



Implementation of **ServiceNow** **Third-Party Risk** **Management**

Background

A global technology services enterprise increasingly relies on third party vendors and suppliers to support expansion, enabling instantaneous transactions, seamless access to information, and optimized user experiences. While these partnerships are essential for business operations, they also introduce potential risks. Previously, vendor information was managed using spreadsheets and email based methods that were susceptible to human error. Consequently, the organization sought to consolidate vendor data management onto a unified platform and establish a distinct vendor portal to safeguard internal data from external parties.

The project scope included implementing a due diligence and sanction process, incorporating the Inherent Risk Questionnaire IRQ and IRQ Triage before final assessment submission for third party vendors. Furthermore, the organization requested the creation of a catalog form in ServiceNow to streamline requests for onboarding new third parties or engagements prior to initiating business relationships.

Solution

Nihilent, a global consulting and solutions integration firm, was engaged to deploy the ServiceNow Third Party Risk Management TPRM system. This implementation aimed to consolidate the management of third party vendors into a unified platform, thereby optimizing and streamlining associated processes.

Assessment and Workshops:

The implementation began with a comprehensive analysis of vendor management procedures. Nihilent collaborated closely with stakeholders to identify issues, determine gaps, and uncover areas for enhancement. Following requirement finalization, the implementation phase commenced.

Design and Implementation:

Based on the assessment, Nihilent developed and executed a tailored Third Party Risk Management solution aligned with business objectives and strategic goals.

ServiceNow TPRM Implementation:

Transform Map Creation: Developed a transform map to facilitate import of third party vendors along with their primary contacts.

- **Catalog Form Development:** Established a catalog form enabling requests for onboarding new third parties and engagements within the ServiceNow platform.
- **Process Customization:** Tailored the out of the box sanction and due diligence processes to align with organizational objectives.
- **Internal Triage Assessment:** Implemented an internal triage assessment that must be completed before dispatching questionnaires to third party vendors.
- **Risk Domain Questionnaire:** Created a comprehensive seven domain questionnaire covering health and safety, environmental, social and governance factors, sustainability, and business integrity.
- **Risk Rating Customization:** Adjusted risk rating criteria based on questionnaire responses.
- **Vendor Management Workspace:** Customized the vendor management workspace to enhance functionality for internal users.
- **Vendor Portal Customization:** Adapted the vendor portal to allow third party contacts to review all assessments.
- **Signature Page Customization:** Modified vendor and reviewer signature pages to align with strategic goals.
- **UI Action Button Implementation:** Implemented a user interface action button on vendor profiles for the regional ownership team, enabling automated creation of vendor risk assessment records within the Supplier Chain Due Diligence Assessment framework.

Testing:

The solution underwent rigorous end to end testing to verify functionality and alignment with requirements. User Acceptance Testing was subsequently conducted to confirm the solution met established expectations.

Rollout:

Nihilent collaborated with stakeholders to deploy the Third Party Risk Management solution across the global workforce, ensuring continued support and maintenance.

Results:

Implementation of the ServiceNow Third Party Risk Management process enabled consolidation of vendor management onto a unified platform. This transition eliminated spreadsheet reliance for data handling and minimized human error.

Increased Efficiency:

Adoption of the TPRM solution enhanced the ability to manage and prioritize risks more effectively. It also supported mitigation of potential threats including data breaches, cyber attacks, misuse of customer information, financial loss, customer attrition, and reputational damage.

Improved Vendor Manager and Vendor Contact Experience:

Customization of the vendor management workspace improved oversight efficiency for vendor managers. Enhancements to the vendor assessment portal enabled vendor contacts to access and manage engagements and assessments through a unified interface.



Conclusion

Nihilent's implementation of the ServiceNow Third Party Risk Management system significantly strengthened vendor management processes, particularly in efficiency and data security. The solution addressed challenges associated with managing critical vendors by streamlining oversight and relationship administration. Additionally, the unified platform enabled vendor representatives to address engagement related matters effectively, fostering improved communication and collaboration.