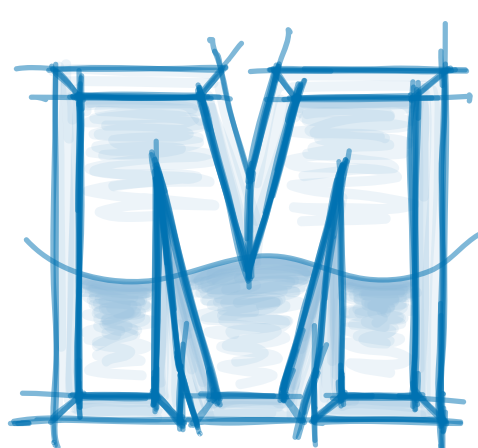


6 BEST PRACTICES

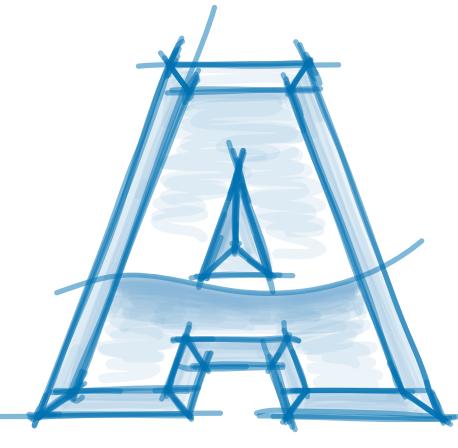
TO INCLUDE IN YOUR VENDOR MANAGEMENT MAP FOR 2021

The effects of COVID-19 have left many of us wondering what's in store for 2021. Over the last year, managing vendor risk became that much more important. The key to success in 2021 will require some heavy lifting on all our parts and the ability to do some things differently. When the future is literally up in the air, it's time to draw a MAP.



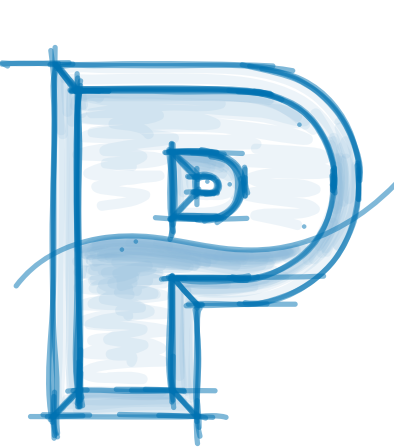
Measure

your accomplishments
from 2020



Assess

your due diligence, ongoing
monitoring, contract terms
and risk assessments



Plan

your 2021 month
by month

When building out your MAP, make sure to
do the following 6 best practices:



1

Take inventory of your current vendors.

Lay out exactly what you need to do for your existing vendors and visit this with all your stakeholders to determine the resources it'll require from your third-party risk management team.

It'll be quite some time before we all find some measure of equilibrium, so manage your vendor portfolio as best as you can.



Thoroughly review vendors you're newly onboarding.

Ensure any new vendor selection processes include the appropriate amount of scrutiny for the new vendor products and/or services.

2021 will be a year of reorganization, which will likely trigger an influx of new contracts and vendors into your organization.



2

Assess your current ongoing monitoring and risk assessment processes.

Revisit your ongoing monitoring and risk assessment processes you have in place, especially for all your critical and high-risk vendors. Then, review each risk assessment to ensure it adequately identifies the risks.

Review your risk mitigation to make certain it's still valid and check for any new risk mitigation actions you may have to employ.



Ramp up your ongoing monitoring and risk assessments.

Focus on any vendor you have reason to believe may have difficulty in 2021 – with particular attention to each of your critical and high-risk vendors. Find out everything you possibly can about each vendor and make sure to get SOC reports, audited financial statements, business continuity and disaster recovery plans, cybersecurity protocols and review any legal issues that may arise... to name a few.

As risk managers, identifying and mitigating the risks posed will be critical as the economic recovery begins in 2021.



4

Prioritize cybersecurity.

Ensure your vendors are maintaining adequate cybersecurity despite uncertain environments. In 2020, nearly every industry was forced to figure out the work-from-home scenario, and the reality is, most of the solutions in place aren't exactly what the technology teams in most organizations would like to have moving forward.

Adding to the uncertainty is the concern around sporadic spikes of COVID-19 infections that will force some organizations to send employees back home again. No one can predict the reactions of state and local governments to these intermittent spikes.



Evaluate existing contracts and ensure contract modifications are an ongoing process for your organization.

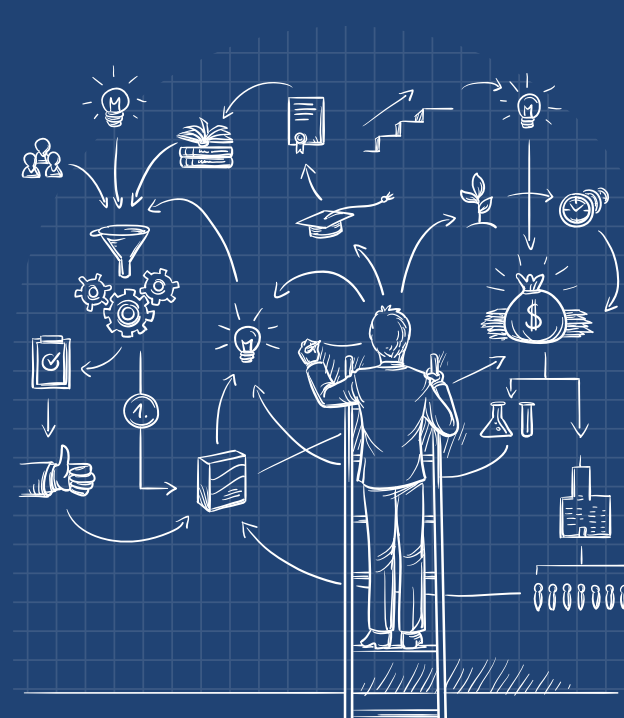
This is particularly important for your critical and high-risk vendors. Changes to the environment we're doing business in will continue throughout 2021, so you'll need to ensure your organization is appropriately covered contractually. And, the longer the pandemic lasts, the more changes we'll see in the way we deal with our customers.

Your vendors are going to have the same problem. If you have vendors that interact directly with customers, you'll need to ensure those vendors are following the customer service protocols outlined in your contract. You may find you need to modify your existing contracts to reflect your organization's "new normal."



6

We're seeing businesses go through something that's truly novel, and 2021 will be a brand-new world for vendors regardless of the industry. It's time to assess your vendor management program's processes and procedures, make a few strategic changes and plan for a better, and hopefully brighter, year.



Download free samples of Venminder's vendor Control Assessments and see how they empower third-party risk professionals in mitigating risks.

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