

Realize a Measurable Return on Investment with a Risk-Based Third-Party Risk Management & Due Diligence Solution from NAVEX Global

2,154x

Return on Investment by Acquiring NAVEX Global's RiskRate Third-Party Risk Management & Due Diligence Solution

RISK MEASURES

2,154 Return on Investment

ROI based on anticipated enforcement risk and fines by organizations with similar levels of high risk third parties

Qualitative Impact on the Organization

Rest easy that your approach to managing and mitigating your third-party risk is protecting your organization from reputational damage

RISK SCORING

Organizations with 10,000 to 49,999 third parties may be challenged to centralize the management of and gain consistent visibility across those third parties. When you consider that you anticipate 22,200 of your third parties are high risk, your organization requires a diligent approach to identifying, reducing and mitigating that risk.

Market data from NAVEX Global's annual third-party risk management benchmark report and other similar publications show that the best approach to mitigating third-party risk is to deploy an automated, purpose-built solution to identify, manage and reduce your third-party risk.

REQUEST PRICING FOR RiskRate[®]

NAVEX Global's Third-Party Risk Management Solution

The Value of a Risk-Based Approach to Your Third-Party Risk with RiskRate®

Multiple global regulatory and enforcement agencies have published guidelines and advocated approaches to third-party risk management that apply a risk-based strategy. In general, this means pursuing a methodology that allows the organization to apply consistent risk evaluation criteria across all third parties, identifying and surfacing higher risk third parties and pursuing additional due diligence to further reduce or mitigate risk, based on the level and nature of the risk each third party represents.

Applying an informed, risk-based approach allows organizations to not only comply with regulatory and enforcement agency program expectations, it also enables the organization to accurately define its own risk profile and the risk factors it applies to scoring and weighting the risks associated with each of its third parties. These definitions allow for precision stratification of third parties based on these risk criteria, triggered activity to target and reduce or eliminate third-party risk, and points against which program performance can be measured.

A risk-based program drives performance due to its ability to identify and mitigate risks throughout your third-party onboarding, risk analysis, review, screening and approval processes, and protects your organization from reputational and enforcement risk. It only takes one third-party failure to impact the organization's reputation, regulatory scrutiny, and ability to do business.

For further information on how to build the most effective risk-based third-party risk management and due diligence program, please see our [Definitive Guide to Third-Party Risk Management](#).

The Business Case for RiskRate

Gain Visibility Across All of Your Third Parties

Visibility into all of your third-party engagements involves more than simply gathering contracts or agreements in a centralized database. It means being able to assess the relative health of your full third-party risk management program, as well as assessing the risks each third-party represents to your organization. RiskRate helps you defend your organization from third-party risk by protecting it from audit, enforcement and reputational damage. Without full and relative visibility, knowing when and how to act to protect the organization can be elusive.

Effectively Communicate About Third-Party Risk

There is too much at stake among third parties and the risks they represent to allow for a disbursed accounting of risk. The centralization of all records, processes and controls is necessary for the organization to assess its risk and take steps to reduce it. RiskRate allows for a consistent scoring of organizational risk and individual scoring of each third party. With this approach, anyone in the organization can follow defined protocols, view third-party risks based on a shared methodology, and pursue best practice decisions and workflows to escalate, approve or decline third-party engagements.

Automate Your Third-Party Risk Management System

An automated and centralized solution is required to gain a comparative and comprehensive understanding of your third-party risk, no matter where it resides. A single solution that enables input from multiple internal and external stakeholders and ensures processes and policies are followed helps ensure risk mitigation. While office productivity solutions or ERP software can allow for making lists, they cannot facilitate relative risk assessment, visibility across third parties or the active management and reduction of that risk. RiskRate is the premier end-to-end automated third-party risk management and due diligence solution.

Pursue a Risk-Based Approach to Managing Your Third-Party Risk

The best approach to reduce your third-party risk is to develop a risk-based management and due diligence program. Multiple global regulatory enforcement agencies have published guidelines on how to best gain visibility, influence, manage and mitigate risk through defined processes, documentation and record keeping. According to generally accepted best practices, a risk-based program includes centralization of records and processes, third-party risk scoring and stratification, and aggressive third-party screening, monitoring and deeper scrutiny when needed based on the level and nature of risk each third party represents. RiskRate is your end-to-end solution for pursuing a risk-based approach to manage, reduce and mitigate your third-party risk.

Being Accountable for Effective Third-Party Risk Management and Due Diligence

At NAVEX Global, we understand that third-party risk management is a top concern for ethics, compliance, legal, procurement and C-level executives. As has been amply demonstrated in press reports on third-party risk and failures, enforcement action and reputational damage can bring a company to its knees. While the regulatory and enforcement agencies advocate a well-defined, risk-based approach to third-party risk management, following those guidelines and recommendations may protect your organization from enforcement action but leave it vulnerable to reputational risk.

In the recent past, there have been stories of third-party failures that impacted household name organizations and their reputations – which impacted public perception, market share, market value and much more – where no regulatory enforcement action occurred. A cyber breach at a third party or a safety violation or an ethics or compliance mistake can result in a catastrophic event for the engaging organization. This is why it is important for organizations to take third-party risk management seriously, and to invest in, commit to and apply the functionality, capabilities and protections third-party risk management and due diligence solutions deliver.

Don't take a risk with your third-party risk management and due diligence solution. A purpose-built and automated solution that delivers end-to-end process, documentation, and program consistency capabilities is a strong defense. Talk to us about RiskRate. You'll be glad you did.