

Checklist

5 steps to secure Vendor Contract Compliance

There is a heavy price to pay for financial institutions that consume market data and other information sources but fail to comply with supplier contracts.

Many admit that if they could understand access and usage, the benefits could be significant.

There is a **five-step program** that can help firms improve the way they manage their information services program to secure vendor contract compliance.



1 Evaluate the current approach

Develop an understanding of the number of services the firm currently has, how many it has signed up to over the past year or two, and what the organization's cancel rates are for these subscriptions.

2 Understand the obligations

Discuss with compliance and procurement the potential impact of new rules around third-party risk, MiFID II and General Data Protection Regulation (GDPR), or any others that may apply in the jurisdictions in which the firm operates.

3 Engage the business

Understand how these information services support the business, and how the new rules could impact existing client and back-office processes. Discuss the changes and how to support them.

4 Develop reporting

Explore the new kinds of reporting these new rules will require – to the business, vendors, the board, auditors, and regulators. Talk with stakeholders about how to make this reporting auditable and less burdensome for the organization.

5 Apply the right tools

Evaluate usage-tracking software that automates the process of understanding exactly what information services are being used, by whom, and how frequently. Such software can help the organization to manage vendor and regulatory relationships more proactively, as well as provide assurance of compliance. Further, usage can then be attributed to the contract and spend, providing end-to-end control and visibility, not to mention actionable savings opportunities.



In all cases, it's important to understand that the data resources consumed by staff are extremely valuable, and it's crucial that consumers are able to access what they need and to extract maximum value from it.



Whitepaper: Vendor Contract Compliance The Importance of Getting it Right

Understanding in-house consumption of vendor data and ensuring compliance with multiple contracts for market data and other information can be challenging — particularly for firms managing large volumes of contract clauses across hundreds of suppliers.

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