Third-Party Management
An end-to-end managed service to help manage risk

May 2023
We provide an end-to-end TPM solution or expand incrementally over time

Third-party networks are larger, more varied, and more important to organisations than ever before. For most organisations, their third-party ecosystem is an important source of business value and strategic advantage.

While reliance on third-parties continues to grow, so do the associated risks. Executive leadership and members of Boards aspire to implement a more integrated and holistic approach to third-party risk management that leverages synergies across TPM processes.

Our holistic approach to TPM aids in effectively identifying and managing all domains of third-party risks, enhancing both, the processes and underlying technology to deliver value and meet organisation expectations.

A recent TPM survey of more than a thousand executives at organisations around the world revealed that:

- **41%** respondents believe that there is significant scope of improvement towards assessment and prioritisation of ESG risks.
- **73%** organisations have moderate to high level dependency on cloud service providers reinforcing the need to consider third-party resilience.
- **70%** respondents aspire to adopt a more integrated and holistic approach to TPM in order to increase efficiency.
- **64%** organisations recognised the need to improve supply chain resilience.
- **70%** organisations feel that consulting firms will supplement their technology solutions.
- **82%** respondents feel that end-to-end managed services solutions are rapidly evolving.

Post pandemic TPM trends:

Increased leadership focus and investment in TPM continues to drive transformational change.

**Risk analysis**

- **55%** indicate that they segment their third-party risk parties based on those that present the highest risk.

**Managed services**

- **42%** of organisations sell-side third parties are increasingly considered to be the third parties that present higher risk levels.

**Technology**

- **61%** say that their priority is to simplify, standardised and integrated technology solutions.

**Government and policy**

- **52%** stress the need to address threats from newer risk domains (ESG, geopolitical, concentration).
Our extended enterprise is a storefront spanning across diverse services ranging from advisory to implementation.

The journey of TPM maturity

Many organisations get to the “developing” stage but then struggle to advance further in being able to integrate their TPM people/process/technology.

Deloitte’s Flexible TPM Service Delivery Options

<table>
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<th>Advise</th>
<th>Implement</th>
<th>Operate</th>
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<td><strong>Framework design</strong></td>
<td><strong>Automation</strong></td>
<td><strong>Managed services</strong></td>
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| • Third-party risk management policy and procedure design | • Implementation of  
  – Our in-house TRYGNA platform and mobile application  
  – GRC tools (Coupa, Service Now, One Trust)  
  • Risk sensing and continuous monitoring  
  • Management dashboarding and reporting | Managing the following for clients:  
  • Development and maintenance of third-party inventory  
  • Third-party risk profiling  
  • Onboarding activities  
  • Periodic risk assessments  
  • Third-party performance monitoring  
  • KRIs and KPIs  
  • Exit management  
  • Dashboarding and reporting | • Information/ Cyber Security  
  • Data privacy  
  • Contract management  
  • Sub-contracting  
  • Regulatory compliance  
  • SLA performance  
  • Financial health  
  • Reputation  
  • Health and safety  
  • ESG |
| • Third-party risk management program evaluation & enhancement | | | |
| • Third-party onboarding and periodic risk assessment | | | |
| • Third-party performance evaluation | | | |
| • SLA monitoring | | | |
| • Training & awareness | | | |
| • Exit management | | | |
Our capability
Overview of Deloitte's Vendor Intelligence Center (VIC) in India

10,000+ assessments delivered from our delivery centers in India. Each center has a deep pool of risk management professionals, which provides flexibility in scaling up or ramping down project teams based on client needs.

Why Deloitte's TPM?
Deloitte offers a strong record of proven performance in TPM service capabilities including procurement, contracting, supply chain management, contract lifecycle management, supporting technology, and managed services delivery. We have developed our services based on deep field experience and our continual research among procurement, supply chain, legal, risk, and other senior management executives, and board members.
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