

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	57% reduction, 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 Automated Timers and Escalation Rules .
Phase 2: Fix the Input	Eliminate rework caused by unstructured vendor submissions.	Implementing a Mandatory Central Intake Portal 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	ERP-Email Interface Gap: No automated reminders/escalation.	Causes the 12.47-day passive wait bottleneck.
Input/Policy	No Centralized Intake: Tolerance for emails/WhatsApp channels.	Causes 45.57% of all rework (the largest single cause).
Method/People	Manual Follow-up: 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 MUST provide a secure Digital Intake Portal/Form as the sole submission channel for all invoices.	Fixes Policy Root Cause: Eliminates high-risk, unstructured email/WA/paper intake.
FR-INT-101	The intake form MUST enforce mandatory field validation (Tollgate) for key data elements (e.g., Invoice, PO Number, GRN, Vendor Name, Total Amount).	Fixes Rework: Prevents incomplete invoices from entering the AP queue, sustaining the 5% rework target.
FR-INT-102	Upon submission, the system MUST perform an automated check against the ERP for duplicate invoices.	Reduces Risk: 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 MUST implement smart routing logic to automatically approve and post any invoice under \$1,000 if the 3-way match is successful.	Fixes Inefficient Method: Removes unnecessary manual review for low-value, compliant transactions.
FR-WFL-201	For invoices requiring human approval, the system MUST send an automated email reminder to the current Approver if no action is taken within 24 hours.	Fixes Passive Wait: Provides priority attention and addresses the low 12.12%-18.48% SLA compliance.
FR-WFL-202	The system MUST automatically escalate the approval task to the Approver's Manager or Delegate if the invoice remains unapproved after a total of 72 hours.	Fixes Bottleneck: Enforces a hard deadline, eliminating the multi-day wait time.
FR-WFL-203	Approvers MUST be able to approve or reject the invoice directly via email or a mobile application without logging into the main system.	Fixes People Issue: 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 (closing the final root cause gaps).

A. Non-Functional Requirements (NFRs)

NFR Category	Requirement Statement
Availability	The Workflow System must achieve a minimum of 99.9% uptime during business hours (M-F, 8 am – 6 pm).
Auditability	The system MUST 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 2x increase 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.	Closes Rework Root Cause: Provides official backing for rejecting non-compliant invoices.
Non-Compliance Handling	After a 90-day grace period, non-compliant invoices received via unauthorized channels MUST be automatically rejected and returned to the vendor without AP processing.	Sustains Rework Reduction: Eliminates manual handling of old habits.

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