

NextTech Enterprise Business Rules Documentation

1. Order-to-Cash (O2C) Business Rules

1.1 Order Validation

- All orders must pass automated credit checks in SAP FSCM before processing (minimum credit score: 650 for SMEs)
- Export orders require valid INCOTERMS 2020 specifications (default: DAP for EU shipments)
- SaaS subscriptions auto-approve if <€50K ARR; others require Regional Credit Manager approval

1.2 Pricing & Discounts

- Standard discounts capped at 15% for strategic accounts (per contract terms)
- Manual overrides >5% require dual approval (Sales Director + Regional CFO)
- IoT usage billing rounds to nearest 15-minute increment (SAP BRIM)

1.3 Revenue Recognition

- Hardware: Recognize upon signed delivery confirmation (IoT geofencing validation)
- SaaS: Defer over contract term (IFRS 15), prorated monthly
- Bundled offerings: Allocate value per SSP-8 methodology

Exception Handling:

Order value >€500K without PO → Hold for Legal review (ServiceNow ticket auto-generated)

2. Procure-to-Pay (P2P) Business Rules

2.1 Requisition Approval

- MRO items <€5K: Catalog-only purchasing (SAP Ariba Guided Buying)
- Capital equipment: Technical review + Plant Manager approval required
- Hazardous materials: Mandatory EHS compliance check before PO issuance

2.2 Three-Way Matching

- Tolerance thresholds:
 - Quantity: ±2% variance allowed

- Price: $\pm 0.5\%$ vs PO (exceptions route to Procurement Director)
- SDS documentation must accompany 100% of chemical shipments

2.3 Payment Terms

- Standard: Net 45 days (EU suppliers), Net 60 (non-EU)
- Dynamic discounting: Early payment discounts calculated daily (min. 0.8% for 15-day advance)

Fraud Prevention:

Duplicate invoice detection → Auto-hold + ACL analytics review

3. Record-to-Report (R2R) Business Rules

3.1 Month-End Close

- Subledger reconciliation due by D+2 (SAP Fiori deadline alerts)
- Accruals: Minimum €10K materiality threshold
- Intercompany: Auto-eliminate all transactions >€1K

3.2 Tax Compliance

- VAT rates applied per EU member state's current schedule
- Transfer pricing: Arm's length margin bands (5-8% for manufacturing entities)
- Documentation retention: 7 years minimum (SharePoint archive)

3.3 Financial Controls

- Journal entries >€100K require Controller + CFO approval (until August 2025)
- Anomaly detection: Azure AI flags transactions $>3\sigma$ from historical patterns

Audit Trail:

All adjustments logged with S/4HANA change documents (user ID/timestamp)

4. Hire-to-Retire (H2R) Business Rules

4.1 Recruitment

- Technical roles: Mandatory skills assessment (Codility/Mettl integration)
- Internal candidates get 5-day priority consideration period
- Offer letters auto-generate in SuccessFactors after 3-stage approval

4.2 Compensation

- Annual review cycle: March 1 effective date
- Merit increases capped at:
 - Standard: 8% of base
 - High-potential: 12% (requires VP+ approval)
- Equity grants: 1-year cliff vesting (minimum)

4.3 Termination

- Knowledge transfer: 30-day minimum for critical roles
- Equipment return: Auto-disable Azure AD account upon HR case creation

Compliance:

GDPR data purge: 90 days post-termination (automated workflow)

5. IT Management Business Rules

5.1 Access Control

- JML workflows:
 - Onboarding: Default access granted per role template
 - Transfers: 48-hour recertification window
 - Offboarding: Immediate revocation (ServiceNow integration)
- Privileged access: Quarterly recertification + Just-In-Time provisioning

5.2 Change Management

- Critical systems: 72-hour change freeze before month-end
- SaaS deployments:
 - Canary release to 5% of users minimum
 - Full rollout requires 98% success rate in test

5.3 Incident Response

- P1 incidents:
 - Auto-page responsible team (via xMatters)
 - Notify manager within 15 minutes
 - Customer comms within 30 minutes (pre-approved templates)

Patch Management:

Critical vulnerabilities: 72-hour SLA for patching (tracked in Qualys)

6. Customer Service Business Rules**6.1 Case Prioritization**

- IoT-generated alerts: Auto-classify as P1 (2-hour response SLA)
- CSAT <3/5: Mandatory manager review within 24 hours
- Strategic accounts: Dedicated queue (max 4-hour first response)

6.2 Parts Replacement

- Warranty claims: IoT diagnostic data required for approval
- Loaner equipment: Auto-ship if repair >48 hours (SAP EWM integration)

6.3 Feedback Management

- Negative NPS: Triggers Customer Success Manager assignment
- Product defects: Jira ticket auto-generated for R&D after 3+ repeats

Escalation Path:

Unresolved case > SLA → Director of Support → VP Customer Experience

7. Logistics Business Rules**7.1 Shipping Protocols**

- Hazardous materials:
 - Mandatory UN certification checks
 - Route restrictions within 50km of protected areas
- Temperature-sensitive:
 - IoT monitoring throughout transit

2°C deviation → Auto-reroute + alert

7.2 Inventory Allocation

- Fulfillment hierarchy:
 1. Customer orders with confirmed delivery dates
 2. Service parts for warranty cases

3. Production replenishment

- Stock transfers: Nearest warehouse rule (max 500km radius)

7.3 Sustainability Compliance

- Electric fleet utilization: Minimum 40% for urban last-mile
- Packaging:
 - <5% void space requirement
 - 100% recyclable materials (verified by supplier audits)

Customs:

Brexit shipments: Auto-generate UKCA documentation (SAP GTS integration)

8. Marketing Business Rules

8.1 Lead Management

- MQL qualification:
 - BANT criteria verified
 - Negative list screening (Zoominfo integration)
- Lead routing:
 - Enterprise: Direct to named Account Executive
 - SMB: Inside Sales queue (48-hour contact SLA)

8.2 Content Governance

- Technical claims: Require R&D sign-off (PLM system integration)
- Localization:
 - Mandatory for DACH region (in-country reviewer assigned)
 - Machine translation prohibited for safety-critical content

8.3 Event Participation

- Trade shows:
 - ROI analysis required for budgets >€100K
 - Carbon offset purchases mandatory for air travel

Compliance:

GDPR consent: Refresh required every 24 months (Marketing Cloud automation)