

# Vendor Onboarding Checklist

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## **Assess the business case for outsourcing**

**Weigh the risks and benefits of working with a vendor versus maintaining the function in-house.**

- Perform a cost/benefit analysis
- Determine the vendor classification (significant/high-risk/critical)
- Document the critical features and functions needed
- Create a buying committee with key stakeholders
- Create a budget

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## **Identify potential vendors**

**Begin your research by looking for vendors who are already providing services in the industry.**

- Reach out to peers in the industry
- Research association vendor listings
- Ask for suggestions or past conversations on message boards
- Compare vendors on sites like G2 and Capterra
- Document your research

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## **Submit a request for a proposal (RFP)**

**Write a request for information, request for proposal, or request for quote to obtain specific information pertinent to your business needs.**

- Write a request for information or schedule a demo
- Draft a list of demo and interview requests
- Request a quote

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## **Evaluate the vendors**

**Compare vendors and decide which vendor best aligns with your strategic needs, risk appetite, and budget.**

- Create a vendor evaluation scorecard
- Create a service level agreement
- Review the vendor options and details with the buying committee

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## **Conduct due diligence**

**Conduct thorough due diligence on your selected vendor. The more high-risk a vendor is, the deeper the diligence should go.**

Review general company information:

- Articles of incorporation
- Company structure
- Subcontractors
- References

Review financial information:

- Annual report
- Tax documents
- Liabilities
- Assets

Review reputation:

- Litigation
- Negative news & reviews

Review insurance:

- Liability insurance
- Cyber insurance

Review IT security:

- Internal/external audit reports
- Risk assessment
- Business continuity plan
- Disaster recovery plan

Review Policies:

- Information security policy
- Privacy policy
- Data retention policy

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## **Negotiate the contract**

**Review the contract to ensure everything is covered in writing.**

- Clearly defined performance standards
- Regular access to reports and audits
- Data privacy protection
- Complaint resolution
- Business resiliency and continuity planning
- Ownership of data and intellectual property created
- Default, termination, and dispute resolution provisions and remedies

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## **Begin implementation**

**Make sure the vendor and your institution are well-aligned on the implementation process and timing.**

- Create a team to manage the implementation
- Develop an implementation plan and identify key milestones
- Schedule employee training

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## **Conduct routine monitoring**

**Ensure you're engaging in ongoing due diligence so that your institution can identify any issues or emerging risks.**

- Create a vendor review schedule
- Set up news alerts for continuous monitoring

**Checklists can't cover everything, especially when vendor info changes daily. Looking for a better way to manage and monitor vendors? Contact us for a demo of our solutions today.**