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:**

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

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

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.



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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.

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

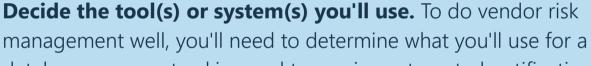


Involve qualified SMEs (subject matter experts). These can be internal SMEs but outsourcing to external SMEs as needed is fine, too.





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



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database, process tracking and to receive automated notifications regarding upcoming contract renewals, due diligence expirations, risk assessments, etc.

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Develop a vendor risk questionnaire

and determine the rating system you'll use as you assess vendors.



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



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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