

# Business Requirements Document (BRD)

## Project: AP Invoice Workflow Automation

Document Information	Detail
Status	Final Design / Ready for Development
Version	1.0

## I. Executive Summary

### A. The Business Problem

The Accounts Payable (AP) process is in **crisis**, driven by a severe lack of workflow automation and centralized intake control. The current manual process creates significant financial risk and labor inefficiency.

Metric	As-Is State	Target State	Justification
Average Cycle Time	12.90 days (Standard)	6 days	<b>54% reduction</b> , eliminating the 12.47-day passive wait bottleneck.
Overall SLA Compliance	2.22%	80%	Resolves catastrophic failure and reduces late payment penalties.
Rework Rate	14.12%	5%	Eliminates manual "detective work," freeing up 30% of AP staff time.

### B. The Solution and Strategy

The project will implement a two-phase solution to **automate priority attention** and **enforce quality control at the source**.

Phase	Goal	Focus
Phase 1: Fix the Wait	Eliminate passive waiting time and ensure timely approvals.	Implementing <b>Automated Timers and Escalation Rules</b> .
Phase 2: Fix the Input	Eliminate rework caused by unstructured vendor submissions.	Implementing a <b>Mandatory Central Intake Portal</b> with validation tollgates.

## II. Project Scope and As-Is Deficiencies

### A. Scope of Work

The project will deliver a new workflow solution, integrating with the existing ERP system (via API for posting), to handle invoice receipt, validation, routing, and approval.

Included	Excluded
Development of a new Digital Intake Portal/Form.	Changes to the underlying GL/Chart of Accounts structure.
Implementation of time-based escalation and reminder logic.	Vendor master data clean-up (pre-project data quality).
Configuration of touchless approval rules (under \$1,000).	Full ERP replacement or migration.

## B. As-Is Deficiencies (The Root Causes)

The new system must directly solve the core root causes identified by the **5 Whys** and **Fishbone Analysis**.

Root Cause Category	Specific Problem	Link to Data
System/Measurement	<b>ERP-Email Interface Gap:</b> No automated reminders/escalation.	Causes the 12.47-day passive wait bottleneck.
Input/Policy	<b>No Centralized Intake:</b> Tolerance for emails/WhatsApp channels.	Causes 45.57% of all rework (the largest single cause).
Method/People	<b>Manual Follow-up:</b> AP staff wastes time chasing signatures.	Consumes 30% of AP capacity and delays processing.

## III. To-Be Process Flow and Requirements

The new process follows the logic defined in the **To-Be Workflow Diagram**.

### A. Phase 2: Input & Validation Requirements (Fix the Input)

These requirements target the 14.12% rework rate by enforcing quality control at the source.

ID	Requirement Statement	Justification (Closing the Gap)
FR-INT-100	The system <b>MUST</b> provide a secure Digital Intake Portal/Form as the sole submission channel for all invoices.	<b>Fixes Policy Root Cause:</b> Eliminates high-risk, unstructured email/WA/paper intake.
FR-INT-101	The intake form <b>MUST</b> enforce mandatory field validation (Tollgate) for key data elements (e.g., Invoice, PO Number, GRN, Vendor Name, Total Amount).	<b>Fixes Rework:</b> Prevents incomplete invoices from entering the AP queue, sustaining the 5% rework target.
FR-INT-102	Upon submission, the system <b>MUST</b> perform an automated check against the ERP for duplicate invoices.	<b>Reduces Risk:</b> Eliminates manual detective work and prevents double-payment errors.

### B. Phase 1: Workflow and Approval Requirements (Fix the Wait)

These requirements eliminate the passive waiting time and automate the approval logic.

ID	Requirement Statement	Justification (Closing the Gap)
FR-WFL-200	The system <b>MUST</b> implement smart routing logic to automatically approve and post any invoice under \$1,000 if the 3-way match is successful.	<b>Fixes Inefficient Method:</b> Removes unnecessary manual review for low-value, compliant transactions.
FR-WFL-201	For invoices requiring human approval, the system <b>MUST</b> send an automated email reminder to the current Approver if no action is taken within 24 hours.	<b>Fixes Passive Wait:</b> Provides priority attention and addresses the low 12.12%-18.48% SLA compliance.
FR-WFL-202	The system <b>MUST</b> automatically escalate the approval task to the Approver's Manager or Delegate if the invoice remains unapproved after a total of 72 hours.	<b>Fixes Bottleneck:</b> Enforces a hard deadline, eliminating the multi-day wait time.
FR-WFL-203	Approvers <b>MUST</b> be able to approve or reject the invoice directly via email or a mobile application without logging into the main system.	<b>Fixes People Issue:</b> Addresses the "low priority" symptom by making approval minimal-click and accessible.

## IV. Non-Functional & Governance Requirements

These requirements ensure the system is stable, maintainable, and supported by organizational policy.

### A. Non-Functional Requirements (NFRs)

NFR Category	Requirement Statement
Availability	The Workflow System must achieve a minimum of <b>99.9% uptime</b> during business hours (M-F, 8 am – 6 pm).
Auditability	The system <b>MUST</b> maintain an un-editable, time-stamped audit trail for all workflow actions (submission, routing, approval, rejection, escalation).
Scalability	The system must be capable of processing a <b>2x increase</b> in current annual invoice volume over the next five years.

### B. Governance System Supports Requirements

Policy Area	Requirement Statement	Rationale
Vendor Compliance Policy	Formal policy mandate (issued by the Finance Director) requiring exclusive use of the Digital Intake Portal.	<b>Closes Rework Root Cause:</b> Provides official backing for rejecting non-compliant invoices.
Non-Compliance Handling	After a 90-day grace period, non-compliant invoices received via unauthorized channels <b>MUST</b> be automatically rejected and returned to the vendor without AP processing.	<b>Sustains Rework Reduction:</b> Eliminates manual handling of old habits.

Policy Area	Requirement Statement	Rationale
<b>System Governance</b>	<p>The <b>Process Owner</b> is formally responsible for maintaining and validating the <b>Approver Matrix</b> and delegation rules on a monthly basis.</p>	<p><b>Sustains Workflow Fix:</b> Prevents the escalation logic from breaking down due to outdated data.</p>