

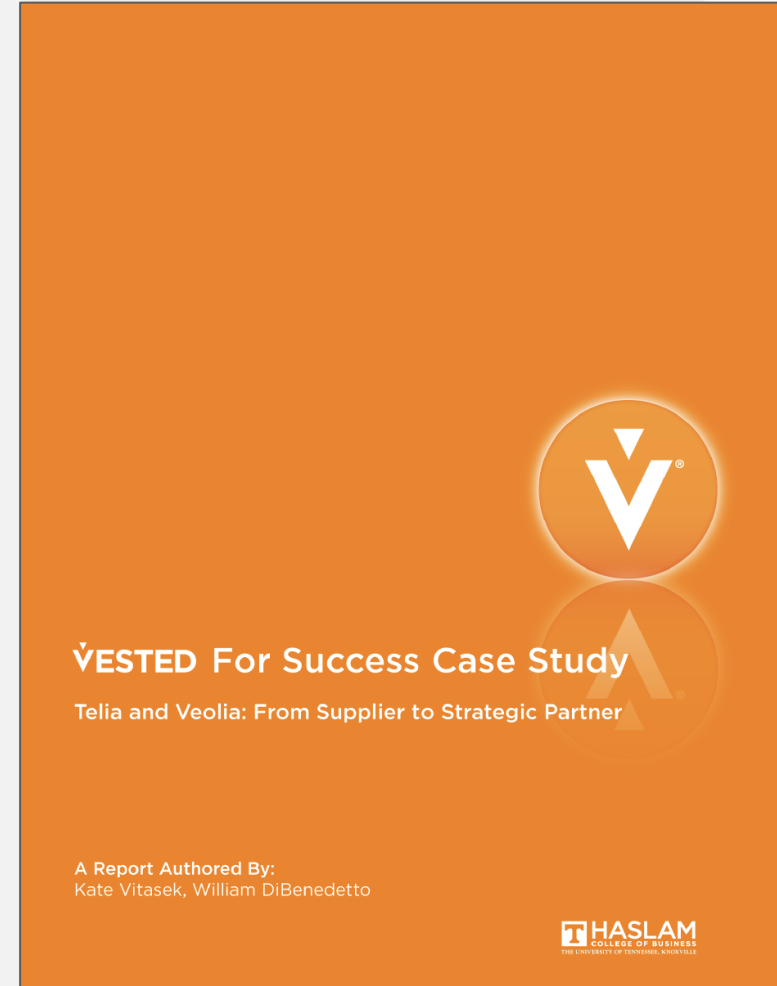
# VESTED<sup>®</sup>



## Telia Case Study



# *The Telia Case Study is Featured in...*





Source of Photo: LinkedIn

**Andreas Sahlen**

Head of Estate Mgmt. &  
Real Estate Law  
Telia



Source of Photo: LinkedIn

**Isabelle Kemlin**

Key Account Executive  
Veolia



Source of Photo: Provided by Ingrid

**Ingrid Wallgren**

Senior Sourcing  
Manager  
Telia



Source of Photo: LinkedIn

**Sebastian Hamlund**

Business Developer  
Veolia

Note: Isabelle is now at CBRE

# Background





- Telia had already piloted Vested in 3 other deals, “flipping” existing relationships to Vested agreements
- Liked the idea of Vested for facilities management, but did not feel they had known which of their suppliers would be the best partner to move forward with
- Approached Cirio Law Firm for advice on how to get to a Vested agreement using a bid process
- Cirio suggested a collaboration with EY and an assessment to see if Vested was a good fit
- The initiative ultimately led to a Vested agreement between Telia and Veolia



The scope was vast in nature – spanning four service types and 16,000 location. It was also highly technical and unique in nature and included maintenance locations in 40 caves.

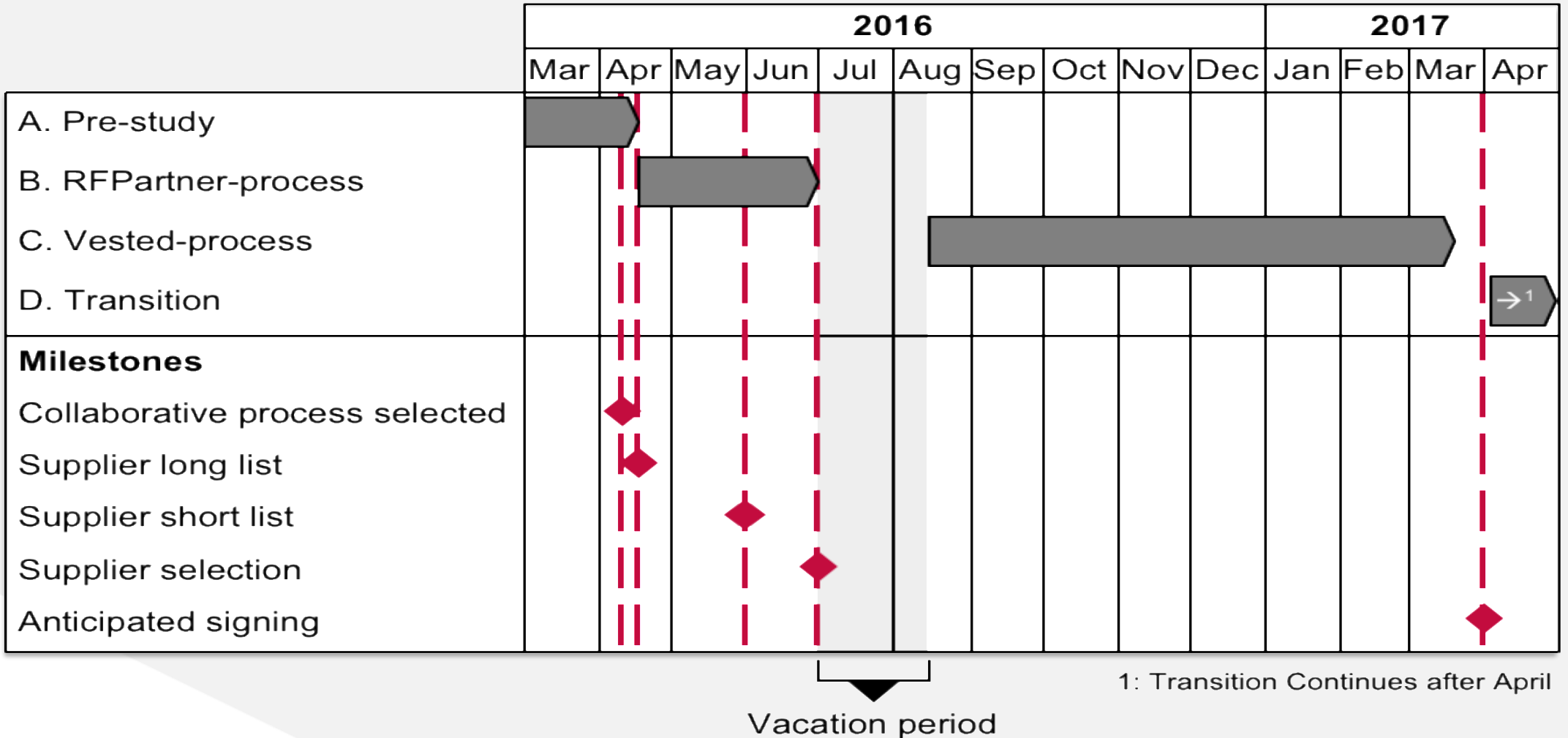
Maintenance & related projects	16 000 technical sites			
	Mobile network sites	Fixed network sites	Caves	Tunnels
Cooling/Heating				
Electricity				
Fire security	n/a			n/a
Building interior				
Building exterior				
Outdoor areas				



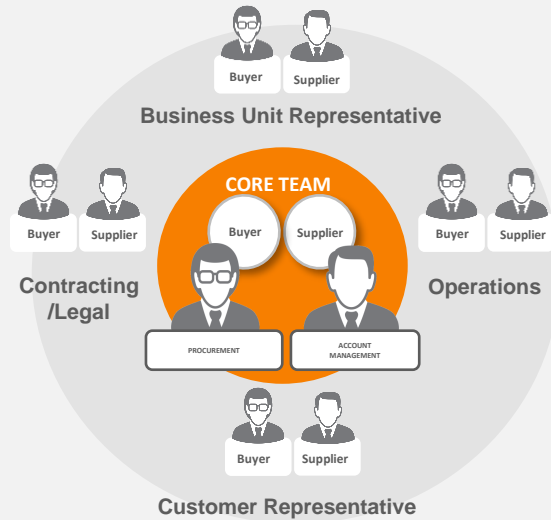
Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



Telia's journey took one year (with 2 months of non-working time) and included three phases to get to a Vested agreement with Veolia. This was the Nordics first use of the University of Tennessee's RFPartner process.



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



1. Formed a cross functional team which was augmented by supplier finalist during the RFPartner process

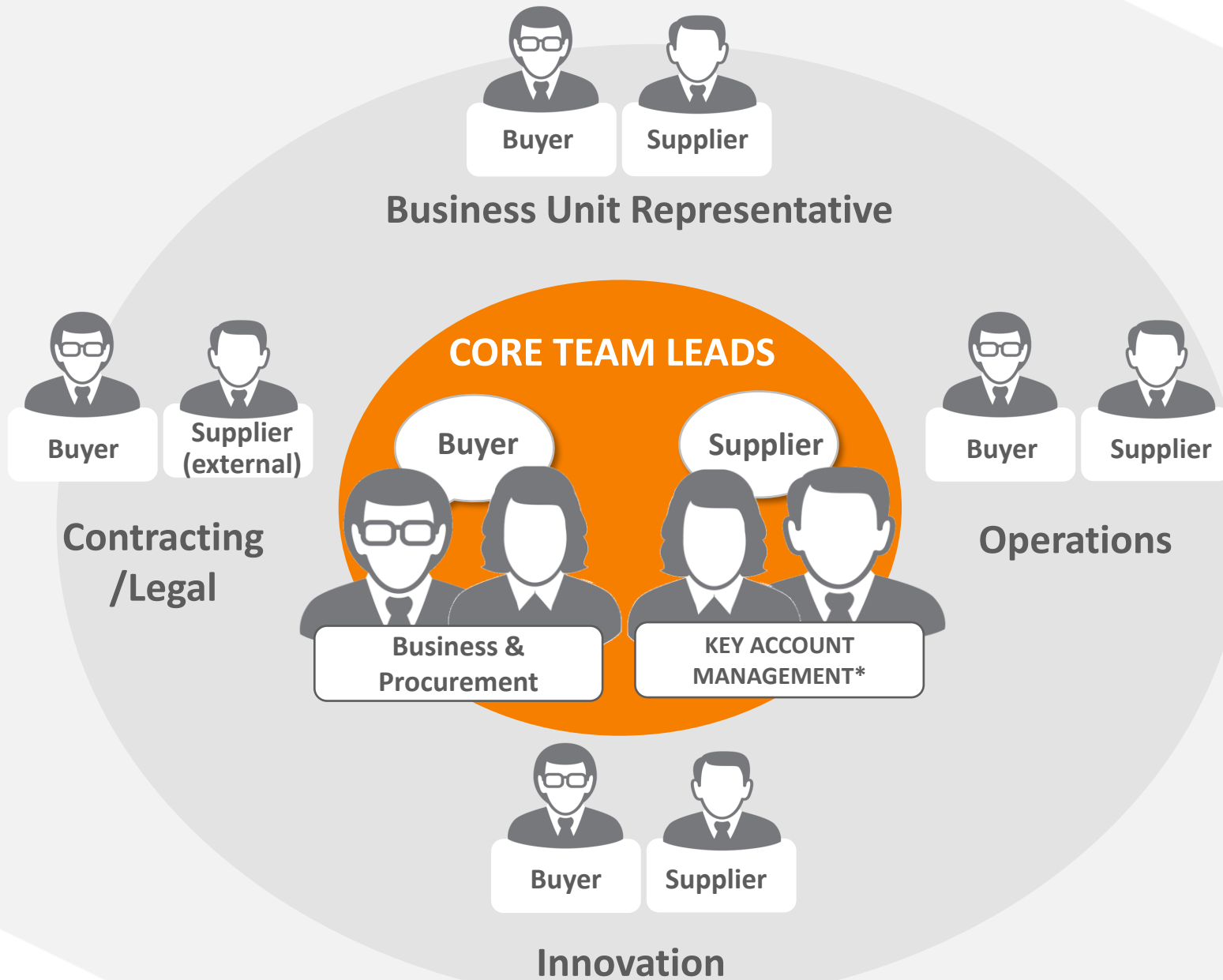
2. Used the University of Tennessee's Creating a Vested Agreement Online course to gain fundamental education

3. Worked with a Vested Center of Excellence for Neutral Third Party Coaching/Support



Part 1: Laying the Foundation	
Introduction	How To Use This Course & Toolkit
Module 1	Getting Ready
Module 2	Contracting By The Rules
Part 2: Contracting by the Elements	
Module 3	Business Model
Module 4	Shared Vision & Intent
Module 5	Statement Of Objectives
Module 6	Performance Metrics
Module 7	Performance Management
Module 8	Pricing Model - Part 1
Module 9	Pricing Model - Part 2
Module 10	Pricing Model - Part 3
Module 11	Pricing Model - Part 4
Module 12	Pricing Model - Part 5
Module 13	Relationship Management
Module 14	Transformation Management
Module 15	Exit Plan /Special Concerns
Part 3: Staying Vested	
Module 16	Finalizing Your Agreement
Module 17	Transitioning To Your New Agreement

Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



Source: Telia – Veolia. Marcus Björklund replaced isabell Kemlin as supplier Key Account Core Team lead.



## *In their words...*

“In the beginning you need someone to challenge that you are thinking about both parties that you're thinking about this as a common corporate structure.

That's a huge part of actually building the trust because when you when you start doing that by yourself when you're showing the supplier that I'm actually thinking about you as well you start to build trust.”



*Source of Photo: LinkedIn*

### **Andreas Sahlen**

Head of Estate Mgmt. & Real Estate Law  
Telia

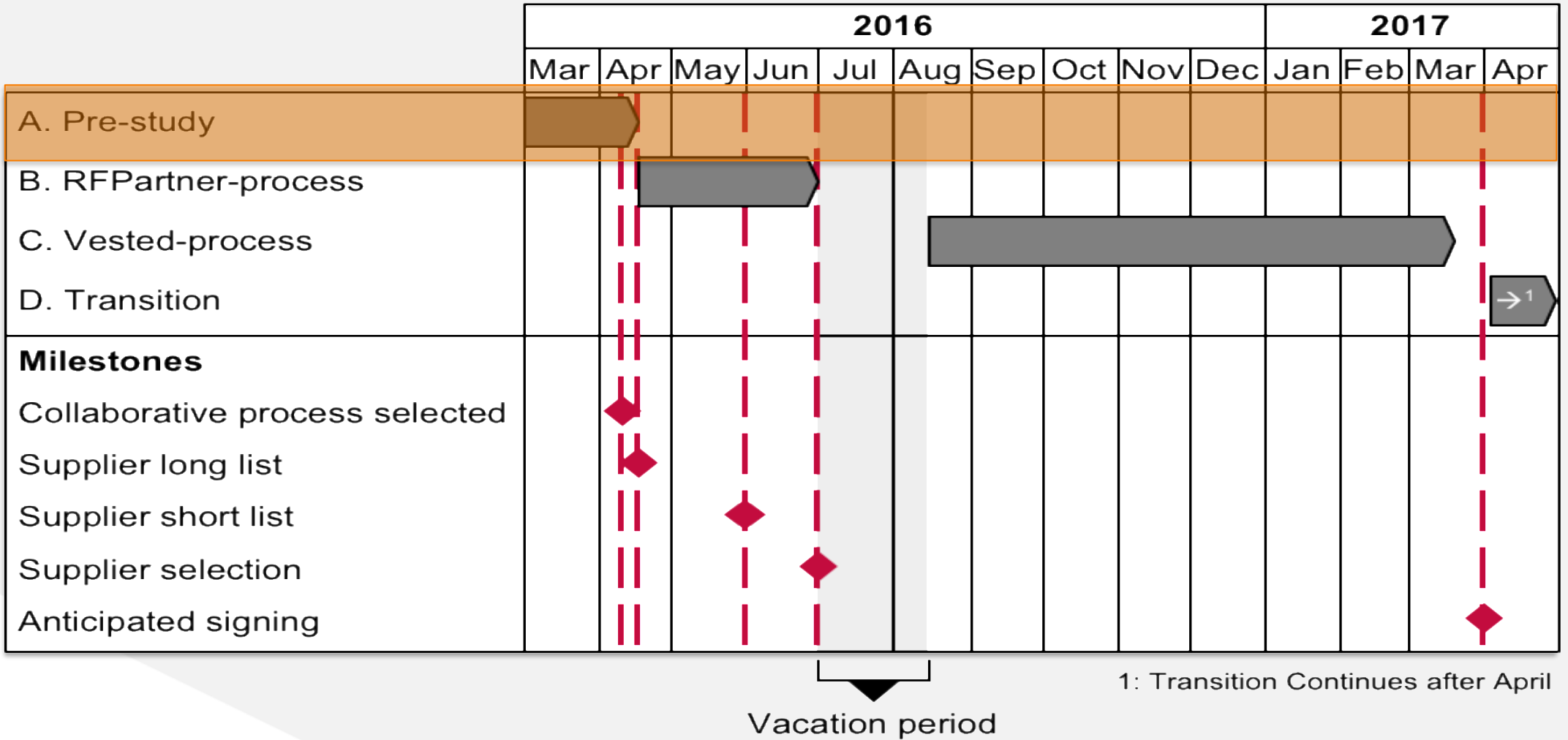


# RFPartner Process





Phase One was a six-week “Pre-Study” to determine if Vested was a good fit for Telia’s facilities management operations.



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



## *In their words...*

“As the journey began we had to really analyze ourselves and try to look through the supplier side. We learned a lot about our own business and how we treated and handled both the suppliers and ourselves over the years.”



*Source of Photo: LinkedIn*

### **Andreas Sahlen**

Head of Estate Mgmt. & Real Estate Law

Telia



# Ailments Assessment



1	Penny Wise and Pound Foolish	Red
2	The Outsourcing Paradox	Red
3	The Activity Trap	Yellow
4	The Junkyard Dog Factor	Yellow
5	The Honeymoon Effect	Yellow
6	Sandbagging	n/a
7	The Zero Sum Game	Yellow
8	Driving Blind Disease	Red
9	Measurement Minutia	Green
10	The Power of Not Doing	Yellow

- More than 60 contracts with over 20 suppliers at 16,000 technical sites.
- Limited coordination between the management of buildings and the management of cooling/heating and energy at the company’s facilities.
- Complex relationships between the technical site organization and Telia’s stakeholders.
- Contracts were “stiff” and rooted in transaction-based models and suffered from almost all of the Outsourcing Ailments

Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



# Telia completed a Business Model Map exercise before making the final decision Vested was the right Sourcing Business Model.

		Relationship/Contract Model		
		Transactional Contract (Market)	Relational Contract (Hybrid)	Investment (Vertical Integration / Hierarchy)
Economic Model	Outcome-Based <i>Economics tied to Boundary Spanning/Business Outcomes</i>	Mismatch – Not a Viable Strategy	<b>Vested</b>	Equity Partner (e.g. Joint Venture)  or  Shared Services
	Output-Based (Performance-Based / Managed Services) <i>Economics tied to Supplier Output</i>		Performance-Based (Managed Services) Agreement	
	Transaction-Based <i>Economics tied to activities drive behavior</i>	Basic Provider  Approved Provider	Preferred Provider	



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



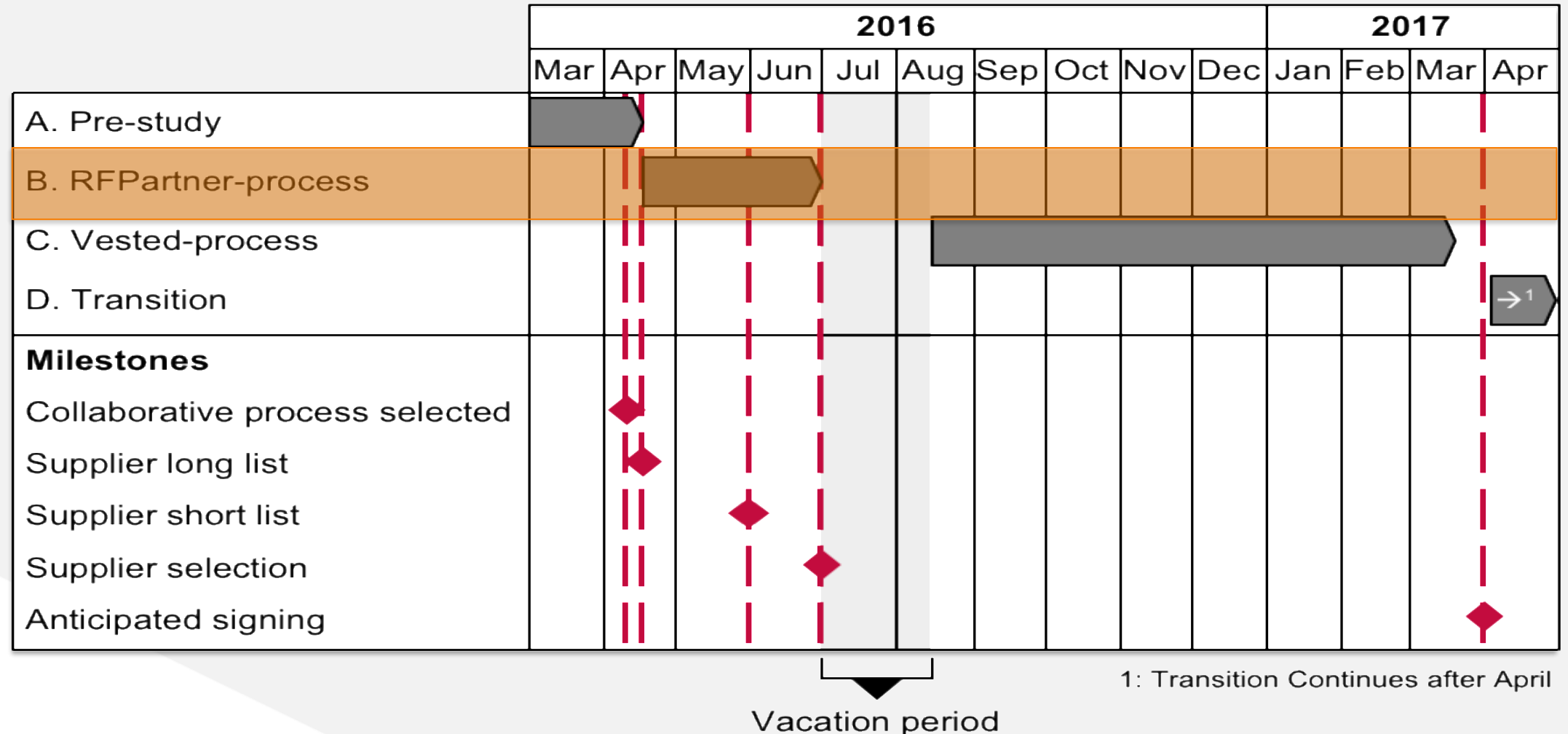


## Key factors in Telia's decision:

- Using one or two suppliers would enable supplier control over outcomes
- There were a limited number of capable suppliers, reducing the possibility to use a power-based approach
- The scope was large and complex, including a value potential that Telia and a partner could realize together
- The current set-up was not satisfactory

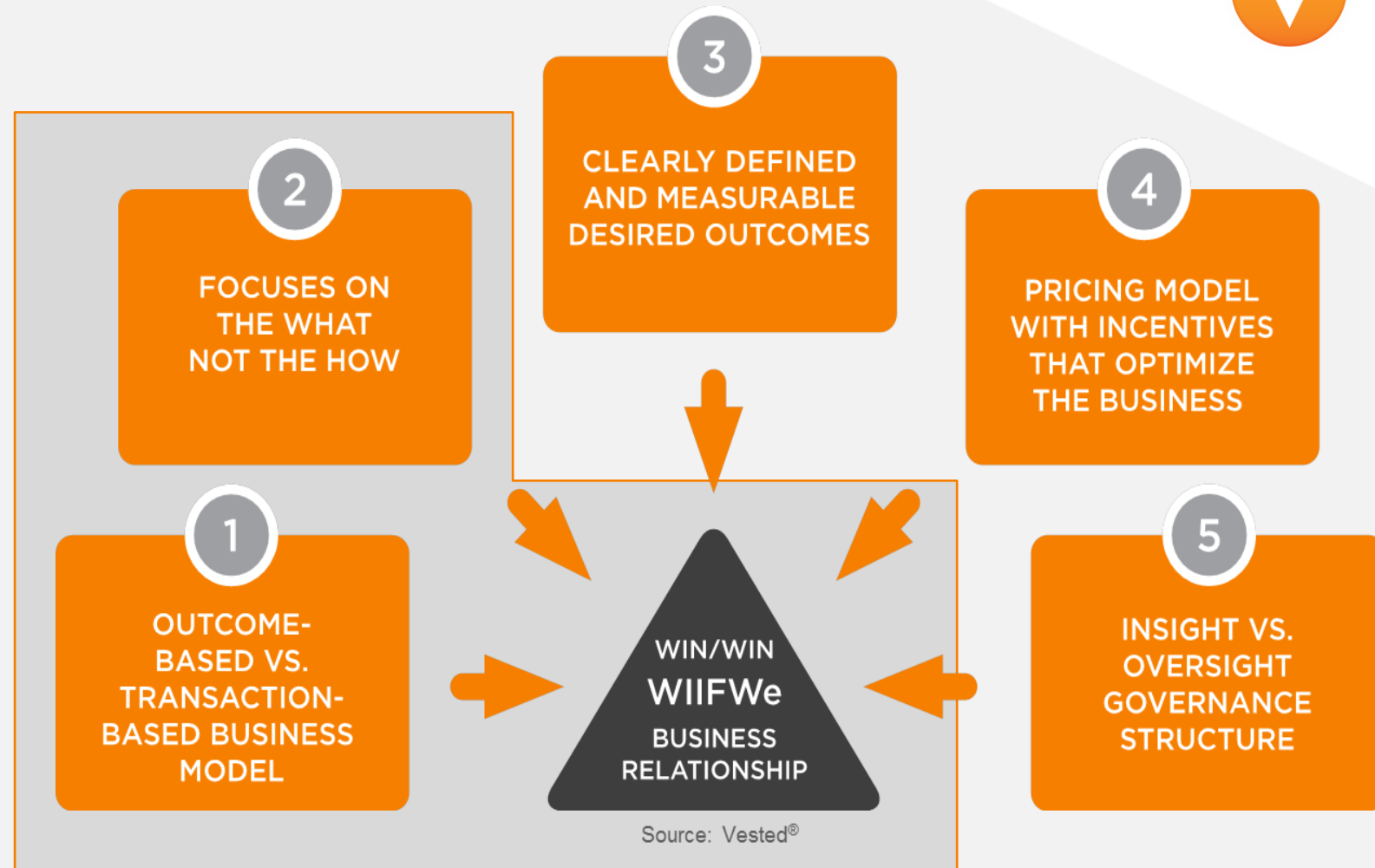


Phase Two was an eight-week Request for Partner process to find a capable and like-minded partner that would invest in mutually defined transformation goals for Telia’s facilities management operations



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018

The RFPartner Process is designed to help find a potential partner that is a good fit regarding the transformational mindset and capabilities needed to deliver under a Vested model. Workshops addressed cultural fit and Rules 1 and 2.





The RFPartner is designed to integrate into the Vested methodology, with supplier finalist advancing to Solution Definition and ultimately contract development.

<i>RFPartner</i>		<i>Vested Process</i>			
Qualify Potential Suppliers	Discovery / Concept Solution	Solution Definition	Due Diligence and Validation	Contract Development	Implementation and Ongoing Governance
<ul style="list-style-type: none"> <li>• 20 current suppliers in the original pool</li> </ul>	<ul style="list-style-type: none"> <li>• Reference checks</li> <li>• Site visit and due diligence meetings observation of the supplier “in action.”</li> <li>• High level Desired Outcomes</li> <li>• Compatibility and Trust Assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder workshop</li> <li>• Solutioning on trans-formation roadmap</li> </ul>	<ul style="list-style-type: none"> <li>• Complete Vested workshops</li> <li>• Finalized the contract based on the “Five Rules” developed in the workshops</li> </ul>		<ul style="list-style-type: none"> <li>• Onboarding and transition to Vested (e.g., roll out new pricing model, governance)</li> <li>• Transition sites to Veolia</li> </ul>
5 on the “long list”	3 on the “short list”	From 2 to 1 supplier based on Solution and Cultural Fit	1 Supplier Veolia	1 Supplier Veolia	1 Supplier Veolia

Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



## *In their words...*

“Usually when we get a new contract we focus a lot on how and price how are we going to make money, and what are you going to do to make up the money. But with Vested the focus changed. For me an important aspect is that in the Vested model we focus more on the road to success and defining what is important. When working this way success will come just by following the Rules.”



*Source of Photo: LinkedIn*

**Sebastian Hamlund**

Business Developer

Veolia



## *In their words...*

*One of the last parts of the RFPartner process was to down-select the number of suppliers. Telia used a Compatibility and Trust Assessment as part of their decision process.*

“We rightfully had concerns about putting all of our eggs in one basket. But the RFPartner workshops revealed the obstacles and risks were not as big as we feared and we discovered ways of working through the risks in a productive manner.

We also knew from the Compatibility and Trust Assessment that we were picking a partner that was a great cultural fit with Telia.”



*Source of Photo: Provided by Ingrid*

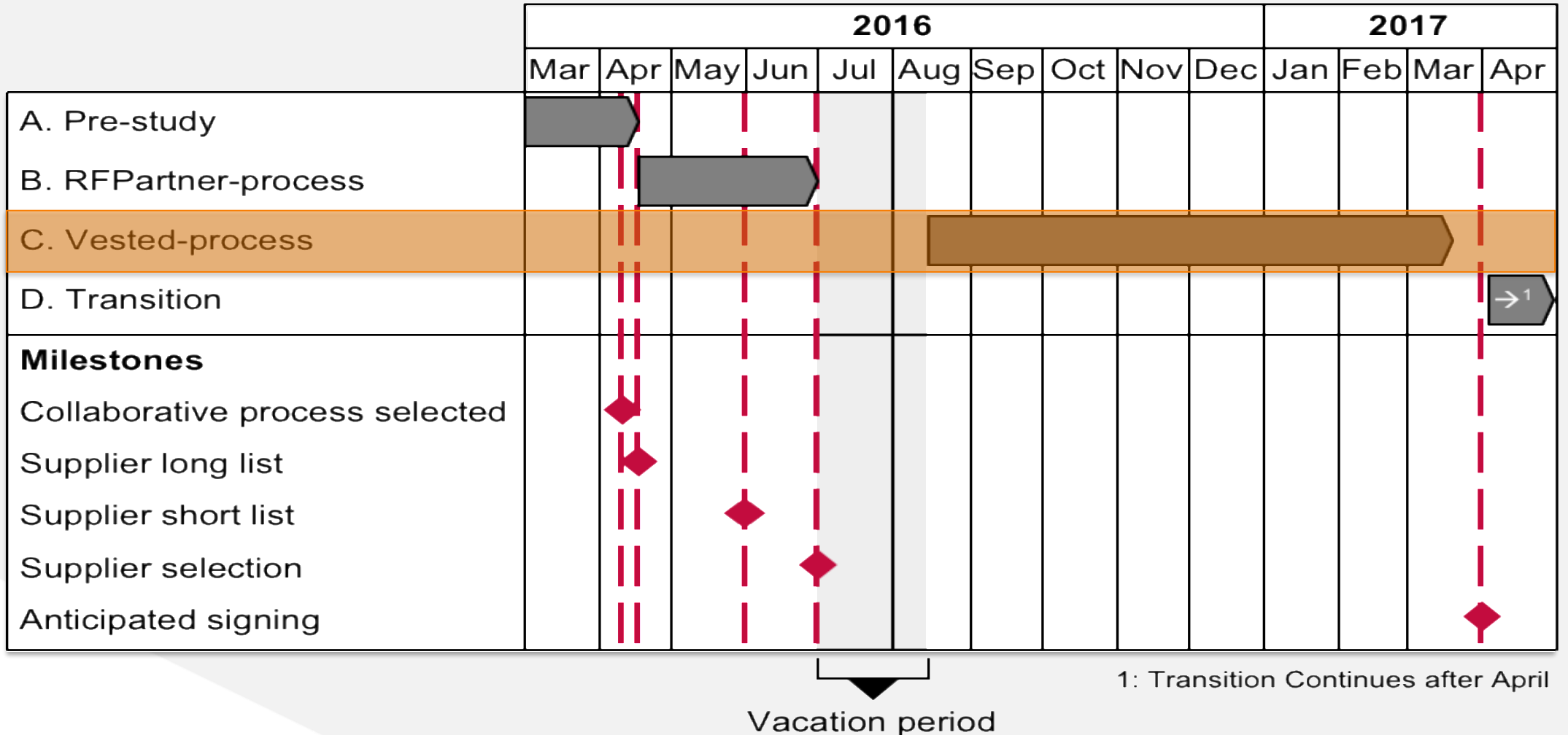
**Ingrid Wallgren**

Senior Sourcing Manager

Telia



Phase Three included 17 workshops where Telia and Veolia would co-create their Vested agreement according to the Five Rules.



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018

## LAYING THE FOUNDATION

1

OUTCOME-BASED VS. TRANSACTION-BASED BUSINESS MODEL

2

FOCUSES ON THE WHAT NOT THE HOW

3

CLEARLY DEFINED AND MEASURABLE DESIRED OUTCOMES

4

PRICING MODEL WITH INCENTIVES THAT OPTIMIZE THE BUSINESS

5

INSIGHT VS. OVERSIGHT GOVERNANCE STRUCTURE

LIVING INTO THE AGREEMENT

- The joint Telia-Veolia team used the ***Creating a Vested Agreement*** course coupled with a series of professionally facilitated workshops
- The education is essential to provide the “why” and “how” of Vested
- The CDA coach helped the companies complete the necessary deliverables that would become embedded in their agreement





## *In their words...*

“The education was very different from the old (contracts). It was important that we understood the why of Vested if we were going to do the how to get to a Vested agreement.

The courseware did more than just provide the basics of what Vested was. If you think about some of the basic Vested information or Vested courses we had in our education, we took a lot of inspiration from those in how we structured our deal.”



*Source of Photo: LinkedIn*

### **Sebastian Hamlund**

Business Developer  
Veolia



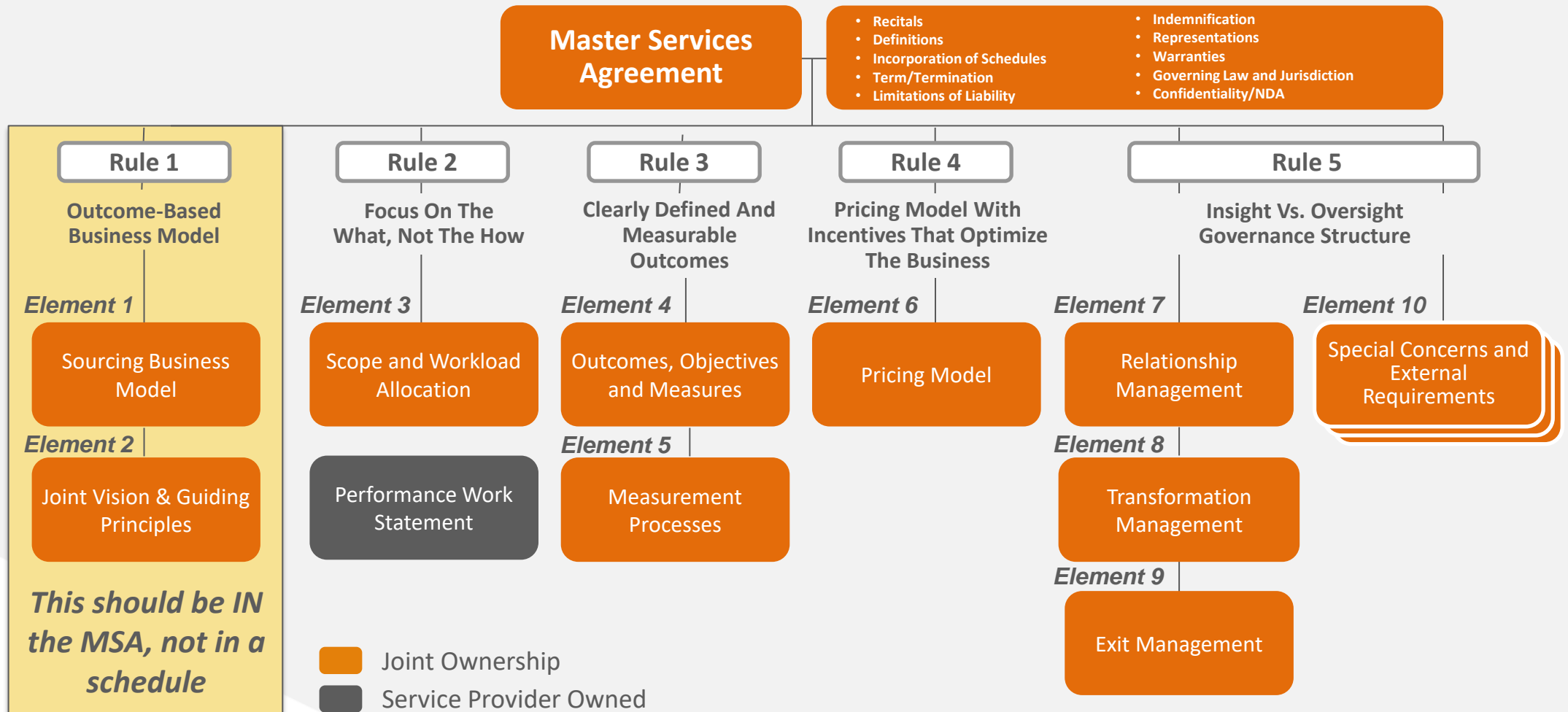
There were a total of 17 workshops (14 full day and 3 half day).  
Workshops were used to co-create the rules of the relationship.

Vested Workshops				
Rule 1 Outcome based vs. transaction based business model	Rule 2 Focus in the what, not the how	Rule 3 Clearly defined and measurable outcomes	Rule 4 Pricing model with incentives that optimize the business	Rule 5 Insight vs. oversight governance structure
<b>WS 0</b> (Part for RFPartner) <ul style="list-style-type: none"> <li>Compatibility and trust assessment</li> <li>Business model mapping</li> </ul>	<b>WS 2</b> <ul style="list-style-type: none"> <li>Finalization of outcomes and targets</li> <li>Specification of scope and responsibility matrix</li> </ul>	<b>WS 5</b> <ul style="list-style-type: none"> <li>Measurement of outcomes</li> </ul>	<b>WS 7</b> <ul style="list-style-type: none"> <li>Risk analysis</li> <li>Assumptions</li> <li>Total cost of ownership model</li> </ul>	<b>WS 12</b> <ul style="list-style-type: none"> <li>High level governance structure</li> <li>Relationship management</li> <li>Transformation management</li> </ul>
<b>WS 1</b> <ul style="list-style-type: none"> <li>Joint vision</li> <li>Guiding principles</li> <li>Outcomes</li> </ul>	<b>WS 3</b> <ul style="list-style-type: none"> <li>Identification of Vested ponies (Innovation/solution ideas)</li> </ul>	<b>WS 6</b> <ul style="list-style-type: none"> <li>Follow-up model</li> </ul>	<b>WS 8</b> <ul style="list-style-type: none"> <li>Selection of compensation model</li> <li>Draft incentive model</li> </ul>	<b>WS 13</b> <ul style="list-style-type: none"> <li>Transformation management</li> <li>Exit management</li> </ul>
	<b>WS 4</b> <ul style="list-style-type: none"> <li>Specification of scope and responsibility matrix (cont.)</li> </ul>	<b>WS 6.1</b> <ul style="list-style-type: none"> <li>Measurement of outcomes (cont.)</li> <li>Finalize</li> </ul>	<b>WS 9</b> <ul style="list-style-type: none"> <li>Costs and margins</li> </ul>	<b>WS 13.1</b> <ul style="list-style-type: none"> <li>Finalize model</li> </ul>
			<b>WS 10</b> <ul style="list-style-type: none"> <li>Costs and margins</li> </ul>	
			<b>WS 11</b> <ul style="list-style-type: none"> <li>Governance of price model</li> <li>Implementation of price model</li> </ul>	
			<b>WS 11.1</b> <ul style="list-style-type: none"> <li>Finalize price model</li> </ul>	

Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



The Vested methodology is designed to help a buyer and supplier partner co-create the rules of their relationship using the Five Rules framework. The rules are then translated into a formal contract.



The 10 Elements of a Vested Agreement are profiled in detail in the Vested Outsourcing Manual book



# One of the first decisions was for the parties to create and share their Guardrails. If they could not do a deal within the Guardrails they would not proceed.

<i>Telia's Guardrails</i>	<i>Veolia's Guardrails</i>
<p><b>Resource aspects</b></p> <ul style="list-style-type: none"> <li>Quality assured resources to be used regardless if sub-suppliers are being used or not, which includes but are not limited to:               <ul style="list-style-type: none"> <li>• Relevant certifications shall be held</li> <li>• Fair employment forms shall be used</li> <li>• Resources working at the sites shall be able to understand and be able to communicate in Swedish</li> </ul> </li> </ul> <p><b>Organization and security</b></p> <ul style="list-style-type: none"> <li>Background controls shall be performed on all employees (including sub-suppliers) and all personnel working in caves and a limited number of specific projects must have a security clearance</li> </ul> <p><b>Financials</b></p> <ul style="list-style-type: none"> <li>To find a common economic model where Telia's present supplier OPEX-costs are reduced</li> </ul> <p><b>Legal</b></p> <ul style="list-style-type: none"> <li>Compliance to Telia's policies (Supplier code of conduct, corporate social responsibility &amp; security directives)</li> <li>Telia shall have the right to perform audits</li> <li>A new ownership structure of the supplier (majority owner) shall be a reason for terminating the agreement, if the majority owner is a competitor to Telia Company</li> </ul>	<ul style="list-style-type: none"> <li>Achieve a Minimum Gross Margin Target</li> <li>Acceptable deviations from EBITDA (under certain conditions)</li> <li>Intellectual property rights (during the contract, if specifically developed by Veolia it is Veolia's property)</li> <li>Willing to accept risk that Veolia can influence</li> <li>Insurance risk (indirect damage is not accepted)</li> <li>Following company policies such as Code of Conduct, Ethics, etc., cannot be deviated</li> <li>Investments (payback in investments minimum 12% and high risk 20% over maximum 7 years)</li> </ul>



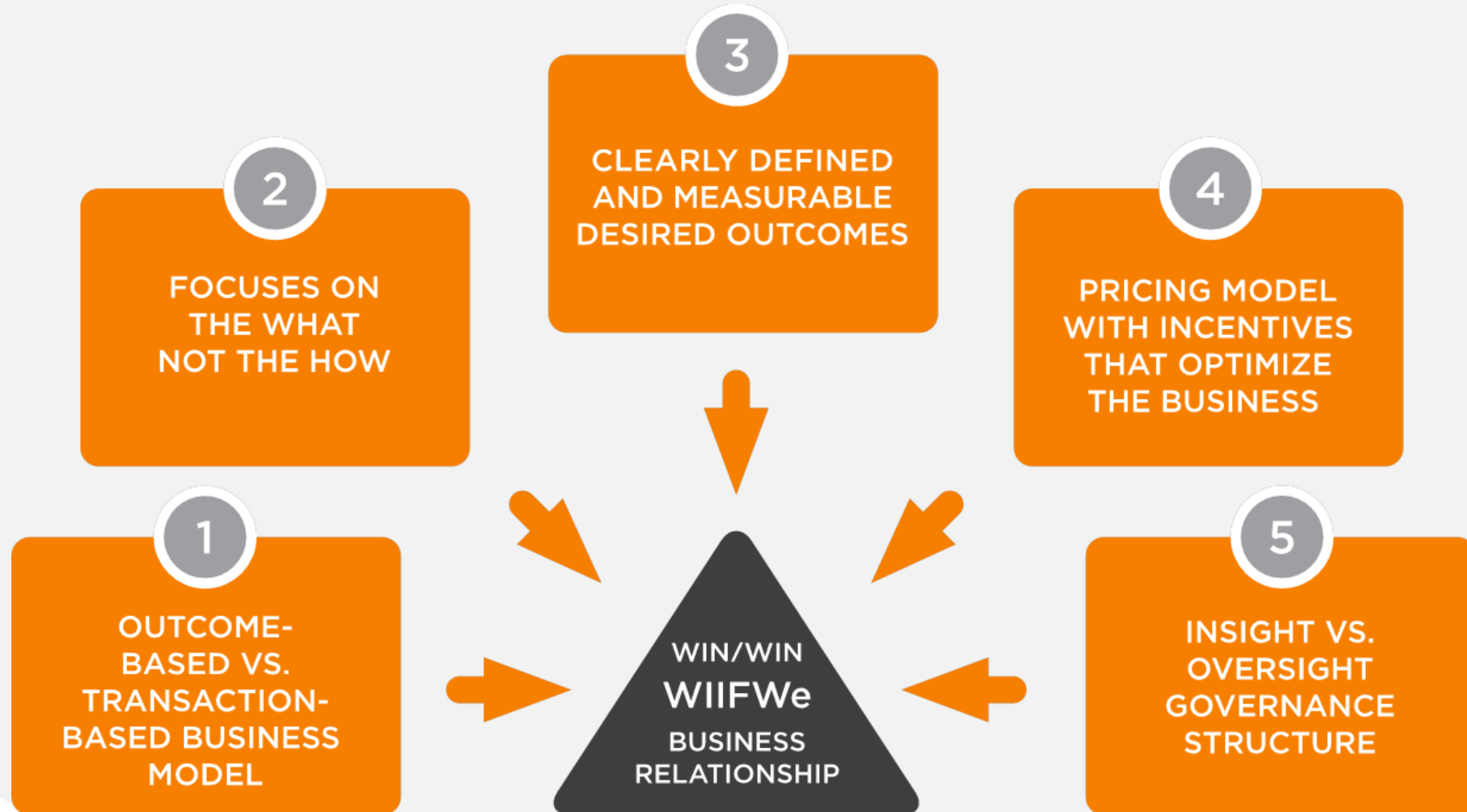
Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018

# How They Followed The Five Rules





# Vested Five Rules

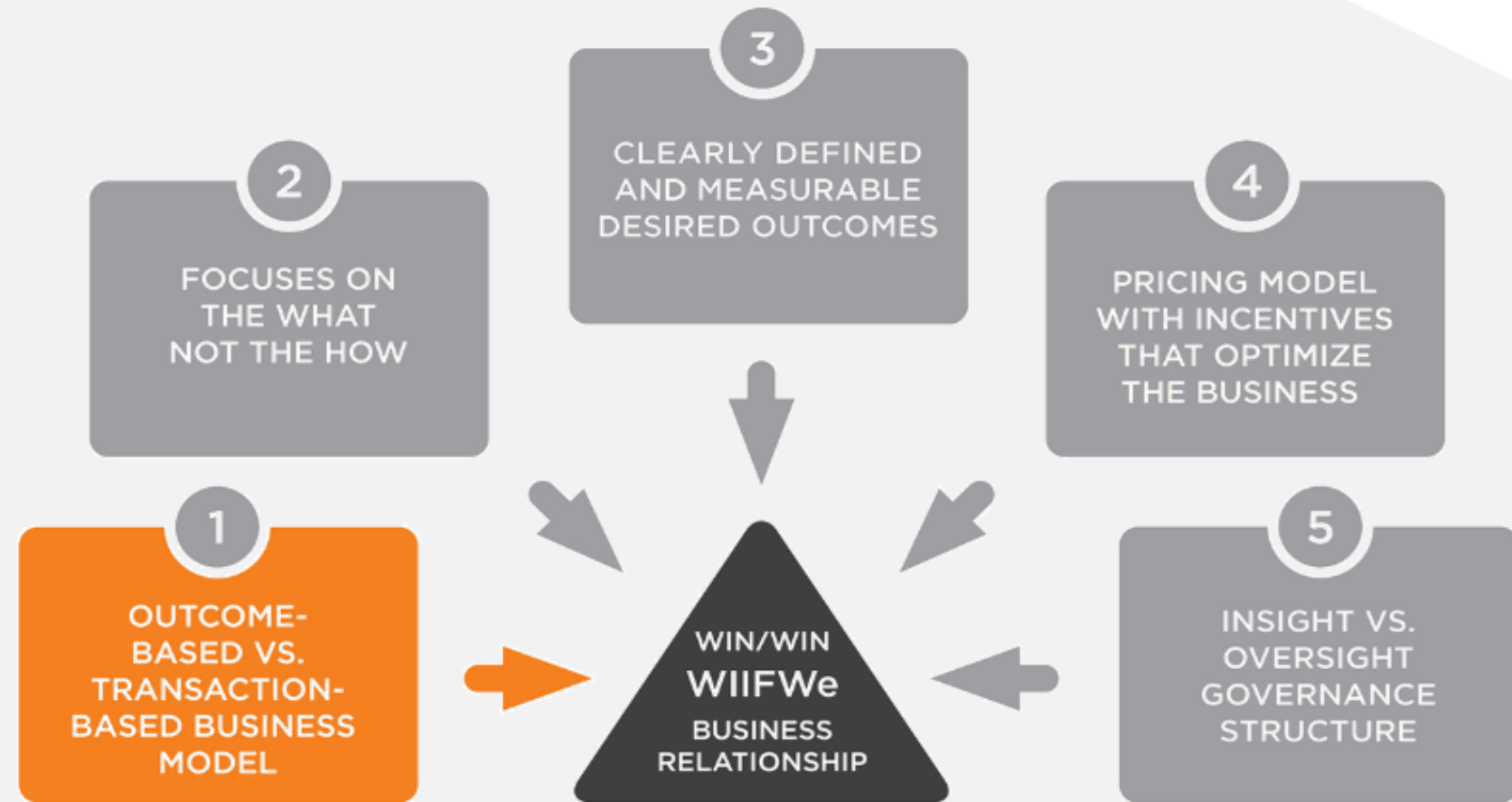


Source: Vested®



Rule  
**1**

# Outcome vs. Transition Based Business Model



Source: Vested®



## The Shared Vision

*Together we proactively create optimal conditions for the future way of communicating.*

*Our modern partnership create common value and success through innovative and sustainable solutions.*

Source of Photo: Telia



1. Reciprocity
2. Autonomy
3. Honesty
4. Loyalty
5. Equity
6. Integrity

Six Guiding Principles are used during the Vested process and are also legally binding throughout the contact period

# In Their Words...



## Rule 1 - Establish the foundation of the partnership through a Joint vision and Guiding principles



### Setting the direction through:

#### A Joint vision

*Together we proactively create optimal conditions for the future way of communicating.*

*Our modern partnership create common value and success through innovative and sustainable solutions.*

### Defining how to act through:

#### Six guiding principles

1. Reciprocity
2. Autonomy
3. Honesty
4. Loyalty
5. Equity
6. Integrity

The guiding principles are used during the Vested-process and are also a legally binding throughout the contact period

14



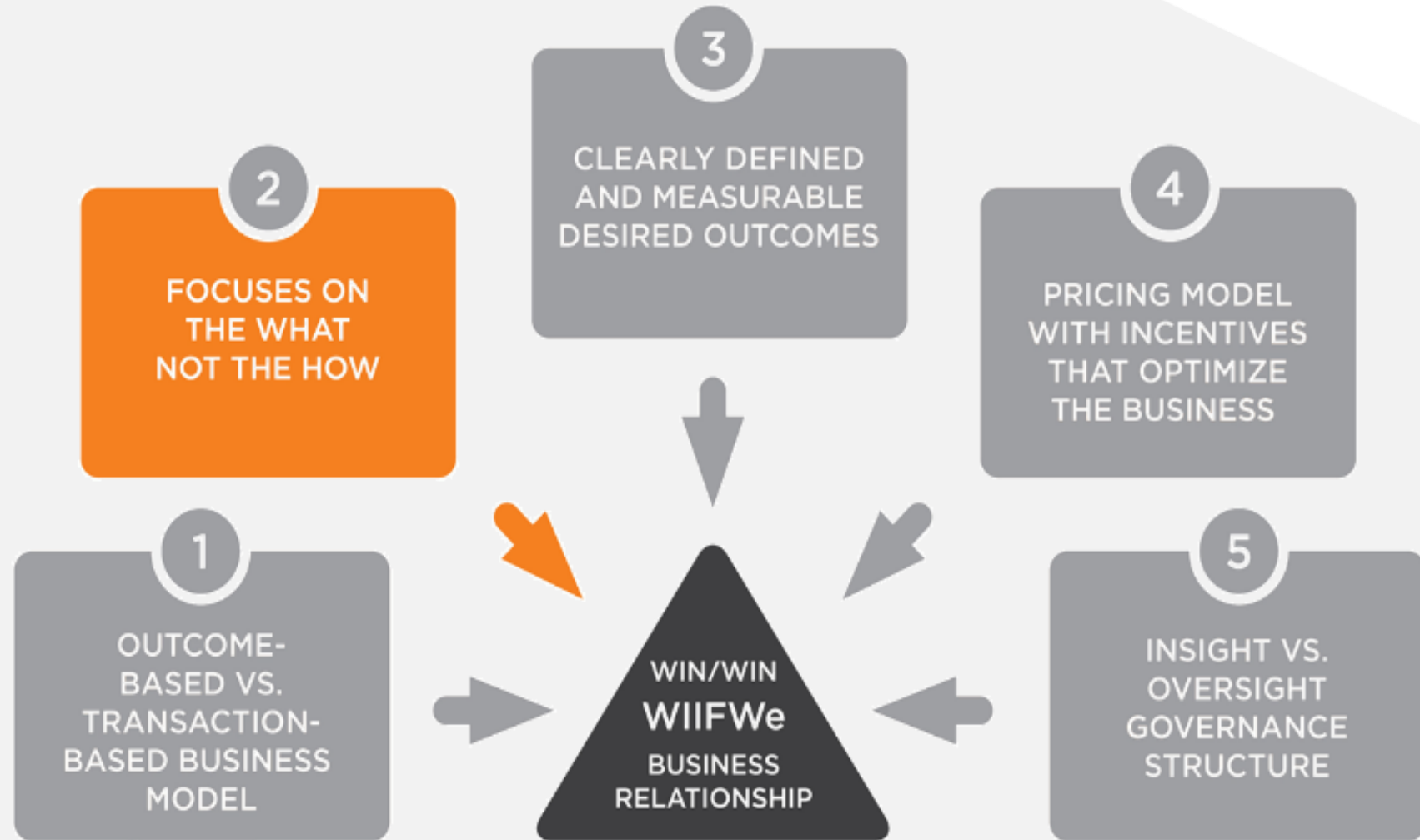
Source of Video: Telia – Veolia Case Study shared at the EBG “Sourcing Outlook” Conference



Rule

2

# Focus on the WHAT, not the HOW



Source: Vested®

## *In their words...*

“I think we learned a lot during the journey that the way we were handling our business in the maintenance part was not optimal at all. So that was kind of an eye opener. I think it actually came a little bit later when we started discussing more the scope and what we should measure. I think that was a big eye opener for our part.”



*Source of Photo: LinkedIn*

### **Andreas Sahlen**

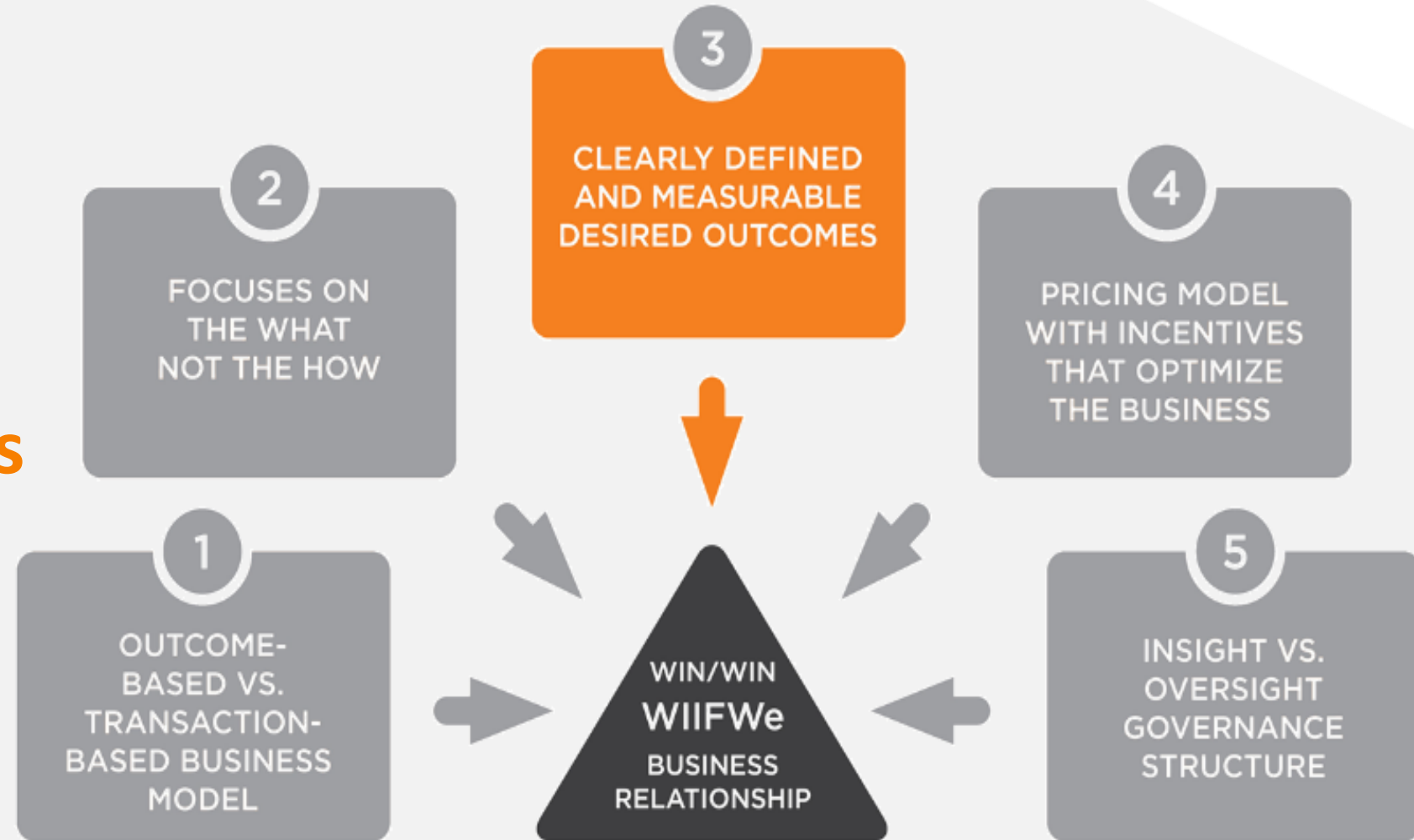
Head of Estate Mgmt. & Real Estate Law  
Telia





Rule  
**3**

# Clearly Defined and Measurable Desired Outcomes



Source: Vested®

Vision	Outcomes	Objectives	Measures
<p><b>Together we proactively create optimal conditions for the future way of communicating.</b></p> <p><b>Our modern partnership creates common value and success through innovative and sustainable solutions.</b></p>	1. Deliver high quality FM-services with high stakeholder satisfaction & high network reliability	1.1 Continuously meet the need of the stakeholders using the sites and create a high stakeholder satisfaction	Stakeholder satisfaction index
		1.2 Minimize the number of network interruptions and the reset time after an interruption	No. of network interruptions caused by supplier Percent of fault responses meeting response time
	2. Contribute to TechSite's transformation program & improved maintenance	2.1 Deliver projects in time and on budget	Percent of projects meeting time & budget
		2.2 Optimize the maintenance	Effective implementation index (year 1)
	3. Create a continuously improved financial result for both parties	3.1 Optimize OneTech's Total Cost of Ownership	Total cost of ownership reduction (OPEX, excl. rent & electricity)
			Power Usage Effectiveness (PUE)
	4. Become a role model within sustainability	4.1 Reduce Co2-emissions and optimize energy consumption	Co2-emissions due to travel/transportation
		4.2 Minimize non-compliance of environmental policies	Usage of prohibited and restricted substances (kg)
	5. Create a OneTech with a winning, safe & innovative culture	5.1 Implement and live in a Vested culture	Relationship index, Compatibility and Trust assessment (CaT)
		5.2 Create a high employee satisfaction	Employee satisfaction index (for OneTech)
		5.3 Minimize work related accidents	Sick leave due to accidents

Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018

## *In their words...*

“What you measure is what you get. We put up a common vision and had Desired Outcomes. Since it was common goals it was not just us as a supplier that was measured. For example customer satisfaction. We need to both do things to have high rates.”



*Source of Photo: LinkedIn*

**Isabelle Kemlin**

Key Account Executive

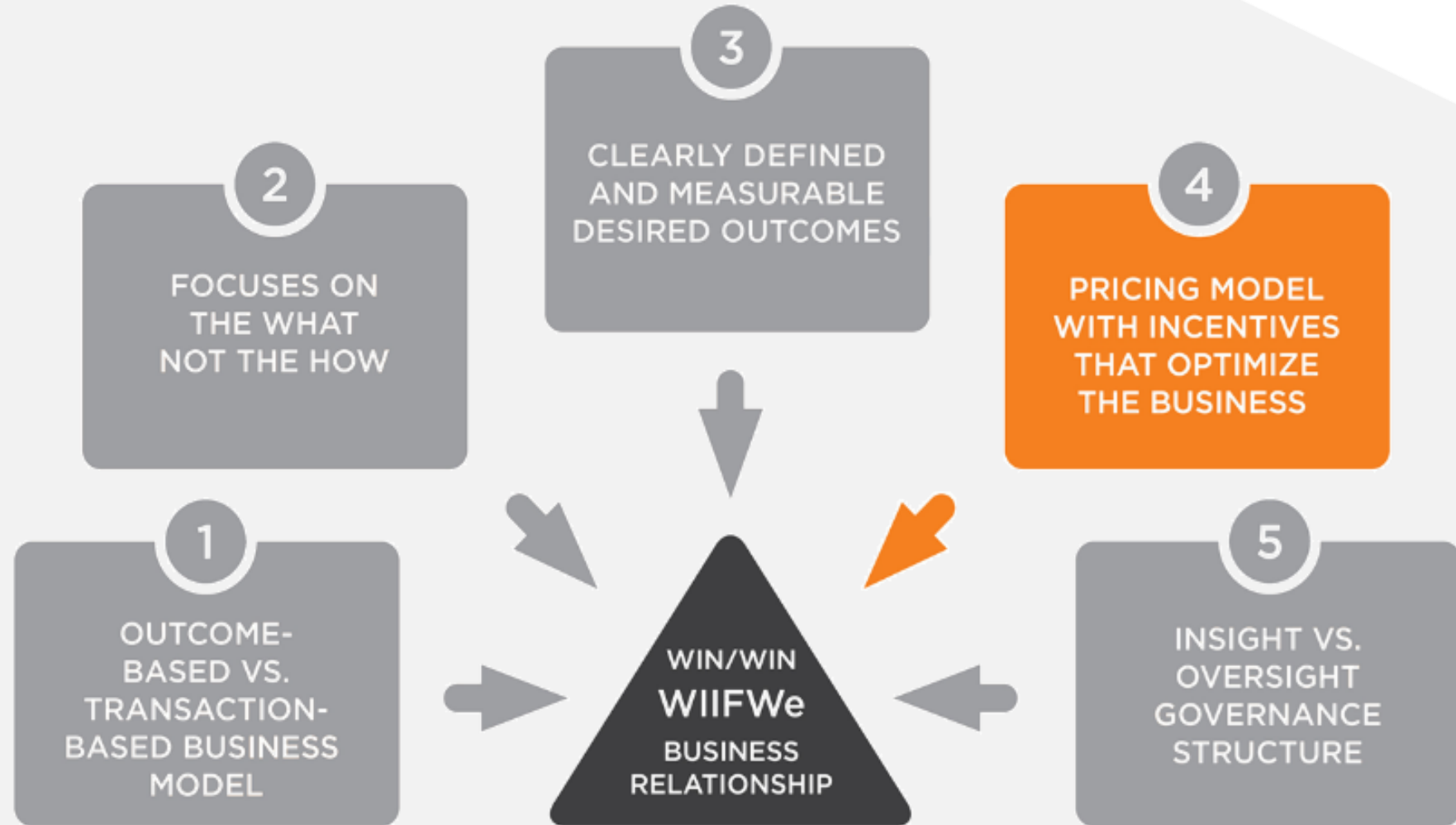
Veolia





Rule  
**4**

# Pricing Model with Incentives That Optimize the Business



Source: Vested®

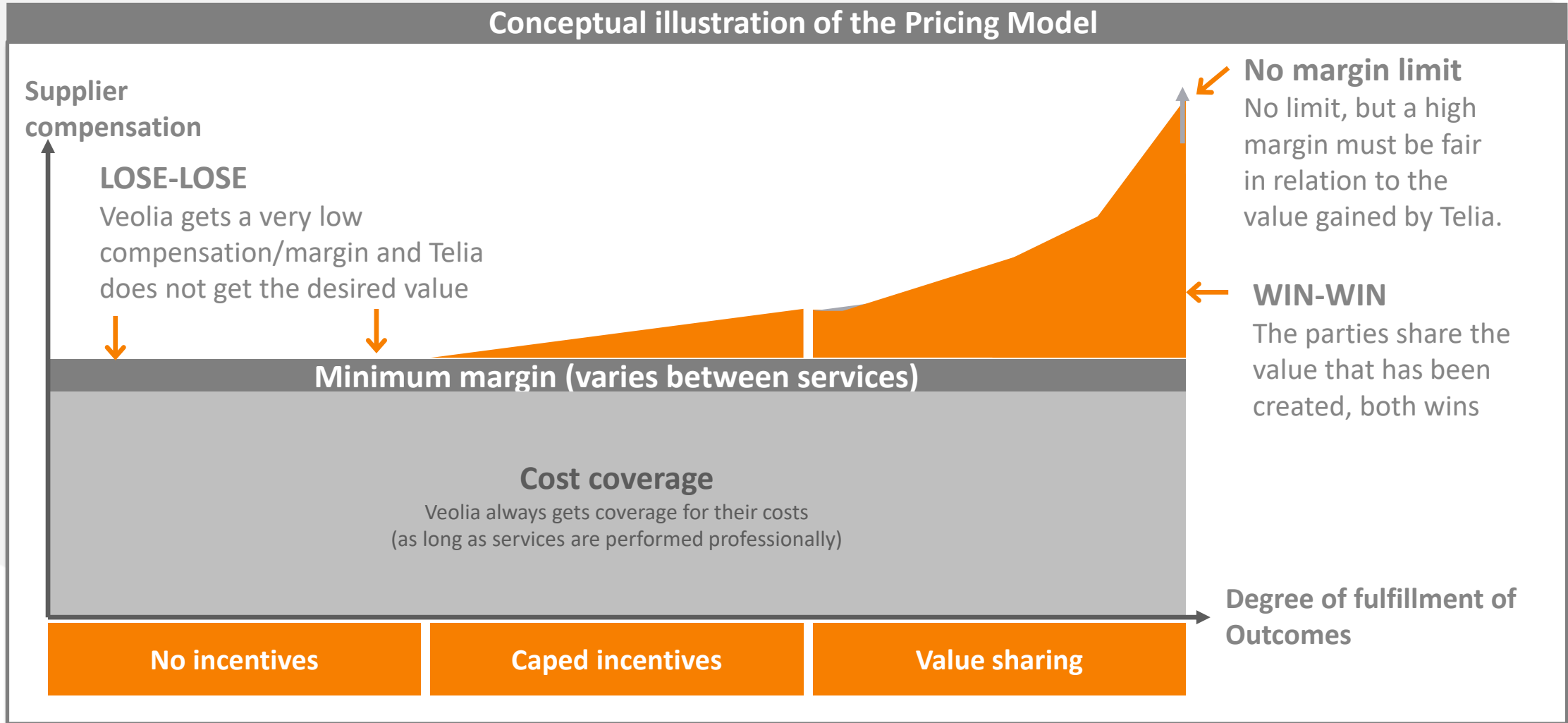


Service Delivery			Transformation
Base Services	Other Services	Governance Structure	Transformation Projects
<p><b>Cost Pass Through</b></p> <ul style="list-style-type: none"> <li>• Telia pays all costs, no markup</li> <li>• Veolia charges a fixed margin of X%</li> <li>• 4 incentives tied to:               <ol style="list-style-type: none"> <li>1. Quality,</li> <li>2. Sustainability,</li> <li>3. The relationship and satisfaction within OneTech, and</li> <li>4. Successful implementation (year 1 only)</li> </ol> </li> </ul>	<p><b>Above Base Scope of Work</b></p> <p>2 different types of Projects:</p> <ul style="list-style-type: none"> <li>• Project sourced in full competition (according to result)</li> <li>• Non-competitive sourced projects (X% margin)</li> <li>• Incentives tied to Non-competitive projects               <ul style="list-style-type: none"> <li>• Increased volume</li> </ul> </li> </ul> <p>2 types of Extra orders</p> <ul style="list-style-type: none"> <li>• Orders from Telia (X%)</li> <li>• Orders from other Telia entities (X%)</li> </ul>	<ul style="list-style-type: none"> <li>• Core Team: X% margin</li> <li>• Specialists: X%</li> </ul>	<ul style="list-style-type: none"> <li>• Transformation projects (X% margin if Value-sharing is applied – otherwise X%)</li> <li>• 1 incentive within T.P. “Value-sharing”</li> <li>• 3 types of incentives in other areas               <ol style="list-style-type: none"> <li>1. Reduction of OPEX (compared to baseline)</li> <li>2. Reduction of electricity</li> <li>3. Specific “ponies”</li> </ol> </li> </ul>

Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



The pricing model is designed to constantly improve the result in relation to set Outcomes and fairly share value

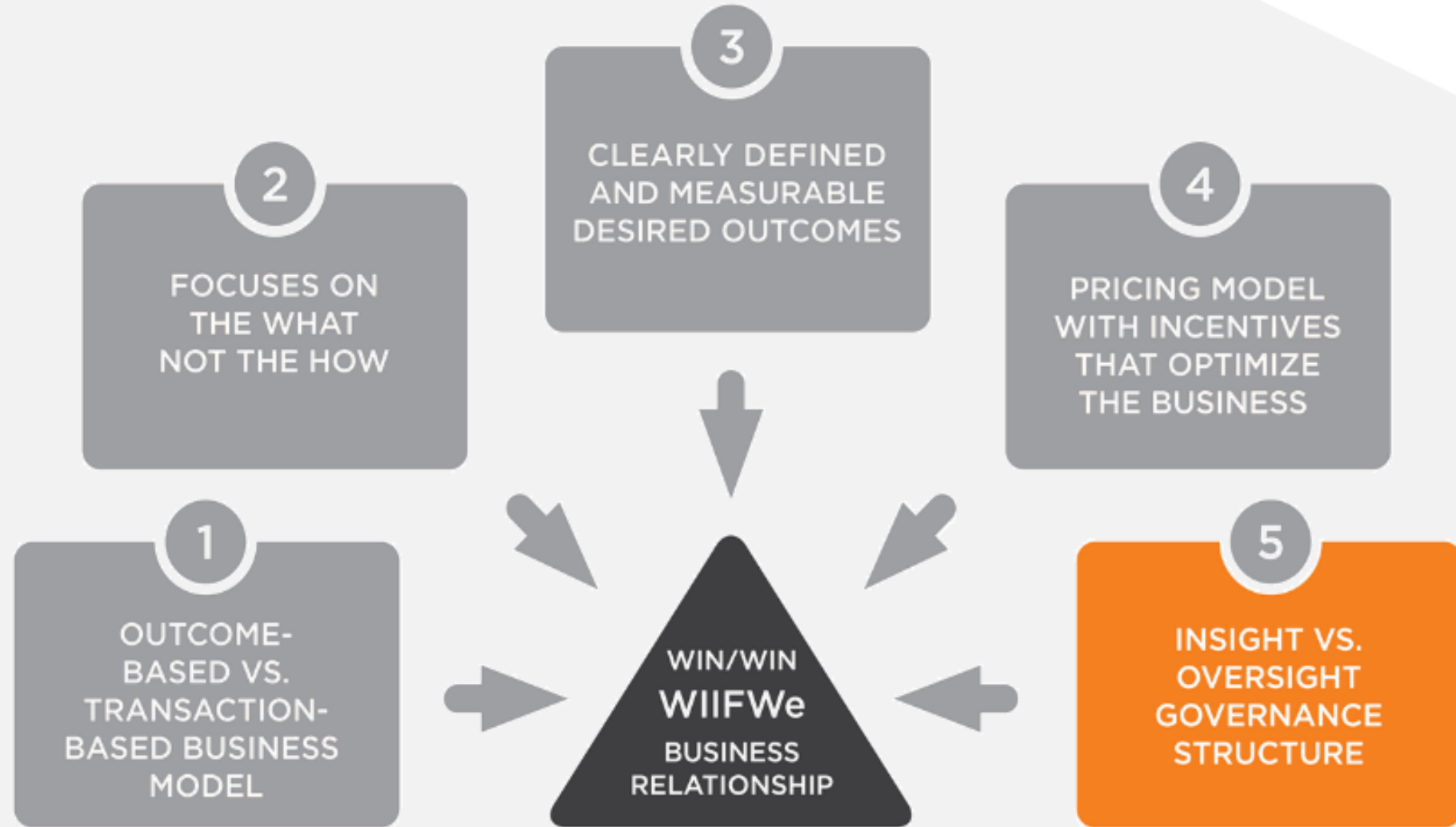


Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018

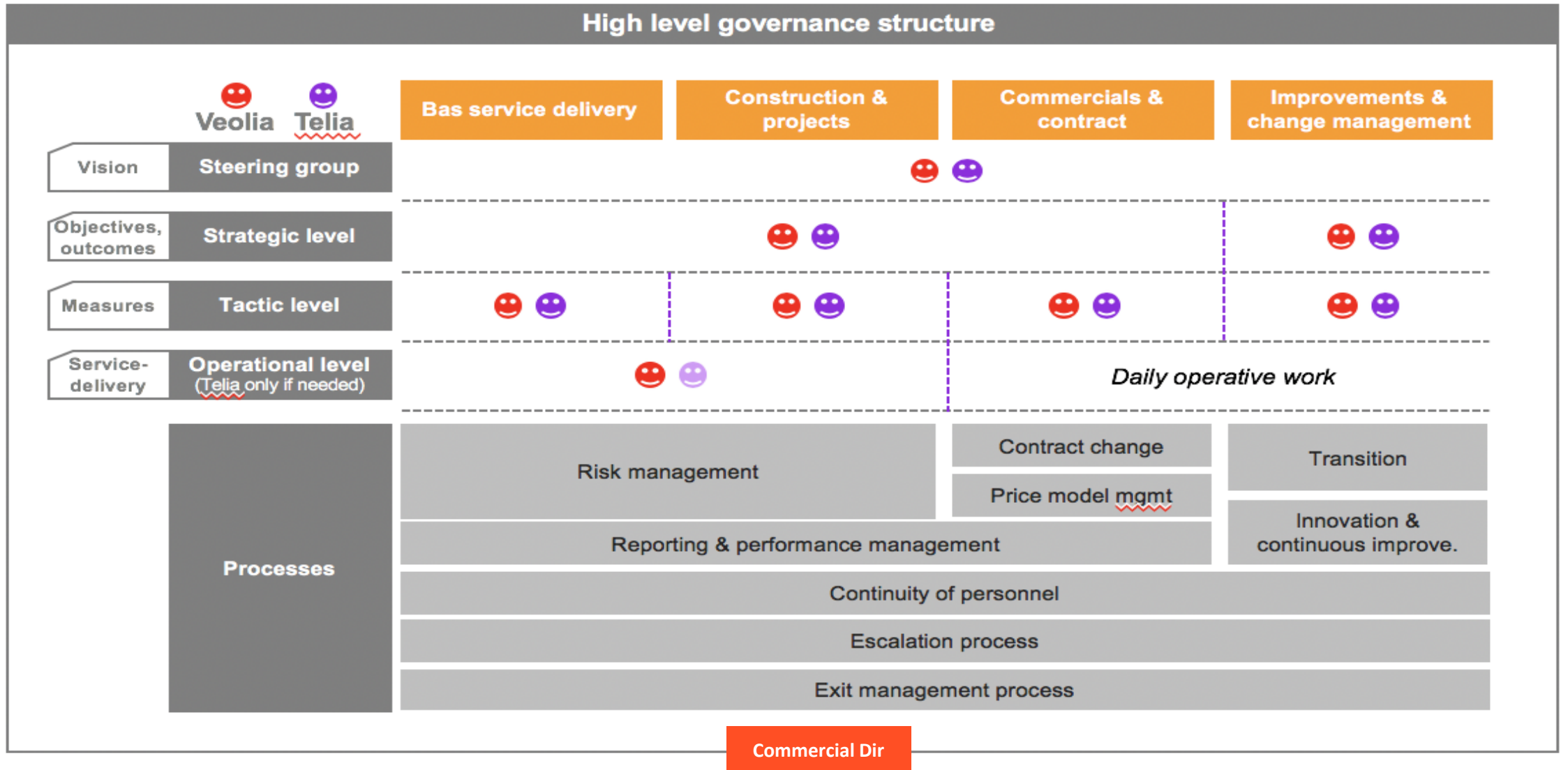


Rule  
**5**

# Insight vs. Oversight Governance Structure



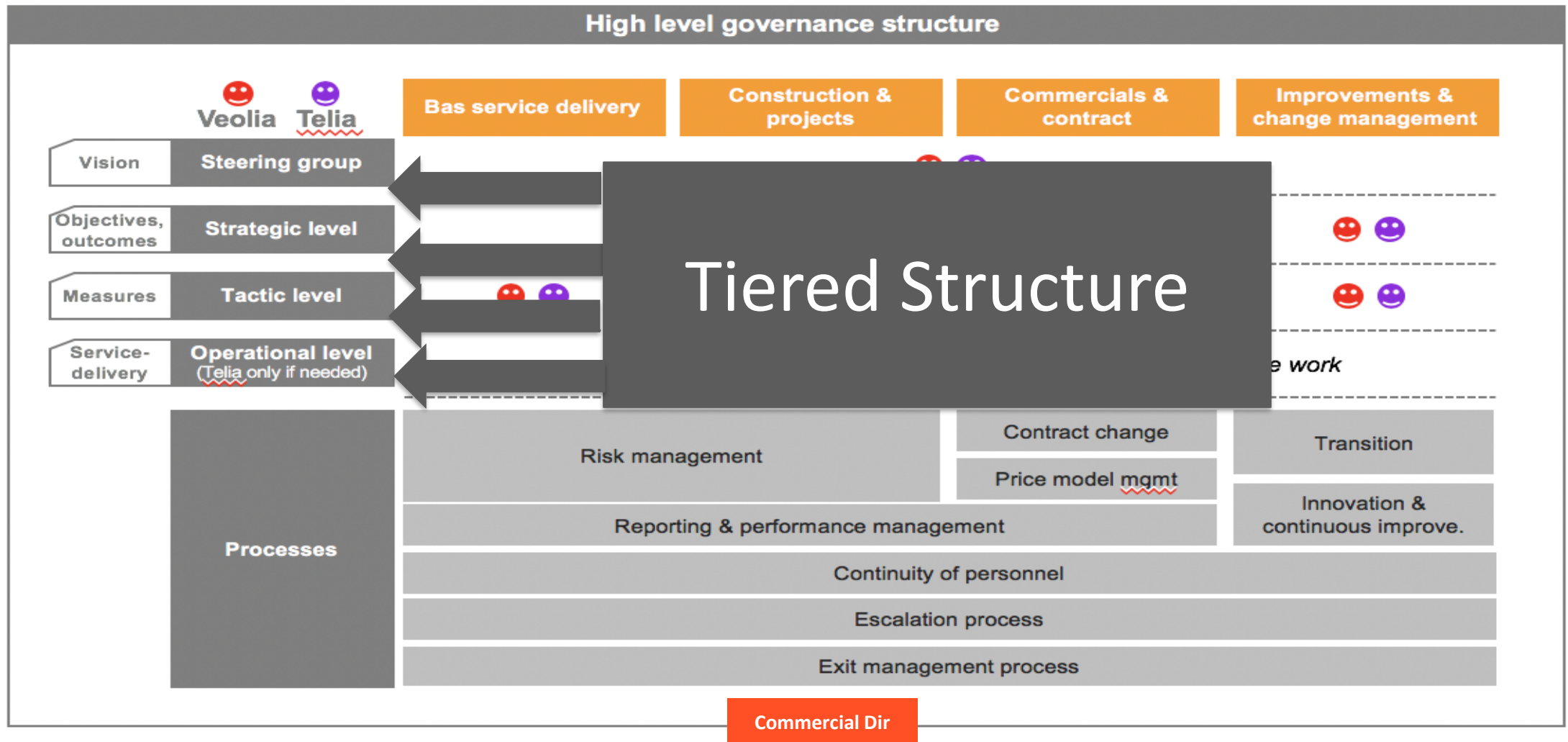
Source: Vested®



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



# The governance model is designed to spur collaboration, joint insight and focus on results, not simply controlling the supplier

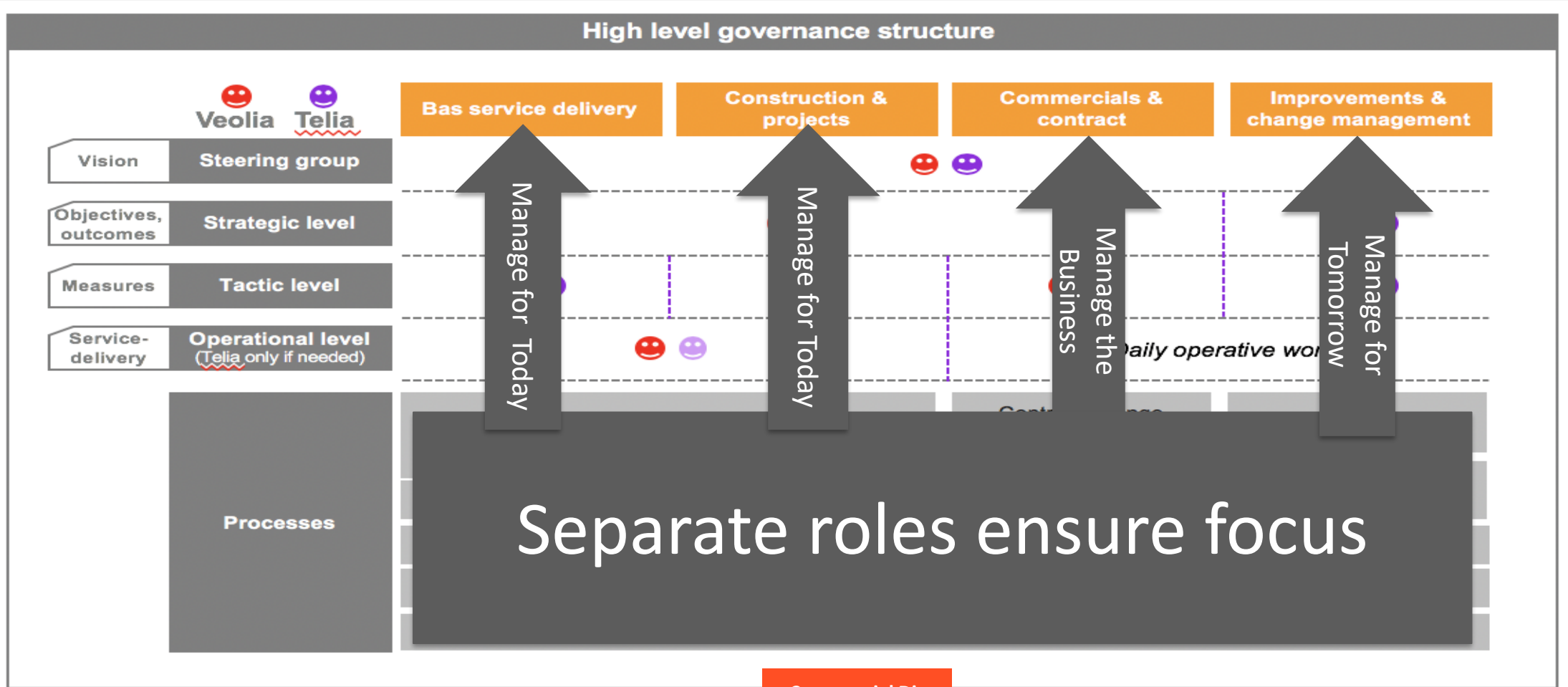


Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018





Separate roles for managing the various aspects of the business, with managing for today, managing for tomorrow and managing the business each being separate

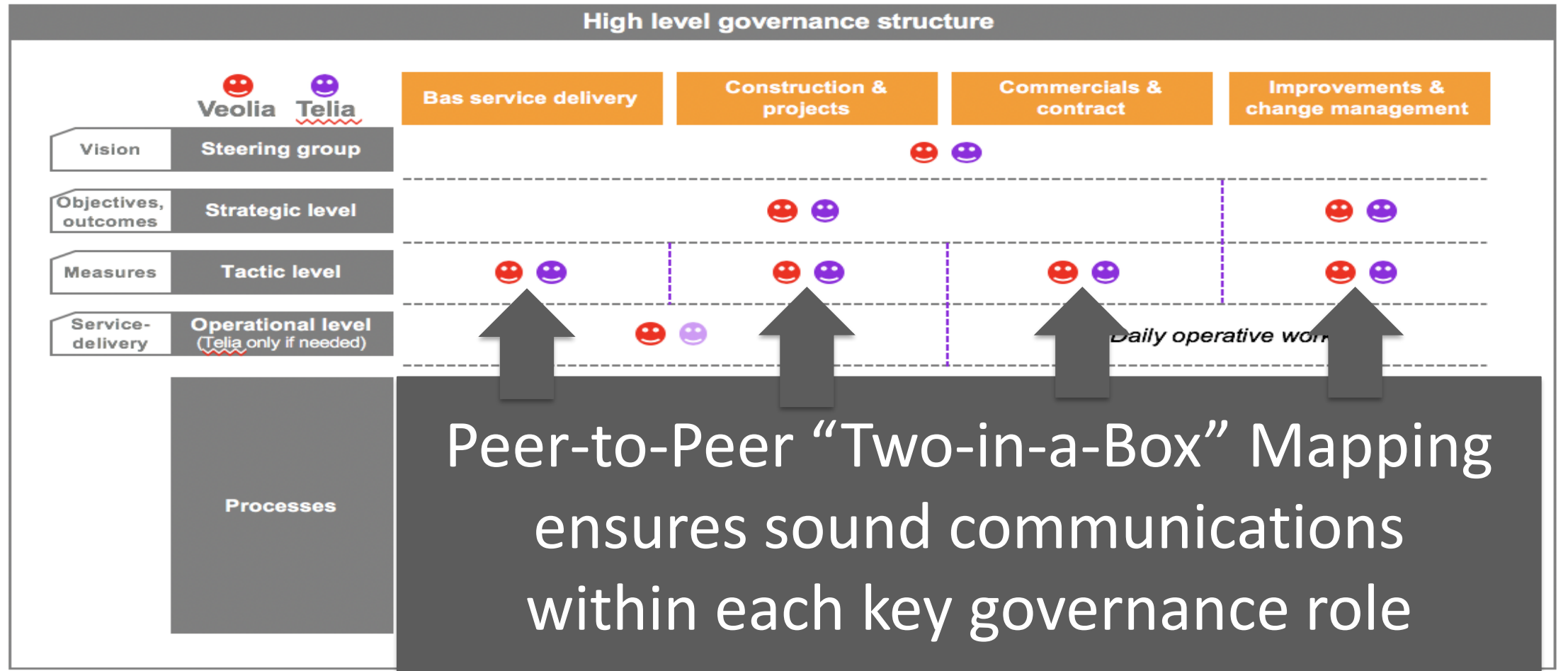


Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018





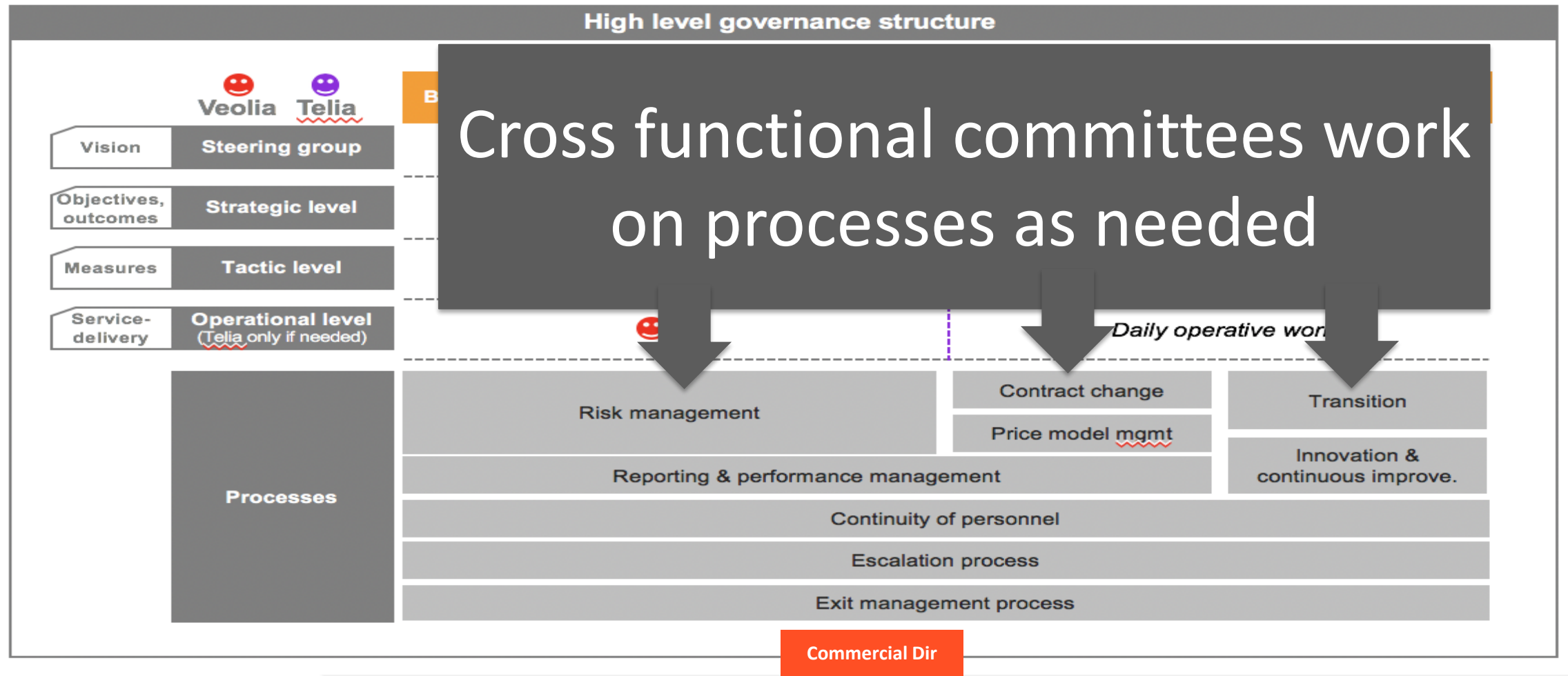
Separate roles for managing the various aspects of the business, with managing for today, managing for tomorrow and managing the business each being separate



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



Separate roles for managing the various aspects of the business, with managing for today, managing for tomorrow and managing the business each being separate



Source: Telia – Veolia Case Study, published by the University of Tennessee August 2018



# Solving Problems Through Governance

## Rule 3 – Measure the commonly agreed Desired Outcomes



### Mutually chose and agree on clearly defined and measurable Desired Outcomes

- *What* you measure – is what you get!
  - Desired Outcomes = Common Goals - requires the input from BOTH parties – which means that for some Desired Outcomes it is BOTH the supplier AND the buyer who will be measured
- *How* will you measure it?
- *Who* is going to measure it?
- *When* will you measure it?

What you measure is what you get – be prepared to change the ways of measuring success if needed!

16





# Governance Teams Solving Problems



Source of Photos : Telia – Veolia Case Study shared at the EBG “Sourcing Outlook” Conference



## Onboarding is key.

The Shared Vision, Desired Outcomes and Guiding Principles are institutionalized at the operational level with tools such as “cheat sheets”.

**Rule 1 - Establish the foundation of the partnership through a Joint vision and Guiding principles**

**Setting the direction through:**

**A Joint vision**  
*Together we proactively create optimal conditions for the future way of communicating.*

*Our modern partnership create common value and success through innovative and sustainable solutions.*

**Defining how to act through:**

**Six guiding principles**

1. Reciprocity
2. Autonomy
3. Honesty
4. Loyalty
5. Equity
6. Integrity

The guiding principles are used during the Vested-process and are also a legally binding throughout the contact period

14

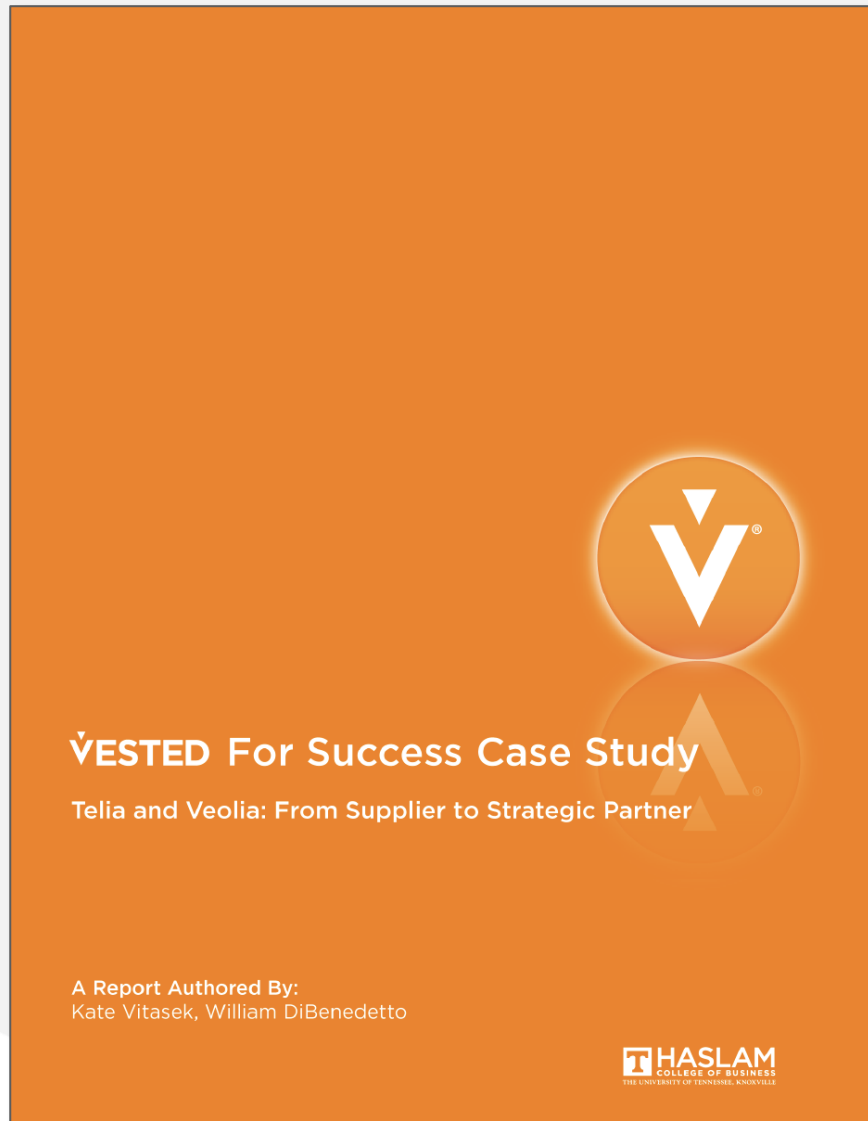
Source of Video: Telia – Veolia Case Study shared at the EBG “Sourcing Outlook” Conference

# Results





- Learn more!
- Download the case study (free) on the Vested website at <http://www.vestedway.com/vested-library/>





- Greater access to ongoing innovation
- Increased overview and ability to report to other group functions (i.e., Environmental data)
- Shorter lead times (faster cooperation) and reduced operational focus
- Increased cooperation with adjacent businesses in Telia (increased end-to-end focus on end-customer)
- Increased control on fixed and variable cost due to an open-book model (“The money is spent on the right horse”)

**I WIN**  
with lowest  
possible costs



- Reduced the number of supplier-interfaces, significantly reducing transaction costs economics and governance costs of managing 60 contracts across 20+ suppliers – outperformed
- Beat Telia’s cost saving target guardrail and further cost structure reductions. One year into the contract (May 2018) this guardrail has been outperformed by over 50%.

- Long-term contract with possibility for supplier to extend contract
- Book of business expanded +50%
- Higher profitability; share of transformation value in profits
- Higher client satisfaction

**I WIN**  
with higher  
service levels



Does  
**Vested**  
Really Work?

**WE WIN**  
with higher  
margins/profits



Results From Telia - Veolia

Graphic created based on results shared in the Telia – Veolia Case Study, published by the University of Tennessee August 2018

**VESTED**

Based on research with...  
**HASLAM**  
COLLEGE OF BUSINESS  
THE UNIVERSITY OF TENNESSEE, KNOXVILLE



# Telia-Veolia Team Recognized For Having a Certified Vested Deal





## In their words...

“A flexible contract framework is the number one key.”

**Content**

- 1 Why did TeliaCompany choose a Vested® approach for this particular service?
- 2 What is the desired outcome and how is this different than previously?
- 3 In what ways will both parties be following up on and monitor success over time?
- 4 **How do you navigate between conflict of interest, silo functions and old habits?**
- 5 What does it take for the business, procurement and suppliers to come to a common understanding and shape ways of working together?



19



Source of Photo: LinkedIn

### Andreas Sahlen

Head of Estate Mgmt. & Real Estate Law  
Telia

Source of Video: Telia – Veolia Case Study shared at the EBG “Sourcing Outlook” Conference

# Advice to Others





## *Use Trust and Transparency, Not Power*

“It was not power-based.

It was trust-based.”



*Source of Photo: LinkedIn*

**Isabelle Kemlin**

Key Account Executive

Veolia



*Note: Isabelle is now at CBRE*



## Use a Qualified CDA For Support

“EY/Cirio really helped make sure our work was top notch and adhering to the Vested Five Rules. Take, for example, the development of the Requirements Roadmap where Telia and Veolia mapped metrics to the Desired Outcomes. At one point, Telia and Veolia had amassed about 30 objectives and even more metrics. But having a CDA who was an expert on the Vested methodology helped the team work through these common mistakes.”



Source of Photo: LinkedIn

### Sebastian Hamlund

Business Developer  
Veolia



## *Having a Neutral Third-Party is Invaluable*

“The really good part was that our CDA coach was not sitting on one side. They were on both sides, both supplier and buyer. So they were really good at handling the facilitator role and not taking one perspective in the different discussions we had. They managed to drive the discussions from both sides very well. And that was good for us.”



*Source of Photo: Provided by Ingrid*

**Ingrid Wallgren**

Senior Sourcing Manager

Telia





## *Having a Neutral Third-Party is Invaluable*

“Playing the role of neutral facilitator was a key part of the CDAs role.

It was a good way to build trust and spur innovation.”



*Source of Photo: LinkedIn*

### **Andreas Sahlen**

Head of Estate Mgmt. & Real Estate Law  
Telia



## *Don't Skip The Education*

“You could ask all the questions you wanted. Our CDA coach made us feel like they had all the time in the world for us.”

And it was quite clear... there are no silly questions in Vested.”



*Source of Photo: LinkedIn*

**Sebastian Hamlund**

Business Developer

Veolia



## Using One Supplier Creates Synergies

“We did see risk in going with just one supplier. But we would not have seen the same synergies having two suppliers.”



Source of Photo: LinkedIn

### Andreas Sahlen

Head of Estate Mgmt. & Real Estate Law  
Telia





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