KY3P® – Assessment Services

Independent, standards-based assessments with on-site and remote options

KY3P® Shared Assessment is transforming the way institutions are conducting assessments today, by allowing firms to request due diligence on their third parties’ posture and compliance. Shared Assessments provide verification and reports, including:

- Assessment of policies
- Procedures and documentation
- Interviews with third party stakeholders
- Sample observations

The Shared Assessment service is conducted by two of the big four consulting firms specialising in assurance. Clients can request assessment reports through the KY3P platform, and elect to purchase an existing assessment or commission a new one. These reports are performed at a service level and designed to be client agnostic, in order to facilitate the sharing of reports across multiple clients.

The Assessment Challenge

The industry has increased focus on vendor due diligence, putting significant pressure on financial institutions and vendors alike. There are an estimated 20,000 financial services institutions trying to qualify over 20,000 vendors using questionnaires that can have hundreds of questions. This process adds an extraordinary financial burden on both financial institutions and their vendors and is becoming less and less effective. It is challenging to get the appropriate responses from vendors, takes too long, and the output is often difficult for decision makers to understand. The assessment process is fragmented across multiple risk domains, resulting in a vendor being asked similar questions multiple times. As due diligence as part of relationship oversight is a recurring activity, delays and a sometimes very lengthy process can result in the next round of due diligence coming due only shortly after a due diligence activity has been completed.

Enterprise Third Party Risk Management Workflow

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<th>KY3P</th>
<th>Inherent Risk Questionnaire</th>
<th>Residual Risk Questionnaire</th>
<th>Third Party Assessment</th>
<th>Residual Risk Identification</th>
<th>Residual Risk Remediation</th>
<th>Onboarding Approval</th>
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The Shared Assessment question set spans multiple control areas:

- Business Continuity
- Disaster Recovery
- Information Security
- Human Resources
- Legal & Regulatory Compliance
- Physical & Environmental Security
- Technology Management

**Risk Assessments**

As a best practice we recommend a process that’s more comprehensive, more efficient, and more cost effective.

- Shift focus from granular questions to control objectives
- Instead of traditional point-in-time assessments, transition to multidimensional continuous monitoring
- Integrate vendor due-diligence in all phases of the Third Party Risk Management lifecycle
- React quickly to urgent industry events
- Ensure that the process aligns with leading industry frameworks and regulations
- Understand risk of 4th parties and concentration risk
- Evolve the role of risk analysts
- Leverage utility model and industry community

**Quality Control**

Increase the quality and consistency of assessments and underlying framework.

**Rapid Assessment Completion**

Complete assessments faster and reuse responses available on our network.

**Reduce Costs**

The cost of performing an assessment is shared across many customers, and therefore is more cost effective than a bilateral approach.

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<tr>
<th>Vendor Name</th>
<th>Assessment Service</th>
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<tr>
<td>Anacott Steel</td>
<td>Request Service</td>
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<tr>
<td>Aon Plc</td>
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<td>Apple Inc.</td>
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<td>Automatic Data Processing</td>
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