



Highlights

- Offers a range of capabilities that support third-party risk management and help reduce the complexity in vendor client relationships
 - Helps address the risks associated with doing business with vendors and the delivery of their products, services or both
 - Enables organizations to periodically monitor and measure the effectiveness of vendor risk mitigation and controls
 - Provides vendor risk assessment surveys, management reporting and dynamic workflow for review and approval of assessments
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Managing vendor risk with IBM OpenPages GRC Platform

Organizations today are under immense pressure to operate efficiently and manage risk effectively. Driving efficiency and cost containment into the business has resulted in the reliance on hundreds, if not thousands of vendors as key partners to meet business objectives. Consequently, one area that is at the forefront of risk management priorities is vendor (or third-party) risk management—the management of the risks associated with doing business with vendors and the delivery of their products, services or both. Further, many companies face specific regulatory guidelines with regard to their vendor risk management process; initial due diligence is no longer enough. Companies must perform regular and programmatic risk assessments of the vendors that support key business processes.

Vendor risk management addresses third-party risks that could cause a disruption in delivery of products, services or both or negatively affect overall business performance. Given the large number of vendors that organizations rely upon today, risk managers need to develop a network of strategic vendors that contribute significant business value and are difficult and expensive to replace. Putting in place a framework to periodically monitor and measure the effectiveness of vendor risk mitigation and controls will improve business performance and help minimize disruptions resulting from a vendor's inability to deliver.



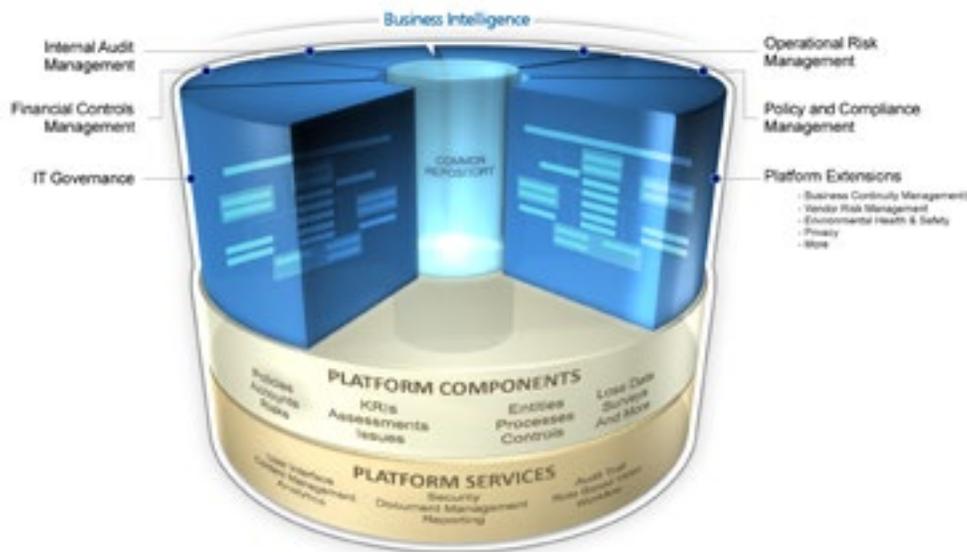


Figure 1: The OpenPages platform supports a range of enterprise risk management solutions, including vendor risk management

Key challenges

Key challenges of vendor or third-party risk management include:

- Understanding how vendor failure can impact business performance
- Enabling a top-down approach to risk assessment while allowing for individual control groups to assess at a more granular level
- Providing transparency to the state of the risk across the vendor community
- Risk ranking and scoring vendors
- Tracking issues that arise during the assessment process
- Integrating the vendor risk management program with overall governance, risk and compliance (GRC) activities
- Ensuring vendors meet any relevant regulatory requirements established by federal regulators

Vendor risk management is among the range of enterprise risk management solutions supported by IBM® OpenPages® GRC Platform. Key capabilities include:

- Easier configuration to your methodology for risk management
- Aggregation of risk assessments
- Vendor risk rankings for follow-on assessment
- Vendor risk assessment surveys
- Issues and action items to facilitate remediation plans
- Management reporting
- Dynamic workflow for review and approval of assessments
- Profile-based user interface designed for ease of use
- Configurable vendor record templates

Conclusion

A framework to periodically monitor and measure the effectiveness of vendor risk mitigation and controls can improve business performance and security and automate vendor oversight and monitoring. IBM® OpenPages® GRC Platform offers a range of capabilities that support third-party risk management and help reduce the complexity around vendor client relationships. For more information visit: ibm.com/openpages

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Produced in the United States of America
December 2014

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