



**Take control of diverse
and rapidly evolving
enterprise risks**

By 2025, 70% of CEOs will mandate a culture of organizational resilience to survive coinciding threats from cybercrime, severe weather events, civil unrest, and political instabilities.

Gartner Security and Risk Summit 2022

Enterprises have a lot on their plate

Enterprises today face a diverse and rapidly evolving risk landscape.

We're seeing an intensification of long-standing risks such as ever-expanding regulatory requirements. But we're also seeing new categories of risk come to the forefront, including pandemics, extreme weather events, and supply chain disruptions. Cyberattacks are becoming increasingly sophisticated and data privacy is an overriding concern. And as enterprises continue to operate in a global environment, economic volatility and political unrest are also top of mind.

All of these risks can severely affect your business operations and prevent you from achieving your organizational goals.

They can also destroy the reputation of your business, deeply affecting customer and investor confidence. Data breaches are a perfect example of this, as are failures to execute responsible environmental and social strategies—part of a burgeoning focus on Environmental, Social, and Governance (ESG) across industries and geographies.

The very survival of your business can depend on how well you respond.

Taking control of enterprise risks demands strong governance—governance that provides effective policies and controls, delivering the real-time visibility needed to counter emerging risks and make accurate, risk-informed decisions.



Current risk management approaches face huge operational challenges

While it's imperative to implement effective risk management and compliance, the reality is that many enterprises continue to struggle with antiquated processes that don't deliver the visibility, speed, and agility that today's risk landscape demands.

- **Organizational silos**, lack of clearly defined roles and responsibilities, and inconsistent taxonomies and methodologies create a fragmented approach to managing different categories of risk, leading to poor visibility and a piecemeal response that heightens the potential for catastrophic failures.
- **Manual work** and lack of automation result in risk management processes that don't scale and place an enormous burden on already stretched risk management teams, preventing them from managing new types of risks, let alone keeping pace with existing risks.
- **Disparate systems** and lack of integration with risk intelligence sources prevent a holistic view of risks and their relationships across the enterprise, compromising decision making and denying the ability to respond quickly to emerging risks.
- **Point-in-time risk assessments**, sample-based testing, and poor traceability fail to provide a continuous, up-to-date view of risk posture, preventing agility and often leaving organizations shutting the stable door when the horses have already bolted.
- **Poor user experiences** designed primarily for risk management experts exclude frontline employees, preventing them from easily reporting risks, requesting policy exceptions, and confirming compliance, creating a major risk intelligence gap.

So, how do you overcome these challenges and break down these barriers?

3 pillars for transforming enterprise risk management

ServiceNow® works with organizations around the world to help them effectively manage enterprise risk and compliance. Based on the experience of our customers, we've identified three key pillars for success that allow them to respond proactively and consistently to the full spectrum of risks they face:

- 1. Create a unified system for operationalizing risk and compliance,** empowering core risk management teams by breaking down risk silos, creating real-time visibility, delivering clarity through monitoring reports, and automating consistent risk and compliance processes.
- 2. Make frontline employees equal partners** by embedding risk and compliance into familiar, intuitive experiences that make it easy for them to report risks, access policy information, request exceptions, and confirm compliance.
- 3. Automatically fuel internal audits with high-quality data,** testing controls in real time, continuously monitoring risks, and performing real-time risk assessments to collect up-to-date, accurate evidence across the full gamut of enterprise risks.

Let's look at each of these in more detail.

REAL-WORLD EXAMPLE

Large British bank improves compliance and resilience

A large British bank serving more than 26 million customers needed to comply with the recent UK Operational Resilience regulation. It also had a heavy reliance on manual work and wanted real-time visibility into risks.

The bank implemented the ServiceNow risk portfolio of products to automate its risk, compliance, and issue management processes and increase resilience. The bank now continuously monitors over 600 controls across all critical business processes, is making more effective investment decisions, and more accurately determining how to drive down its overall risk profile.

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We were able to create a single system of action for technology risk, and control management as well as meet the requirements of the new operational resilience regulation.

ServiceNow Integrated Risk Management
Product Owner

Real-time visibility of risks as they emerge, so you respond fast and get ahead of the curve.



Pillar 1

Create a unified system for operationalizing risk and compliance

To break down risk silos, you need a unified platform for managing risk and compliance—a single system that spans all of your risk domains. But how do you achieve this? By embedding the platform into the digital workflows in each domain—whether that's security operations, human resources, supply chain, or some other business function. This lets you instrument these workflows, **creating enterprise-wide visibility** by automatically bringing back risk and compliance information to one place—giving C-level executives visibility of changes in risk posture and making board-level reporting easier and more accurate. It also allows you to incorporate **consistent risk and compliance processes** into each domain, creating a common, best-practice methodology for managing risk.

Here's another key advantage of this workflow-driven approach. It allows you to **continuously monitor key risks**, rather than having to rely on periodic audits and attestations. This gives you real-time visibility of risks as they emerge, so you respond fast and get ahead of the curve, rather than reacting weeks or months later after the damage is done. You now have up-to-date, accurate information that lets you make better, risk-informed decisions—and that dramatically enhances your risk posture.

Leveraging digital workflows also means that you can **automate many of your risk and compliance processes**—for example, automatically testing controls. Again, this allows you to detect and respond to risks faster, and it also radically reduces the workload of your core risk management team, allowing you to scale and respond to a constantly expanding and evolving risk landscape.

The ServiceNow difference

- ✔ A unified platform to manage all of your enterprise risks.
- ✔ Embed risk management and compliance into other ServiceNow solutions, including Financial Services Management, HR Service Delivery, Customer Service Management, and more.
- ✔ Integrate out of the box with a wide range of third party risk management vendors and risk intelligence providers.
- ✔ Define and apply consistent policies and controls across risk domains.
- ✔ Manage regulatory requirements with a common control framework, track the regulatory horizon, and evaluate the impact of regulatory changes in real time.
- ✔ Automatically monitor Key Risk Indicators (KRIs) and test controls in real time.
- ✔ Leverage flexible, automated risk assessments to assess and prioritize risk based on multiple factors.
- ✔ Use interactive heatmaps to visualize critical risks and plot their trajectory.
- ✔ Automatically generate issues when there is an increased risk score, new risk, or compliance violation.
- ✔ Use smart issue management to automatically assign issues to the right individual or team for action.
- ✔ Quickly drive robust mitigation processes with cross-functional workflows and AI-driven remediation recommendations.
- ✔ Give C-level executives and business owners instant visibility of risk posture and key issues with dynamic dashboards and tailored reporting, helping them to make better, risk-informed decisions.



Pillar 2

Make frontline employees equal partners in risk and compliance

Managing enterprise risk is everyone's responsibility. To guard effectively against risks, you need a three layer defense strategy:

- **Frontline employees and business users**, who need to identify and report risks, understand and comply with policies, and attest to compliance status.
- **Risk and compliance teams**, whose job it is to create risk structures, analyze and manage risks and compliance, and monitor and challenge the decisions and actions of the frontline.
- **Assurance/Audit functions**, who are responsible for independently auditing risk and compliance and providing objective advice on how to eliminate gaps and strengthen your risk posture.

Traditional approaches to risk and compliance management have focused on the second and third lines, while the frontline has often been neglected. Frontline employees struggle with a lack of easily accessible information and don't have intuitive, simple-to-use tools to carry out their risk and compliance responsibilities. The result? They ignore risk and compliance because it's too hard, and you're left with an enormous gap in your risk defenses.

While taking an integrated approach to risk and compliance helps by providing a consistent framework, it's not enough. To make frontline employees equal partners, you need to embed risk and compliance into familiar everyday experiences, making risk and compliance a natural part of how employees work.

The ServiceNow difference

- ✓ Include risk and compliance information and services in the same user-friendly self-service portal where employees access all of their other information and services.
- ✓ Leverage intelligent chatbots to help employees look for policy information, request policy exceptions, and report risk and loss events.
- ✓ Integrate risk and compliance tasks—such as attestations—into the same intuitive workspaces where employees manage all of their other work.
- ✓ Give business users easy-to-use guided risk assessment tools that don't require them to be a risk management expert.
- ✓ Make risk and compliance information and services available anywhere and any time using the same mobile interfaces that employees use today.

Pillar 3

Automatically fuel internal audits with high-quality data

Assurance is a critical part of your risk strategy, with internal audits highlighting gaps and issues and identifying opportunities to improve your risk posture. However, audits are typically a resource-intensive activity, with audit teams manually requesting evidence from control owners and following up time after time when they don't respond. Not only is this an enormous waste of effort, it also means that **audits only reflect a point in time and often include stale and inaccurate data**. Because of this, internal audit processes don't scale and don't give you the dependable information you need to strengthen your risk defenses. You end up doing the bare minimum, with no easy way to keep up with rapidly expanding and diversifying risk domains.

When you adopt an integrated risk management (IRM) approach that includes continuous monitoring and process automation, you radically simplify the audit process. By continuously collecting risk information directly from digital workflows, automated risk assessments, and third-party systems, **you eliminate effort and fuel your audits with up-to-date, accurate information**. And because this information is gathered in advance of your audits, you can easily identify areas of high risk and focus on these. Process automation further reduces the effort—for example, automatically issuing attestation requests and following up with control owners.

The result? You audit more, audit smarter, and have the reliable information you need to strengthen how you manage risks.



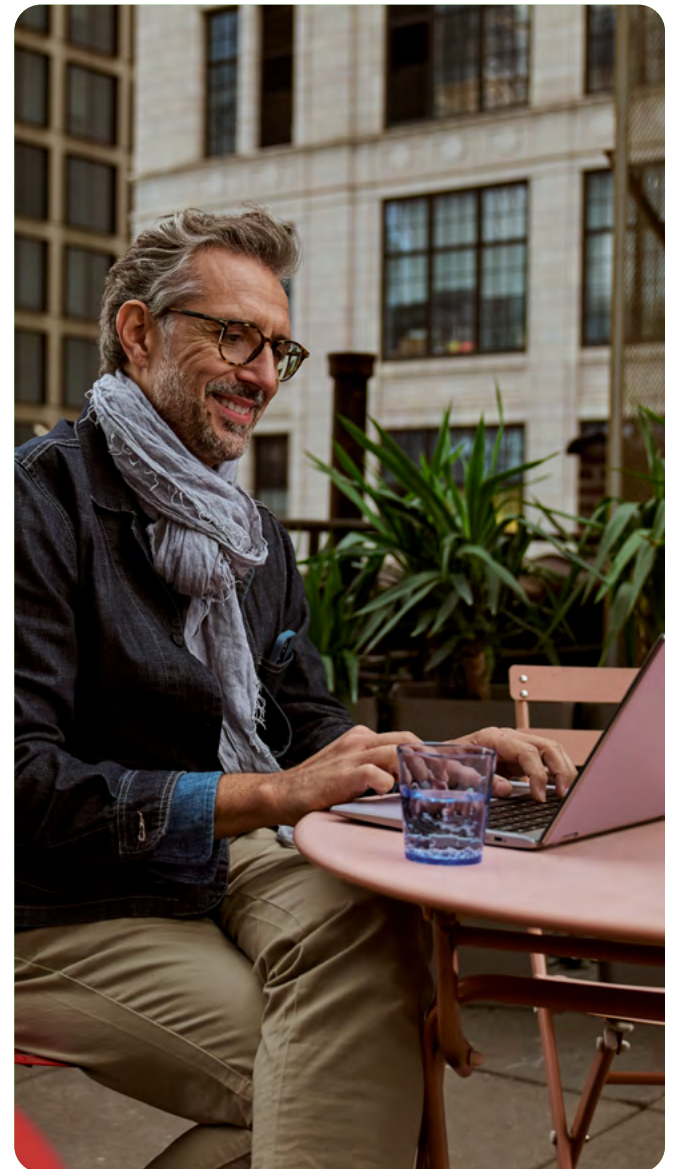
The ServiceNow difference

- ✔ Leverage a unified platform containing accurate risk information across risk domains, reducing audit effort, improving audit reliability, and scaling your audit capabilities.
- ✔ Continuously monitor risks by embedding key risk indicators into digital workflows and automatically collecting risk information from third-party systems, ensuring that you always have up-to-date information.
- ✔ Identify high-risk areas prior to starting audits, allowing you to focus scarce audit resources where they have the most impact.
- ✔ Automate evidence requests to control owners, build a core evidence repository, and reuse evidence from previous compliance or audit requests, eliminating low-value manual work and freeing your resources to work on high-value activities.
- ✔ Automatically test controls in real time using comprehensive data, rather than relying on unrepresentative samples.
- ✔ Easily analyze audit data and report findings using powerful built-in reporting tools.
- ✔ Use smart issue management to automatically assign audit issues to the right individual or team for action.
- ✔ Streamline the process of creating, planning, scoping, and executing audits with powerful, easy-to-use tools to manage the entire audit engagement lifecycle.
- ✔ Track engagement resources, costs, and timesheets using on-platform project management tools.



Why ServiceNow?

- **Faster time to value**, with access to up-to-date data on critical assets already in the platform, collected and managed by ServiceNow apps and numerous third-party integrations.
- **Real-time information.** Proactively manage enterprise risk and future regulatory requirements through integration and automation across silos. Identify the impact of risk on upstream and downstream relationships.
- **IRM for the front, second, and third lines.** Engage the frontline, enable the second line, and support the third line with an integrated solution on a common platform.
- **Automation.** Continuously monitor and intelligently respond to evolving risks with real-time insights to enable risk-informed decisions for a stronger risk and compliance posture.
- **Integrates into your existing ecosystem.** We can meet you where you are in your journey then help you safely and profitably grow and evolve.





To find out more about ServiceNow and how it can help you effectively manage all of your enterprise risks and enable corporate compliance, explore:

[Governance, risk, and compliance use case guide](#)

[Power your business with risk-informed decisions solution brief](#)

www.servicenow.com/risk

About ServiceNow

ServiceNow (NYSE: NOW) is the fastest-growing enterprise cloud software company in the world above \$1 billion. Founded in 2004, its goal is to make work easier for people. Our cloud-based platform and solutions deliver digital workflows that create great experiences and unlock productivity for more than 6,200 enterprise customers worldwide, including approximately 80% of the Fortune 500. For more information, visit [**www.servicenow.com**](http://www.servicenow.com).

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