processes in the TPRM function, helping enable assessment, response and dashboarding capabilities for organizations and third parties.

This accelerator can be adjusted to the needs of clients and their methodologies and integrates ServiceNow's Governance, Risk and Compliance (GRC) and Vendor Risk Management (VRM) capabilities.

Joint value proposition

The EY Third-Party Risk Management Accelerator includes four key third-party processes to identify, assess and manage the risks associated with the usage of third parties.

1| Inherent risk profiling A risk tiering and scoring methodology based on industry practices and EY experience

2| Control assessments Assessing risks across various risk domains, including requesting responses and documentation via a portal

3| Findings management An enhanced findings management solution with a custom workflow process

4| Monitoring Pre-configured operation capabilities including assessment requests, reporting and specific "business-facing" portal functions

Solution differentiators

We combine deep professional experience, proven ability to help deliver transformation projects and broad technical knowledge of the ServiceNow platform through:

‣ **Oversight and governance**: Clearly defined and well-communicated vision for TPRM paired with a governance model designed to enhance transparency, accountability and efficiency

‣ **Policies and Procedures:** Easily accessible, jargon-free documents that clearly and concisely define roles and responsibilities for TPRM activities and the scope of the program

‣ **Third-party inventory:** A centrally located list of third-party profiles, containing essential information about these parties and the services they are authorized to provide

‣ **Risk models:** A well-documented model for risk scoring each third party, including an algorithm for inherent risk, accounting for control posture and calculating residual risk

‣ **Assessment methodology:** Clearly defined processes for conducting all steps of the TPRM lifecycle – from identification and RFP to termination – including execution tools and enablers

‣ **Automation, technology, and reporting:** A technology solution that helps enable and automates TPRM methodology, is integrated with stakeholders' operations and tracks appropriate KRIs and KPIs
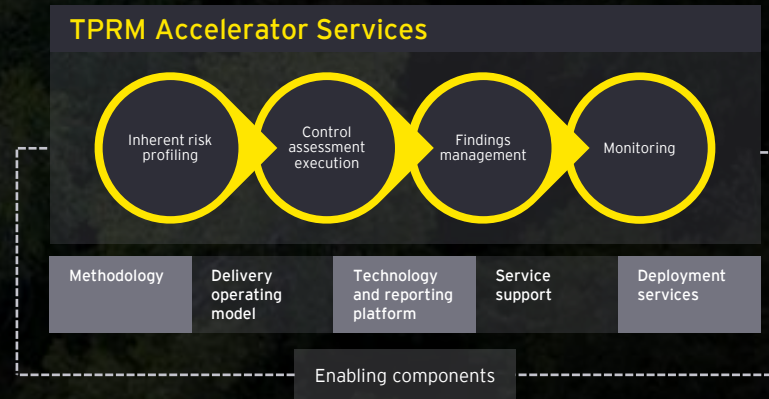
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Solution Benefits

1. Effective governance and program coverage:
   - Real-time monitoring
   - Third-party record portfolio
   - End-to-end oversight
2. Cross-functional integration
   - Defined personas
   - 3LOD enablement
   - Audit trail
3. Expansion of the risk-based universe
   - Segmented view of risks
   - Customized assessments
   - Risk-based IRA
4. Technology, automation and external data sources
   - Enhanced user experience
   - Workflow automation & integration
   - Fast implementation support

TPRM Accelerator Services

Inherent risk profiling → Control assessment execution → Findings management → Monitoring

| Methodology | Delivery operating model | Technology and reporting platform | Service support | Deployment services |

Enabling components

Case study

Third-party risk management services for a global advertising and communications company providing brand and advertising services to over 5,000 clients in over 70 countries.

Opportunity

As the client faced the following challenges including internal cost pressure, lack of resources and immature vendor risk management processes, they sought to transition from their current provider to a more reputable provider that could:

- Implement a client-managed technology to deliver the managed service, ServiceNow GRC
- Establish a mechanism to effectively manage the volume of assessments and control costs
- Provide the services in an efficient and cost-effective manner

Approach

- Building on a trusted relationship with the Global CIO and key influencers at the client, the EY teams structured a project meeting the client's specific needs.
- The EY teams relied on sector experience understand the unique nature of the client's business (e.g., 1,500+ agencies managed globally).
- The EY teams implemented ServiceNow GRC to automate the client's integrated risk management processes, including third-party risk management.
- The EY teams performed risk assessments of the client's agencies and vendors while assisting with ongoing status and risk reporting.
- The EY teams also assessed the client's third parties based on potential risk exposure, including raising findings for remediation or acceptance by the business.

Business value

The managed services offering provided to the client combines the TPRM managed service with the assessment of over 1,500 internal agencies that are part of this global advertising conglomerate.

Key benefits include:

- Increased automation (e.g., workflow, notifications, audit trail, repository)
- Improved visibility to internal and external information risks (dashboards, metrics)
- Increased scalability and sustainability
- Ongoing enhancements to support the business and help manage an evolving risk landscape as part of the client's GRC roadmap.

Contacts

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EY and ServiceNow. More dynamic businesses. Better human experiences.

EY and ServiceNow streamline the flow of information, remove friction and deliver richer human experiences.

Our approach to workflow automation unlocks the potential for organizations to become more dynamic and innovative to drive business performance and growth.

For more information, visit: ey.com/ServiceNow

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EY exists to build a better working world, helping to create long-term value for clients, people and society, and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.