# ServiceNow Vendor Risk Management

Today more than ever, third-parties are key partners in business success. Enterprises continue to increase reliance on third parties to help accelerate innovation, digital transformation, and growth. But this greater interdependency exposes organizations to higher risk – a third-party's risk and compliance posture directly effects your own risk posture, resilience, and reputation.

Until now, vendor risk management has been a time-consuming and error-prone exercise comprised of spreadsheets, email, and legacy vendor risk management tools. ServiceNow Vendor Risk Management transforms the way you manage vendor risk and build supplier resilience by contextualizing and connecting third-party risk to business success. It delivers reporting on vendor risk and issues, a consistent assessment and remediation process, and increased efficiency through automation, while driving transparency and accountability with third-party stakeholders and aligning with overall enterprise risk management to create an integrated view of risk.

Dashboards and reporting

Dashboards and reporting provide visibility into your vendor tiering, risk and tier assessment plans, open issues, and risk across your vendor ecosystem. Dashboards are customizable, while reports can be scheduled or run on-demand. Both are a standard part of the platform.
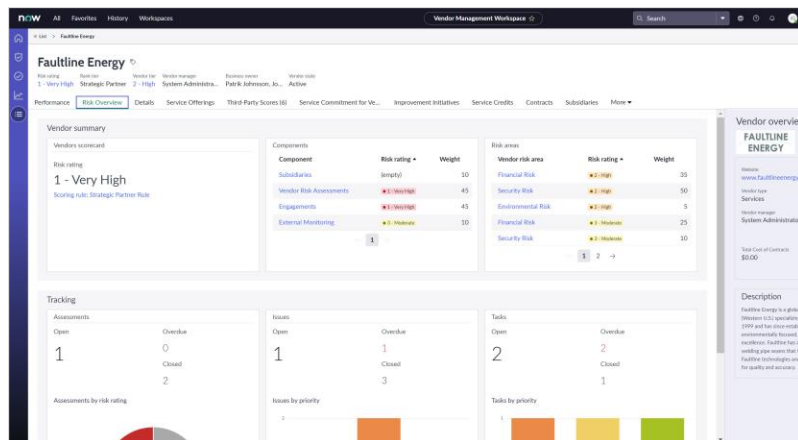
Vendor portfolio

The vendor portfolio is your database of vendors and vendor information. This includes the vendor contacts you interact with, the business services and products the vendor fulfills, vendor assessment records and documentation, along with other general vendor information. As your vendor ecosystem becomes more complex, you can set up vendor hierarchies if you work with several related entities, as well as create specific vendor engagements. Risk assessed can then be rolled up and aggregated for a vendor.

The existing company table within ServiceNow is the default for compiling vendor data. Vendor information can be updated manually or be integrated with an existing supplier management system, using the Now Platform® integration capabilities. Also, a self-service portal is available so vendors can maintain and update their own information.

Increase employee and vendor efficiency

Automate redundant, manual tasks, like sending, tracking, and processing assessments

Respond quickly and more confidently to issues

Increase productivity by focusing on vendors based on risk.

Improve resilience and risk posture

Enrich decision making by improving information quality

Limit risk exposure and mitigate issues quickly through continuous monitoring at scale

Enhance risk monitoring by leveraging advanced technology and the accessibility of a mobile, cloud-based solution

Integrate across the enterprise

Contextualize vendor risk by embedding it into business workflows

Build operational resiliency by integrating vendor risk with enterprise & operational risk programs in a single platform

Connect and collaborate with vendors as business partners through the unique Vendor Portal

Assessment management

Assessment management workflows allow you to seamlessly track assessments from creation to completion. Assessments can be created to evaluate a vendor's tier internally or delivered to vendors to track risk and based on an assigned tier / classification schema. You can also set up and assess specific risk areas, like reputational, financial, or security risk that map to different assessments. Automated scoring of risk assessment responses is based on a robust hierarchical weighted scoring framework backed by a configurable scoring methodology and risk engine. Tier scores are also automatically generated based on responses to the tiering assessments.

Intelligent Risk Feeds

ServiceNow offers several integrations to third-party risk content providers to ensure vendors are appropriately, effectively, and objectively monitored for financial, operational, ESG, geopolitical, restrictions and regulations and cyber risk. These intelligent risk feeds and ratings can help you make better supplier decisions through deeper insights into your supplier's risk posture.

Vendor tiering and automating risk assessments

Integration with these content providers allows you to get a third-party view of the performance of your vendors, and this knowledge can be used to manually adjust calculated vendor tiers cores and validate assessment responses. Vendor risk assessments can be sent to vendors on a defined schedule, an ad-hoc basis, or automated based on an initial tier assignment, manual tier change, or ratings change.

These changes can be used to perform integrated reporting, tailor alerts for different vendors, kick off action plans and remediation activities, as well as inform adjusting the calculated vendor tier score or automating response activities.

Vendor portal

All vendor interaction and communication is centralized in a user-friendly vendor portal to eliminate inefficient email communications and status tracking via spreadsheets. The vendor can manage their response team inviting members from their various functional groups to collaborate and assigning tasks within the vendor portal. The vendor portal provides you and your vendor stakeholders visibility and transparency on the status of assessments, issues, and tasks.

Issues and remediation

The Now platform enables cross-functional cooperation for issue management based on assessments. When an issue is identified, it is easy to collaborate with the vendor and subject matter experts to design remediation plans, You can associate issues to risks, controls, and risk ratings at a questionnaire and assessment level. A status column identifies critical issues that could have the greatest impact on the vendor's risk posture and warrant immediate attention with the vendor, while notifications keep you informed of events that concern you including email, SMS text message, or push notification.

NOW Platform & workflow capabilities

The Now Platform delivers workflows across organizations, silos & systems, creating a seamless enterprise system of action that enables great employee and customer experiences and unlocks productivity. Vendor Risk

Management on the Now Platform embeds vendor risk with other Risk and Compliance functions through cross-functional apps, one platform and a common data model, eliminating the need for multiple applications. The Configuration Management Database (CMDB) integration can be used to accelerate dependencies mapping and fine- grained impact analysis. The service management platform can facilitate testing and evidence data collection of the vendors' process and IT controls, at scale. Using the GRC and security applications on the Now platform, you can provide your organization with a more comprehensive definition and proactive approach to managing risk and compliance.

Connected across the enterprise

Vendor Risk Management connects with the ServiceNow Risk product suite to create an integrated enterprise risk management program. This integration with other core Risk applications links vendor risk and supplier resilience with broader enterprise risk, operational resilience, and business continuity programs. Integrating vendor risk with enterprise and operational risk programs in a single environment breaks down existing siloes and increases cross-functional visibility, improving risk mitigation and management. For example, Vendor Risk Management issues can be associated with internal risks in GRC. Control requirements from GRC entities can be linked to vendors and visible in the Vendor Risk Management application. These integrations help contextualize and enrich vendor risk management across the enterprise.

For more information
Visit our website at:
www.servicenow.com/vrm.

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