Vendor Risk Management

ServiceNow

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Agenda

- Vendor Risk Management (VRM) Business Challenges
- ServiceNow VRM
- VRM Key Concepts
- ServiceNow VRM Walkthrough
- Q&A
- About InSource

The importance of vendor risk management goes beyond financial implications

Vendor risk management starts with vendor selection, enabling risk events to be minimized should they arise. You need to be confident with your vendors as your reputation is on the line.

1 Risk management isn't given first priority, which creates a reactive environment.

Daily tasks are prioritized, pushing risk management to secondary importance and diverging from a proactive environment.

2 Organizations are unable to keep up with expertise in identifying risk.

IT leaders are relying on an increasing volume of third-party technology vendors and outsourcing key functions to meet the rapid pace of change within IT.

3 Every vendor could pose every type of risk; find the signal in the noise.

Risk levels can fluctuate over the course of the partnership, requiring manual process checks and/or automated solutions.

78% Of companies are concerned about third-party risk management practices.

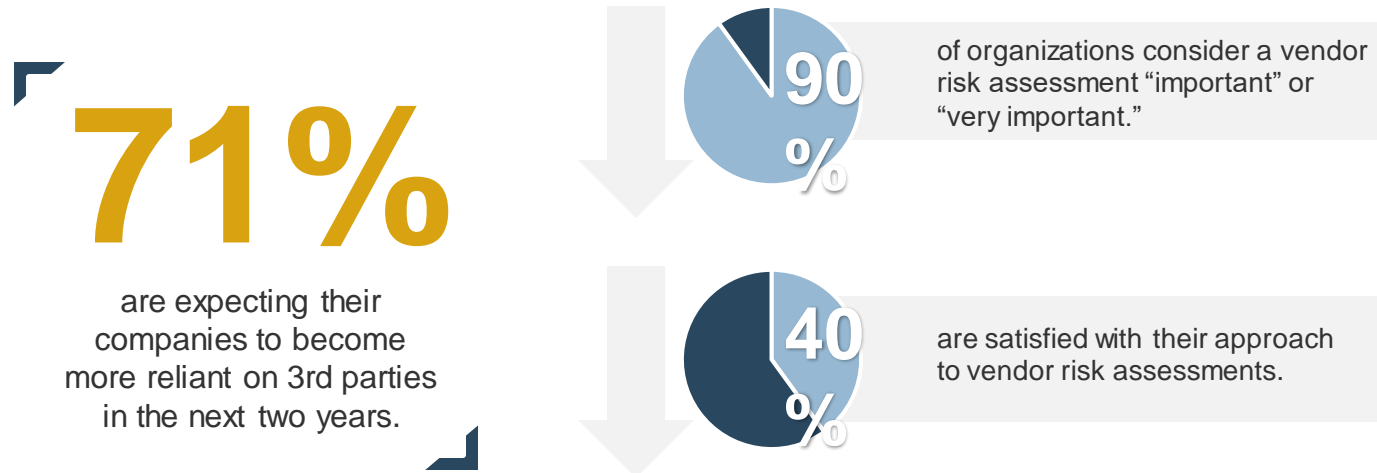**66%** Of companies extensively or significantly rely on third parties.

63% Of 450 global data breaches investigated were a vendor's fault.

Vendor risk management is perceived to be of critical importance, but it is often not prioritized

Today, most organizations manage vendors in an informal or ad hoc fashion, relying on the vendor to manage the relationship, resulting in:

- **Increased probability of underperformance.** Without a system in place to actively monitor vendor performance and communicate concerns, vendor failures are more likely to occur.

- **Higher costs.** Opportunities are missed to save money with service bundle discounts, economies of scale, and new and improved vendor offerings.

- **Difficulty resolving conflicts.** It is difficult to overcome challenges without clear communication points and escalation pathways.

71%
are expecting their companies to become more reliant on 3rd parties in the next two years.

90% of organizations consider a vendor risk assessment "important" or "very important."

40% are satisfied with their approach to vendor risk assessments.

ServiceNow Vendor Risk Management

The Vendor Risk Management application provides a centralized process for **managing your vendor portfolio** and **completing the vendor assessment** and **remediation life cycle**. Also, integrating with other GRC applications, provides traceability for compliance with controls and **risks**.

- Vendor Portfolio
- Vendor Tiering and Automating Risk Assessments
- Assessment Management
- Vendor Portal
- Issues & Remediation
- Dashboards & Reporting
- Notifications
- Part of a Unified GRC Program

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Key VRM Concepts

- Vendors
    - Vendor Master (On Platform v. Integration)
    - Vendor Contracts
    - Procurement
- Vendor Tiering (First "Assessment")
- Service Catalog (Onboarding a new Vendor)
- Vendor Assessments (Subsequent "Assessments")
    - Standardized Information Gathering (SIG) Questionnaire Integration
- Vendor Portal (to have vendor complete assessment)
- Vendor Risk
- Issue Tracking

Benefits of ServiceNow VRM

- Gain Efficiencies Through Automation
- Reduce Risk Exposure
- Respond to High-Risk Vendors
- Increase Communication and Collaboration
- Leverage a Unified Platform

InSource Offerings
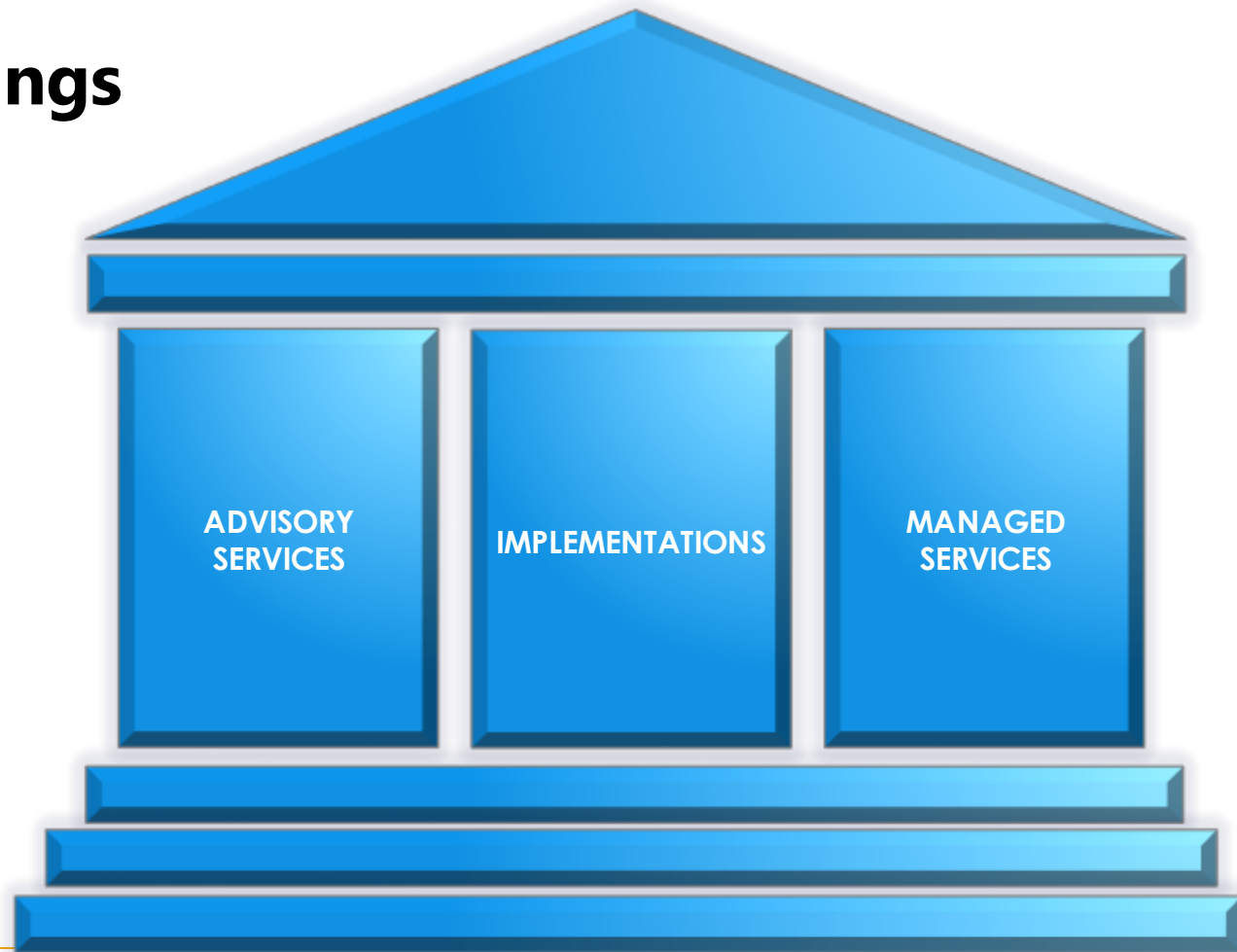
- **Advisory Services**
  - Roadmapping
  - Health Assessments
  - Process Development
- **Implementation**
  - Traditional Projects
  - Greenfield Installments
  - Phased Implementations
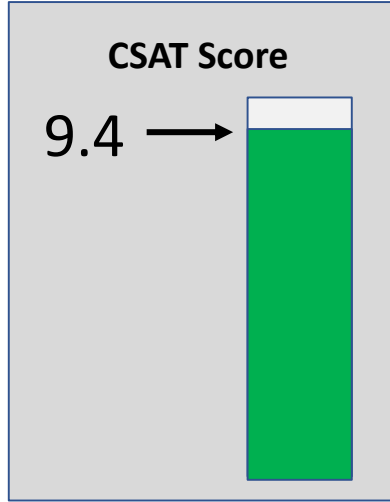 - Expansion & Retention of Existing SN Customers
- **Managed Services**
  - Enhancements
  - Outsourced Admin & Development Support

ADVISORY SERVICES

IMPLEMENTATIONS

MANAGED SERVICES

Why Work With InSource?

If you are working with ServiceNow, InSource is the obvious choice. We have over 5 years in the program and one of the 1st Gold partners. We consistently have the most deployments of any partner.

We will get you deployed, with the best practices and the fastest time to value.

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Questions?

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Keep the Conversation Going

Dan Gale

Poll Questions

- Poll Question #1
- Poll Question #2
- Poll Question #3

Key Concepts (v2)

- Vendor Classification
  - Vendor Risk Tiering
- Assessments
  - Assessment Scope and Necessary Questions
  - Vendor Self Assessment
  - Validate Vendor Assertions
  - Ongoing Monitoring
- Risk/Issue Management
  - Track Risks
  - Track Issues
  - Address Findings

ServiceNow VRM Solutions

- Connection to other processes on ServiceNow
  - Compliance and Audit (Controls)
  - Vendor Performance Management