



Keylight

By NAVEX Global®

Manufacturing
with Keylight®

Manufacturers integrate risk management to drive quality, innovate and compete globally.

"Quality is Job 1" was Ford Motor Company's slogan for nearly two decades. In a way, the slogan is timeless. Manufacturers have always focused on quality to win customers and stand out from the competition.

In the 1980s, total quality management (TQM) dominated business. In the 1990s, manufacturers first adopted enterprise risk management to drive quality.

Today, leading manufacturers in a variety of industries are addressing quality by integrating GRC (governance, risk, compliance) activities that assist in managing risk, among other.

Why? Improving manufacturing quality today isn't as simple as obtaining higher quality source materials, ramping up training or recruiting higher skilled workers. Significant drivers of quality include internal processes and controls for quality and regulatory compliance, ever-changing supply chain risks and integrated risk management practices. Hence, manufacturers focused on quality are looking to GRC because it encompasses the many drivers of quality.

For compliance and risk management professionals in the manufacturing industry, the shift to GRC coincides with the International Organization for Standardization (ISO) evolution into integrated risk management.

For example, ISO 9001:2008, which outlines requirements for a quality management system focused on consistency and customer satisfaction. When the standard was revised with ISO 9001:2015, the emphasis was

expanded to include more risk-based thinking.

Regardless of the size or industry of the manufacturer, the goal is the same: gain a competitive advantage by evolving risk management practices that enable companies to produce higher quality products. That requires a more analytical and agile approach to assist manufacturers in gaining the most from an enterprise-wide view of risk management.

"Surviving and thriving requires keen recognition and response to change. A manufacturer's risk assessment practices should incorporate agility and flexibility, so the company can recognize and respond to risks that were not evident a year or two earlier."

-Deloitte/MAPI

WHAT IS GRC?



Governance, risk and compliance (GRC) is a coordinated strategy for corporate governance, enterprise-wide risk management, and compliance with regulatory and industry requirements. While not calling it GRC, manufacturers have been implementing GRC strategies for years to improve quality processes, assess and manage risk and control activities, as well as comply with environmental, safety and other regulations.

Lockpath's Keylight GRC Platform for Manufacturers

Keylight is designed to support GRC processes, including a wide range of manufacturing, third-party and operational risks while dramatically improving the productivity of compliance and risk management activities.

As an integrated GRC platform, Keylight helps manufacturers optimize risk management processes by identifying and addressing risks across the enterprise. This positively impacts quality, competitiveness, and innovation, all while helping to cut operations and back office costs.

Manufacturing risks

Manufacturing, whether it's autos, chemicals or consumer goods, can lead to disruptions in labor, supplier relations, and more. Keylight assists manufacturers in managing the risks surrounding the manufacturing process.

Worker safety is always a top concern of manufacturers. Keylight facilitates the recording, tracking, and remediation of workplace incidents, near misses, and job hazards. In fact, Keylight users can automatically generate submission-ready OSHA 300, 300A, and 301 forms.

Timely communications issued through Keylight also educate and remind employees about complying with safety rules and regulations. Keylight can also house contingency planning and business continuity plans for continuing operations after

serious incidents or disasters. It's all documented, easily shared and updated on a user-defined review schedule.

By managing risk at the operational level, the executive level can focus on improving processes for greater productivity with fewer employee-related incidents.

Third-party risks

For manufacturers, suppliers represent third-party risks no matter where they're located. With Keylight, you can track supplier agreements from initial negotiations to contract award to renewal. Due diligence? Keylight automates the management process of issuing periodic risk and quality assessments.

With third-party assessment data in Keylight, you can link supplier risks and incidents to policies and controls, as well as carry forward any previously submitted assessments.

For suppliers, receiving assessments auto-populated with previous submissions makes the process of responding easier. In the event of a business disruption, you can create tabletop exercises using supplier information to test recovery and business continuity plans.

By streamlining third-party risk management processes, Keylight saves time, effort and costs.

Procurement risks

Risks are prevalent in the

area of procurement. Imagine political instability in the country where a key source material is obtained. Unrest could mean the assembly line comes to a screeching halt. Keylight helps you develop mitigation and remediation plans for these types of risks.

Workflow enables manufacturers to proactively manage their procurement risks. What is the best way to rate and profile suppliers on a regular basis to ensure quality and policy compliance? Keylight facilitates sending out and managing assessments in order to develop risk profiles and address changes that may have occurred since the last assessment.

A manufacturer that has a better understanding of their supplier network and macroeconomic risk factors is better positioned to improve quality standards, exploit a competitive advantage, and increase stakeholder satisfaction.

Distribution risks

Distributors also represent third-party risk. What if a distributor violates a company policy, or a warehouse burns down? That calls for a more proactive approach.

In Keylight, you can survey and assess third-parties to ensure they're aware of and compliant with company policies. In short, you can manage the entire third-party lifecycle within Keylight. Information on all third

RISKS TO MANUFACTURING



Manufacturing Risks

Keylight helps manufacturers address these issues and challenges:

Manufacturing disruptions

Quality

Supplier relationships

Demand forecasting

Inadequate planning

Contingency planning

Labor

Exchange rate

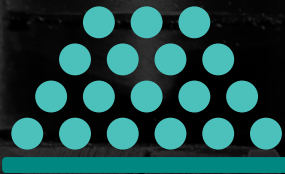
Technology

Maintenance

Ineffective policies

Policy compliance

Reporting



Procurement Risks

Keylight manages procurement risks associated with:

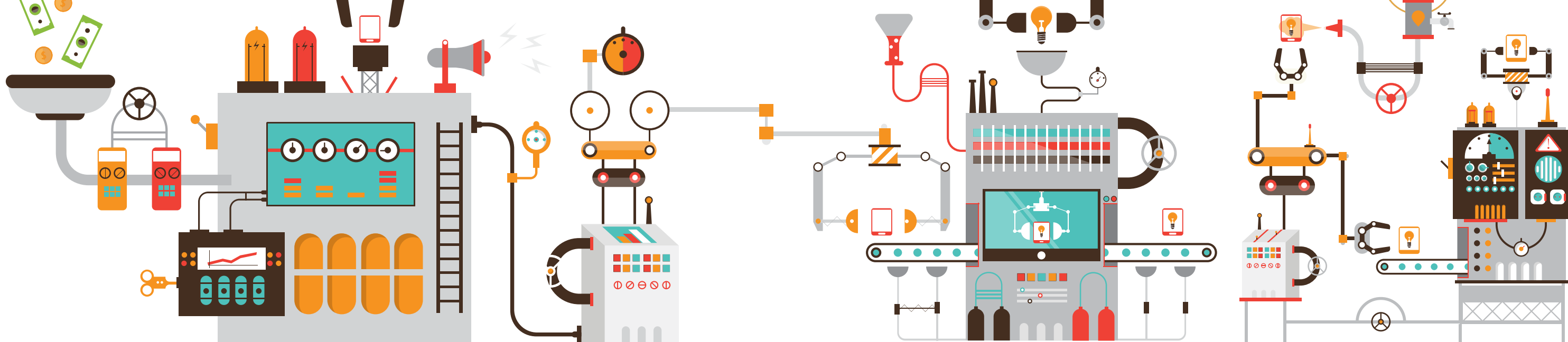
- Quality
- Political
- Financial viability
- Competition
- Supplier redundancy
- Raw material quality
- Policy compliance
- Country of origin



Distribution Risks

Distribution presents its own set of risks. Keylight can help address them, including:

- Customer Satisfaction
- Logistics
- Resource management
- Fraud
- Reporting
- Ownership
- Contract
- Policy compliance
- Link to demand chain



parties is stored and linked to business continuity plans.

If a distributor experiences a business disruption like a warehouse burning down, the business continuity plan will outline what steps to take. Each plan details roles, responsibilities and response procedures with a goal to reroute or reestablish distribution.

Keylight also helps manage the risks associated with third-party distributors, like ensuring distributors have the right insurance provisions and meet fire safety standards. All in all, a better handle on distribution means happier customers.

Managing business risk

Some risks fall outside the realm of manufacturing but land squarely in the arena of business. What if a manufacturer embarks on a joint venture or forms an alliance? What is the true impact of failing to comply? These business moves or potential failures entail risks that can be as detrimental to operations as

any manufacturing-specific risk. Keylight helps manufacturers by providing a perspective on risk that is tied closely with business operations.

The impact of compliance failures

Compliance failures with industry regulations can lead to critical findings or even stiff fines. Even worse, it can damage a manufacturer's brand and reputation, which can hurt the bottom line and the overall value of the company.

A GRC platform like Keylight helps manufacturers take a more proactive approach to compliance rather than relying on manual processes using spreadsheets and emails. Your compliance program takes shape with a content library of laws, regulations, standards, controls and other guidance which are linked to policies, risks and third parties. You can conduct risk assessments, monitor regulatory changes and communicate to impacted business units. Workflows allow you to

collaborate across the enterprise.

There's more to compliance, which can lead to failure. The point is, with Keylight, compliance failures are much less likely.

Cyber threats on business

Cybercrime is on the rise in every aspect of business, government, and life. Manufacturers are not immune to cyber threats.

Keylight aggregates scan data from leading security products to identify threats and prioritize vulnerabilities as they relate to the manufacturer's technology assets. This way, higher priority vulnerabilities receive the most attention. Vulnerabilities and incidents are tracked in Keylight for investigation, monitoring, and remediation, and are recorded for and reviewable by management.

And because many cyber security professionals can become overwhelmed reviewing scan data, Keylight de-duplicates scan data already investigated, saving time better spent on

higher profile IT security projects. With 24/7 cyber threats, there isn't time to wait for an annual audit or the next big headline to take action.

Mergers and acquisitions

Every merger or acquisition comes with added risks, particularly related to strategy and compliance requirements.

Using Keylight allows a manufacturer to absorb the new risks with some level of confidence by proactively identifying and assessing risks; and subsequently implementing additional processes, technology and/or people. The key is utilizing a platform

with sufficient flexibility to keep risk management and compliance efforts running smoothly before, during and after mergers and acquisitions.

Manufacturing a brighter future for your company

The world of manufacturing is changing, calling for an ever-increasing focus on managing the risks that lead to quality manufacturing. Factoring in too the costs and complexity of managing risk are growing, forward-thinking manufacturers are turning to GRC.

GRC helps manufacturers of all sizes and industries govern operations, comply with laws

and manage risk in order to compete, innovate and drive quality.

Among GRC platforms, Keylight stands out for its cloud-based platform, developer's ISO 27001 certification, fully integrated suite of applications, integration with third-party data sources and for offering a configurable and upgradable platform that can be easily adapted by any manufacturer's organizational structure.

If you'd like to evolve your risk management program and manufacture a solution to compliance headaches, make your next stop: [Lockpath.com](https://lockpath.com).

About Lockpath

Lockpath is an enterprise software company that helps organizations understand and manage their risk. The company's line of integrated risk management solutions provides companies with the means to efficiently and effectively identify, manage, and monitor risks, for a more agile and resilient business. Lockpath serves a client base of global organizations ranging from small and midsize companies to Fortune 10 enterprises in more than 15 industries. The company is headquartered in Overland Park, Kansas. For more information on Lockpath, visit [Lockpath.com](https://lockpath.com).



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