Industry Case Study



Banking Sector & RapidRatings' TPRM Solution

Problem Statement

When a leading US commercial bank sought to improve their third party risk management processes, they turned to RapidRatings. The bank, which serves high-profile business and private accounts, needed a solution to meet risk and regulatory requirements. The core requirements were for a solution that could:

- Evaluate the financial health of third parties and generate consumable on-demand reports.
- Integrate into their comprehensive risk management strategy.
- Reduce the time spent by internal teams on third-party analysis.
- Enable them to easily perform due diligence and meet regulatory requirements.

RapidRatings Solution

The bank selected RapidRatings because the accuracy of its financial health data, ratings and reports is unrivalled. It provides financial health ratings of both private and public third parties based on their current financial statements.

ACCURATE RapidRatings used its **financial health solution** to analyze the bank's third parties. **The FHR®** produces the most accurate risk ratings and reports based on the supplier's current financial statements.

PREDICTIVE The ratings show the likelihood of third party default within the next 12 months. Stakeholders get deeper insights into the rating and guidance on managing the relationship in the reports.

SUPPORTED RapidRatings gathers and processes the data that forms the basis of the ratings and reports. This significantly reduces resource commitment of the client's internal teams.

END-TO-END PROTECTION The bank uses the solution to assess and monitor third party risk from selection right through the relationship lifecycle. If a third party's FHR declines significantly, an alert triggers the bank's risk mitigation process.

© 2024 RAPIDRATINGS

Business Outcomes

"The insights support stakeholders in both due diligence and the ongoing monitoring of third-party relationships. Overall, **our risk assessment process is now much faster and easier."**

The solution delivered the bank's risk management and regulatory requirements. It also achieved substantial time saving for teams managing third party risk assessment.

- Effectively meets ongoing regulatory and compliance requirements.
- Early detection and alerts prevent impact from third party failures.
- **40% reduction** in time spent on third-party risk assessments by internal teams.
- A more streamlined, integrated approach to third-party risk management.



"Unlike other solution providers, who just provide an output, **RapidRatings stands out with its clarity and depth of insight.** RapidRatings provides us with a comprehensive understanding of the underlying data."

— **Leading Bank**

To find out how RapidRatings can help your organization avoid third party risk and disruption, contact: solutions@rapidratings.com

© 2024 RAPIDRATINGS