

## **itSMF Frequently Asked Questions (FAQs) over Capita, Cabinet Office and NewCo for ITIL and other Swirl products May 2013**

**What is the new ITIL bid about?** For almost 1 year we have been talking about the destiny of ITIL and the pros and cons of it. From late April (more precisely on the 25<sup>th</sup> but made public on the 26<sup>th</sup>) we already know what has been the result:

In UK Government words:

“ An innovative deal to create the first joint venture business based on government intellectual property was announced today by Francis Maude, Minister for the Cabinet Office. The new company will own and trade on the ‘Best Management Practice’ portfolio of professional standards developed by the Civil Service “.

Capita is paying the Cabinet Office an upfront cash payment of £10m and three deferred cash payments of £9.4m over the first three years.

Capita plc will own a 51% share of the new company. It will bring commercial expertise and enable investment needed to develop the products and break into new international markets. The government will retain 49% to ensure taxpayers benefit as the business grows. This joint venture is a key example of driving innovation in [UK] government commercial models.

Employees of the new company benefit from a 5% annual profit share to incentivise the team as they build vibrant new business global business.

Francis Maude, Minister for the Cabinet Office said:

“ It’s a great endorsement of the Civil Service that major companies use PRINCE2 and ITIL but business expertise and investment is needed to develop them commercially. The new joint venture is expected to save taxpayers half a billion pounds over ten years – none of that would have been saved if the government had left things how they were at the time of the General Election. This partnership shows that business is ready to work with us in innovative ways and paves the way for many similar deals in future “

Paul Pindar, chief executive of Capita plc, said:

“ We have detailed plans in place to stimulate and support the strong growth of the ecosystem and create a successful and sustainable JV. We will develop the current portfolio including digitising services and introducing experiential learning methods such as gaming and simulation, and broaden both the products and the markets in which they are sold across the UK and worldwide”.

Peter Hepworth, newly appointed CEO for the JV:

“I am really looking forward to leading this exciting business. One of my priorities over the next few months will be to listen to and work with the practitioner communities, including accredited training organisations and examination institutes. Their input is vital as we work towards developing this new company and decide how best to take these world-class products to the next level.”

**What is the NewCo view of the current ecosystem?** We [The JV] are aware how critical the role of the current ecosystem has been to the success of the business to date, and we are keen to ensure that this continues with minimum disruption to your existing business. To this end we can confirm that:

- we view the ecosystem as one of the new company's greatest assets, and that the success and growth of our ecosystem partners are essential to the growth of the new company
- we intend to retain the existing ecosystem structure for the Best Management Practice portfolio in the immediate future, and will work with ecosystem members to discuss how this may be developed further
- we will engage with Examination Institutes, Accredited Training Organisations and other ecosystem partners, listening to the market to identify and address current issues
- we are committed to investing in and enhancing the quality of the products, including their market and brand value

**Who is Capita PLC? What are they going to do? What is the role of G2G3?** It is one of the UK's largest providers of business process management and integrated professional support service solutions, with 52, 500 staff across the UK, Europe, South Africa and India.

Capita has a training arm in the form of Capita Learning & Development but it should be recognised that 2/3rd of the training business delivered is 'internal' to Capita and largely facilitated through established ATOs

An important point to note is that G2G3 is not part of the Joint Venture (JV) [...]. In fact, we [G2G3] reside in a completely separate division of Capita. We are part of the Justice and Secure Services Division, the home for many of the technology companies who are part of the Capita family. We will operate as an entirely separate entity from NewCo, and we will continue to do what we are best known for.

**Is there an official website to follow up on ITIL?** Yes, the [www.ital-officialsite.com](http://www.ital-officialsite.com) is still the most up-to-date and complete source of information for ITIL. For other Swirl products the website to check is [www.best-management-practice.com](http://www.best-management-practice.com). You will also be able to check our international website [www.itsmfi.org](http://www.itsmfi.org) and your local chapter website.

**How are things going to develop from now on? Timeline:** From now until the beginning of July the focus will be related to branding of the NewCo and announcing the name of the new joint venture. The core brands including ITIL and PRINCE2 would remain. From July to the end of the year the focus would be transition. The main intent is to not disrupt the current ecosystem as the transition moves forward.

So, currently and until July 1<sup>st</sup> all the efforts are being made to have a company name (and drop NewCo) and brand identity. Also, consultation with the wider community has started including itSMF which has been one of the first to be in contact with Capita after the bid and with the NewCo executives as soon as they were available.

The JV will assume ownership and management of the current portfolio from 1 July 2013 and full operational delivery from 1 January 2014.

**What is going to be the focus of NewCo?** Growing international markets, investing in existing products and supporting the growing community of practitioners via online localized information over a collaborative platform

**Do we know who some of the people involved in NewCo are?:**

Public information available names the following individuals:

Peter Hepworth, CEO for the JV

Ed Welsh, Executive Director leading the Commercial Models Team

William Jordan, Executive Director who has been responsible for the portfolio within Cabinet Office

Duncan Byatt, Crown Commercial Lead in the Cabinet Office

Chris Barrett, currently a Transformation Director at Capita Consulting

Important questions directly out of the Best Management Practice website

**What does this change mean for Examination Institutes?** The current providers will continue to run the examination process until the end of 2013, and there will be no immediate change to your arrangements. The new company will take over the role of official accreditor from APMG in 2014. The arrangements for Examination Institutes are still to be confirmed, but any changes to the current structure this year will be minimal. It is our current working assumption that new company will become the sole Examination Institute for PPM and will not be an Examination Institute for ITIL.

**What will this mean for Accredited Training Organisations (ATO) or Accredited Consultancy Organisations (ACO)?** The current providers will continue to run the examination process until the end of 2013, and there will be no immediate change to your arrangements. The new joint venture company plans to invest significantly in product development to support a growing market in the provision of PPM, ITIL and other Best Management Practice products, all delivered by the ATO network. Through this investment, the new company will provide ATOs with access to a strengthened portfolio and opportunities to sustain and grow their existing business.

**How will the changes affect ITIL examiners?** APMG will continue to run the examination process until the end of the year, and there will be no immediate change to your arrangements. The joint venture company plan to maintain the existing network of examiners in 2014 – further details will be provided later in

2013.

**What will happen to the validity of existing practitioner qualifications for ITIL and PRINCE2?** The registration of a practitioners ITIL and PRINCE2 qualifications will transfer from APMG to the joint venture company and will be valid for the same period of time as before. There are no plans to develop a new qualification to compete with PRINCE2. In fact, we aim to increase the relevance, quality and status of the qualifications.

More information and for the latest on Frequently Asked Questions from the Best Management Practice website please follow this link:

<http://www.best-management-practice.com/?DI=637187>

**What does it mean for itSMF globally?** We have been assured that our involvement is critical to the success of the NewCo. itSMF is committed to working with the Joint Venture as the new owner of the standard, to continue the drive to extend take-up of ITIL and in doing that to help optimize the benefits to the community of users and stakeholders.

itSMF is more than willing to act as partner or contractor to the JV where it is likely to lead to mutual benefits and, most importantly, beneficial impacts on the ITIL user and stakeholder community. Conversations are taking place to be able to secure this goal.

We like to be seen both as JV-NewCo partner and critical friend.

## Sources

- 1- Capita, G2G3 and NewCo - A view from the inside By Linda King, G2G3
- 2- Capita plc - Capita Board Update - PR Newswire - 30 May 2013
- 3- Press release New deal will market government professional qualifications - CAB 044-13
- 4- Best Management Practice website FAQs
- 5- <http://www.theitsmreview.com/2013/05/capita-label-red-herring-swimming-moat-castle-itil/>
- 6- [http://www.best-management-practice.com/gempdf/Best\\_Management\\_Practice\\_eBulletin\\_Issue\\_01.pdf](http://www.best-management-practice.com/gempdf/Best_Management_Practice_eBulletin_Issue_01.pdf)
- 7- [http://www.best-management-practice.com/gempdf/Peter\\_Hepworth\\_to\\_head\\_up\\_the\\_Best\\_Management\\_Practice\\_joint\\_venture\\_company.pdf](http://www.best-management-practice.com/gempdf/Peter_Hepworth_to_head_up_the_Best_Management_Practice_joint_venture_company.pdf)

Alejandro Debenedet – itSMF Vicechair and Director Chapter Relations

On behalf of itSMF International Executive Board

Marianna Billington (Chair)

Christopher Jones (Treasurer)

John Deland (Director PRISM)

Bartosz Górczyński (Director Publications)

Ulf Myberg (Director Qualifications, Certifications and Standards)

Harold Petersen (Director Communications)

This information is shared to all itSMF Chapters and itSMF Emerging Chapters worldwide to be published in official itSMF websites. This information should not be used by itSMF members for their individual or commercial purposes nor to be published in their websites or other means without proper authorization by itSMF International and their local itSMF Chapter.