

Creating a TPRM Budget

In Third Party Risk Management (TPRM), a well-structured budget supports current program needs while planning for future growth. It also demonstrates the value TPRM brings, helping executives see your direction, impact, and return on investment (ROI).

Sample Budget Format



Executive Summary

State the purpose of the budget and connect it to organizational goals.



Value of TPRM Organization

Show how TPRM supports compliance, reputation, and supply chain stability.



Cost Avoidance

Highlight avoided expenses (breaches, fines, disruptions).



Operational Resilience

Demonstrate how critical vendors and operations stay protected.



Return on Investment (ROI)

Compare program costs vs. financial losses prevented.



Budget Breakdown

Provide details by category (tools, staffing, training, etc.).



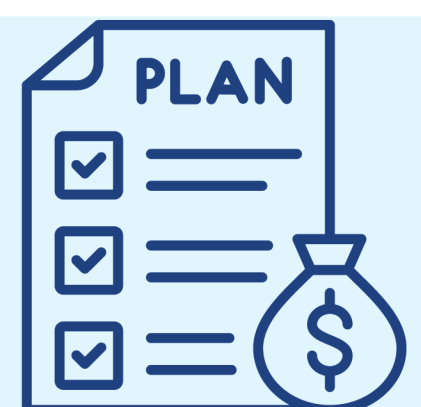
KPIs & Metrics

Show measurable outcomes like lower incidents or improved risk scores.



Risk Assessment & Mitigation

Note program risks (budget/resource gaps) and plans to address them.



Multi-Year Budget Forecast

Highlight areas for future investment (automation, AI, added staff).



Conclusion

Reinforce TPRM's value and link the request to strategic objectives.