

Mitigating Financial Risks with Avetta One

Track and manage the financial health of your suppliers

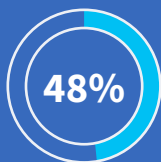


An organization is only as strong as its network of suppliers. This statement holds particularly true as the global economy marches forward and supply chains evolve in response. This progress, however, brings complexities and new risk factors that organizations need to constantly monitor and mitigate.

Financial risk has been historically seen as a key source of risk in the supplier-company ecosystem. Suppliers experiencing financial or operational challenges with either business or worker management can affect contracts and disrupt services. Given this, monitoring the financial stability of these suppliers is essential. That way companies can take quick action to minimize risks.

Managing and tracking the financial health of every supplier in complex supply chains that extend across borders can be a difficult target to achieve. And, when it comes to suppliers' financial failure, a single instance is one too many.

The importance of constantly monitoring supplier financial health



Supplier financial risk represents nearly 48% of all risk events recorded in 2020.



In 2020, supplier financial risk caused product release delays to increase by a whopping 302%.



55% of organizations feel that suppliers' insolvency is one of the leading financial risks originating from the supply chain.



Recently, 60% of organizations cited disruptions in the supply chain had led to a 3% drop in their financial performance.

Avetta One

One Platform. One Solution for End-to-End Supply Chain Financial Risk Mitigation

At Avetta, we understand that every supply chain is unique and comes with a diverse range of risks. This makes creating a holistic compliance framework a necessity for businesses. This is where Avetta One provides answers.

Avetta One is the industry's largest Supply Chain Risk Management (SCRM) platform. With Avetta One, companies can conduct financial health checks for each supplier through Experian integration. Avetta's partnership with Experian® simplifies monitoring supplier's financial health through:

Evaluation of large groups through minimal effort

Whether you're concerned about one supplier or all of them, the Avetta Experian integration makes analyzing your supplier base easy. During the process, each supplier receives specific ratings and key metrics unique to their business.



Filtering of risky accounts

With the data at your fingers, it's easy to include supplier financial health into the qualification process. Keep your standards high and your risks low by building appropriate compliance rules into your supplier management plan.

Quick decision-making with automated reviews

The financial data collected by Experian is refreshed at regular intervals, so you can feel confident you're receiving an up-to-date look on all of the suppliers. This information allows you to not only make faster decisions but more effective ones as well.





Real-time insight generation

While a quick snapshot is nice, we understand the need to expand your visibility beyond just a few scores. Detailed reports are available on-demand in case the summary scores do not provide the insights you are looking for.

How Does it Work?

The Experian integration captures supplier data in their system for analysis. Results are then sent back to the Connect Financial Risk Tab and Financial Health dashboard for your easy viewing.

- 1 Suppliers are given a Financial Stability Risk Score (1-100) that indicates their likelihood of defaulting on financial obligations or going bankrupt.
- 2 Suppliers also receive an Intelliscore Plus rating that identifies the suppliers who may be slow to pay but are likely to follow through on their financial commitments.

Any liens, judgments or bankruptcies from the supplier are also displayed on the Connect dashboard

Business Failure Risk for BIN: 7144444

Bankruptcy Filled	Liens	Judgements
0	0	0

Financial Stability Risk Score ¹
Potential of a business going bankrupt or defaulting on its obligations
56/100
Low - Medium Risk

Intelliscore Plus ¹
Based on trade, collection, public record and firmographic data
18/100
Medium - High Risk

SHOW SCORE RANGE

experian

Last updated 07/07/20

Business Failure Risk for BIN: 831378173

Bankruptcy Filled	Liens	Judgements
0	0	0

Financial Stability Risk Score ¹
Potential of a business going bankrupt or defaulting on its obligations
27/100
Medium Risk

Intelliscore Plus ¹
Based on trade, collection, public record and firmographic data
15/100
Medium - High Risk

HIDE SCORE RANGE

Financial Stability Risk Score Ranges		Intelliscore Plus Ranges	
Ranges	Classification	Ranges	Classification
66 - 100	Low	76 - 100	Low
31 - 66	Low-Medium	51 - 75	Low-Medium
11 - 30	Medium	26 - 50	Medium
4 - 10	Medium-High	11 - 25	Medium-High
1 - 3	High	1 - 10	High

SupplierName	SupplierId	Primary trade	SupplierBan...	SupplierJu...	Suppl...	SupplierFinancial...	SupplierFinancialStabil...	SupplierInte...	SupplierIntelliscoreC...
SD Mining & Construction, Inc.	250050790	N/A	0	0	0	95	Low Risk	53	Low-Medium Risk
ABB Inc.	1966	Electrical generating and transmission equipment repair and maintenance services	0	0	0	27	Medium Risk	15	Medium-High Risk
ACE Industries, Inc.	12211	Chain-holds manufacturing	0	0	46	71	Low Risk	52	Low-Medium Risk
ADVANCED LINING SOLUTIONS	250020599	Other	0	0	0	30	Medium Risk	22	Medium-High Risk
Agilent Technologies, Inc.	9957	Laboratory instrument repair and maintenance services	0	1	1	33	Low-Medium Risk	73	Low-Medium Risk
Ahern Rentals, Inc.	23107	Materials handling machinery and equipment rental or leasing	1	1	10	25	Medium Risk	64	Low-Medium Risk

“ The greatest benefit of the Avetta API is simple: Automated Risk Mitigation. We are able to prevent continued use of suppliers that are non-compliant with our business rules, based on the daily feeds from the Avetta platform ”

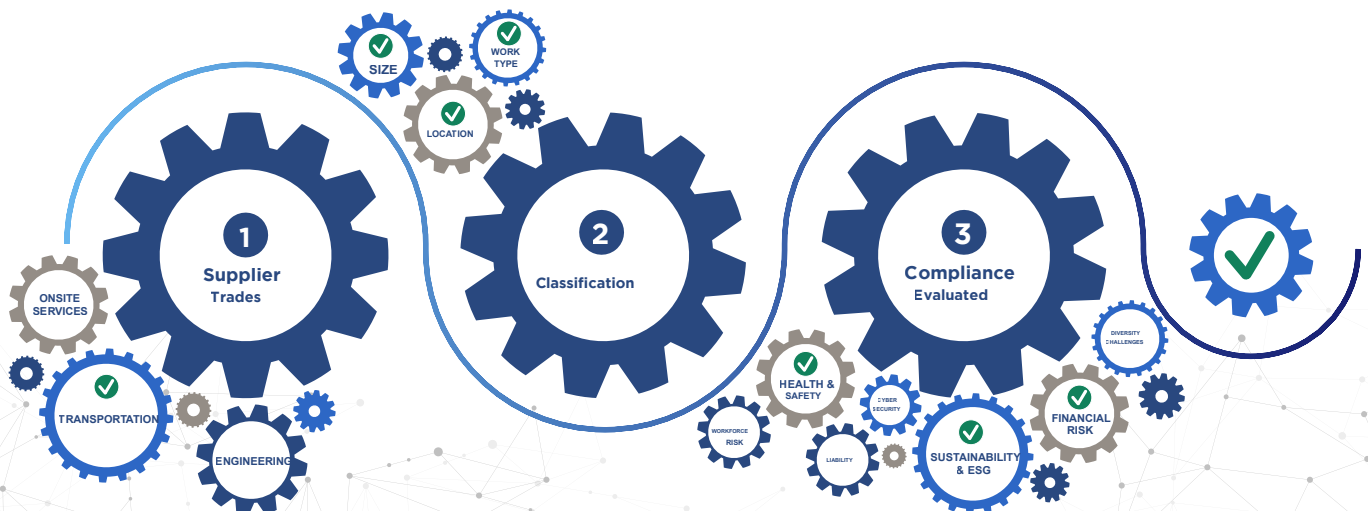
Sean Murphy

Director of Strategic Sourcing, BlueStream

Manage Risk for any Supplier

Built with complex supply chains in mind, Avetta organizes and keeps all of your supplier documentation up to date, accurate, and available at any time.

[Learn More](#)



With Avetta One, you get the opportunity to leverage a single unified platform for all supplier evaluations spanning health & safety, financial viability, sustainability & ESG, diversity & inclusion, cybersecurity, workforce risk and liability.



Scan the QR code to [schedule a demo today](#).

About Avetta

The Avetta SaaS platform helps clients manage supply chain risk, and their suppliers, to become more qualified for jobs. For the hiring clients in our network, we offer the world's largest supply chain risk management network to manage supplier safety, sustainability, worker competency and performance. We perform contractor prequalification and worker competency management across major industries, all over the globe, including construction, energy, facilities, high tech, manufacturing, mining, and telecom.



For suppliers in our network, our audit and verification services help lower their safety incidents rate by 29%. As a result, about 50% of members find additional job opportunities within the first year of joining. In addition, our suppliers receive privileged access to the Avetta Marketplace, where dozens of partners offer special discounts for business services like insurance and work gear. Avetta serves more than 500 enterprise companies and over 125,000 suppliers across 120+ countries.