

Third-Party Risk Management (TPRM) is the process of analyzing and controlling risks presented to your organization by outsourcing to third-party service providers (TPSP). Summarized below are five critical control objectives associated with effective TPSP lifecycle management.

## 02 Analyze -

Quantify the risk to your organization of engaging with the TPSP and assign a security risk ranking to prioritize the risk exposure of each TPSP relationship.

## 03 Respond

Define your risk response plan for each approved TPSP necessary to effectively monitor and manage the TPSP residual risk exposure against your organization's acceptable risk tolerance level.

## 04 Monitor

Perform TPSP engagement management monitoring through ongoing due diligence assessments of TPSPs to identify any changes in the initial risk exposure.

## 01 Identify

Understand the specific products and/or services your TPSP provides, determine if TPSPs will require access to critical business processes and data within your environment, and review relevant data from external intelligence service providers (e.g., BitSight, Dun & Bradstreet, LexisNexis, etc.).

## 05 Test

Conduct quarterly self-assessments of your end-to-end TPSP Risk Management process to validate the effectiveness of the controls and identify opportunities to make improvements.

