

SAP Ariba 

Inherent Supplier Risk Scores and Ratings at Engagement Level

January 2018

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Inherent Supplier Risk Scores and Ratings at Engagement Level

Description: This feature introduces the ability to use inherent risk ratings based on engagement request scores to drive risk assessment recommendations in supplier or 3rd party engagement risk assessments projects. These ratings-based risk assessment recommendations are generated by a combination of the following three new functionalities:

1. Support for scoring in the engagement request.
2. Configurable risk rating ranges – A new site configuration parameter defines the names of risk rating labels with corresponding score ranges.
3. Support for visibility conditions based on risk ratings to drive assessment recommendations – A new Inherent Risk Rating field in engagement risk assessment projects, which you can use to create project-level conditions for each risk rating. These conditions can be then used to recommended assessments.

Inherent Supplier Risk Scores and Ratings at Engagement Level

Current Problem

Engagement requests in engagement risk assessment projects currently recommend assessments based on responses to screening questions. The ability to drive assessment recommendations based on a risk rating derived from a scoring range, calculated from screening questions, was missing.

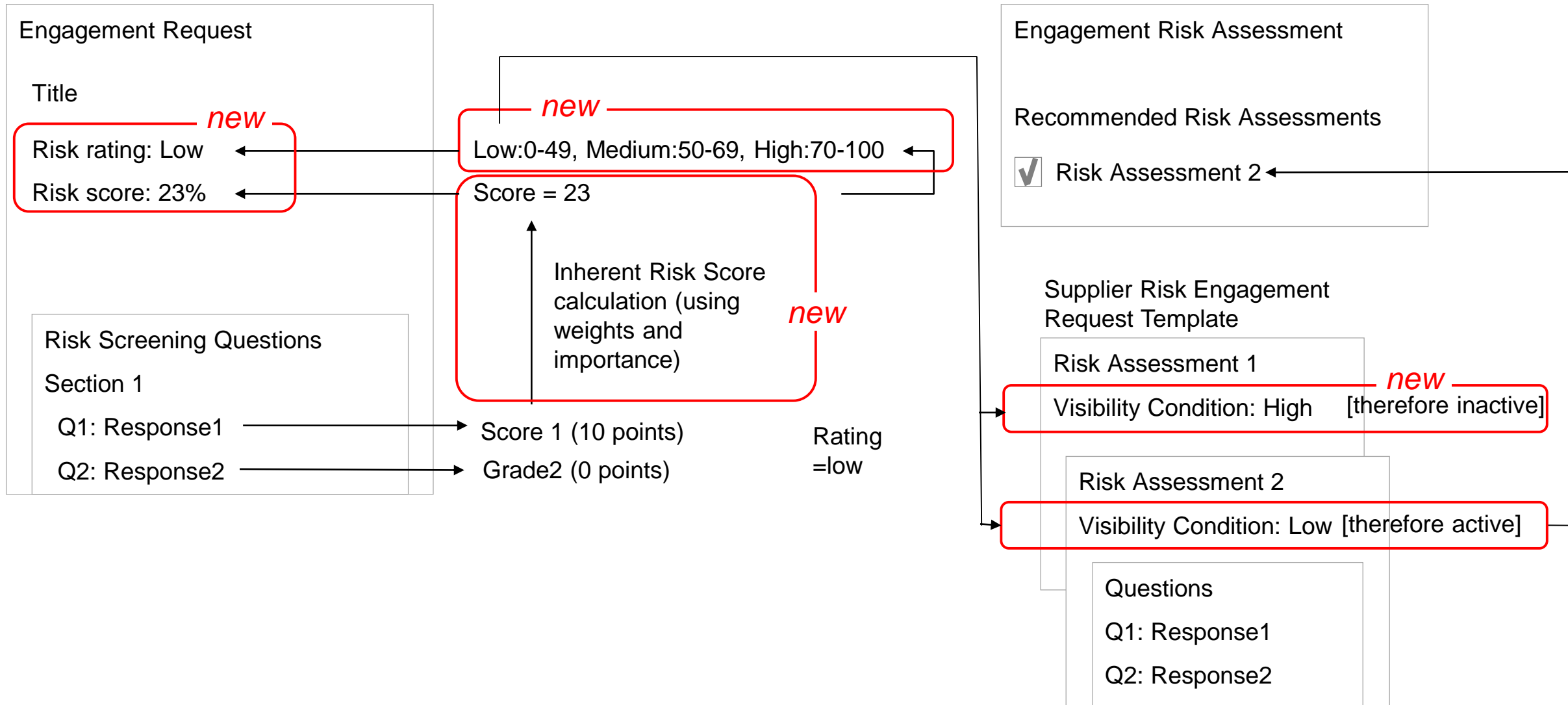
Solution

System can calculate inherent risk score based on the pre-grades assigned to each of the responses. A risk rating can be assigned (e.g. low, medium, high) based on pre-defined risk score ranges. Both risk scores and derived risk ratings can be used recommended engagement-level risk assessments.

Benefits

Allows you to standardize the use of specific assessments based on the engagement's inherent risk as well as answers to specific questions, providing another layer of automatic governance checks. For example, the answer to a question about information security in the engagement request might not trigger an IS assessment, but if the engagement's inherent risk is high, you might want to recommend that assessment anyway.

Inherent Supplier Risk Scores and Ratings at Engagement Level



New parameter enable customer to define the Risk Score Ranges

HOME SUPPLIER RISK ADMINISTRATION MORE... Recent Manage Create

Parameters

The search field is case-insensitive and you can enter all or part of a parameter name or value.

Search Filters:

Parameter Name or Value: Search List All

Parameter	Value	Default Value	Reset	Details
Application.SR.Engagement.RiskScoreRanges	Low:0:50, Medium:50:75, High:75:100	Low:0:50, Medium:50:75, High:75:100	Reset	Details

Save Cancel

Default risk score ranges and levels available out of the box



Default values can be updated as per customer's processes



New fields on 'Create Condition' expression (Template change)

The screenshot shows the 'Create Condition' interface in SAP Ariba. A modal window titled 'Select Field' is open, displaying a list of fields available for selection. The fields listed are:

- Active
- Commodity
- Departments
- End Date
- Engagement Request Status
- FilteringAttributes
- Finance Approval Level
- ID
- Inherent Risk Rating** (highlighted with a red box)
- Inherent Risk Score
- Is In Project Template
- Is Legacy
- Legal Approval Level
- Line of Business Approval Level
- Manually skipped assessments

The text 'Create conditions on risk scores and ratings' is overlaid on the modal, with an arrow pointing to the 'Inherent Risk Rating' field. The background interface shows the 'Create Condition' form with fields for Name, Description, and Expression. The 'Expression' field currently shows 'All Are True' and '(No Field Selected)'. The SAP Ariba logo is visible in the bottom left corner.

Project Level Conditions to Recommend Risk Assessments

6 - Reputation Risk Logic

Requirement: * Reputation Risk Logic

Reference Documents: ⓘ

Visible to Participant: No ⓘ

Supplier field mapping: assessment.Reputation Risk Supplier;Reputation Risk Internal ⓘ

Search term: ⓘ

Team Access Control: (no value) ⓘ

Visibility Conditions: High Risk Condition ⓘ

Maps the relevant risk assessments to risk requirement

Configures the risk rating based condition for which the requirement is “true” and therefore the mapped risk assessments are being recommended

User Interface Changes

< Back Action ▾ Advanced View

Engagement request detail

Engagement request	WS1200716464
Title	HX-Consulting Services Risk Assessment-PBMT
Status	Awaiting assessment responses
Risk rating	Medium
Risk score	50%
Requestor	Madiha Tariq
Requested on	Dec 19, 2017
Supplier	Pitney Bowes
Address	3001 Summer St
City	Stamford
Country	US
Contact name	hong xu
Email	hong.xu@sap.com
Telephone	1-705-555 extn.1212
Fax	

Two new fields are added to display the inherent risk score and its associated rating

Process

```
graph LR; A((Request received)) --> B((Governance Approval [ Supplier Risk Engagement Governance Analyst ])); B --> C((Send Assessments)); C --> D1((To Do for Business Continuity Internal)); C --> D2((To Do for Financial Viability Risk Internal)); C --> D3((To Do for IS Security Internal)); D1 --> E1((Approval for Business Continuity Internal)); D2 --> E2((Approval for Financial Viability Risk Internal)); D3 --> E3((Approval for IS Security Internal)); E1 --> F((Completed)); E2 --> F; E3 --> F;
```

Inherent Supplier Risk Scores and Ratings at Engagement Level

Applicable to the Following:

- SAP Ariba Supplier Risk

Change Management for GA:

- No action required.

Using this Feature:

Enabling

- This feature is ON by default. Pre-grades must be setup for screening questions to display need to be configured at screening

Prerequisites

- User should belong to Template Creator group in order to be able to update the template

Limitations

- At this point, risk ratings can only be assigned to risk score ranges for the engagement request.

Importing and Exporting Data

- N/A

Changes to Existing Functionality or User Interface

- New fields 'Risk Score' and 'Risk Rating' are displayed in the header of the Engagement Request

Thank You