The ICI Risk Management Application

Mitigate business risk in your supply chain and purchasing contracts through proactive assessment, discovery and continuous monitoring with the ICI Risk Management app.

The Challenge

Business risk can emerge from any part of a company and must be managed proactively to avoid devastating impacts. Often, these risks originate in the contracts of an organization, either with an external party or because of the business and regulatory environment in which the entity operates.

Yet most organizations manage contractual, regulatory, financial reporting and environmental obligations manually. Automated extraction and monitoring of obligations are prevalent in only 12% to 24% of companies across various industry verticals. Consequently, organizations do not have adequate visibility into the status of these obligations and end up being reactive in identifying and handling risks. This raises a number of challenges:

- Companies cannot proactively assess and manage their risks in view of the current post-pandemic business environment characterized by unpredictability, volatility and mounting counter-party solvency risks.

- Traditional Governance, Risk and Compliance (GRC) and Risk Management tools are not able to roll up risk insights from across business processes and hence are only good at reporting and analyzing risks in hindsight.

- Lack of visibility and insight into obligations—typically spelled out in detail in service contracts—can lead to substantial risks for businesses if not surfaced at the appropriate time and monitored at an adequate level to provide required executive attention.

The Solution

Built on the Icertis Contract Intelligence (ICI) platform, the ICI Risk Management app brings a paradigm shift in the management of business risks.
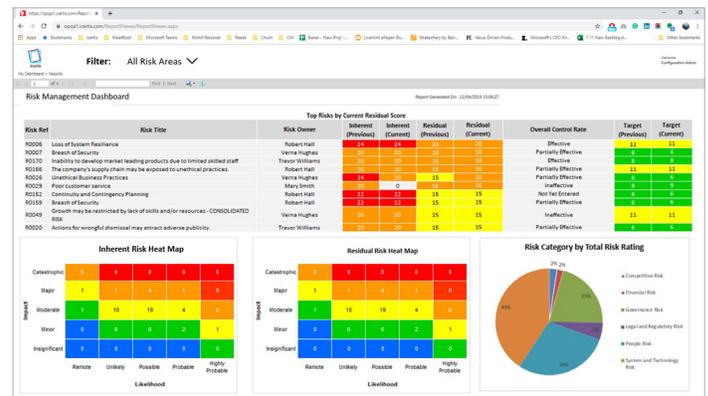
The app offers a process-oriented, enterprise-wide solution to stay on top of all potential risks that a business faces—whether they emanate from the potential insolvency of a counter-party, a payment default by a customer, supply disruption due to a pandemic or natural disaster, logistics blockades due to localized conflicts, or other market turbulence.

With the Risk Management app, companies can embed risk identification, assessment, mitigation and reporting in any business context that is relevant to a specific organization—for example, supplier risk assessment at the time of onboarding a supplier, customer credit risk check while signing long-term contracts on non-cash terms, contractual performance risk while evaluating technical capabilities of a service provider, etc.

ICI Risk Management App Capabilities:

The intelligent and easy-to-use ICI Risk Management app offers these powerful capabilities for all types of contracts and supply-chain management:

Risk Register and Scoring Model Configurability

- A configurable risk register to gauge contract, vendor/supplier and operations risk at various levels of business granularity

- An easy-to-configure platform that helps to set up a quantitative and qualitative risk score model to meet business needs

AI-Enabled Risk Identification and Assessment

- AI trained on millions of contracts to automatically discover contract risks that arise due to changes in provisions in vendor paper or during negotiations, or poor contract performance post-execution owing to non-fulfillment of obligations

Questionnaire and External System-Based Risk Identification

- In-app questionnaires to discover all vendor or business operation risks based on responses

- Integrate with third-party systems (Dun & Bradstreet, e.g.) for additional vendor risk intelligence

Actionable Insights

- Recommendations to mitigate contract risks, such as renegotiation, termination, etc., as well as business operations/supplier risks, such as outsourcing, transferring, accepting, or avoiding the vendor or supplier

Seamless Integration

- Deep integrations with enterprise platforms to allow data to flow seamlessly across the organization in order to manage the complete lifecycle of a business relationship

Auditing

- Audit trails of every action with user and time-stamp details

Alerts and Notifications

- In-built notifications to inform risk manager about changes in risk status

Risk Scorecard and Comprehensive Dashboard

- A scorecard details a 360-degree view of contract, vendor and business operations risks

- Out-of-box dashboard reports for inherent and residual risk heat maps

Benefits

- AI-based risk discovery proactively helps organizations in quick planning for risk mitigation

- Effective risk monitoring reduces the impact of operational, financial and reputational risk, contributing significantly to the company's bottom line

- Configurable system can conform to any risk model in the world and even develop industry- and company-specific risk models with no custom code required, thereby greatly reducing deployment costs

- Seamless integration utilizes customer/supplier/contracts/risk information effectively between CLM, OM, SLM and Sourcing apps, helping to drive actionable insights for businesses

Contact Us 🌐

icertis.com/contact