



## The Business Problem

The use of increasingly dense networks of Third Parties represents a business strategy necessary to increase productivity, margins, agility and innovation of organizations.

However, as the COVID-19 pandemic has shown, a high degree of interconnection can lead to increased risk. The business impact of these risks need to be evaluated and anticipated through agile and multidisciplinary tools, models and approaches.

Given this 'new reality' context, business and control functions **are called upon to adopt high standards and structured end-to-end risk management processes** for Third Parties and in especially in the complex area of supply chains.



## Risk to Business

### STRATEGIC RISKS

Misalignments between the organization's business strategy and that of its suppliers

### ECONOMIC-FINANCIAL RISKS

Due to financial instability, revenue loss and limited profitability

### OPERATIONAL RISKS

Interruption or misalignment of business operations causing lack of compliance and delays

### COMPLIANCE RISKS

Due to regulatory fines caused by supplier non-compliance and fraud

### ESG RISKS

Suppliers may negatively impact a firm's Environmental, Social and Governance

### REPUTATIONAL RISKS

Supplier actions may damage a firm's image and reputation

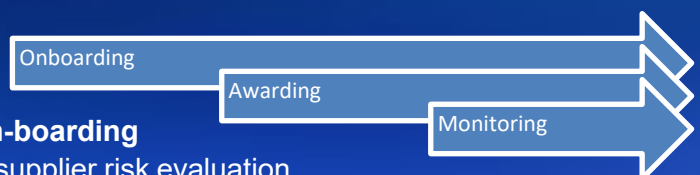


## Our Solution

**Supplier Reputation & Risk Management (SRRM)** solution facilitates collaboration between KPMG, your company and your supply chain third parties by digitizing processes. Through its intuitive interface and multi-device capability, it notably enables the modeling and execution of activities and real-time monitoring for all stakeholders.

The process flow will cover the **Awarding and Monitoring** phases of Vendor **On-boarding**. The **on-boarding** output is based on an ad-hoc scoring model, for the supplier risk evaluation.

These vendors can then be awarded with a collaboration contract, that can be guided and set with the support of the tool.



Each awarded vendor's performance is then evaluated during the next monitoring period.

By leveraging Appian's **low-code enterprise automation platform** we can meet your scope, functional and multi-platform support requirements with the flexibility while ensuring we also meet your deadlines.

*More about the solution*



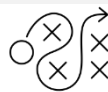
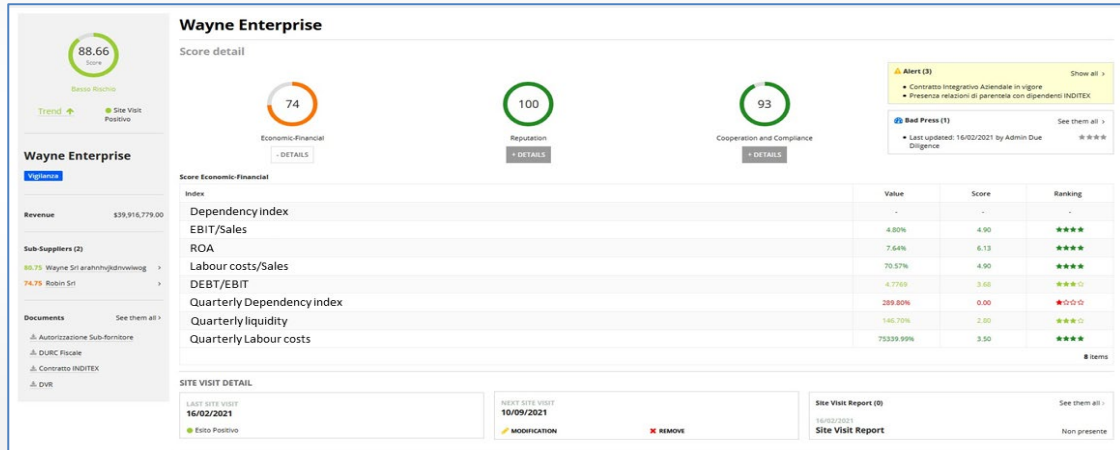
# Our Solution

The integrated **SRRM** solution ensures **control of the entire supply chain** (which can be extended to sub-suppliers and related sub-contracts) in the **Scouting & Sourcing, On-boarding, Awarding and Monitoring** phases.



## SOLUTION OVERVIEW

The integration between vendor management and risk analysis activities is achieved through the **KPMG SRRM Solution** based on **Appian Technology** that enable intelligent automation, data analysis and visualization logics.



## KPMG APPROACH

### MANAGED SERVICE

In order to facilitate the adoption of the system and ensure the correct execution of each phase, the process can be delivered by KPMG as a Managed Service by providing multidisciplinary professionals and back office capabilities.

### FRAMEWORK

The KPMG Framework makes it possible to assess the level of maturity of the management of business processes involving Third Parties, to identify the related risks and the related control measures. The identified risks and key controls are monitored through indicators (KPIs, KRIs, etc.) through an end-to-end workflow and a modular approach to Supplier Reputation Risk Management.



## APPIAN TECHNOLOGY

### END-TO-END CAPABILITY

Appian's leading low code enterprise platform supports the full end-to-end workflow and case management within the SRRM solution. It further delivers multi-platform access and easy integration with and orchestration of other back-end systems of record and your data. Appian provides full visibility & control and industry-leading security.



To schedule a demo, please contact [IT-DL\\_LH\\_IA-SRRM@kpmg.it](mailto:IT-DL_LH_IA-SRRM@kpmg.it)



KPMG Lighthouse is our Center of Excellence for data-driven technology. We take a business-first approach to advise you on digitalization, innovation and transformation. Our extensive global network of data scientists, engineers and technology specialists unlock the value of your data. For more info please contact us at [IT-DL\\_LH\\_IA-SRRM@kpmg.it](mailto:IT-DL_LH_IA-SRRM@kpmg.it).

Appian helps organizations build apps and workflows rapidly, with a low-code platform. Combining people, technologies, and data in a single workflow, Appian can help companies maximize their resources and improve business results. Many of the world's largest organizations use Appian applications to improve customer experience, achieve operational excellence, and simplify global risk management and compliance. For more information, visit [www.appian.com](http://www.appian.com)