

10 Vendor Risk Management Practices You Should Be Doing During the COVID-19 Pandemic

COVID-19 has created changes in vendor risk management at a rapid pace. And, we know the pandemic has raised a lot of questions regarding vendor risk management best practices during this challenging time.

Here are 10 vendor risk management practices you should be doing during the COVID-19 pandemic:



1

REQUEST YOUR CRITICAL THIRD-PARTY VENDORS' PANDEMIC PLANS.
Chances are you've already requested this information, but if you haven't, do it now.

2

REVIEW VENDOR PANDEMIC PLANS THOROUGHLY.
Sift through their plan and ensure it meets or exceeds your own pandemic plan.

3

COMMUNICATE WITH YOUR VENDORS.
Simply reach out and ask them how they're doing. Make sure to share your expectations with them during this challenging time, as well as ask about their expectations. Remember, you're in this together.

4

WATCH FOR SIGNS OF A STRESSED VENDOR.
Indicators of a stressed vendor include limited capacity, inadequate pandemic planning, lack of staff, weak execution of a pandemic plan, etc. Address any concerns with your vendors immediately.

5

REVIEW YOUR VENDORS' CYBERSECURITY PLANS.
Now more than ever, you should fully understand the cybersecurity measures your vendors have in place. Hopefully their plans have been well tested and a fully remote workforce has been considered. Their employees are likely working from home, and bad actors will continue to prey upon any system vulnerability.



6

ANALYZE YOUR CRITICAL VENDORS' FINANCIAL SECURITY.
An organization's financial posture is very fluid right now. It's changing by the day. They may have been fine last month, but that may not be the case today.

7

CONFIRM THAT YOU HAVE A REDUNDANCY PLAN.
Verify there is a redundancy plan, which is essentially a backup vendor for every critical third-party vendor.

8

REVIEW YOUR CRITICAL VENDORS' CURRENT REMOTE OPERATIONS.
Have any vendors who generally don't have employees working from home? As vendors scramble to make remote work possible, security measures are often bypassed, so it's important to pay attention to these vendors in particular.

9



10

REVIEW YOUR BUSINESS IMPACT ANALYSIS (BIA).
The BIA assists by determining if your organization can sustain operations should your vendor become unavailable. Circling back to your BIA will help you identify and highlight the critical operational elements of your organization as well as your critical vendors.

REFER TO RECENT REGULATORY GUIDANCE.
Review the [Interagency Statement on Pandemic Planning](#) issued by FFIEC agencies. There are several callouts regarding critical third parties as right now your regulatory risk is heightened. Even if you're not regulated by the FFIEC, sound advice is to refer to the guidance. If you're not facing regulatory risk, you're undoubtedly facing reputational risk.



Download free sample assessments of vendor controls and see how Venminder can help you reduce your third-party risk management workload.

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The pandemic has reminded us that business impacting events happen and no organization is immune. Remain diligent during these times and continue to focus on vendor risk management to help shield you from COVID-19 effects.

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