

Archer[®] Third Party Engagement

Use Case for Third Party Governance

The Challenge

Organizations are increasingly using third parties to support their operations and deliver products and services to their clients. While outsourcing can have many benefits, organizations retain the risks associated with their third-party relationships. These risks can have significant impact, including regulatory compliance violations, information security incidents, financial losses from errors, fraud, business interruption and reputational damage.

In many organizations, there is an incomplete understanding of which business activities are supported by third-party product and service engagements. There is even less understanding of the risks associated with an engagement or the exposure to a third party across all of the engagements they are delivering to the organization. Without an understanding of which third parties and third-party engagements are high risk, risk cannot be effectively managed. For highly regulated industries such as banking, poor third-party governance can result in regulatory fines and sanctions.

Overview

Archer[®] Third Party Engagement allows you to catalog the products and services being delivered to your organization by third parties. It also allows you to associate product and service engagements to the business process and business units they support, giving you a holistic understanding of your dependency on each third party. You can establish accountability for engagements, perform inherent risk assessments across multiple risk categories, catalog and assess the adequacy of proof of insurance for each supplier, evaluate the financial viability of each third party, and roll up all engagement inherent risk assessments to the third party delivering the engagement. This provides you with an understanding of the overall inherent risk associated with each third-party relationship.

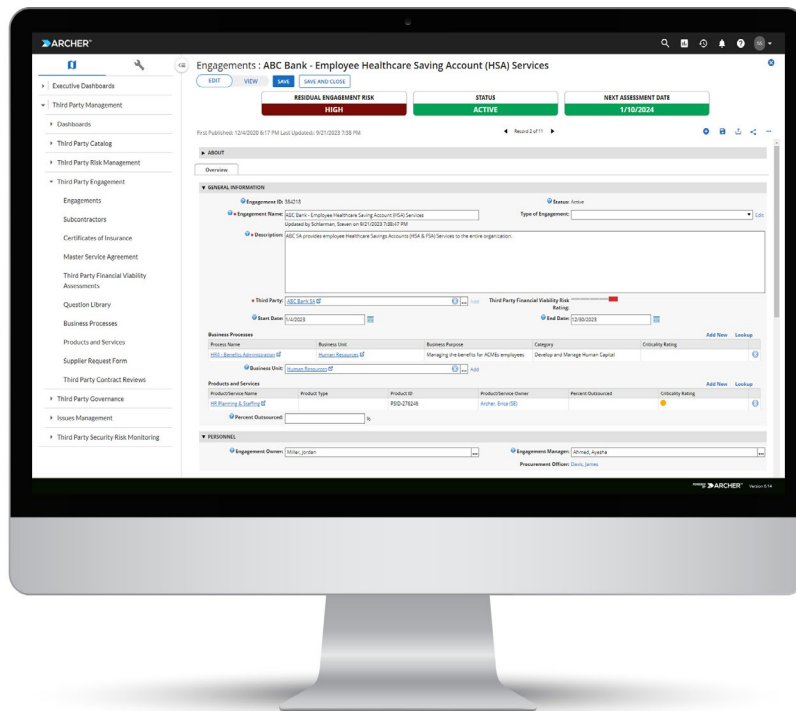
Benefits

With Archer Third Party Engagement, you can:

- Efficiently manage your third-party risk management program and resource allocation based on the most significant priorities.
- Gain insight to where, how and why third parties are being used throughout your organization and who is responsible for the third-party relationship.
- Identify inherently high-risk third-party products, services and relationships.
- Provide positive assurance to senior management, the Board and regulators regarding the adequacy of your organization's third-party governance program.

Features

- Catalog third parties, their business hierarchy, and the product and services engagements they deliver to your organization.
- Map third-party products and services to the business processes they support.
- Inherent risk assessments on engagements across seven different risk categories.
- Capture and analysis of significant fourth party relationships.
- Analysis of the financial wherewithal of each third party.
- Roll up inherent risk assessment of each engagement provided by a third party to obtain an overall “aggregate” inherent risk profile of the third party.
- Robust notifications and reporting for greater transparency into third party relationships.
- Catalog contracts and master services agreements associated with engagements.
- Execute contract risk assessments utilizing standardized questionnaires focused on minimum required contract language to mitigate and transfer risk.
- Capture third-party proof of insurance and evaluate the adequacy of the insurance relative to all engagements being delivered.
- Integrate results of your business process impact analysis into your assessment of inherent resiliency risk for each third party.
- Establish accountability for each third party engagement.
- Track exceptions related to third party engagements.
- Reporting for third parties that present the greatest inherent risk to your organization and the business processes they support.
- ESG specific questions are included in assessments.



About Archer

Archer is a leading provider of integrated risk management (IRM) solutions that enable customers to improve strategic decision-making and operational resilience with a modern technology platform that supports qualitative and quantitative analysis driven by both business and IT impacts. As true pioneers in GRC software, Archer remains solely dedicated to helping customers manage risk and compliance domains, from traditional operational risk to emerging issues such as ESG. With over 20 years in the risk management industry, the Archer customer base represents one of the largest pure risk management communities globally, with more than 1,200 customers including more than 50% of the Fortune 500.

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