



Thought Leadership Interview

A New Reality for Supplier Risk Management

MINNEAPOLIS, MN, June 23, 2020 - Argos Risk, a leading provider of Third-Party Risk Intelligence (TPRI) services for managing and monitoring the financial viability and overall business health of third-party relationships, released today its recent interview with PYMNTS.com. PYMNTS, a powerful B2B platform, is the premier online source of information about "What's Next" in payments, commerce, FinTech and industry trends.

Within this interview, industry thought leader Lori Frank, President and CEO of Argos Risk, speaks with PYMNTS and provides her perspective on the unprecedented risk, dramatic shift, and amidst COVID-19 disrupting all aspects of life as we know it, the new reality of Supply Chain Risk Management.

As CEO of Argos Risk and 30+ years in the industry, "I'm exposed to the many ongoing challenges organizations face daily so we were delighted to have the opportunity to speak to C-suite executives, company founders, and investors who turn to PYMNTS.com for insights," said Frank. "The idea of robust supplier and third-party risk management was rarely the topic of conversation for the C-suite. COVID-19 is the **black swan event** for supplier relationship management and supply chain risk analysis. We came off an almost continuous economic expansion where the thought of worrying about key suppliers was almost unheard of," Frank told PYMNTS. "That has changed now into a time where we're going into one of the scariest and most volatile markets for supplier and third-party risk that has ever existed in our lifetimes."

In today's times of uncertainty, organizations are assessing their critical third-party commercial relationships more frequently; using new metrics to assess partners and re-negotiating contracts based on shifting payment terms, interest rates, and demand forecasts. This is a **dramatic shift** in our fast-changing environment as the role of Supplier Risk Management adapts to new demands, expectations, and norms. "Before, companies would think they needed to assess risk once a year," Frank said. "Now it's, 'I need to know week-to-week what's happening with my trading partners.'"

As banks, credit unions, and organizations embrace the new reality of supplier risk management, the **unprecedented risk** and challenges supplier risk managers face include:

Shifts in internal culture and attitude. December 2019 financials, or even from three months ago are no longer relevant.

Underfunded teams and limited resources. Budgets for travel and a physical onsite visit may be non-existent as employees work remotely.

Lack of internal knowledge. Even though risk management teams can collect needed supplier information, it is probable, even the savvy do not understand it.

Technology disrupting the supplier risk analysis space has also become the **new normal**. As we embrace transformation today, many of the change's organizations experience will last well beyond the pandemic. "Technologies can improve the level of automation, speed, and clarity in collecting, analyzing, and acting on supplier-centric information," said Frank. "We may be facing the extinction of the 'annual review' as the sole due diligence on a high-risk/critical supplier. Technologies that can provide frequent, relevant updates into supplier viability are becoming mandatory," added Frank. You can check out the full interview [here](#).

Argos Risk's reputation is built on delivering an innovative third-party risk intelligence solution; providing operational excellence to proactively meet challenging market conditions. Argos Risk's flagship solution, AR Surveillance™, leverages more than 10,000 data points to assign risk scores to a bank, credit union, or company's third-party commercial relationship. It automatically generates and sends alerts about significant changes, such as lawsuits, liens, mergers, acquisitions, key executive changes, and material news and events while providing key information into a supplier's operations; including financial viability, current trade payment behavior, business health, and industry outlook.

About Argos Risk

Argos Risk is a leading provider of Third-Party Risk Intelligence solutions. Over the past decade, Argos Risk has fulfilled a need for timely and comprehensive risk mitigation knowledge with third-party risk intelligence. Argos Risk provides innovative and affordable subscription services to help companies manage the risk associated with their third-party relationships in Supply Chain Management, Vendor Management, ACH/RDC origination, and Direct and Indirect Lending.

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