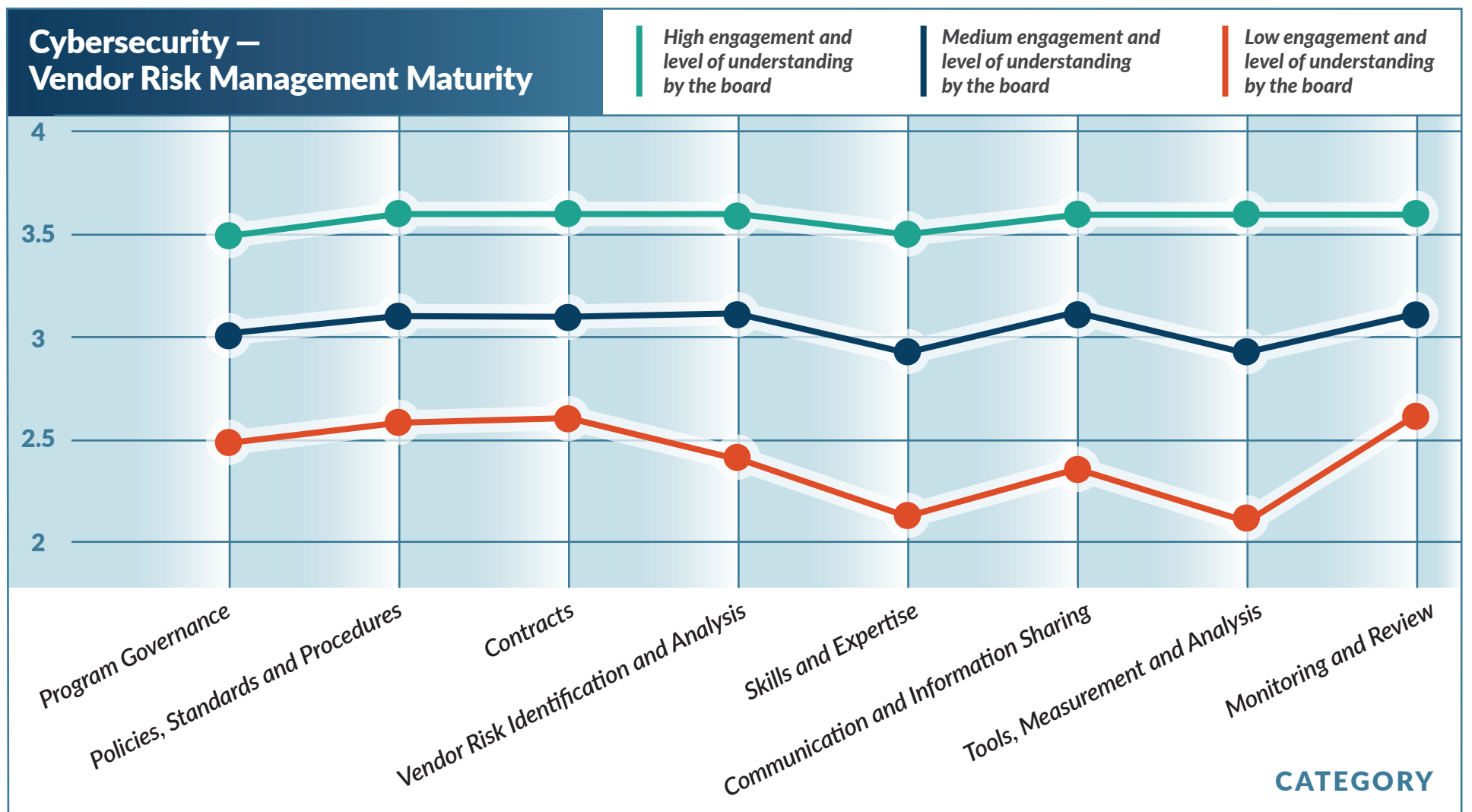# 2017 Vendor Risk Management Benchmark Study

The Shared Assessments Program and Protiviti Examine the Maturity of Vendor Risk Management

As rapidly changing risk and regulatory environments continue to challenge vendor risk management capabilities, the results of the latest Vendor Risk Management Benchmark Study show that:

- Organizations in all industries are making progress in improving how they manage vendor and third party risks.
- The level of the board's engagement in information security correlates with vendor risk management maturity.
- A majority of companies plan to "de-risk" third party vendor relationships that pose high risks.

How engaged is your board of directors with cybersecurity risks relating to your business and internal operations?*	2017	2016
High engagement and level of understanding by the board	42%	39%
Medium engagement and level of understanding by the board	38%	37%
Low engagement and level of understanding by the board	14%	17%

How engaged is your board of directors with cybersecurity risks relating to your vendors?*	2017	2016
High engagement and level of understanding by the board	29%	26%
Medium engagement and level of understanding by the board	39%	37%
Low engagement and level of understanding by the board	25%	27%

* Not shown: "Don't know" responses

Cybersecurity — Vendor Risk Management Maturity

Legend:
- High engagement and level of understanding by the board
- Medium engagement and level of understanding by the board
- Low engagement and level of understanding by the board

Categories (x-axis): Program Governance; Policies, Standards and Procedures; Contracts; Vendor Risk Identification and Analysis; Skills and Expertise; Communication and Information Sharing; Tools, Measurement and Analysis; Monitoring and Review

CATEGORY

Over the next 12 months, what is the likelihood that your organization will move to exit or "de-risk" third party relationships that are determined to have the highest risk?

14%	39%	24%	13%	10%
Extremely likely	Somewhat likely	Somewhat unlikely	Not at all likely	Don't know

About the Survey

The Vendor Risk Management Benchmark Study was conducted online in the second and third quarters of 2017, with 539 executives and managers participating in the study. For each vendor risk component, respondents were asked to rate the maturity level as that component applies to their organization, based on the following scale:

5 = Continuous improvement
4 = Fully implemented and operational
3 = Fully determined and established
2 = Determining roadmap to achieve success
1 = Initial visioning
0 = Non-existent

To learn more, visit sharedassessments.org and protiviti.com/vendor-risk.

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