

# **VESTED**<sup>®</sup> For Success Case Study

*BP and JLL*

Reimagining Real Estate and Facilities Management  
Outsourcing

A Report Authored By: Kate Vitasek



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## EXECUTIVE SUMMARY

In 2019 bp set out to renew its facilities and real estate contracts. What began as a typical request for proposal exercise turned into a complete reinvention of the bp workplace organization. The team got a boost when Bernard Looney took the helm as bp's CEO in February 2020. Looney's vision was the most far-reaching transformation in bp's 112-year history – to transform bp from an international oil company to an integrated energy company by shifting bp's focus from producing oil and gas resources to one that delivers energy solutions. bp's ambition is to become a net-zero company by 2050 or sooner, and help the world get to net zero.

bp's workplace team accepted the challenge; the simple contract renewal they had started needed to be reimaged. The result? The decision to use the University of Tennessee's Vested methodology to enable bp to create a highly strategic and collaborative strategic partnership with a service provider with a clear intent to transform bp's corporate real estate and facilities management operations to meet bp's aggressive new goals.

This case study explores bp's journey to learn - and ultimately implement - a Vested business model with JLL. Together, the parties set out to reimagine and transform bp's workplace services operations. bp and JLL signed their Vested agreement in late November 2021 and just three months later had mobilized the first wave of bp facilities – a remarkable achievement made even more remarkable because the process was done entirely in virtual environments during the pandemic lockdown and as lockdown restrictions ended. bp and JLL want to share their story to inspire other organizations about the art of the possible.<sup>1</sup>

This case study goes behind the scenes and shows how the parties pulled off what many in bp thought was impossible – especially in the middle of a pandemic when 100% of the work had to be done virtually. The case study consists of six parts.

- Part 1 provides a brief **background**
- Part 2 shares how bp **laid the foundation** for change
- Part 3 profiles how bp and JLL **got ready** for the Vested journey
- Part 4 goes into detail about how the partners put the Vested theory into practice by **creating a Vested Agreement**
- Part 5 explains the transition of **living into the agreement**
- Part 6 summarizes early **results and offers advice** that will benefit other organizations as they embark on their own Vested journey.

We hope you find this case study an inspiration to see the art of the possible when it comes to strategic outsourcing partnerships.



## PART 1: BACKGROUND

Since its inception in 1908 the bp story has always been about transitions; from coal to oil, from oil to gas, and then from onshore to deep water. Most recently bp launched a transformation to reimagine and reinvent energy towards a new mix of energy sources as the world moves into a lower carbon future. Any bp employee will tell you the company is not just reimagining energy; they are also reimagining how their entire organization works. And that includes how they work with JLL as a strategic business partner to reimagine facilities and real estate operations globally.

JLL – a world leader in real estate and facility management services powered by an entrepreneurial spirit – has an equally interesting story. The company’s roots date to 1783. Like bp, the ability to effectively transform throughout the years has been a cornerstone of its success. Their website touts, “We want the most ambitious clients to work with us, and the most ambitious people to work for us. It’s as simple as that.” Today, JLL’s operations span 91 countries where they manage over 4.6B square feet in property and facilities management and an additional 1B in leased facilities.

Both organizations are deeply committed to building a better tomorrow. bp’s purpose is reimagining energy for people and the planet with the ambition to be a net zero company by 2050 or sooner, and to help the world get to net zero. bp’s strategy is to reshapes the business as it pivots from being an an international oil company focused on producing resources an integrated energy company focused on delivering solutions for customers. JLL’s purpose is to “shape the future of real estate for a better world.” As a global company, JLL believes they have an inherent responsibility to drive sustainability and corporate social responsibility efforts.

Wendy Cuthbert – bp Global Head of Workplace Solutions – was excited when Bernard Looney took the helm as CEO shortly after she joined bp. Looney’s challenge to bp employees to ‘reimagine bp’ was music to her ears because it meant bp leadership would be open to challenging the status quo. The result? bp changed course and listened to potential suppliers about the art of the possible rather than simply tendering and renewing contracts based on past dogmas and ways of working. When deciding which supplier could help them best transform bp’s workplace operations, it came down to two things: capabilities and cultural fit. JLL was the partner of choice.

As the parties set out to chart new territories, they turned to the University of Tennessee’s Vested methodology to create a highly collaborative win-win outsourcing model purpose-built to deliver on bp’s transformation goals. A cross-functional Deal Architect Team began to work through the Vested methodology starting in late April of 2020, which culminated with signing a Vested agreement in November 2021. The contract was bp’s first Vested partnership and the third for JLL.

Part 2 shares how bp laid the foundation for change.





## PART 2: LAYING THE FOUNDATION

bp has a long history of outsourcing facilities and real estate management services. bp's total facilities management portfolio includes over 132 locations in 20 countries – the majority of which were outsourced to four primary service providers. Like most organizations, bp's procurement organization used a competitive bid process to test the market to ensure it was getting the best deal from suppliers. The bid process was named Project Apollo and a request for solutions (RFS) was issued to seven supplier candidates who could potentially manage over 6.8 million square feet of bp's corporate real estate.

When Wendy Cuthbert joined bp as the Global Head of Workplace Solutions in late 2019 Project Apollo was well under way. Wendy thought to herself. “We have some really good suppliers – but we are not challenging ourselves to think outside of the box.” Wendy came to bp as an outsider; she was experienced with various sourcing business models companies could use for outsourcing. Cuthbert explained: “What we were doing was issuing an RFP to the same suppliers using the same approach we had in the past. So, nothing was really changing besides the fact that we had structured to bid where the smaller parts could potentially be bundled with a global supplier. We hadn't looked at different sourcing models such as Vested. I tapped into my network and one of my old commercial managers suggested I contact the University of Tennessee to learn about the Vested methodology.”

### An Introduction to Vested

Wendy contacted Kate Vitasek, UT's lead faculty and researcher behind the Vested methodology, in December 2019. “I was keen to help Project Apollo team members explore if Vested was a good fit for us as we shifted from bid to contracting phase. The fact that the Vested methodology created a strategic collaborative relationship built on behavioral science was a massive interest. Vested also really tied into our values as an organization and I have a strong sense it would resonate with some of the key leaders. I knew if I was going to get traction, I'd need to have team members go through their own discovery process and get on board as early champions to drive the change effort.”

Cherie Duddridge - bp's Workplace Business Solutions Manager, People & Culture - remembers the passion Wendy brought to bp. “Wendy challenged us to think differently from the start. After meeting with Kate, Wendy shared Kate's *Harvard Business Review* article, “A New Approach to Contracts: How to Build Better Long-Term Strategic Partnerships”<sup>2</sup> and some other great information.”

bp's Mike Narvaez (Workplace Services Manager, USA & Canada) was also intrigued from the start. “That HBR article resonated so profoundly with me. The minute I read it, it made me say, OK, I want to get more of this concept. Team members began to do some Googling and sharing articles and case studies we could find on the internet and on UT's website.”



Cherie adds, “The more we read about Vested and learned about various case studies, the more we liked.” Someone said, “Hey, let’s go talk to a couple of the companies who have walked in our shoes.” Wendy again tapped Kate – who then connected bp to J&J and Dell – who had gone through the shift to Vested outsourcing.<sup>3</sup> Kate also connected bp to EY and Cirio Law Firm, which are Vested Centers of Excellence.

For Alan Kane – bp’s Finance and Strategy Lead, Workplace Modernization – Vested resonated because it aligned with bp principles. “I think the first thing that struck me was how aligned Vested was to bp’s principles. bp talks a lot about respect and equity. For me, Vested was an extension of the bp values to our suppliers. But I think we were all realistic. Shifting to Vested would mean we’d have to let go of some of the old procurement practices we had used in the past where we used our leverage over suppliers.”

### **A Turning Point: A New CEO, A New Mandate**

On February 5, 2020, Bernard Looney took on the top job at a pivotal moment in the history of bp and the oil and gas industry. The 49-year-old Irishman – known for being an authentic and progressive leader – had risen from the ranks of bp and had a bold mission: to help bp navigate the rapidly changing energy landscape.

As bp’s new CEO, Looney encouraged “listening more than you talk and working together in mutually beneficial partnerships.”<sup>4</sup> Looney also set forth a bold plan that asked bp employees to “reimagine” all aspects of how they helped bp achieve a bold goal of transforming the company from producing oil and gas resources to a company that delivers energy solutions to customers.

Wendy and other team members say this was a turning point for Project Apollo. “The whole reimagine bp initiative under Bernard Looney gave us the permission we needed to be bold and try something new. Vested no longer seemed like a ‘nice to do’ initiative, but something that would be essential if we were going to succeed.”

Wendy engaged the University of Tennessee and EY to host three regional workshops where key bp real estate and facilities management team members could do a deeper dive on Vested. The first workshop – attended by bp EMEA regional leaders and procurement – took place at bp’s London offices on March 12 and 13, 2020. A Friday the 13<sup>th</sup> to be precise.

Team members remember that Friday the 13<sup>th</sup> vividly. That was the last time bp operated under “business as usual.” Covid-19 had been on a rapid rise and over the weekend bp strategically decided to close most offices. While essential production facilities would still be in person, the majority of bp’s worldwide employees shifted to work from home.

With offices shutting down and a no-travel mandate it was impossible to host similar workshops for the APAC and North American teams. Mike Narvaez contacted Kate to come up with a “plan B.” Would it even be possible to host a similar workshop virtually?



Mike was just finishing an Executive MBA at Rice University where many faculty used Zoom for virtual courses and working team meetings. Kate was also an advocate of Zoom – as it was the platform the University of Tennessee used for its Executive MBA distance learning. Both knew a Plan B virtual event was not only doable, but that a 100% virtual solution could work quite well if they broke the sessions down into smaller “bite-size chunks” and made the material come to life with UT’s *RealPlay*® interactive exercises using the Zoom breakout functions.

Cherie and Mike both attended the combined North America/APAC workshop series. Cherie recalls “it actually worked out really well to split the content out into smaller chunks. This helped our team members absorb the content easier. We could take some online recorded lectures as pre-work “homework” and then come and use the workshop time to have thought-provoking discussions.”

For Incendium Consulting - the advisory team providing project management and facilities and real estate management subject matter expert support to Project Apollo - the Vested workshops were a breath of fresh air as they had been promoting the need for bp to embrace true strategic partnerships for bp’s real estate and facilities management. Valerie Bonnin remembers her reaction after seeing bp employees go through the initial training. “Talking through Vested concepts with practical examples and learning from actual live Vested contracts was a turning point for the team. It showed all of us HOW it could work, rather than just the theory of it all. That is when I knew that as a team, we were going to be able to do something more strategic, more exciting and different’

Wendy believes those early workshops were key to getting buy-in for the need to change. “The workshops helped team members take the Vested theory and see how it could work with what bp wanted to do. I remember the team had to complete some self-assessments. We scored ourselves against the ‘12 Ailments of Outsourcing’ as well as how well our contracts followed the Vested Five Rules. The team would see the gaps and use the workshop time to understand how the Vested methodology could help bp close the gaps.”<sup>5</sup>

Wendy adds, “Don’t get me wrong, there were skeptics. But once team members did the first wave of training, we started to see more and more stakeholders begin to realize just how old-school we were in our outsourcing efforts. As a team, we ultimately decided we go down the Vested path.”

Cherie also remembers the workshops being a turning point. “We were at an inflection point where we had some bp employees being believers and some being skeptics about Vested. Going through the online training and live virtual workshops created a kind of bond where we could all learn together and challenge the status quo. The more we dug in the more we would talk about Vested on other calls. While we still had a few skeptics, it became self-evident that Vested would be a good choice for bp.”



**Picking a Partner**

It was now time for bp to take a big step in the Vested journey: to pick a partner. The focus on the RFS turned into helping bp pick the best supplier from the three down-selected candidates who could best help bp reimagine its entire workplace solutions and ultimately help contribute to bp’s zero-emissions goal.

JLL was ultimately selected as the partner of choice the first week of June 2020 with the goal to work with bp to reimagine workplace solutions across the globe.

Dominic Soccoormanee, JLL’s Sales and Solutions Development Director, was excited about where bp was headed. “bp had been on track to buy the same services in exactly the same way using the same type of contractual relationships. bp’s reimagine mandate – combined with the UT Vested methodology – created the perfect storm for driving real change in how bp delivered workplace solutions. As a global leader in real estate and facilities management services, this was very exciting to JLL.”

Mike Jackson, bp Sourcing Manager, was the lead procurement person on Project Apollo. He remembers how the nature of the RFP changed as bp moved into the final supplier selection phase of the RFP.

**Figure 1: bp Partnership Assessment Criteria**

“One of the things we had learned from working with the University of Tennessee and EY is that culture fit was essential when picking a partner. When we issued the final phase of the RFS, we consciously assessed the potential partners using six criteria as part of the Partnership Assessment. (See **Figure 1** for high-level criteria used). In essence, the Partnership Assessment helped us quantifiably score the cultural fit potential of the partners.”

PARTNER ASSESSMENT CRITERIA	
Criteria	Focus
Alignment to bp Values	Did the supplier demonstrate an alignment to bp values and culture?
Alignment to Vested Approach	Did the supplier demonstrate an understanding of vested and approach the session in this manner?
Confidence and Trust	How confident are you in the supplier on delivery and do you trust in the supplier’s capabilities?
Adaptability and Flexibility	Did the supplier approach the session in an adaptable and flexible style?
Responsiveness	How much did the supplier listen and respond to feedback given from the check-in session? Did they respond appropriately to our written questions?
Innovation	How well did the supplier demonstrate innovative ideas

This would mean big changes. For starters, bp would shift from four primary suppliers with the goal to have one global supplier.<sup>6</sup> In addition, it would mean bp and JLL would create a joint deal architect team to go through the Vested process, challenging all aspects of how bp had worked with the existing service providers.



### **Deciding to Work with a Neutral Vested Coach**

This would be bp's first Vested agreement; JLL had three other Vested Agreements, however, the JLL team leading the bp deal were all new to Vested. The organizations knew making the shift to Vested would be a challenge – even without Covid restrictions. The parties ultimately engaged EY (a Vested Center of Excellence) as a neutral third-party Vested coach to guide them through creating their Vested Agreement. EY's Alexander Lundin – a graduate of the University of Tennessee's Certified Deal Architect program – was the perfect fit because he had participated in the awareness workshops and coached six other facilities management Vested deals. EY's Emil Gustafsson joined Alex for project management and workshop support.

Dom Soocoormanee was on the Deal Architect Team and remembers challenging the decision to use a neutral coach. "As a business development person, I had done many contracts. So I remember pushing back and saying 'So what's EY going to do for us? Surely, we're grown-ups and we can do the training and talk to each other about the process. But it wasn't until I started the journey that I realized the value of having a neutral coach. There are so many times when we went two steps forward and one step back. It even felt like three steps back sometimes. The value Alex brought was a calm hand to bring us in alignment. Sometimes he would allow people to explore their own feelings and behaviors, and almost at times show them a mirror so they could see how they were behaving. Other times Alex would remind us about real-life examples we'd learned in the coursework and share additional examples from his own experience doing other Vested deals. When I look back, what EY did was phenomenal in helping us take the Vested theory and operationalize it into practice."

Part 3 of this case study summarizes bp and JLL's two-week 'Getting Ready' phase and Part 4 continues by illustrating how the joint Deal Architect Team created their Vested Agreement by working through each of the Vested Five Rules in a series of virtual workshops.



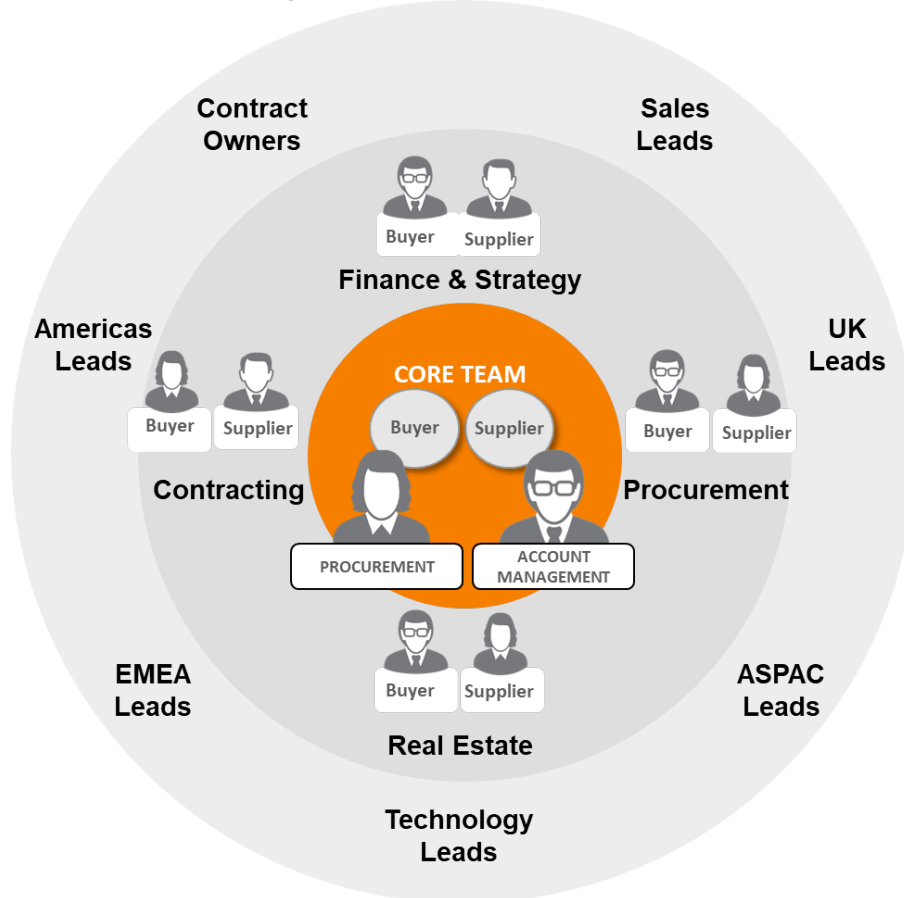
## PART 3 – GETTING READY FOR THE VESTED JOURNEY

With JLL as the strategic choice as bp’s partner – it was time for the parties to get ready for their Vested journey. EY led the parties through a two-week “getting ready” phase that included finalizing who would be on the Deal Architect Team and getting team members ramped up to participate in the Vested training courses.

### Establishing the Deal Architect Team and Guardrails

A key part of the Getting Ready phase was finalizing the Deal Architect Team who would work side-by-side to translate the intent of the relationship into a win-win contract that follows the Vested Five Rules (see **Figure 2**).

**Figure 2: Deal Architect Team**



Mike Narvaez remembers when he first discovered who would be on the team; his name was not on the list. “I called Wendy and passionately pleaded to be on the team. This was a groundbreaking project for bp and I really wanted to be on the team. Thankfully, I was added to the team.”



In addition, the parties created a joint steering committee to vet the work of the Deal Architect Team and ultimately sign off on how the parties would operationalize the Vested Five Rules and ratify the contract.”

Ardell Bunt, JLL Head of Sales, EMEA, shifted from a business development role to being a champion on the Steering Committee. “One of the things I appreciated about the Vested methodology is the fact we truly had a Joint Steering Committee. It was not an ‘us versus them’ – but a chance for the Deal Architect Team to come to executives at both companies and vet their work and – if needed – help them get unstuck. One of the things that struck me was the fact of how well the Deal Architect Team aligned to create out-of-the-box ways to meet both companies’ Guardrails.”

Bunt liked the concept of Guardrails. The Vested methodology has each company transparently create formal Guardrails which are the companies’ pre-agreed walk-away zone. The Deal Architect Team then must honor the Guardrails as they challenged the new ways they would be working. Bunt explains, “The concept of Guardrails differs greatly from the traditional approach to negotiating a contract where organizations rarely put all of their cards on the table upfront. In addition, traditional deals are negotiated with an across-the-table mentality. The negotiating team will come up with something but they then need to go back and run decisions up each organization’s flagpole to be vetted by each company separately, which rarely are approved by one or both companies. This is highly inefficient and creates a back-and-forth classical negotiation stance.”

For bp’s Mike Jackson the concept of creating Guardrails upfront was strange. “In Vested, we were taught to be transparent and put our guardrails on the table to begin with. It felt weird because for a traditional procurement person when you say we will share our guardrails, that’s a big no-no normally because you are taught to keep our position close to your chest so you can use it for leverage. However, when you think about it, it really pits the buyer against the supplier. So while it felt weird setting Guardrails upfront, it worked well and helped us get great results.”

### **Establishing the Timeline/Workshop Schedule**

One of the early discussions was around how long it would take to work through the Vested process and get to a contract. One concern that kept coming up was how long it would take to go through the Vested methodology to co-create the rules of the partnership. While UT does not prescribe the time it takes an organization to go through the process most organizations take about six months to co-create their Vested agreement.

Some bp employees were concerned about the time and resource commitment of going through the formal Vested methodology rule by rule to create a Vested Agreement. The typical timeframe is a six-month process.<sup>7</sup> The idea came up “can’t we just have a ‘small V Vested deal’ instead of a ‘big V Vested’ deal’?”





Alan Kane vividly recalls the debate. “We had many discussions with EY and with all the advice we were given I think it became almost like a no-brainer of going for a ‘big V Vested deal’ as much as we can. If we were going to spend the time and effort – why not at least just do it right? In the end, I am glad we did because it was a really positive process.”

EY worked with Incendium to carefully craft a project plan that would best fit the needs of bp and JLL. The companies laid out a 20-week schedule where the joint Deal Architect Team would work through a series of workshops challenging the status quo and co-creating the relationship and business “rules” to follow the Vested Five Rules. (See **Figure 3a** on the following page for a high-level timeline). EY would provide the Vested coaching role and Incendium would provide boots-on-the-ground project management and real estate and facilities management technical and commercial support to bp.

In addition, the schedule factored in parallel workstreams such as collecting and analyzing baseline data, managing existing supplier relationships, and a legal/contracting workstream that would translate the “rules” the team developed into a formal contract.

### **Learning By Doing – Integrating the Vested Training into the Process**

As part of the Vested process, the Deal Architect Team takes the UT “**Creating a Vested Agreement**” online course and attends workshops where they collaboratively make decisions that are translated into formal contract language. The course is where team members learn the fundamentals of Vested (the why and how) and then are challenged to put the theory into practice during the live (virtual) workshops. The process tightly integrates “learning” and “doing,” which significantly increases understanding and ultimately buy-in for the changes needed.

The *Creating a Vested Agreement* workshops were scheduled into the project plan. The order of workshops flowed to the Five Rules (see **Figure 3b** on a following page for a detailed overview of the workshops). For example, in Rule 1 workshops the joint team creates the Shared Vision for the partnership and defined the outcomes. In Rule 4 workshops the team develops the pricing model.

*Part 4 of this case study goes into detail on how the Deal Architect Team followed each of the Five Rules.*





Figure 3a – High-Level Timeline

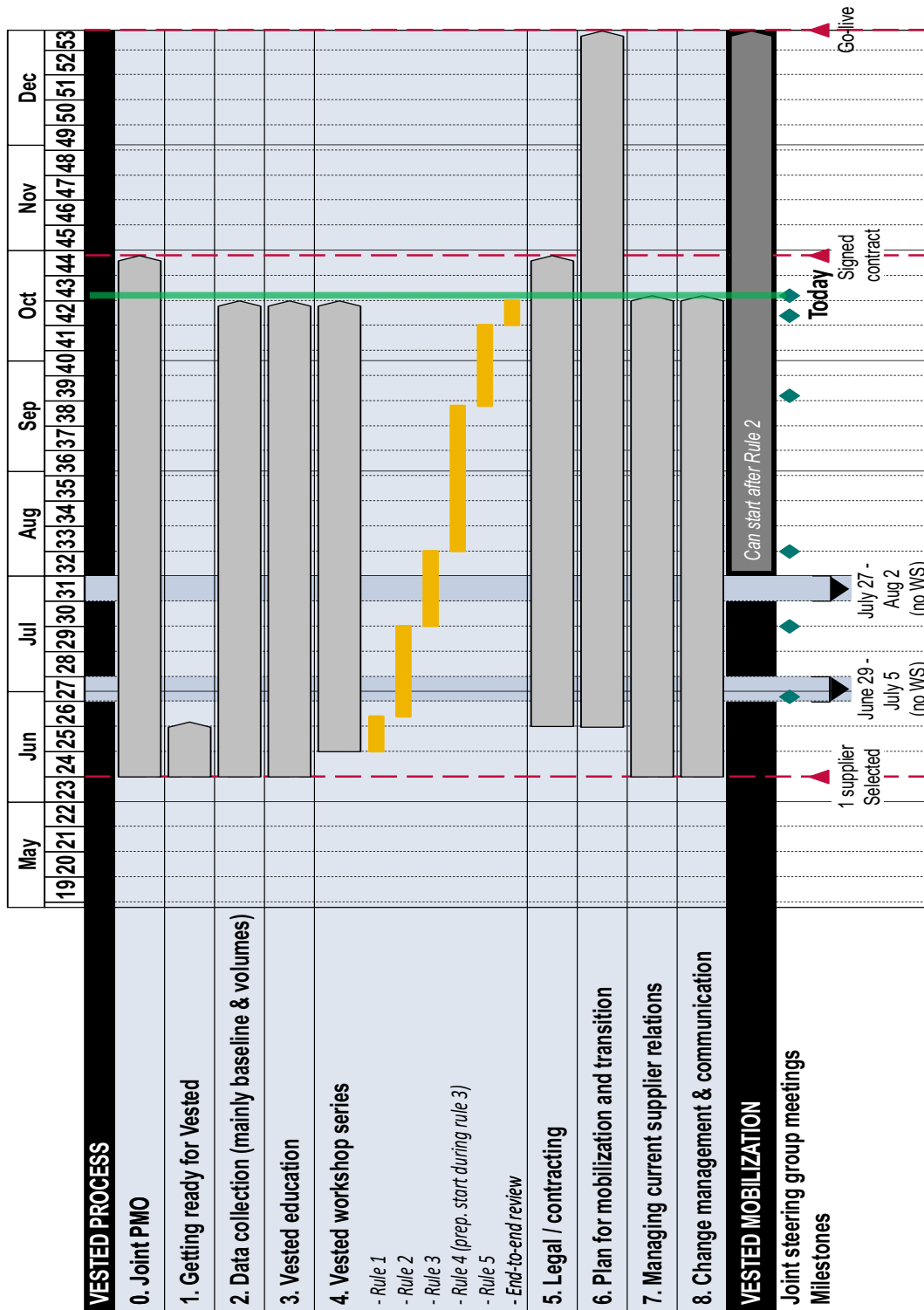




Figure 3b – Vested Workshop Flow

Vested Workshop Series					
Getting Ready for Vested	Rule #1: Outcome-Based (not transactional) Business Model	Rule #2: Focus on the What, not the How	Rule #3: Clearly Defined and Measurable Desired Outcomes	Rule #4: Pricing Model with Incentives	Rule #5: Insight vs. Oversight Governance Structure
<b>WS 0.1 Introduction to Vested</b> • Vested Readiness Index • Guardrails	<b>WS 1.1</b> • Joint vision • Guiding principles • Business model mapping	<b>WS 2.1</b> • Service Requirement • Taxonomy/ Workload allocation	<b>WS 3.1</b> • Requirement roadmap • Performance measures	<b>WS 4.1</b> • Pricing model framework • Definitions	<b>WS 5.1</b> • Overall governance structure • Forums and roles
<b>WS 0.2 Introduction to Vested</b> • Vested Readiness Index cont. • Stakeholder analysis, Champions, Vested knowledge	<b>WS 1.2</b> • Joint vision • Guiding principles • Draft Desired Outcomes	<b>WS 2.2</b> • Service requirement (cont.) • Taxonomy/ Workload allocation • Desired Outcomes and Objectives	<b>WS 3.2</b> • Performance measures (cont.) • Performance mgmt. • Performance targets	<b>WS 4.2</b> • Pricing model framework (cont.) • Risk assessment	<b>WS 5.2</b> • Detailed forums and roles (cont.) • Relationship mgmt.
		<b>WS 2.3</b> • Desired Outcomes and Objectives (cont.)	<b>WS 3.3</b> • Performance mgmt. (cont.) • Performance targets	<b>WS 4.3-4.4</b> • Baseline and business case • Assumptions • Incentives • Pricing model mechanisms	<b>WS 5.3</b> • Relationship mgmt. processes
		<b>WS 2.4</b> • Pony hunt	<b>WS 3.4</b> • Complete Requirements Roadmap	<b>WS 4.5-4.6</b> • Apply margins and incentive levels	<b>WS 5.4</b> • Governance of transformation and performance mgmt. • Exit management process
		<b>WS 2.5</b> • Finalize outstanding Rule 2		<b>WS 4.7 – 4.9</b> • Validate pricing model • Test assumptions • Model outcomes	<b>WS 5.5</b> • Governance of transformation and performance mgmt. • Exit management process
				<b>WS 4.10</b> • Final review of pricing model mechanisms and assumptions	<b>WS 5.6</b> • Finalize governance model
				<b>WS 4.11</b> • Implementation • Pricing model governance	<b>WS E 2 E</b> • End-to-end review of Rules 1-5



Wendy Cuthbert is adamant bp would not have succeeded without the formal Vested training. “You look at Vested, you go ‘yeah, it’s really straightforward, I don’t need to do the courses.’ However, it’s actually complicated to put into practice. While much of Vested is intuitive, there is a huge challenge because the way you’ve thought and behaved in the past is not really following the Vested Rules when you really dig in. Over a period of years, individuals and organizations have ingrained behavior that suddenly, you must challenge and change. Integrating the Vested training (*learning*) with our implementation (*doing*) allowed us to systematically challenge ourselves from start to finish.”

Dom Soocoormanee was JLL’s Project Lead on the Deal Architect Team. “Doing the training while we were going through the workshops was an enormous help because it allowed us to build personal relationships. We could take our client and supplier hats off completely and look at Vested from the bigger picture. We could just be human beings as we learned a new way of working together. And then we would come back and apply our learnings – jointly.”

Mike Narvaez liked how the training was integrated into the process. “Doing the training was a huge asset because it allowed everyone to learn the right way of doing things. It also helped us get the key concepts because we would learn something and then go apply it in practice. I was just coming off doing my MBA at Rice and I was familiar with the concept of a flipped classroom where professors would have us study something first and then we’d come for discussions. The repetition was essential for helping team members ‘get it’ because we could learn new concepts and have a chance to process them before being asked to put them into practice. It was kind of like a slow drip and that helped team members get their brain wrapped around concepts that were very different than the ways we had worked previously.”

Valerie Bonnin noted how bp and JLL invested in the formal Vested training. “The Incendium team embraced the Vested journey too. We felt it was a perfect opportunity for Incendium to also learn Vested. Ultimately, myself and two senior project leads, Hannah Koole-Borwne and Lizzie Rolley, took all of the Vested training side-by-side with bp and JLL. This enabled us to continue providing the best support to this project and in addition, it gave us the opportunity to become qualified as Certified Deal Architects as part of the process.”

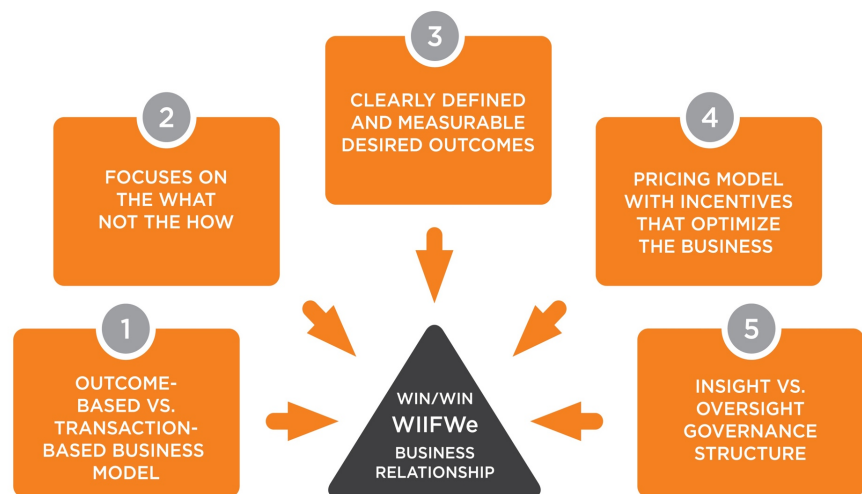


## PART 4: CREATING A VESTED AGREEMENT (100% VIRTUALLY)

Vested is a business model, methodology, mindset and movement for creating highly collaborative business relationships that enable true win-win relationships in which both parties are equally committed to each other’s success.

**Figure 4: The Five Rules of Vested**

The Vested business model is based on Five Rules<sup>8</sup> as illustrated in **Figure 4**. When applied, a Vested approach fosters an environment that sparks innovation, resulting in improved service, reduced costs and value that didn’t exist before — for both parties.



Ask any organization that has created a Vested agreement and they will tell you it is challenging – like trying to ride a backwards bicycle.<sup>9</sup> On the surface, it does not seem like it would be hard to do since you are still simply riding a bicycle. Some would even argue the Vested Rules are common sense. But as Ardell Bunt explains, “common sense is not always that common.” Wendy Cuthbert agrees. “We had team members who had become experts in the conventional ways of outsourcing and Vested challenged the very hearts and minds of how people were used to working.”

Cherie Duddridge remembers thinking about the potential journey the team would go through. “We all knew that going through the Vested methodology would mean challenging us. We’d have to toss out sacred cows and feel comfortable putting elephants in the room. In addition, every single org structure would likely have to change as we shifted from working in regional silos with regional suppliers to a more strategic global approach.” She adds, “As we went through the Five Rules to becoming Vested partners everything was torn up, thrown in the air, and eventually landed in a different place as we sought to follow the Vested Five Rules.”



Cherie pauses and reflects, “While the Vested Five Rules differed greatly from what we had done in the past, it was very refreshing to be co-creating a business model that really harnessed the best of both organizations”.

### Going Global – Going Virtual

bp and JLL were not simply setting out to create a Vested agreement. They were setting out to create a global Vested agreement in a 100% virtual environment due to Covid-19. Many thought Wendy and Ardell were crazy for wanting to make the shift to Vested during the middle of a global pandemic. How could you create a relational contract without being in a room to build relationships? Naysayers argued driving change is hard enough when you can get people in the same room, but doing so in a 100% virtual environment would be near impossible.

But Wendy and Ardell had a different perspective. If bp was going through a massive change to reimagine itself, why fear reimagining how you would work together to craft your outsourcing agreement 100% virtually? They openly embraced the concept of doing the deal 100% virtually and challenged the team to think about the positive aspects it would bring.

Wendy and Ardell were pleasantly surprised about how well a 100% virtual format worked. “It worked – and it worked very well,” Wendy explains. “Doing everything virtually allowed people from remote locations to join meetings and let their voice be heard. It also allowed us to have broader team participation where more junior members of the team could participate in discussions normally held at a far more senior level. bp would never have been able to afford to fly those people across the world. And a plus side was that having more involvement ultimately helped with the change effort because people could be in the room when changes were being discussed and decided.”

Both agree, “If we had to do it again – we would absolutely do it virtually.”

Team members shared their perspectives on why doing a deal 100% virtually worked well – as well as their dos and don’ts. One thing Cherie Duddridge believes made the virtual format so successful was that it “put everyone on a level playing field. It’s a bit weird – but somehow when people participated over Zoom, we kind of lost the concept of hierarchies and we became one team quite quickly.”

Team members interviewed for this case study offer the following dos and don’ts that contributed to the success of running a 100% virtual team (see **Figure 5** on the following page).



Figure 5: Dos & Don'ts

DOs	DON'Ts
<b>Cameras On</b> – “This allowed us to see the people we were talking to. You could see their body language and see if they were engaged or not.”	<b>Have Some People Virtual/Some In-Person</b> - “When some people went back to the office, we tried doing a hybrid. Don’t do it. People become a passenger when some people are in the room and others are not. Those not in the room can’t get a word in because it’s like they are not even there. And even if you want to speak up you can’t gauge body language to know when to jump into the conversation.”
<b>Find Fun Ways to Engage</b> – such as joking “Is that your ‘thinking face’ or ‘your cat just stepped on your toe face’?”	
<b>Be Empathetic</b> - “Because we had a ‘cameras-on’ culture – the act of not putting your camera on ironically even helped bring us together as well. For example, someone might be home with a screaming three-year-old and have their camera off. We’d reach out after the call and just check on them and sympathize.”	
<b>Use Virtual Meeting Manners</b> - “It was actually easier to have good meeting manners virtually. We raised our hands to talk and we made sure people had the right air time. Everybody was really engaged.”	
<b>Use Breakout Sessions</b> - “We’d never really tapped into the breakout feature of Zoom before working with UT and EY. It really helped drive engagement and get work done in a very productive way.”	
<b>Use Engagement Tools Such as MentiMeeting</b> – “The interactive online tools really helped us get the pulse of the team members”	

Team members point to several benefits of going 100% virtual. Cherie appreciated how working virtually helped with work-life balance. “When I think back to other deals we have done there is a huge amount of travel. That impacts your personal life. Doing the deal virtually enabled people to have that time with their families. While we had to deal with time-zone challenges – overall work-life balance really increased.”

Wendy points to the sheer economic benefits. “Going virtual meant bp and JLL could invest the savings and time from not having to travel into the workshops and training. The amount of money we saved in travel far exceeded the investment we put into the training – so it was a huge win for helping us to drive change.”

JLL team members appreciated having access to hear from the client directly. Ardell explains: “On large and complex deals we always have a large team of people behind the scenes who have to pull off what the sales team and the client agree to. The Vested methodology really emphasizes operational team members being on the team. Doing the deal virtually allowed us to have a much broader group of people interacting directly with bp who would normally be in the background and never get exposed to the client in working meetings. Being virtual definitely helped by allowing us to bring in expertise in real-time as needed. It was a real game changer when we shifted to mobilization and ramp up because key team members were already involved.”

Mike Narvaez sums it up: “It feels like we didn't miss a beat by making the shift to 100% virtual.”



### Creating a Vested Agreement

Early in the process, EY suggested bp and JLL name their partnership – something that many teams have done when creating Vested partnerships. The name that stuck was ‘wevo’ – short for **Workplace Evolution**. For the balance of this case study, we refer to the bp-JLL agreement and partnership as ‘wevo’.

#### **Rule 1: Focus on Outcomes, Not Transactions**

Before making the shift to Vested, bp had worked with four primary suppliers under an approved provider model, except for one supplier who operated under a performance-based contract. A hallmark of a Vested agreement is that it is a formal relational contract. This means putting the relationship first and co-creating a formal Shared Vision and Guiding Principles for the partnership. As such, the first order of business under Rule 1 encompassed two workshops where the team created the Shared Vision and high-level Desired Outcomes for the partnership.

Besides defining the end-game Shared Vision and Desired Outcomes, the partners also adopted Guiding Principles for the wevo partnership. Guiding Principles are proven social norms used to create the foundation of a Vested partnership. The Guiding Principles are also formally incorporated into the contract. This means not only using the Guiding Principles to make fair and balanced decisions during the workshops for creating a Vested agreement, but also using the Guiding Principles post-contract signing to guide the parties’ behaviors for working together. The Guiding Principles direct team members to avoid the temptation to fall back on power-based or short-term opportunistic behaviors.

**Figure 6** (following page) shares the wevo Shared Vision, high-level Desired Outcomes and Guiding Principles. Together these are combined to create what is called the “Statement of Intent” for the partnership.

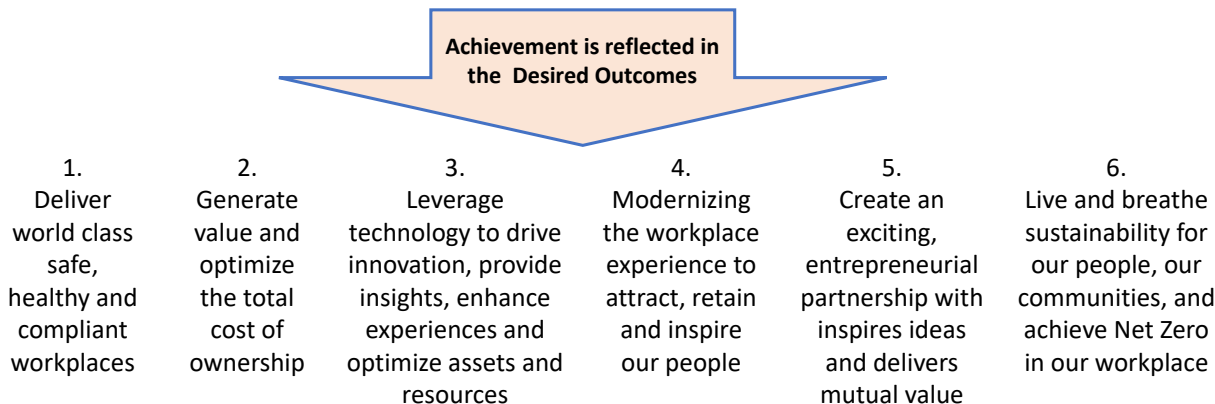
Dave Benbow, JLL Global Account Director, reflects on the power of the Guiding Principles. “The Guiding Principles are huge benefits because they are not smoke and mirrors. They are key and fundamental to how we should work together as a partnership. When we started to look at the partnership through the lens of the Guiding Principles, it forced us to think and act with the mindset ‘What can we do together?’ and ‘How can we create an environment that is truly a sustainable win-win.’ The Guiding Principles set the tone for everything we did.”





**Figure 6 – wevo Statement of Intent**  
**wevo Shared Vision**

Creating Inspirational, sustainable workplace experiences for our people and our communities



**wevo Guiding Principles<sup>1</sup>**

<b>1 Reciprocity</b>	In respecting one another’s strengths, we will strive to make exchanges that are <b>mutually beneficial to the parties</b> . We will not make any demand upon the other that we ourselves are not willing to return in kind. We recognize that reciprocity lies at the heart of this relationship.
<b>2 Autonomy</b>	In keeping with the obligation of autonomy, we acknowledge that it is our combined strengths that will lift the partnership to a higher level and that <b>neither party will seek to use its power to unfairly influence</b> the other to act against its future interests and those of the partnership. Our goal is to create a respectful win-win culture through freedom, transparency and trust and we will work as equals in one team delivering workplace solutions to BP
<b>3 Honesty</b>	We will strive to have <b>respectful, genuine and sincere</b> conversations at all levels within the relationship. We encourage authenticity and empower everyone to share their opinion. We will look for the greater good and the value that can come from accepting all points of view.
<b>4 Loyalty</b>	We will strive to <b>value the other party’s interests</b> to the same extent that we value our own interests. We will seek ways to make the relationship fair and balanced mutually.
<b>5 Equity</b>	We will strive to <b>reward</b> each party in <b>proportion to the value, risk, or investment</b> made into the relationship and its success. We acknowledge that we will face unpredictable situations. We will work within our governance structure to remedy any identified and agreed inequities.
<b>6 Integrity</b>	Integrity enables companies to <b>trust in each other’s words and actions</b> . To achieve extraordinary results, our collective words and actions must be aligned with our joint vision and Guiding Principles. We commit to the highest ethical standards and do what is right for the greater good of the relationship.
<b>7 Celebration</b>	We will <b>celebrate, appreciate and acknowledge</b> each other and recognize great work/ achievements. We will create a space to support and celebrate the WEvo behaviors, achievements as well as individual’s special milestones

<sup>1</sup> The wevo team rephrased the Reciprocity Guiding Principle to Mutuality. The image in Figure 6 uses the term Reciprocity for consistency with what UT teaches.





**Rule 2: Focus on the What, Not the How**

Rule 2 - *Focus on the What, not the How* – is where the parties agree on the overall “what,” making key decisions and commitments around the scope and responsibilities for the partnership. A big step for the partnership was deciding to leverage the scale and expertise of both organizations to benefit the partnership. This meant rethinking the scope of the partnership – ultimately combining both real estate and facilities management under one umbrella and truly creating a global deal for the first time in bp’s history of outsourcing workplace services.

The scope was vast - spanning 47 sites across 18 countries throughout EMEA, America’s and APAC regions. Facility types ranged from bp’s expansive corporate campuses and the sprawling Pangborn R&D facilities to strategic data centers. It even included a single one-story childcare facility in Houston.

A key part of scoping the wevo relationship was to create what is known as the Taxonomy and Workload Allocation in the Vested methodology. The Taxonomy is an end-to-end inventory of the work needed to be done to achieve the Shared Vision within the scope of the partnership. The ultimate scope was far-reaching, including typical services such as cleaning, food services maintenance and real estate transaction management. However, it also included highly strategic work such as strategic planning support. With the high-level taxonomy complete, the Deal Architect Team went on to have smaller functional focused teams work through a Workload Allocation to define who would do what (see **Figure 7** for an excerpt of the Environmental Services scope of work).

**Figure 7: Example Excerpt of the wevo Taxonomy/Workload Allocation**

Category	Level 1	Level 2	Level 3	General Description (“what”)	bp	JLL	3 <sup>rd</sup> Party (if applicable)
<b>Workplace Services</b>							
				SG1 – Site Management and Administrative Services			
				Environmental Management			
				Assurance			
				Collect and report site environmental data according to all statutory and Customer environmental reporting requirements		X	
				Compliance			
				Develop/obtain, maintain and follow environmental operating permits and plans (e.g., Spill response plans, Permits by Rule, etc.)		X	
				Working with the service provider, jointly develop site sustainability programs	X		
				Working with bp, jointly develop, implement and manage a holistic site environmental management program aligned to ISO 14001 standards/accreditation where appropriate and the Customer’s sustainability initiatives as appropriate (or support where accreditation has already been achieved)		X	
				Incident Management			
				Identify site environmental issues; develop and implement corrective action proposals		X	
				Sustainability			
				Participate in the site environmental committee as required		X	
				Supplier shall manage and administrate the LEED Certification or equivalent (to the applicable standard), that is achieved and maintained to the extent that it is within the Supplier’s control.		X	



Completing these two key deliverables differed greatly from the traditional approach of doing a “statement of work” because it is both bilateral and it does not go into detail on telling the supplier “how” to do the work. The rationale is simple. First, if a buying organization tells the supplier how to do the work, they are in essence putting handcuffs on the supplier and buying the status quo – something bp desperately did not want to do. Second, having an end-to-end bilateral view of the work helped bp see that their role was not to manage JLL, but rather to support them. The Workload Allocation clearly showed these roles (as shown in **Figure 7**).

To finalize Rule 2 the team did a “Pony Hunt”. A Pony represents what the buying company wants, but could not achieve with existing outsourcing relationships. Ponies are in essence transformation initiatives the parties want to work on. EY led the wevo team through the Pony Hunt exercise with the team identifying 101 potential transformation initiatives. The Ponies were also used to derive the appropriate incentives for JLL.







### **Rule 3: Clearly Defined and Measurable Outcomes**

The goal of Rule 3 - *Clearly Defined and Measurable Desired Outcomes* – is to help teams determine how they will measure and monitor their success. The Vested methodology uses a tool known as a Requirements Roadmap which links measures to each of the mutually agreed Desired Outcomes.

The wevo team had 10 strategic objectives linked to six Desired Outcomes. (See **Figure 8** on the following page)



Figure 8: wevo High-Level Desired Outcomes

Vision	Desired Outcomes	Objectives
<p><b>Creating inspirational, sustainable workplace experiences for our people and our communities</b></p>	 <p><b>1</b> Deliver world class safe, healthy and compliant workplaces</p>	<p>1.1 Build on the existing safety culture to drive risk reduction, demonstrate a culture of care and an incident and injury free mindset</p> <p>1.2 Continuously deliver a reliable environment ensuring it is fit for purpose for local business requirements</p>
	 <p><b>2</b> Generate value and optimize the total cost of ownership</p>	<p>2.1 Deliver best value, continuously focusing on total cost of ownership ensuring the services delivered are fit-for-purpose (globally and locally) and can be demonstrated to be at market aligned price</p>
	 <p><b>3</b> Leverage technology to drive innovation, provide insights, enhance experiences and optimize assets and resources</p>	<p>3.1 Enable data driven decision making across all functions for BP and Service Delivery</p>
	 <p><b>4</b> Modernizing the workplace experience to attract, retain and inspire our people</p>	<p>4.1 Our people continually recommend their workplace</p> <p>4.2 We are recognized as a workplace which inspires talent to succeed and nurtures health and wellbeing</p>
	 <p><b>5</b> Create an exciting, entrepreneurial partnership which inspires ideas and delivers mutual value</p>	<p>5.1 Demonstrate the benefit of increased integration, collaboration and innovation through the wevo culture</p> <p>5.2 Optimize business to business opportunities for mutual benefit of both companies</p>
	 <p><b>6</b> Live and breathe sustainability for our people, our communities and achieve Net Zero in our workplaces</p>	<p>6.1 Reduce the carbon footprint to achieve a target of net zero by 2030 or before</p> <p>6.2 Have a positive impact on people and be a force for good in the community</p>

The team then mapped metrics to each objective– with a total of 11 metrics. Mike Jackson explains how the team did this. “Using the Requirements Roadmap toolkit really helped us think about where we were going. It is common in outsourcing deals to fall into the trap of coming up with dozens (or even well over a hundred) service level agreements that measure the supplier’s performance on how they perform tasks. But this is very transactional thinking. The Vested methodology forced us to think about how to measure where we were going.” A simple way to think about it is that Vested buys the future, not just measuring supplier performance on what they are doing today.



#### **Rule 4: Pricing Model with Incentives to Optimize the Business**

In conventional outsourcing, companies purchase services for a transactional fee (cost per hour, unit, per shipment, per pallet storage, etc.). In a Vested partnership, a buyer and service provider jointly develop a pricing model with incentives that rewards the service provider when mutually defined Desired Outcomes are achieved. In short, the service provider is *vested* in the buyer's success – and vice versa.

Co-creating a pricing model is typically the hardest part of creating a Vested agreement – and this was no exception for the wevo Deal Architect Team. Ardell Bunt reflects, “What struck me was the process was remarkably amicable in getting to a fair and equitable pricing model. I attribute that to all the work done upfront. In a conventional outsourcing agreement, there is almost always friction when you talk about money. In the Vested methodology, we had weeks of preparation where we were aligning on Rules 1-3 (the Desired Outcomes, scope and metrics). So by the time we got to Rule 4 – the discussion around money was much smoother because we were so well aligned. While it was certainly not easy – any bumps we had were resolved as we walked through the process to build up the model based on the Vested design principles.”

To physically create the pricing model the parties selected a smaller subteam of the Deal Architect Team. Alan Kane from bp and Lorenzo Pertoldi from JLL were the two-in-a-box partners that did the heavy lifting to co-create the pricing model. Alan and Lorenzo leaned on the Incendium advisors to help create the pricing model.

Alan Kane was excited initially. But then as he dug in reality set in. He thought, “How do you design something that you've never done before? We struggled at first – but our Vested coach was great at helping us work through it.”

Some of the key features of the pricing model include:

- *Fully transparent “cost-is-the-cost” mantra* – Full transparency enabled the parties to identify the true cost drivers for both organizations and to create a model that incentivizes JLL to drive down cost and reward JLL for achieving non-cost-related Desired Outcomes such as helping bp achieve its zero-emissions goal
- *Ensure cost savings are not prioritized over quality and safety* –The pricing model included “unlock” targets based on certain conditions; a safety lock meant that JLL must achieve a certain safety threshold to unlock other incentives
- *Include both monetary and non-monetary incentives* – such as contract extensions, recognition/reference cases and expanded scope as non-monetary incentives

Valerie Bonnin found the shift to a Vested pricing model to be refreshing. “As experts in real estate and facilities management, I found the Vested commercial model principles to be thorough, equitable, flexible and built for driving transformation. As advisors, we often hear organizations talking about innovation and transformation – but buyers rarely will take the step to make the shift



away from a transactional or performance-based pricing model. Making the shift to Vested pricing model helped bp and JLL make that critical shift.”

Lawrence Walker is JLL’s Global Finance Director for Enterprise Accounts. While he was not on the pricing model team, he appreciates how the pricing model works in practice. “When we talk about the incentivization we think in terms of two levels. The first level is about doing our job well - and the better we do it, the better we are rewarded. In conventional outsourcing deals, a service provider is never really incentivized for core performance because even when we are incentivized for hitting KPIs. Contracts are typically designed with penalties that far outweigh any upside we get. So as a service provider you are always watching the downside. The second level incentivizes us for driving transformation and innovation around the Desired Outcomes. In most deals, we never really get to talk properly about incentivizing for transformation and innovation because clients either think you will take your eye off the ball in terms of the day-to-day operations or they feel transformation is just too far away for them to think about. Vested is different because it links incentives to our success of both managing for today and managing for tomorrow.”

Once the parties had a pricing model the next step was to do testing. Alan Kane remembers encouraging people to challenge the pricing model. “We’d challenge people to break the pricing model. This meant running ‘what if’ scenarios to test to see if the model remained win-win or if it produced an “I win-you lose” scenario. Alan remembers being obsessed over testing. “We’d think ‘so what happens if JLL doesn’t deliver an adequate service here? Or what if they actually hit sevens (a perfect score) across the entire Requirements Roadmap? Is bp really open to writing a check and handing over incentive fees?’ We had lots of discussions – and we’d always come back to a reality check that the Equity Guiding Principles points us to share part of that value with JLL. So at the end of the day writing a check to JLL for achieving our outcomes was very smart.”

Andy Stewart is JLL’s EMEA Account Director and is in charge of facilities operations for wevo’s EMEA locations. Andy likes how the pricing model is playing out in the real world of day-to-day operations. “The pricing model aligns the interests of bp and JLL and is a massive enabler to allow us to focus on the operations and to park the typical tit-for-tat discussions we have on transactional deals. It is simple; we know when we perform, we make more money. So the focus is on performing. It is very refreshing and takes a huge load off me.”

### **Rule 5: Insight Versus Oversight Governance**

Rule 5 – *Insight versus Oversight Governance Structure* – is where the parties design the governance mechanisms to keep in continual alignment when “business happens.” Think of it this way: if the Shared Vision and Desired Outcomes are the beacons of the relationship, governance provides the structure and mechanisms for the parties to stop and redirect their efforts when detours occur. The governance framework spans four of the Vested elements (Relationship Management, Transformation Management, Exit Management and Compliance against special concerns and external regulations) and includes 22 design principles (**Figure 9**).



Figure 9: Design Principles for Rule 5 - Insight vs Oversight Governance

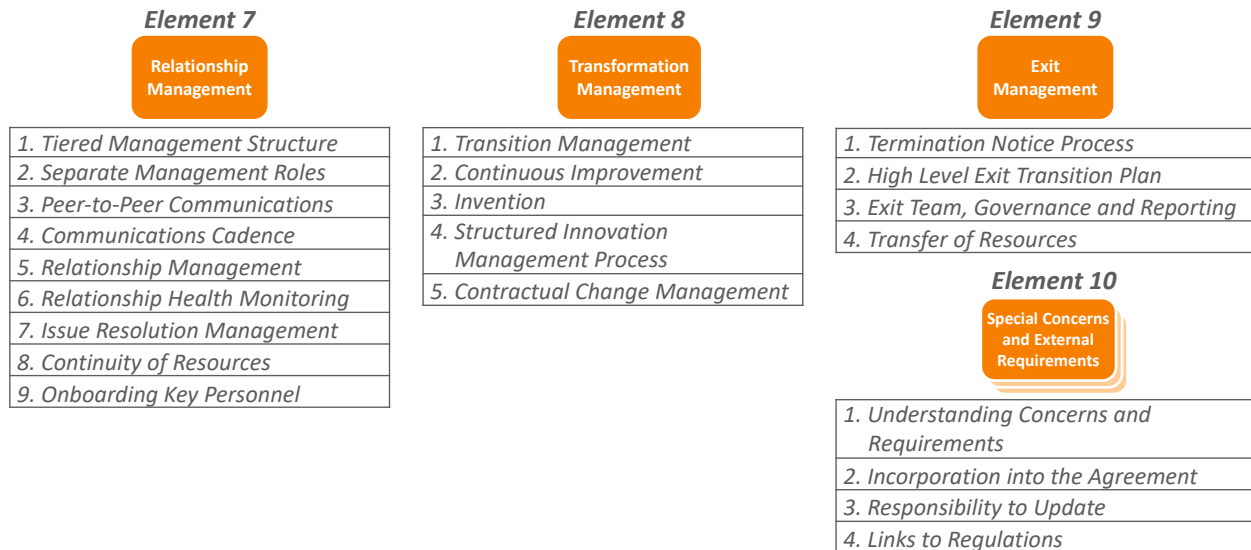
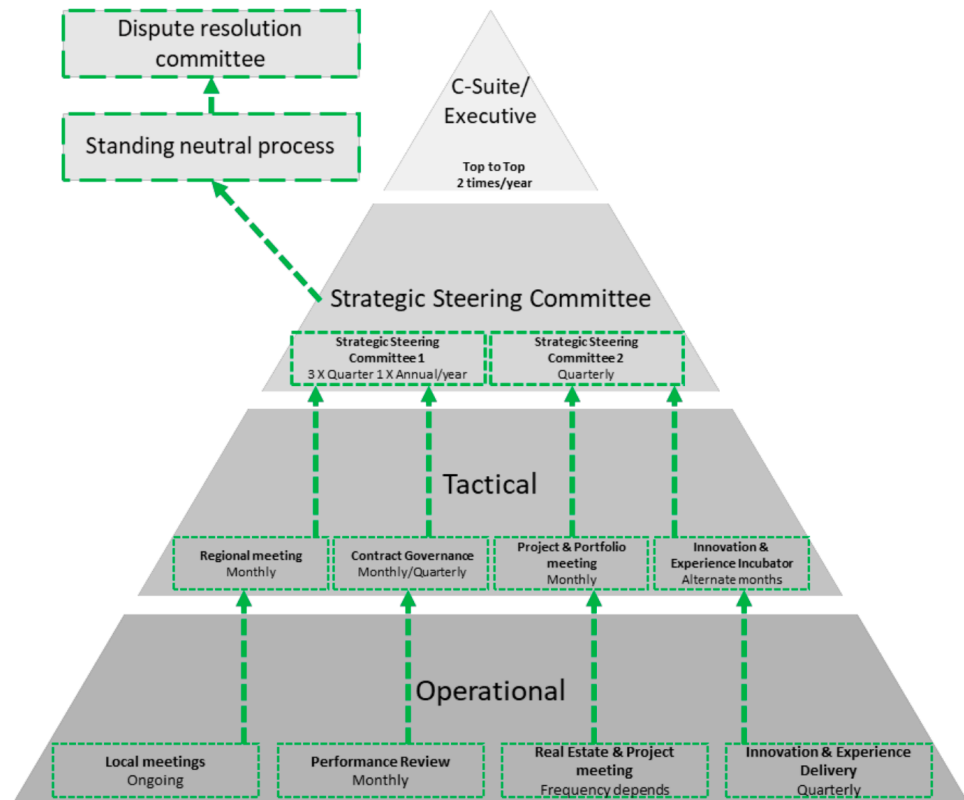


Figure 10: Wevo Four Tier Governance Structure

For example, under Element 7 (Relationship Management) Design Principle #1 (Tiered Management Structure) the parties used a four-tier governance structure with Top-to-Top, Steering Committee, Tactical and Operational levels. See **Figure 10** at right.





To help operationalize the agreement, the parties agreed on key personnel who would work together in a “2-in-a-Box” manner on key aspects of the agreement. Take for example the role of managing the economics of the agreement. This role fell on Alan Kane and Lawrence Walker who held the role of Commercial Managers. Together, Alan and Lawrence are chartered to manage and maintain the commercial aspects of the partnership.

bp’s Erika Chiuhan and JLL’s Chimene van de Rest assumed a 2-in-a-Box partnership role for managing continental Europe workplace services. They explain what it means to be 2-in-a-Box partners. “To me, a 2-in-a-Box partner means there is an equal effort and an equal level of seniority and decision-making on both sides. You have an informed client and a professional service partner looking at the same outcome,” says Erika. Chimene agrees: “It’s a partnership, so I feel comfortable in moving forward and in how we take decisions as we have the same goal and the same expectations. And we talk about it a lot, so we know what we can expect from each other.”

Another good example is how the parties incorporate a Standing Neutral who is embedded into the governance structure to help wevo monitor relationship health (Element 7 design principle #6).

### **Finalizing the Contract**

A key part of the Vested methodology is to draft the contract at the same time the “rules” are being written. In practice this means when a team has finalized a “rule” – it is then documented in the parties’ formal contract. To do this the team created a legal workstream with a subset of the Deal Architect Team. The team also included the legal representatives of each organization.

While the legal workstream was scheduled to run in parallel to the Vested design workshops, bp had trouble staffing the team with a lawyer in a timely manner. bp ultimately leaned on one of its approved outside counsel firms to assist. Facing a delay, bp and JLL ultimately decided to strategically add a second neutral CDA Coach who specialized in drafting Vested agreements and could focus on getting the legal workstream back on track. That coach was David Frydinger from Cirio Law firm.

With David on board as the coach for the contract drafting workstream, things were back on track.

Mike Jackson— bp’s procurement lead on the Deal Architect Team – comments on how the Vested agreement came together into a formal relational contract. “What I like about the Vested model is that it is block built in a structured manner. When you pick up the contract you can clearly see there are rules of the relationship and rules of the business. Right up front, you have the rules of the relationship with the Shared Vision and the Guiding Principles. The overall design of how the contract is put together really sets the tone as soon as you open the contract.”

One of the biggest lessons learned the wevo team shares is to make sure you get your legal teams involved early. Wendy asserts, “The process would have been dramatically easier with



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lawyers who understood Vested early on.” She also recommends using in-house counsel and working with a legal advisor trained in Vested. “The outside counsel we used came in too late and they didn’t particularly want to embrace Vested because they were not familiar with Vested. David and Alex made sure that we were focusing on the right areas so we weren’t diluting Vested and inadvertently diluting the Vested contract through the contractual clauses and words we used. Ultimately David showed the bp outside counsel how we could put the right clauses into the contract and we could have a Vested contract that still protects bp.”

bp and JLL signed the wevo agreement in November 2021 with the entire process taking five months – only three weeks behind the original planned schedule.





## PART 5: LIVING INTO THE AGREEMENT

With the contract inked the next step was to shift into deployment. The deployment consisted of the physical transition of the scope and work processes under JLL, and the onboarding of team members around the world on the new Vested Way of working.

### Physical Transition

The transition would include a huge amount of physical transition from other suppliers to JLL. While JLL was an existing supplier – they only had a small scope of work before the global Vested agreement. The vast majority of the scope and the largest bp sites were being managed by other suppliers. The physical transition would mean transferring the scope of work from incumbent suppliers – including the majority of their employees – to JLL.

bp wanted a smooth transition – what they coined as a ‘safe landing’. bp and JLL agreed to a KPI to measure the effectiveness of the transition. Cherie Duddridge remembers being thrilled with the transition. “It is amazing when you think about the complexity of what we were trying to do. We had all of the normal transition work to do you would see when switching suppliers – but we were also putting in new processes we had never had before under Vested. For example, we had an entirely new Vested governance structure we didn’t have before Vested. And then we had to factor in Covid. For example, hundreds of people were transitioning from the existing suppliers to JLL. Normally we’d have a town hall or a site-level meeting. But we couldn’t do that because of Covid. We had to make sure transition meetings had no more than six people in a room and were properly socially distanced. We seamlessly figured out the mix between virtual town halls and smaller face-to-face meetings that met the physical distancing requirements. During the contract development phase, we had learned how to work virtually – but that team was much, much smaller. However, we were confident we could take these lessons and put them on steroids as we did the transition. It just reinforced a key lesson of Covid is that with great teamwork and flexibility you can make anything work.”

Wendy Cuthbert was also impressed. “I’ve done a fair number of outsource contracts and I was really pleased with how quickly and smoothly we mobilized. We went from contract signing to going live in four months with virtually no major bumps. It was literally the smoothest transition I have ever seen. When you think about the fact we were in the middle of Covid and everything was done virtually, that is mind-blowing.”

Wendy continues, “One of the things that made the transition so easy and successful was that we had spent the time building the relationships and co-creating the solution through the Vested Five Rules. We were totally aligned and that paid off during the mobilization. Normally, as you go through a mobilization effort you’ll be arguing about scope and budgets and what is not included in the price. With Vested, we didn’t have those conversations. Instead, we are already seeing some of the Ponies (transformation initiatives) coming to fruition.”



## Onboarding

An essential element of any Vested transition is onboarding. Onboarding meant ramping up hundreds of people that were not on the Deal Architect Team to the Vested mindset and the new rules of working. Wevo had four main target groups to onboard:

- Wevo leaders
- Key account staff
- On-site/wevo associates
- Executives

The wevo onboarding plan includes a combination of the University of Tennessee’s online coursework and a series of five live “induction” training sessions – most of which were initially delivered virtually due to Covid restrictions.

Cherie Dudderidge’s new role under wevo included leading wevo’s onboarding efforts. Cherie was adamant the onboarding training was both online and live: “We have some folks that are very happy with online training and just blitz through those online classes. But we also have team members who don’t learn well in an online-only environment. Having a combined approach really helps with retention.”

The onboarding program is designed so the UT online course provides the fundamental basics of “why and what of Vested” and the live induction training helped team members understand how wevo applies the Vested Five Rules for their relationship. Wevo leaders established a set timeframe for all team members to go through a combination of online training followed by the live “induction” training. **Figure 11** provides an overview of the wevo onboarding training.

**Figure 11 – Wevo Onboarding Training**

WEVO SPECIFIC LIVE “INDUCTION” ONBOARDING TRAINING								
Course Title	Module 1	Module 2	Module 2a <i>(full commercial)</i>	Module 3	Module 4 <i>(JLL only)</i>	Module 5	Intro Video	Exec Face-to-Face
	Intro to bp/JLL	What is Vested? <i>(lite)</i>	What is Vested?	wevo MVA	What’s in for We?	Roadmap to Success		
Time required (hours)	1.2	1.5	2	2	.075	1.5	.3	.5
Timing of course	T+60			T+90			T+60	
R Wevo leaders	X		X	X	X	X		
O Key Account Staff	X		X	X	X	X		
L Executives							X	X
E On-site/wevo Associates	X	X		X	X	X		

The following provides an overview of the key aspects of the training.



### UT Online Courses

Wevo uses the UT online course to provide the fundamental basics of Vested for all team members – regardless of their level or role in the organization. What is different is which course topics each target group takes. Wevo taps into three of the UT online courses for their onboarding – *Vested Orientation*, *Five Rules* and *Creating a Vested Agreement*. A key part of the onboarding strategy was to tailor the online training so team members completed only the course modules that were most appropriate for that target group.

Cherie worked with the University of Tennessee’s Kate Vitasek to customize the UT online courses for wevo leaders, key account staff and wevo associates. “We wanted team members to get the appropriate training for their role. So we cherry-picked out various course modules from the different online courses and created a customized online course for each of the target groups. This allows us to assign team members to the appropriate course. For example, wevo associates at each site don’t need as much of the basic Vested training as wevo leaders.”

### Live Induction Training

The live induction training includes five live modules ranging from 45 minutes to two hours tailored to each of the four groups. (recall **Figure 11**)

The induction training is designed to be completed within 90 days of a wevo team member joining the team. For the original onboarding post-contract signing, induction training was designed to be delivered over three phases with part delivered during mobilization and the last phase focusing on transformation and the roadmap to success.

- Module 1 is about who bp and JLL are and why the parties decided together to create a Vested partnership.
- Module 2 talks about Vested in more detail - what Vested is and what it isn't. It builds on the online UT course and goes through how wevo applies the Five Rules to the wevo partnership.
- Module 3 focuses on the contract and how the master Vested agreement is structured. It helps team members understand how the agreement is pulled together, the scope of services, the geographies, the Guiding Principles, and the objectives. The training also goes through the Requirements Roadmap and the basics of the pricing model so team members can understand the fundamentals of how the metrics and money of the deal work. There is a separate deeper dive meeting for team members with a commercial responsibility to allow those individuals to fully understand how the commercial model works.
- Module 4 is designed for just the JLL team members with the session focusing on JLL-specific training/people. The module helps new JLL team members get a better understanding of JLL.
- Module 5 is titled “Roadmap to Success” and is dedicated to transformation and how the parties work together to deliver on the Ponies.



In addition, there are two “executive” level sessions where higher level individuals who are not dedicated to the wevo account receive a condensed version about wevo and the Vested Five Rules.

JLL’s Global Account Director, Dave Benbow shares the logic behind the live induction training. “The five induction training modules are cascaded all the way down to boots on the ground level. So every team member must do all of the induction program. The induction training allows us to bring people along on the journey. You have to remember that we have 400 hundred team members within bp and JLL who have been working in a non-Vested way for years. In addition, it is important to realize the majority of the JLL’ers working on the contract are new to JLL because they transferred over from the incumbent suppliers. This is why it is so important to help team members understand the why and how and see the leadership of wevo modeling our behaviors and living into the agreement. The more we continue to operate in a Vested way, the more team members understand exactly how this contract is set to pan out.”

Dom Soocoormanee played a key role in developing the contract as a business development leader for JLL. However, Dom was not always in sales. Dom started his career as a maintenance handyman and was passionate about onboarding because he knew the onboarding training would have to be tailored to the various roles operating under the agreement. “Changing the hearts and minds of the hundreds of shop floor workers would be essential to getting folks in the field to live into the Vested Five Rules the Deal Architect Team had designed. I volunteered to help create the induction training material to make sure our onboarding materials simplified the core messages so we were getting the right messages across about social norms, behaviors, and the governance structure so a handyman like myself could understand. I also wanted to make sure we used very simple language that could be used in countries where English isn’t the first language. We didn’t dumb down the training per se – but what we did do was take the concepts and put them into simple language so if English wasn’t your first language, you could pick up the key concepts of Vested and how the Five Rules worked in practice in the field. We then translated the material into different languages for some of the local markets.”

The induction training involves smaller groups – typically around 20 people. At the time of writing this case study, five wevo champions work together to deliver the live training sessions. Each session always has a bp and JLL team member conducting the training. The training is very interactive. For example, there are scenarios for team members to think through what it means to have a Vested agreement. Recall Module 2 covers the commercials. Team members are asked to think of a scenario such as ‘at the end of the year if JLL has achieved the KPIs but did not meet the budget what would that mean in terms of incentives?’

Last, onboarding does not stop with the pre-planned training session. Key wevo leaders such as Alan Kane (the bp Commercial Manager) share it is common for individuals to have informal onboarding sessions to help people “get” Vested. “I recently had one of our very senior finance individuals come to me and ask ‘Why Vested?’ They had gone through the executive training session but wanted an additional explanation – especially around how the pricing model works. I



spent an hour and a half with them. The only commentary at the end was ‘Why doesn’t bp do more deals like this? It seems like common sense.’ I replied, ‘it’s a really good question!’ It was a great moment for me personally because the Executive is a senior leader that I’ve worked with for several years and it made me proud of what we had accomplished.”

Alan Kane and Erika Chiuhan are happy wevo is putting an emphasis on onboarding. “Vested is so very different than conventional outsourcing and it is important that people get onboarding to the Vested Way of working” explains Alan. Erika adds, “The onboarding process is designed for everyone who is involved in the relationship. It is essential all team members understand Vested if we are to live into the agreement and deliver on our mutual Desired Outcomes.”

One thing is clear. If you join the wevo workplace team – regardless of if you work for bp or JLL - onboarding is mandatory regardless of how much involvement you have. Everyone is onboarded and it’s a condition of staying within the team.

### Living Into The Agreement

A key part of rolling down the Vested Way of working is to ensure people understand the Statement of Intent. This means understanding the Shared Vision and Guiding Principles. Each meeting starts with the Shared Vision and an enforcement of how the parties live into the Guiding Principles. EY’s Alex Lundin recommended the use of the wevo model “Vested Moments” after “Safety Moments.” Safety Moments are used widely in the oil and gas industry. Each meeting starts with someone in the meeting doing a short 2-5 minutes discussion about a safety topic. For example, if there will be visitors expected the next day, a safety moment might remind team members to have visitors hold the handrail when going up and down the stairs.

Vested Moments are similar – but focus on having the team reflect on the Vested principles and how they apply. Mike Narvaez explains, “Vested partnership moments help us use vernacular of things like the Guiding Principles and make them practical in various business units or geographies. For example, take the Guiding Principle of autonomy. We will bring up a memory jogger of what is autonomy means and have some fun kind of way to have a discussion around autonomy. We try to tailor the discussion and scenarios that resonated with our team members in a format that makes sense to us. For example, I like bringing in a comic strip or some fun visual to get the point across. This enables us to take this gigantic idea of Vested and put it into small bite-size pieces.”

**Figure 12** on the following page shares examples of two Vested partnership moments discussion starter slides.



Figure 12 – wevo Vested Moments

### Guiding Principles – Autonomy

**Autonomy**  
"What's in it for we!"

In keeping with the obligation of autonomy, we acknowledge that it is our combined strengths that will lift the partnership to a higher level and that neither party will seek to use its power to unfairly influence the other to act against its future interests and those of the partnership. Our goal is to create a respectful win-win culture through freedom, transparency and trust and we will work as equals in one team delivering workplace solutions to BP.

Source: BP-JLL-Compass Vested Moments

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### Guiding Principles – Integrity

**Integrity**  
"Walk the talk"

Integrity enables companies to trust in each other's words and actions. To achieve extraordinary results, our collective words and actions must be aligned with our joint vision and Guiding Principles. We commit to the highest ethical standards and do what is right for the greater good of the relationship.

We must be each other's coach and conscience.

Cherrie Duddridge  
bp workplace empress

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## PART 6 - VESTED FOR SUCCESS: THE RESULTS ARE REAL

Team members are proud of just how far they have come. Mike Narvaez reflects, “When I sit back and I look at where we started almost three years ago now and where we are now, it's unbelievable the amount of ground we have covered. And I don't know that we have done a good job of internalizing that and then recognizing how far we've come in so small the time.”

Everyone agrees that the Vested methodology of co-creating the Vested agreement to follow the Five Rules has shaped how the parties work and celebrate together. And celebrating is important because is one of the wevo Guiding Principles.

One of the first celebrations was the successful transition – which had a 98% Transition Success. Recall that prior to their Vested strategic partnership with JLL, bp had been working with four primary suppliers. As the parties transitioned to the Vested agreement, it meant a tremendous amount of physical transition – both to transition work for incumbent suppliers to JLL and transitioning to new processes and ways of working. The wevo team co-created an aggressive transition plan and created a Transition Success key performance indicator.

A top priority was successfully transitioning team members from the incumbent suppliers to JLL. Ninety-three percent of talent transitioned to JLL and even more impressive is that the 1<sup>st</sup> year retention exceeded 90%. At the time of writing this case study, the team is also celebrating diversity and inclusion milestones – with 40% of the wevo team being diverse.

Besides transitioning the people, there was a significant amount of process change. For example, wevo needed to ramp up to their new Vested governance structure and processes and operational things like their new pricing model and reporting processes. The team co-created new dashboard reporting resulting in truly globally consistent data reporting and analysis – a first for bp. In addition, wevo has implemented new global financial reporting capabilities and processes that now allow bp to track financials well beyond simple budgets and make business decisions that impact total cost-of-ownership decisions. The result has led to millions of dollars in smart cost avoidance decisions already.

The wevo team is now past transition and into the transformation phase of their partnership. To date, wevo team members have partnered to deliver over 100 projects in the first year alone with no impact on business-as-usual. They are also breaking safety records – with the U.S. achieving 0 (Zero) recordable incidents. At the time of writing this case study, there have been over 1,000 nominations for both individual and team acknowledgments.



**Advice For Others**

The wevo team is sharing their Vested journey in hopes to inspire others with the art of the possible. In doing so, they share these twelve tips for anyone considering going down the Vested path.

Making the Decision to Go Vested	Getting Ready for the Journey	Creating Your Vested Agreement	Living into the Agreement
1. Be brave to challenge the status quo 2. Have a visible champion	3. Don't rush – be ready	4. Have an open heart and open mind 5. Leverage the UT training 6. Follow the Process 7. Get legal in early	8. Onboard! Onboard! Onboard! 9. Live into the Agreement – quickly
10. Use a neutral coach 11. Don't be afraid to go virtual – but go all in virtual and not a hybrid 12. Stick with it			

Team members share their perspectives on each tip in the rest of this section. The tips are ordered as to the flow of how they approached their journey – starting with deciding to go Vested and ending with advice for living into the agreement.

**1. Be brave to challenge the status quo**

Across the board, wevo team members recommend being brave and not being afraid to challenge the status quo. “Vested is different – but if you lean in you can see the art of the possible.” Another team member provides practical advice. “If you don't at least explore Vested as an option you will never know what could have been. My advice is to give it a go. If you don't get to a fully Vested agreement that is fine because you will at least be one hell of a lot better for trying. You would have at least learned something and likely put in some great processes to make any outsourcing deal better.”

**2. Have a visible champion**

Team members are generous to give Wendy credit for wevo's success. “Wendy was a true champion for Vested and her passion has fueled us.” Ardell Bundt agrees and suggests, “JLL can suggest clients go down the Vested path all day long. But we need a champion like Wendy Cuthbert on board at the client to get the flywheel turning.”

**3. Don't rush – take the time to get ready**

Alan Kane stresses the importance of being ready. “Do the prep work and make sure you are really ready. Your journey will be much smoother if you have buy-in across key stakeholders. It becomes very difficult to bring somebody in partway through the Vested journey and I'd recommend going slow to go fast.”





#### **4. Have an open heart and open mind**

Cherie Doddridge recommends coming with an open heart and open mind. “You got to come in with a giving thought process. And as you go through the process, you will clearly see Vested is based on hard science and it is not all fluffy, fluffy, lovely bunnies. The more you come in with an open mind and open heart, you can absorb the concepts much faster and have an easier time driving the change you need to follow the Vested Five Rules.”

#### **5. Leverage the University of Tennessee training**

Initially many of the team members discounted the need for training. Their advice having gone through the process? Embrace the UT training and tools. Ardell Bunt offers the following advice: “On the surface, Vested seems like it is just common sense. But in reality, it is challenging the heart and soul of conventional outsourcing dogmas. We decided to not only take the online training as we did the deal (which is required), but we also offered up that anyone on the Deal Architect Team could complete UT’s Certified Deal Architect program as part of the process. We booked a private course for both of the live Executive Education courses for our team members to take the training in parallel with collaboratively negotiating our deal. We didn’t see the benefit of that when we started – but it paid off handsomely because we had such a large cohort go through the training and they became huge champions that could go on and ultimately become key educators in rolling down Vested in our onboarding program. Looking back, I often think ‘Thank heavens’ – because it’s a great way of doing it.”

Lawrence Walker stresses a tactical approach to leveraging the training for embracing the UT training. His advice? “Don’t skip the pre-work training topics before the workshops. The online learning is essential to understand the background and why behind Vested. This helps get everyone in the Vested mindset and ultimately makes the workshop sessions much easier to put the theory into practice.”

#### **6. Follow the Process**

The Vested methodology uses a structured process for the team to work through each of the Vested Rules. One of the biggest tips is to “follow the process”.

Dave Benbow stresses, “Putting the relationship first is key and critical in a Vested agreement because the foundation is a relational contract. The Vested methodology allowed us to build those relationships early which helped us immensely as we worked together to build the agreement. I can definitely say the time we spent going through each of the Vested Rules was worthwhile and we wouldn’t be where we were if we tried to shortchange the process or skip a Rule.

Alan Kane appreciated the rigor of the process. “The Vested methodology brought great structure to the contracting process by forcing us to think through each of the Rules. I’ve gone through other outsourcing projects where you start with a vision of the ideal state and then it gets lost in what you end up with in terms of the deal and the contract. The Vested methodology gave us the



building blocks to ensure what we really wanted is what we contracted for and it is easy to see how the Vested Rules are operationalized in the contract.”

Alan adds, “While the process was structured – it also had a great deal of flexibility as the group worked through each of the Rules.” His advice: “You should expect that you’ll have a couple of steps forward and a couple of steps back because you won’t always be aligned. The process allows for a safe place for people to have disagreements and work through getting aligned. I would definitely say my first piece of advice is to allow time for natural discussions. What you definitely shouldn’t do is stifle the open dialog that the Vested methodology fosters.”

Dom also recommends people take the time to enjoy the process. “The process is actually quite enjoyable and you should embrace it. Most people rarely have a chance in their personal careers to go back and study something that can really change their outlook on the world. I’ve been in this industry for 20-plus years and it is rare to get this kind of opportunity to really rethink how you work from the ground up. Going through the process gave everyone on the team a drive and passion to challenge the status quo and rewrite our rules. I am hooked. Simply put, this is such a better and more fun approach.”

When asked what ‘more fun’ meant Dom pointed to the fact that doing a large complex deal using the Vested methodology is far less stressful than the conventional approach. “We were sitting side by side transparently trying to figure out how to align interests instead of sitting across the table negotiating. The collaborative approach is so much easier and yields far better results for both parties because the transparency and focus on choosing to trust creates an amazing environment to think outside of the box and come up with creative win-win solutions you rarely get to with a traditional buy-sell approach.”

Wendy Cuthbert sums it up nicely. “The journey is equally as important as the destination because following the process helps with hearts and minds. The process also gives people the time to practice changing their behaviors in a safe environment and for many, this was a big deal because old school ‘us versus them’ behaviors had been the status quo for so many years.”

## **7. Get legal in early**

The team admits their biggest mistake was not getting legal support on board from the start. Alan Kane reflects, “We spent a lot of effort and lost time because we didn’t have our legal team with us the whole way. So getting legal on board early is my number one piece of advice for other teams.”

Wendy Cuthbert agrees. “The UT training and EY both stressed the importance of getting legal involved early. But we kept thinking ‘no big deal – they will catch up’. But this really caused us a lot of heartache that could have easily been avoided if we had brought in legal early. Wendy adds, “I’d also highly recommend you use your in-house counsel versus an outside counsel. In essence, we were paying our external counsel to get smart of Vested, and the more they struggled the



more we paid in legal fees. We were fortunate that we had brought in Cirio Law Firm as a Vested Center of Excellence to help get us over the finish line with the actual contract.”

### **8. Onboard! Onboard! Onboard!**

Deal Architect Team members recommend you can't onboard enough. Cherie Doddridge recommends, “Have multiple ways for folks to learn because people have various learning styles.”

Dave Benbow cautions teams not to think about onboarding as ‘once and done’. “While you might be tempted to think you will get through onboarding as a mobilization task – it is important to realize onboarding is ongoing. There will always be new people that need to be inducted into the Vested Way of working. And as we evolve, we are constantly changing so we need to onboard existing people with new direction and decisions being made as part of ongoing governance.”

### **9. Live into the Agreement – quickly**

Lawrence Walker's biggest tip is: “You've got to start living and breathing the Vested Way quite quickly. For me, this meant being a little bit brave about having discussions to call out things I likely would not have done with other clients. I have such a great relationship with my 2-in-a-Box partner (Alan Kane) that we can have a difficult discussion when something doesn't feel quite right. But that safe environment does not happen naturally, so you must create an expectation of having open and candid discussions out of the gate with 2-in-a-Box partners because if you miss a couple of early opportunities to do so early on it's very easy to then slip back into old habits of a traditional buyer-supplier mindset.”

Chimene van de Rest agrees. “Practice what you preach out of the gate. It is important to stress team members to keep talking about the Vested Rules in terms of the way they have been put together so they can understand the importance of living into the agreement by following the Rules. This means helping team members understand and behave in a what-in-it-for-we approach and letting traditional buyer-supplier hierarchies go. Simply put, we are all in the same boat and the best results come when we work together - be it on improving performance or collaborating on Ponies to drive transformation that will create value for both partners.”

Erika Chiuhan, Chimene's 2-in-a-Box partner adds, “I think the big risk of it is that until you have reached critical mass in deploying the Vested Way set of behaviors you will see people falling back into their old behaviors. It's important to get people living in the agreement as early as possible so their muscle memory on conventional buyer-supplier mindsets can get reshaped to learn the new Rules of the relationship.”

### **10. Use a neutral coach**

Mike Narvaez's advice? “Don't try to create a Vested agreement without using a neutral coach such as EY. You will spin your wheels and find yourself cheating on the Vested Rules. Honestly, I don't know that we could have delivered the deal across the finish line without EY or at least the role that EY played. Having a neutral coach was worth every penny.”



Dom agrees. “Having a really good facilitator like Alex to handle that process is essential and Emil managing the moving parts was a no-brainer in hindsight.” He adds, “Having a neutral coach was far more than just facilitation and project management. It was critical in enabling us to have the bravery as a supply partner. EY was representing JLL as the supplier as much as they were representing bp; we could go to Alex and be candid and share concerns we might be feeling with Alex. Probably one of the most essential roles EY played was in helping wevo team members live into our intentions. EY would call out behaviors inconsistent with our Guiding Principles and nudge us back into living the Vested Way of working. Alex was brilliant at that – walking that line carefully in a very calm and discreet manner.”

Mike Narvaez shares the value EY played as the neutral coach. “Neither bp nor JLL were experts on Vested. There were many times we’d be asking ‘Is this right?’ or ‘is that what we should be doing?’” Take for example doing the taxonomy and workload allocation. Some sub-teams really struggled with this because Rule 2 challenged the ‘c’ word - control. bp – like most companies that outsource – fell into the typical trap of having a shadow organization with employees managing or even micromanaging the previous service providers. So creating the taxonomy and workload allocation was difficult because bp employees kept wanting to have JLL do the work and then they would check the work via a shadow organization. In essence, we were only on Rule 2 and we already had a few people backsliding into their status quo ways of working. Alex would navigate us through difficult discussions. It was not so much that EY would tell us the answer, but rather how they pulled us back in with statements such as “well, here is how XYZ approached this same problem,” or “you might want to think about it this way.” EY really helped us get things right and we all looked back at the end after signing the agreement and thought “wow – I can’t believe we got there!”

Having a neutral Vested coach was not the only lynchpin. Everyone on the Deal Architect Team also points to the value of having Cirio Law Firm as the neutral legal expert that came in to help get the contract drafting workstream on track. “We would have completely failed on getting the contract across the finish line if we had not brought in Cirio Law Firm to help get the contracting workstream back on track and support some of the key contracting drafting.” The team’s only regret? “We should have brought Cirio in from Day 1”.

Wendy Cuthbert was also appreciative of the project management role Incendium played. “The Incendium team has been fundamental to the success of this transformation project that is a key enabler in our workplace transformation journey.”

### **11. Don’t be afraid to go virtual – but go all in virtual and not a hybrid**

When the Deal Architect Team started the Vested journey, they had no choice but to do everything 100% virtually. But as they moved into mobilization, some countries were easing restrictions and some people went back to the office in some locations. Cherie Duddridge offers the following advice: “Don’t be tempted to do a hybrid approach with some people in a meeting room together and others joining virtually. When you do a hybrid meeting - or even just in two separate rooms -



you don't get enough nonverbal feedback. So much communication is nonverbal and a well-run virtual Zoom meeting enables everyone to be 'present' versus lost. You can clearly 'see' everyone in the meeting and we consistently find engagement is much higher and meetings are more productive when we don't use hybrid meetings. So my advice – do all virtual or all in-person meetings – but not a hybrid.”

This lesson is consistent with what the University of Tennessee is hearing from other Deal Architect Teams. One creative way to get the best of both worlds is to carefully plan which meetings will be virtual and which meetings will be face-to-face, with face-to-face meetings being reserved for critical milestones and celebrating success.

## **12. Stick with it**

Dave Benbow offers the following advice: ““Stick with it has a double meaning.”

First, he means to stick with it even when things become tough. “It's hard work, but you're investing in what will become something so much more worthwhile than where we are on a normal contract.”

He adds the second part: “And when I say stick to it – I am also referring to having continuity of resources stick around. The Vested methodology teaches to have a large percentage of the Deal Architect Team stay behind and become embedded into the ongoing governance. In hindsight, I think we should have taken that more seriously and had a higher percentage of our Deal Architect Team become part of the ongoing governance team.”



## CONCLUSION AND CALL TO ACTION

When bp set out to renew its facilities and real estate contracts it had no idea it would lead to a massive transformation effort and bp's first Vested outsourcing agreement known as wevo – short for Workplace Evolution. Wendy Cuthbert's passion to find a better way to outsource met a perfect storm when Bernard Looney took the helm as CEO and challenged bp employees to reimagine how they worked.

While it is still much too early to report success against wevo's long-term Desired Outcomes – the early results have been nothing short of spectacular.

Both those who participated in the wevo Deal Architect Team and those sitting on the sidelines agree it is almost unbelievable to consider the amount of ground covered in a short period of time. At the foundation of the early success is a What's-in-it-for-We mindset that has fundamentally changed the nature of how bp works with JLL versus the previous 'buyer-supplier' approach. The benefits of this shift are producing very real benefits of working alongside each other in a mutual win-win relationship.

The wevo team would like to encourage other organizations to explore the potential of Vested partnerships. Wendy Cuthbert emphasizes, "I think most people have misconceived ideas about what Vested really is. I hope our story will help people see the benefit of a Vested business model."

Erika Chiuhan has been involved in outsourcing for many years and is sold on the Vested methodology. "After working many, many years with an entire variety of contracts. I do not know another way that would work better than a Vested. Co-creating the rules of your relationship and the rules of the business with your service provider aligns the parties' interests, which puts both the client and the service provider in the same boat. Before I would have said win-win is a nice thing to say. But having gone through the process I can see firsthand the power of win-win is real."

### **The bottom line? It is your bottom line.**

Dom Soocoormanee adds: "Going through the Vested process was rewarding and shows the art of the possible when it comes to outsourcing. A well-structured win-win deal aligns everyone's interests and helps both parties look beyond transactions and seeks the true value in creating transformation efforts. The entire process of a collaborative contracting a deal is so much less stressful and fun than the conventional approach that pits the buyer against the supplier in a classic negotiation."

Wendy Cuthbert challenges organizations to rethink their traditional approaches to outsourcing. "The traditional way of working with suppliers, I'd like to think as has had its day now and that people will start seeing the real benefits of working alongside business partners in a mutual win-win relationship rather than it being one-sided."



## ACKNOWLEDGEMENTS

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<b>bp</b>		<b>JLL</b>	
Wendy Cuthbert Cherie Duddridge Mike Narvaez Alan Kane Mike Jackson Erika Chiuhan Tom van Duijin Terry Waldron		Dominic Soocoormanee Ardell Blunt Lawrence Walker Andy Stewart Chimene van de Rest Penny Alexander Dave Benbow Graham Keable	
<b>Incendium Consulting</b>	<b>EY</b>	<b>Cirio</b>	
Valerie Bonnin Hannah Koole-Browne Lizzie Rolley	Alexander Lundin Magnus Kuchler Emil Gustafsson	David Frydinger	

## ABOUT THE AUTHOR



**Kate Vitasek** is an international authority on highly collaborative win-win relationships for her award-winning research and Vested® business model. Author of seven books and a faculty member at the University of Tennessee, she was lauded by *World Trade Magazine* as one of the “Fabulous 50+1” most influential people affecting global commerce. Vitasek is a contributor for *Forbes* magazine and has been featured on CNN International, Bloomberg, NPR and Fox Business News. You can reach her at [kvitasek@utk.edu](mailto:kvitasek@utk.edu)





## FOR MORE INFORMATION

The University of Tennessee is highly regarded for its Graduate and Executive Education programs. Ranked #1 in the world in supply chain management research, researchers have authored seven books on the Vested business model and its application in strategic sourcing.



We encourage you to read the books on Vested, which can be found at most online book retailers (e.g., Amazon, Barnes and Noble) or at [www.vestedway.com/books](http://www.vestedway.com/books).

For those wanting to dig deeper, UT offers a blend of onsite and online courses including a capstone course where individuals get a chance to put the Vested theory in practice. Course content is designed to align to where you are in your journey ranging from Awareness to Mastery. For additional information, visit the University of Tennessee’s website dedicated to the Vested business model at <http://www.vestedway.com/> you can learn more about our Executive Education courses in the Certified Deal Architect program. You can also visit our research library and download case studies, white paper and resources. For more information, contact [kvitasek@utk.edu](mailto:kvitasek@utk.edu).



\* Prerequisites for **Creating a Vested Agreement** class are:

Five Rules, Is Vested Right?, Getting Ready, and the Vested 3-Day Executive Education Course



Be working with a Vested Center of Excellence



## ENDNOTES

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- <sup>1</sup> The quotes and comments in this case study are based on extensive interviews by Kate Vitasek with bp and JLL team members during October-November 2021.
  - <sup>2</sup> David Frydinger, Oliver Hart and Kate Vitasek, "A New Approach to Contracts," *Harvard Business Review*, September-October 2019. (<https://hbr.org/2019/09/a-new-approach-to-contracts>)
  - <sup>3</sup> For more information about Dell see Chapter 12 of the book *Vested Outsourcing: Five Rules That Will Transform Outsourcing*. [Kate Vitasek, Mike Ledyard, and Karl Manrodt, *Vested Outsourcing: Five Rules That Will Transform Outsourcing*; Second Edition; (New York: Palgrave Macmillan, 2013)]. Also, J&J and Sodexo received an IWFM "IMPACT" award for the success they have had with Vested. Available at: <https://www.iwfmawards.org/previous-winners/collaboration-2020/>
  - <sup>4</sup> To learn more about Bernard Looney's management philosophies see bp's website, specifically this [page](#) on him, which is dedicated to sharing his views.
  - <sup>5</sup> For a detailed discussion of Vested, the Five Rules and the ailments, see *Vested Outsourcing: Five Rules That Will Transform Outsourcing*; See cite 3 and the Vested book page at <http://www.vestedway.com/vested-outsourcing/>
  - <sup>6</sup> Project Apollo had multiple "waves" and at the time of this case study wave 1 was complete and wave 2 was in process.
  - <sup>7</sup> Six months is the typical timeframe for creating a Vested agreement when a Vested Coach is involved. The time does not include vacations and holidays. The quickest amount of time for a team has been four months. Teams not using a Vested Coach typically spend as much as three times longer to work through the process.
  - <sup>8</sup> See *Vested Outsourcing, Ibid.*
  - <sup>9</sup> See the VestedWay blog, "Learning is Hard; Un-learning is Harder!" Available at <https://www.vestedway.com/wp-admin/post.php?post=12310&action=edit>

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