



## 11 THINGS TO DO

# BEFORE YOU JUMP INTO VENDOR RISK MANAGEMENT

New to vendor risk management or simply need a refresher? **Here are 11 things to do before you jump into vendor risk management:**



1

**Educate Yourself.** Study your industry's regulatory guidance, attend educational webinars/conferences and read informative resources like eBooks and infographics.

2

**Set the stage with foundational documentation.** These include a vendor management policy, program and procedures.

3

**Determine if you're going to implement a centralized, decentralized or hybrid operating model at your organization.** We recommend a centralized operating model meaning one person or team oversees the entire vendor risk management process. However, understandably, a centralized model may be too cumbersome to manage for a very large organization. Therefore, in that case, a hybrid of centralized and decentralized, with a vendor management office setting the expectations, may be the best option.

4

**Identify all of your vendors.** Reach out to accounts payable for a fresh list and review it, along with the lines of business, to make sure you're not missing any vendors that need to be monitored.

5

**Keep your team informed as you develop your program.** Make them aware of all vendor management processes and changes that are going to occur.

6

**Involve qualified SMEs (subject matter experts).** These can be internal SMEs but outsourcing to external SMEs as needed is fine, too.

7

**Determine where you're going to store vendor contracts.** One centralized location for ease of access and organization is best.

8

**Decide the tool(s) or system(s) you'll use.** To do vendor risk management well, you'll need to determine what you'll use for a database, process tracking and to receive automated notifications regarding upcoming contract renewals, due diligence expirations, risk assessments, etc.

9

**Develop a vendor risk questionnaire** and determine the rating system you'll use as you assess vendors.

10

**Create a model due diligence checklist.** This will help with onboarding new vendors and ongoing monitoring.

11

**Ask an internal or external audit team to review your processes.** Ensure practices are in compliance and meet vendor management expectations early on, especially way in advance of an examiner arriving on-site. And, beyond just examinations, there's a real strategic benefit to doing vendor risk management well.

**Don't jump into vendor risk management without a solid plan in place** as it'll only lead to a rough landing.



**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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