

VENDOR RISK MANAGEMENT SELF-ASSESSMENT TOOL



Use this self-assessment tool to review areas of potential exposure with your vendors, and understand where to strengthen your vendor risk management activities.

1 Do you have a documented vendor risk management policy that includes the following:

- ✓ Vendor risk appetite statement
- ✓ Governance structure
- ✓ Key stakeholders and roles
- ✓ In-scope vendors
- ✓ Record retention
- ✓ Types of risk to be managed
- ✓ Risk tiering/classification approach
- ✓ Key risk management activities to perform
- ✓ Exceptions and handling
- ✓ Policy updates

2 Do you assess and document potential inherent risks with new vendors prior to entering into a new relationship? Key questions can include:

- ✓ Are the services critical to your operations?
- ✓ Will you be sharing, storing or processing sensitive data with the vendor?
- ✓ Will the vendor have access to your systems?
- ✓ Will the vendor have access to your office(s)?
- ✓ Will the vendor be interacting with your customers/clients, either virtually or in person?
- ✓ Do you rely on the vendor to meet your own regulatory compliance requirements?

3 Do you follow a risk-based due diligence process to understand your vendor's risk posture, and verify information for your key vendors? Due diligence can include:

- ✓ Business health and continuity assessments.
- ✓ Information security assessments.
- ✓ Operational and employment practice assessments.
- ✓ Business licensing verification
- ✓ Exclusions screening (watch lists)
- ✓ Financial statement analysis
- ✓ SOC report analysis
- ✓ On-site visits
- ✓ Insurance verification
- ✓ Diversity verification

4 Do you follow a standard process for performing a review of all contracts against your risk standards prior to execution? Key risk provisions include (among others):

- ✓ Service level agreements
- ✓ Right to terminate
- ✓ Work product ownership
- ✓ Confidentiality
- ✓ Insurance requirements
- ✓ Right to audit
- ✓ Data ownership
- ✓ Notification of data breach

5 Do you perform ongoing, risk-based due diligence and monitoring of your vendors once a contract is signed?

6 Do you have a process to identify, track and remediate issues with vendors? Do you have a formal escalation process for critical issues?

7 Do you follow a process to formally offboard a vendor and de-risk the relationship?

8 Are all of your vendor risk management procedures documented?

9 Are staff trained on a periodic basis on your vendor risk policies and procedures?

10 Do you have a central system to provide visibility into all of your vendor relationships, contracts and risks that need to be managed?

If you have vendor risks that need some extra attention, our team of vendor management experts can help.

Contact us to learn more.



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