**Approved By:**

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| Name: Dean Arnison  Title: SPS Commercial Operations Leader |  | Name: Phil Ashley  Title: Executive -Project Management |  | Name: Kris Krishna  Title: Global ITO Quality Leader |  | Name:  Title: |

For any feedback to the process, or the document, please contact the process owner. Global ITO Quality Leader.

**Applicability:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Applicable Product Lines Applicable to Tollgate Process?** | | | | |
| Subsea Production Systems (SPS) | | |  |  |
|  | Trees | Controls | Drilling | Yes (details in section 2.0) |
|  | MCS | Projects | Services & Offshore | No |
|  | | | Wellstream |  |
|  |  |

**Document Revision Chart:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Rev** | **Section modified and revision description** | **Issue date** | **Expiry date** | **Author(s)** |
| 1.0 | QW-ITO COMM OPS-001 superseded by this document and now incorporates:  QF-ITO COMM OPS-001 rev 01  QF-ITO COMM OPS-002 rev 01  QF-ITO COMM OPS-003 rev 01  QF-ITO COMM OPS-004 rev 01  QF-ITO COMM OPS-005 rev 01  QW-AE-006 Rev 01  QW-AE-008 Rev 01  QW-AE-013 Rev 01  New Forms QF-SPS-GLO-ITO-001, QF-SPS-GLO-ITO-002 & QF-SPS-GLO-ITO-003 have been created. | 15:06:2017 | 15:06:2020 | Dave Bennett |
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***Notice***

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# Purpose

The purpose of this document is to provide a work instruction to ensure the correct approach has been applied to verify that after an order award an effective and efficient handover transition process has been applied between the Inquiry to Order (ITO) Phase to the Order to Remittance (OTR) phase.

Responsibility for the transferral of all Customer commitments, information and details relating to the Order / Project and its fulfilment is held by the ITO ComOps team, led by the ITO ComOps Manager. Accountability for ensuring a complete and acceptable handover rests with the OTR Project Manager/Director who must not sign the ITO-OTR Handover Acceptance Forms (QF-SPS-GLO-ITO-001, QF-SPS-GLO-ITO-002, QF-SPS-GLO-ITO-003) until they have the information available at that time in accordance with the agreed checklist.

A correct handover can be described as:

Complete: All information available to the ITO Team, including scope, pricing and financials, customer expectations, technical and commercial details, etc. that is currently available has been delivered to the OTR Team.

Accurate: All of the information delivered is correct as of the time of delivery, to the best knowledge of the ITO ComOps Manager and his/her team.

Timely: The Handover transition phase spans the period during final negotiations, through order award and into early project execution. During this period, it is anticipated that the Project Manager/Director’s contribution/deal ownership will gradually increase while the ITO ComOps Manager’s contribution will gradually decrease. Nevertheless, the transfer of the handover information and acceptance of the ITO-OTR Handover Acceptance Form will be completed as quickly as possible following receipt, verification and acceptance of the Purchase Order or Letter of Intent from the Customer.

This document contains all elements which are pertinent to facilitating and evidencing a successful ITO to OTR handover. Please refer Proposals Process Flow Chart and Notes [QW-SS-SS-GLO-ITO-006] for detailed information.

# Scope & Applicability

This Work Instruction is applicable to the Global Commercial Operations and Global Projects Organisations for the Subsea Production Systems business.

# Process Overview / Instruction

## ITO-OTR Handover Form

The ITO-OTR Handover Form [QF-SPS-GLO-ITO-001] provides the project details and shall be completed by the ITO ComOps Manager prior to formally handing over control of the deal.

## ITO-OTR Legal Review Checklist Form

The purpose of this checklist is to confirm that the OTR team understands the requirements and risks which correspond to an order – and have accepted accountability for order execution. Refer to ITO-OTR Legal Review Checklist Form [QF-SPS-GLO-ITO-002].

## ITO-OTR Handover Meeting Agenda & Attendees

This section provides an agenda, template and starting point for the appropriate attendees to support the ITO-OTR Handover. Responsibility for delivering all information and details relating to the Order / Project and fully preparing the OTR Team for proper execution and fulfilment is held by the ITO ComOps team, led by the ITO ComOps Manager.

Accountability for ensuring a complete and acceptable Handover rests with the OTR Project Manager / Director who should not sign the ITO-OTR Handover Form [QF-SPS-GLO-ITO-001] until they have all the information available at that time.

The following should be followed, when required.

### **3.3.1 ITO-OTR Formal Handover Meeting Attendees**

### As part of the ongoing handover transition there will be a formal Handover meeting with the following individuals in attendance. The meeting will be held as soon after receipt, verification and acceptance of the Purchase Order or Letter of Intent from the Customer as is practicably possible and at a time/date to be mutually agreed between the ITO ComOps Manager and OTR Project Manager / Director.

**Mandatory Attendees – by Function**:

OTR Project Manager/Director - Meeting Chairperson

ITO ComOps Manager - Meeting Co-Chairperson

ITO Team Attendees:

* Tender Manager(s)
* Sales / Account Manager
* ITO System Engineer
* ITO Application Engineer (s)
* ITO Proposal Analyst
* ITO Planner(s)

OTR Project Team Attendees:

* OTR Project Manager/Director
* OTR System Engineering
* OTR Contract Manager
* Quality Engineer / Quality Leader
* OTR Project Planner
* OTR Sourcing
* OTR Project Planner

**Variable Attendees – by Function:**

Note: These are listed as Variable – because the scope of the project will define the scope & depth of the attendee list.  They are intentionally NOT listed as “optional” because if the Project Manager/Director and/or ComOps Manager determine that they are required for a proper handover in which case the function must be properly represented.

ITO Team:

* ITO Sourcing
* ITO Manufacturing
* ITO Commercial / Finance Manager
* Services ITO ComOps Manager
* Services Application Engineer

OTR Team:

* OTR Commercial / Finance Manager
* Services OTR Project Manager
* Services Project Engineer

Support Functions:

* Environmental, Health & Safety (EHS)
* Advanced Technology Organization (ATO) Engineer
* Human Resources (HR)
* Logistics
* Tax Manager
* Legal Counsel
* Compliance Manager
* International Trade Control (ITC)

Every Function required to attend will have a representative who is either:

1. The person who is personally responsible for the role in question on the OTR Project Team or ITO Proposal Team

OR

1. Someone who is knowledgeable of the Proposal / Contract as well as functionally capable of making commitments on behalf of their function, via DOA or other delegation authority.  This person must be someone who can make decisions on behalf of their functional leadership.

### **3.3.2 ITO-OTR Formal Handover Meeting Agenda**

### **3.3.2.1 Attendance Taking & RACI Chart Development by OTR Project Manager / Director.**

* (a) RACI Chart will be used to ensure everyone is aware of responsibilities during the Handover process. names, work and mobile phone numbers and e-mail addresses should be included. The preliminary RACI is to be finalized during the first 30 day of the project and limited to only the Key Personnel already identified in section 3.3.1.

### **3.3.2.2 Overview of the Overview of the Customer and strategy**

(a) An overall review of the order using the Overview Portion from the Proposal Summary & ITO cost model tool. This includes basic information on the customer, scope-of-supply, project timeline and proposal process.

(b) Review of the deal strategy portion to provide an overall understanding of the background, relationship and winning strategy of the proposal team.

(c) Overview of the project risks as identified during the tender process.

## 3.3.2.3 Schedule & Detailed Activities Review by the ITO ComOps Manager, supported by the ITO Application Engineering.

(a) An overall review of the Integrated Schedule & Order Timing, including:

* Dates for specific portions / items of supply, by location
* Review of integration between Intra-Company orders & locations, and functional integration between Engineering, Manufacturing & Sourcing.

(b) An overall review of the Engineering portions of the Proposal Summary / ITO cost tool, including:

* Engineering CTRs and Cost/Cycle review
* Engineering Risks, including New Product Introduction (NPI) or Product Line Extension (PLE)
* Deep dive into any significant issues within the Technical Risk Register
* Review of any open technical clarifications or exceptions.

1. Review of the Supply Chain portion of the Proposal Summary / ITO Tool, including:

* Understanding of Manufacturing & Sourcing strategies that resulted in winning proposal
* Review of key Manufacturing & sourcing Risks
* Review of any open technical clarifications or exceptions associated with Manufacturing & sourcing.
* Review of Customer Issued Items & GE Sourced Items
* Review of Customer Hold Points and the GE Quality Inspection & Test Plan (ITP).
* Review of the flow down requirements from the customer contract into our vendor contracts?
* Closure of any unresolved disconnects and alignment to Customer Order

## 3.3.2.4 Services Scope of Supply Review by ITO ComOps Manager, supported by Services ITO ComOps Manager

(a) Any overall review of the Scope of Supply from the Services portion of the Proposal Summary / ITO Tool.

(b) Review of any localization efforts and the supporting requirements / actions

(c) Review of any unresolved clarifications or exceptions regarding Services

(d) Review of items from the technical risk register regarding Services

## 3.3.2.5 Commercial Review of the Contract by the ITO ComOps Manager supported by the ITO Commercial Finance Lead

Review of any key Finance and Terms & Conditions items, to include:

1. Export Control Specified items & risks
2. Technical Regulations & Standards risks & key items
3. EHS Issues & Risks
4. Liquidated Damages
5. Review of the Full Cost Breakdown, with a clear understanding of the requirements to hit profitability & cost targets, and any potential currency exchange risks.
6. Key Risks as identified in the ITO Costing / pricing Tool and the Commercial Risk registers
7. Any open clarification & expectations
8. Quality provisions

## 3.3.2.6 Action Item Development by OTR Project Manager / Director.

(a) All open issues or actions resulting from the ITO-OTR Formal Handover Meeting will be captured.

(b) All actions items will be assigned an owner and the ongoing tracking of these actions will be the responsibility of the OTR Project Manager/Director

(c) All action items will have a specified date for closure

## 3.3.2.7 ITO -OTR Handover Transfer Package Index.

This document provides the basic index of the ITO-OTR Transfer Package. These materials must be included and are considered Quality Control Documents, in support of the ITO-OTR Handover for all Orders from the ITO Phase to the OTR phase.

The ITO-OTR Handover Transfer Package Index [QF-SPS-GLO-ITO-003] must be completed and it must be verified that the appropriate documents have been completed, assembled and delivered to OTR when required.

# Roles & Responsibilities

|  |  |
| --- | --- |
| **Key Role** | **Responsibility** |
| ITO ComOps Manager | The ITO ComOps Manager is the focal point for ITO commercial operations coordination and is frequently referred to as the Tender Manager. ITO ComOps Manager shall be held accountable for the full integrity of the proposal and ensuring that the necessary approvals are granted by functions at the ITO phase. The ITO ComOps Manager in partnership with the OTR Project Manager /Director who shall lead and own the handover process. |
| OTR Project Manager/ Director | The OTR Project Manager /Director is the focal point for OTR operations coordination and is frequently referred to as the Project Manager for single or multiproduct orders and Project Director for larger more complex full EPC and EPIC projects. The OTR Project Manager /Director shall be held accountable for ensuring that the sufficient information has been provided to facilitate a conclusive transition of information and accountability such that the project can be successfully executed. The OTR Project Manager/Director in partnership with the ITO ComOps Manager shall lead and own the handover process. |
| Sales Account Manager | The Account Manager plays a key role in the outcome of an opportunity providing a focal point for the Customer. The Account Manager’s knowledge of the Customer is invaluable in the handover process and as such continue to support the outgoing ITO team and incoming OTR team with any outstanding customers related items. |
| Other Functions | This group comprises Legal, EHS, Quality, Finance, Logistics etc. i.e. all other key contributors to ensure that the ITO CommOps Manager and OTR Project Manager/ Director are adequately supported through the Handover transition period. |

# Quality Records

The following is a summary of records produced by this work instruction that shall be maintained and controlled according to the requirements of [OGQ-0102 - Record Control](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d167&showRendition=true). All records shall be in line with Records location map relevant for the Site/Organization.

|  |  |  |
| --- | --- | --- |
| **Record** | **Owner** | **Storage location** |
| QF-SPS-GLO-ITO-001 | ITO ComOps Manager | Share Point |
| QF-SPS-GLO-ITO-002 | ITO ComOps Manager | Share Point |
| QF-SPS-GLO-ITO-003 | ITO ComOps Manager | Share Point |

# References, Terms, Definitions & Acronyms

## References

|  |  |  |
| --- | --- | --- |
| **Number** | **Name** | **Training Material & Quiz** |
| n/a | [GE O&G QMS Lexicon](http://supportcentral.ge.com/@lexicon) | n/a |
| n/a | [Subsea Systems & Drilling QMS Lexicon](http://libraries.ge.com/download?fileid=697340101101&entity_id=55721334101&sid=101) | n/a |
| [OGQ-0102](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d167&showRendition=true) | [O&G Record Control Procedure](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d167&showRendition=true) | [OGQ-0102TM](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d169&showRendition=true) |
| [OGQ-0111](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea807c31c6&showRendition=true) | [Inquiry to Order](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea807c31c6&showRendition=true) | [OGQ-0111TM](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea807f09ab&showRendition=true) |
| QW-SS-GLO-ITO-006 | Proposals Process Flow Chart & Notes | n/a |
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|  |  |  |
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## 

## Terms, Definitions & Acronyms

Italicized terms have been defined in [GE O&G QMS Lexicon](http://supportcentral.ge.com/@lexicon) for Terms, Definitions and Acronyms. In case of conflict with [GE O&G QMS Lexicon](http://supportcentral.ge.com/@lexicon), QMS Lexicon will take precedence.

|  |  |  |
| --- | --- | --- |
| **Acronym** | **Term** | **Definition** |
| COE | Centre of Excellence | The central product business by whom the Regions are supported. |
| DOA | Delegation of Authority | Delegation of Authority means distribution of authority and powers. |
| ITO | Inquiry to Order | The process for developing commercial opportunities that includes risk review, development, submission and negotiation of a proposal and handover to OTR. Can also be used to describe the Organization within D&P that is responsible for the coordination of Tender activities. |
| OTR | Order to Remittance | The period and activities associated with a sales contract from the time a commitment is accepted by the execution team until contractual obligations are complete. Also, the organisation responsible for successful delivery of a Project. |
| ITP | Inspection and Test Plan | Document that defines the type, level, timing and degree of inspection and test required on an item of equipment, and the associated manufacturing data records required |
| LOI | Letter of Intent | An advance award notification from a customer which is bookable and received priorto full issuance of the main contract to enable the launch of a project. |
| EPIC | Engineering, Procurement, Installation & Construction | Project type description |
| EPC | Engineering, Procurement & Construction | Project type description |
| PO | Purchase Order | The primary purchase document including the supporting contract documents |
| RACI. |  | This is a Six Sigma term denoting the level or type of responsibility. RACI stands for Responsible, Accountable, Consulted, Informed. This is a method for ensuring that every task / action has clearly defined accountability. |

# Appendix

N/A

End of Document.