

VENDOR RISK ASSESSMENT CHECKLIST

#1 KNOW THE TYPES OF RISK

Before you start your risk assessment, you need to know the different types of vendor risk. This gives you a full picture of potential risks and could save your organization time and money in the future. Types of risk include financial, compliance, geographic, operational, technical and reputational.

#2 DETERMINE RISK CRITERIA

Next, decide the criteria you'll use to assess each vendor based on the different types of risk. Then, create a scoring system and assessment format. Make sure that you evaluate all vendors consistently by these criteria to avoid bias.

#3 ASSESS EACH PRODUCT OR SERVICE

Evaluate the risk of each individual product as well as the vendor as a whole. While a vendor might have a good reputation, a new product might not be up to your security standards, or an updated version could fail to meet your organization's standards. The combination of both assessments gives you a complete picture of vendor risk.

#4 GET HELP FROM EXPERTS

You might not have the expertise in every field to fully assess each type of vendor risk. Reach out to other departments (IT, compliance, legal, security, finance) in your organization to help you get insight into potential risk scenarios and acceptable levels of risk.

#5 ASSESS EVERY VENDOR

Assess every vendor, no matter how small their service is or what they do. Not only do you need to evaluate the risk of business partners, but also landscapers, electricians, landlords, cleaners, shredding company, etc. Anyone with access to your space and/or data needs to be evaluated.

#6 SEPARATE VENDORS BY RISK LEVEL

Decide whether a vendor is low-, medium- or high-risk. Then, determine the amount of due diligence and risk management you'll need to do for vendors at each risk level.

#7 MAKE A RISK MANAGEMENT PLAN

Make a unique risk management plan for each vendor you choose to work with. Each plan should address potential risks you've identified in entering into the partnership and how to manage and mitigate them.

#8 STAY UP TO DATE

Stay up to date with new and updated laws and regulations. This will ensure that your organization's policies are compliant and, in turn, your requirements for vendors will be, too.

#9 CONDUCT ANNUAL ASSESSMENTS

Don't rely on an initial vendor risk assessment when entering a partnership. You'll need to continuously monitor vendors (perhaps in annual reviews) to make sure they still meet your company's needs, policies and standards.

Case IQ

For more information on Case IQ's products and services, visit us at

www.caseiq.com.

1-800-465-6089 | sales@caseiq.com