What Type SOC Report Do You Need? | Transcript

Robert Ramsay & Bryan Gayhart

February 2026

Robert Ramsay:

Bryan, thanks for doing this today. You get a lot of questions about SOC reports, SOC 1 and SOC 2, SOC 3 from the internet. How do you explain when they call and they say, "I need all of them"? What do you tell them?

Bryan Gayhart:

Yeah, that's a great question. A lot of times when we're meeting with a prospect for the first time, or taking one of these inbound inquiries, a lot of times it is education-driven. We'll even find in RFPs today, somebody will say, "Hey, I need a SOC 1, a SOC 2, or a SOC 3," and they'll almost leave it at that. You take your pick, right?

And so, it just kind of shows you that the procurement team maybe hasn't done their own due diligence on what they're looking for or expecting from their potential vendor that they're using. We generally start with just explaining the difference between a SOC 1, a SOC 2, and a SOC 3.

Robert Ramsay:

My understanding is SOC 2 and SOC 3 are related?

Bryan Gayhart:

They are. In fact, when you get that question and somebody's laid it out that I need a one, two or a three, you have to explain to them that a SOC 3 is just a derivative of the SOC 2. If you haven't done the SOC 2, you can't do the SOC 3. Then likewise, if you've only done a SOC 1, you can't issue the SOC 3 report either.

Robert Ramsay:

I'm with you. The accountants love their numbers, and we did one, two, and three, but it could also almost be one, two, and 2A or something.

Bryan Gayhart:

Yeah, it would be really great if they had a better mechanism for identifying these reports and how they're related. Because to make it even more complicated, the SOC 1 and the SOC 2 have a Type 1 and

a Type 2. You can imagine in a sales call or talking to a prospect, half of the battle is education, and then not getting them lost in the numbering that the SCBA has created for these reports.

Robert Ramsay:

All right. You explained that. Tell me about the difference then between a two and a three. We said three is a part of a two or a subset?

Bryan Gayhart:

Yeah, exactly. I think if you think about the SOC 3, that's more of a public-facing document, something that you're going to put on your website or you're going to share freely with people that inquire and ask for it. You may keep it behind, I'll say a paywall, but not really paywall. You may ask for email or some other information before you're willing to release that, but it is public-facing, so you're willing to share it with people that aren't your customers, that aren't using your service or using your system that you're providing.

Robert Ramsay:

Yeah, I think some businesses will offer the SOC 3 on their first sales call and say, "Ooh, if you want the SOC 2, you have to sign an NDA or get further down the sales process."

Bryan Gayhart:

Yeah, we've seen that a lot too. A lot of that then comes back to the SOC 3 report. Since it is public-facing, it's almost watered down, or it's a stripped down version. You've taken out some information out of your system description that you may consider proprietary. A lot of times, think of things like a network diagram that may show up in your SOC 2 report, you may pull that out of your SOC 3 report. And so, you're really just going to leave that system description to really just focus on infrastructure, software, people, procedures, and data at a very high level that you're willing to share freely.

Robert Ramsay:

What about that ginormous list of controls and all the tests and results that you have in a SOC 2?

Bryan Gayhart:

That's one of the nuances of the SOC 3 report as well, is that Section IV where you typically see the test of controls and the results, that's all stripped out of the report. Section IV then is just your system requirements and service commitments defined.

Robert Ramsay:

Who in your mind benefits the most from a SOC 3?

Bryan Gayhart:

Benefits for the SOC 3 and the people that use it the most are most often people that are getting a lot of inbound inquiries for their SOC report. They may just want a quick way to pass something off to people. If you're a software as a service, platform as a service, you're going to get a lot of those inquiries before you've even gone down the sales process with a potential customer. They're looking to do some due diligence on their own before they get started with you. It's an easy way to have a document that's publicly available and helps that process so people have an idea about your security posture.

Robert Ramsay:

Yeah. Thanks. Maybe one more question. What's the process if a SOC 2 exists to add it to the current reporting cycle?

Bryan Gayhart:

We tend to tell people, on average, it's probably 10% more work. What's interesting about the workload for the SOC 3 is it's mostly on our end as the people working on the audit and the practitioners, because we're going to help our clients navigate those changes in that system description, and then it goes back to the client, they review, they edit. Maybe they need legal, maybe they need somebody else to take another look at it, but it's mostly work on our end to help them get to that SOC 3 report since it is a derivative of the work that we're already doing for the SOC 2.

Robert Ramsay:

Very good. Well, that concludes our Ask the Experts on SOC 3. Call, click or subscribe. Thank you very much.