



Becoming an Authorized Organization for eSCM Capability Determination Services

ITSqc, LLC
<http://www.itsqc.org>

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1 eSourcing Capability Models (eSCMs) and Capability Determination

1.1 Background

ITSqc, LLC is seeking qualified organizations to provide eSCM Capability Determination services, utilizing the eSourcing Capability Model for Service Providers (eSCM-SP) or the eSourcing Capability Model for Client Organizations (eSCM-CL). ITSqc, LLC, the spin-off from Carnegie Mellon University created to promote best practice models for the global IT-enabled services industry, was founded to extend the impact of the eSourcing Capability Models (eSCM-SP for service providers and eSCM-CL for client organizations).

ITSqc, LLC uses the eSourcing Capability Model for Service Providers (eSCM-SP) or the eSourcing Capability Model for Client Organizations (eSCM-CL) as the baseline normative model for appraising and evaluating service provider (eSCM-SP) or client (eSCM-CL) organizations. The eSCM-SP was developed to provide IT-enabled sourcing service providers with a reference model and capability determination methods to improve their capability to consistently deliver high-quality services in the networked economy. The Model and methods will aid service providers in establishing, managing, and continually improving relationships with clients. Additionally, the eSCM-SP gives clients a means to consistently evaluate multiple service providers. In 2006, the eSourcing Capability Model for Client Organizations (eSCM-CL) was released, to ensue that both aspects of sourcing relationships are addressed by these best practices models.

1.2 Capability Determination Methods

ITSqc, LLC supports six versions of a Capability Determination method that can be used to determine the capability of an organization relative to the reference eSCM Model (eSCM-SP or eSCM-CL). All six methods determine this capability by systematically analyzing evidence of the client organization's implementation of the Model's Practices. These methods allow organizations to determine their current capabilities and to define targets for self-improvement.

The six capability determination methods related to the eSCM are intended to identify, analyze, and guide improvement of an organization's capabilities. These methods address the needs of service providers and their clients for determining the capability of a service provider relative to the eSCM-SP, as well as the needs of client organizations to determine their capability relative to the eSCM-CL. These methods will determine capability through a systematic analysis of the implementation and institutionalization of the Practices defined in the eSCM Models.

The objectives of eSCM-based capability determinations are to:

- Identify and derive a Capability Profile, which includes the strengths, opportunities for improvement and status of the improvement efforts for an organization, relative to the relevant eSCM;
- Identify an organization's strengths, opportunities for improvement and associated risks (for example, as decision inputs for clients when selecting a service provider); and
- Support, guide, and encourage an organization's commitment to continuous improvement.

2 Authorized Organizations for Capability Determination Services

ITSqc, LLC will enter into relationships with Authorized Organizations who are authorized by the ITSqc, LLC to offer Capability Determination Services, based on the eSCM-SP and/or eSCM-CL. Only Authorized Organizations may offer eSCM Capability Determination Services.

The responsibilities of Authorized Organizations for Capability Determination Services are described in the ITSqc Code of Professional Practice. Organizations that become Authorized Organizations for Capability Determination Services may sponsor candidate individuals to become Authorized Evaluators and Authorized Lead Evaluators.

2.1 How does our organization become an Authorized Organization?

Organizations are invited to apply to become an Authorized Organization, if they are interested in:

1. applying capability models,
2. evaluating capability of organizations so that ITSqc, LLC may certify their capability levels, and
3. contributing to a repository and benchmarks of best practices.

Selected Authorized Organizations will be highly-qualified organizations who:

- are interested in providing capability determination services internally to their own organization or externally to other organizations,
- meet the criteria in the ITSqc, LLC Code of Professional Practice,
- submit an application to ITSqc, LLC (required topics are identified in Appendix A),
- are committed to complying with the ITSqc, LLC Code of Professional Practice, and
- demonstrate through their application and supporting materials that they have the capability (or a plan to develop the capability) to field a full Evaluation team (i.e., at least 4 Authorized Evaluators, of which at least one must be an Authorized Lead Evaluator).

Organizations that cannot demonstrate this through their current internal resources must demonstrate how they will develop this capability through:

- o growth to develop sufficient resources to provide capability determination services, or
- o a proposal describing which other organizations they would work with in order to provide capability determination services. This proposal must be substantiated in the form of legally-binding agreement(s) with one or more other Authorized

Organizations to ensure that the proposed Authorized Organization can field a fully-qualified, authorized Capability Determination team.

2.3 What are the costs to become an Authorized Organization?

Authorized Organizations incur expenses for developing their capability to successfully deliver eSCM Capability Determination Services. Table 1 provides a summary of expenses for organizations in becoming an Authorized Organization.

Note that these fees are effective through December 31, 2011. After that date, these fees may change at the discretion of ITSqc, LLC.

Item	Authorized Organization
eSCM Model Course for minimum of four students	\$2500 USD per student
Travel Costs to Model Course	YES
eSCM Method Course for minimum of four students	\$2500 USD per student
eSCM Lead Evaluator Course for a minimum of two students	\$5000 USD per student
ITSqc Observation of Candidate Lead Evaluators (minimum of one; two most strongly recommended as a minimum)	\$2000 per day (point to point from Pittsburgh) plus expenses. ¹ Typical onsite period for an observation is two weeks.
eSCM Implementation course (recommended)	\$2500 USD per student

Table 1 - Fees Associated with Developing Authorized Organization Status

2.4 What is the cost to remain an Authorized Organization?

Authorized Organizations will incur several types of costs to remain an Authorized Organizations.

¹ The fee for ITSqc LLC observation or additional technical assistance will be billed at ITSqc, LLC's then current daily rate for observations. The current daily rate for observations is \$2,000 (USD), charged point to point, plus travel expenses. "Point to point" covers the time spent traveling to and from the observation site. The observation fee covers pre-observation preparation, on-site observation, and post-observation support/remediation.

Ongoing costs to Authorized Organizations will include:

- royalties to ITSqc, LLC for Capability Determination services (15% of Net Revenues),
- annual authorization fees for each Authorized Evaluator, Authorized Lead Evaluator, Qualified Consultant, and Authorized Instructor
- full training costs for any update courses or continuing education required by ITSqc, LLC for individuals to maintain their Authorized status

2.5 How can my organization submit an application to become an Authorized Organization?

This opportunity is open to all organizations in industry, government, and academia that meet the ITSqc, LLC eligibility requirements. Applications should address each of the topics described in Appendix A. At present, there is no application deadline.

Applications, and all supporting documentation, should be sent to:

Dr. Jane Siegel
Director, ITSqc, LLC
3945 Forbes Ave, #422
Pittsburgh, PA 15213 USA

By submitting an application, you are affirming that the answers in this application are true and correct and that you understand that these answers will be used to help ITSqc, LLC evaluate the potential legal liability involved in entering into a contract/client relationship with you or your company. Providing inaccurate or incomplete information may be grounds to immediate termination without any penalty to ITSqc, LLC of any contract entered into with your organization.

Appendix A – Required Contents for Application to become an Authorized Organization for Capability Determination Services

A. Organization Information

If wholly owned subsidiary, give corporate headquarters. Include organization name, street/postal addresses, main telephone number, main fax number, and website URL. If the organization is a Sole Proprietorship, provide Home Address, if different from Business Address.

B. Organization Financial Information

Include Dun & Bradstreet number and employer tax ID number, or equivalent information where available. As part of the application review process, ITSqc, LLC may request a credit check.

C. Business Point of Contact

Identify the individual who will be responsible for all correspondence regarding this Agreement, e.g. License Agreement, invoices, etc. Include Contact Name (First, Middle, Last Name), Title, Department, Address (No P.O. Boxes), Telephone, FAX number, and E-Mail.

D. Authorized Signatory (if different from Business Point of Contact)

Name of applicant's authorized signatory and their position within the organization:

E. Contact Details to be Published by ITSqc, LLC on its Register of Approved Organizations for Capability Determination Services

Identify the address, telephone, fax, Email, and Website to be published on the ITSqc, LLC website and given to potential students and other members of the public who wish to contact you.

F. Organization Type (Business Structure)

Identify the business structure of the applicant organization. Specify if Sole Proprietorship, Partnership, Corporation, Limited Liability Company (LLC), U.S. Government, Other Government, Non-U.S. Legal Entity, or other Business Structure. Also must specify the location of registration for Sole Proprietor, Partnership, or LLC business structures, or the location of incorporation for a Corporation.

G. Current Operations

Identify the geographical locations and market segments where the organization currently operates. Describes the primary mission of your organization/business and how offering eSCM Capability Determination Services would help to achieve organizational objectives. Describe current offerings that are related to your capability to offer eSCM Capability Determination Services. Identify the number of staff currently working in areas related to the proposed Capability Determination Services and explain their current offerings.

H. Organizational Capabilities

1. Describe how your organization meets the following three criteria:

- Competence in the application of model-based process improvement including but not limited to experience related to eSCMs, ISO, ITIL, CMMI, Software CMM (SW-CMM), People CMM (P-CMM), or other models or quality standards.
- Competence in performing organizational audits, appraisals or other diagnostics including but not limited to ISO 9001:2000/2008, BS-15000/ISO 20000, CMMI, Software CMM (SW-CMM), People CMM (P-CMM), BS-7799/ISO 27001 and related standards, or

other model/standards-based frameworks. You should address your organizations accreditation or authorizations to perform these services, and the numbers of available personnel for each.

- Competence in the use of third party products to deliver training and consulting services to technical and management personnel.

2. Describe:

- your organization's quality control processes and measures for training and consulting services. Include examples of specific metrics that you collect.
- the consulting and training strategies that your organization uses to encourage or facilitate change.
- courses and consulting methods your organization has developed and how successful these methods have been. Provide details and measurement metrics to support your claims.
- the total number of employees, identify how many employees are employed in areas related to this application (both full- and part-time), and describe the education, backgrounds and turnover/retention rates among these employees.

3. Has your organization had an application rejected or an organizational or individual authorization refused, revoked, withdrawn or suspended by any other organization (e.g., SEI, ISO, or IAOP)? If yes, please give details.

I. Plans for plans for providing eSCM Capability Determination Services

1. Identify the type of eSCM Capability Determination Services license sought:

- Internal Use for delivery to employees of your organization only
- Commercial Use for delivery to external clients (includes internal use)

2. Identify the Models for which an eSCM Capability Determination Services license is sought:

- eSourcing Capability Model for Service Providers (eSCM-SP)
- eSourcing Capability Model for Client Organizations (eSCM-CL)

3. Estimate projections for the next five years:

- Number of total Authorized Evaluators
- Number of total Authorized Lead Evaluators
- Number of eSCM Capability Determinations (by type – Full Evaluation, Mini-Evaluation, Full Self-Appraisal, and Mini-Self-Appraisal – for each Model)
- Projected Gross Revenue for eSCM Capability Determination Services (N/A for U.S. Government organizations)

4. Identify any barriers or risks in meeting these forecasts

5. Describe the marketing strategy and sales plan for eSCM Capability Determination service(s).

6. Describe how eSCM Capability Determination service(s) fits into your organization's business strategy and product portfolio.

7. In what geographical areas of the world and market segments do you plan to deliver the eSCM Capability Determination service(s)?

8. With whom would you be competing for these services in the regions listed?

9. Identify the initial set of individuals whom you are sponsoring and/or plan to sponsor as Evaluators (distinguish between those projected to become Authorized Evaluators and those projected to become Authorized Lead Evaluators). For each individual, provide the following information that demonstrates their competence to become a successful evaluator:

- Academic Credentials (Minimum of Bachelor's degree in a relevant area)
- Relevant Experience and Skills (Minimum 5 years relevant experience for Authorized Evaluator, minimum 10 years relevant experience for Authorized Lead Evaluators)

- Appraisal Experience (ISO, CMM®, etc.)
 - Quality Experience and Skills (Relates to quality management, model-based process appraisal, organizational change and transformation)
 - Teaching Experience and Skills (Training and/or experience in classroom presentation and management skills)
 - List languages (English and Non-English) in which the individual is fluent. Address reading, speaking, and writing abilities.
10. Describe your organization's financial ability to sponsor individuals through the necessary training and authorization programs. Please include your organization's gross revenue for delivery of related services in the last year in U.S. Dollars.
 11. Describe your organization's commitment at the senior management level to quality improvement initiatives, and provide examples of this commitment in action.
 12. Describe your proposed approach to organizing eSCM-related consulting and Capability Determination services. Describe your plans to maintain a consistent boundary between professionals who engage in self-appraisal and improvement consulting and those who engage in evaluation and certification efforts so as to systematically prevent conflicts of interest.
 13. Describe your organization's plans to ensure compliance with the ITSqc, LLC Code of Professional Practice, willingness to comply with this code of practice at all times, and how this will be communicated within your organization.

J. Reporting and Surveillance

Describe your approach to ITSqc, LLC audit of your Organization's management and control of eSCM Capability Determination services. ITSqc, LLC audits may occur where your Organization fails to achieve any of the desired outcomes or violates the Code of Professional Practice, or where we identify a potential risk to the consistent effective performance of eSCM Capability Determination services to acceptable standards.