VendorInsight

# **Creating a Vendor Management Software** APPROVAL ROADMAP

# How to Get Your VRM **Program Approved & Implemented**

The investment in vendor management software often requires input and approval from multiple stakeholders. When convincing these stakeholders, it can be useful to highlight the ways that a VRM software solution can help your organization meet business objectives.

#### YOUR VRM PROGRAM SHOULD ADDRESS THESE 6 STAKEHOLDER PAIN POINTS:



**1. Compliance** - Companies without a solution to ensure their vendors fulfill required insurance and safety guidelines alongside ever-changing regulations are at a much higher risk of costly fines, penalties, and/or lawsuits



**2. Time** – 57% of IT professionals say they spend more time today working with vendors than they did two years ago. A manual or ineffective solution to collect, analyze and store the wide array vendor/supplier documents and data can be a strain on your company's time and resources



3. Visibility - Without visibility to your vendor operations, performance and risk, the executive team lacks important real-time data and information they need to make

4. Communication – Gaps in communication between your organization and your vendors can result in negative events that impact your relationships with downstream customers



5. Confidence – 94.3% of executives have low to moderate confidence in their vendor risk management programs



6. Staff - Automation can reduce staff burden and offer lower total labor costs while still achieving vendor management goals and staying compliant

# The 5 Stages of Implementing VRM

## **Identify the Problem**

- Vendor/Supplier Management in your organization poses unexpected challenges
- Regulatory requirements are becoming increasingly complex
- Companies lack the staff or resources to keep up with the demands placed on the vendor management

### **Plan a VRM Solution**

- Develop program scope, compare options and look for experts
- Calculate the short- and long-term value and ROI of VRM
- Discuss risks of new and existing vendors
- Do due diligence on software solutions

#### **Present to the Board**

- Organize and prioritize possible solutions and their outcomes
- Demonstrate the benefits of:
  - Automation
  - Time and cost savings
  - Increased compliance

#### Implement

- Review and finalize any changes or decisions made by stakeholders
- Utilize tools to effectively evaluate your vendor performance, including:
  - Workflows
  - Team collaboration tools
  - Vendor/supplier portals
  - Scorecards and dashboards
  - Vendor/supplier onboarding and maintenance

#### **Review**

- Continuously review the effectiveness of your VRM
- Make updates to improve and strengthen the program
- Consider expansion to be inclusive of more or all areas of your business

### Efficiency

#### Challenges

A robust VRM program can increase efficiency and reduce the challenges as you manage the resources and amount of time your team is spending on vendor management.

# **Benefits of a Proven VRM Solution**

VendorInsight delivers the most effective vendor risk management software for banks, credit unions, financial services companies, and other industries.



**300%** internal rate of return by helping you better manage your contracts so that you can avoid spending money on services you're no longer using



One-time initial set-up cost that is less than \$20K and recurring annual costs of less than \$40K. This costs less than a single full-time employee



Software as a Service is on average **3X less expensive** than installed solutions



Reduced staff time spent managing vendor contracts, due diligence and in risk and compliance audits adds up to real savings