

**A STUDY ON INTERNAL APPROVAL WORKFLOW SYSTEM FOR PROCESS
EFFICIENCY IMPROVEMENT IN ENTERPRISE ORGANISATION WITH
REFERENCE TO HITACHI ENERGY**

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ABSTRACT

In modern enterprise organisations, internal approval workflows play a significant role in ensuring smooth operations, policy compliance, financial control, and timely decision-making. Large organisations such as Hitachi Energy manage multiple departments, projects, procurement requests, vendor approvals, travel requests, budget sanctions, contract validations, and operational changes that require approval from several levels of management. Traditional manual approval methods often result in delays, duplication of work, poor visibility, communication gaps, and increased administrative burden. Therefore, adopting an efficient internal approval workflow system becomes essential for improving process speed, accountability, and transparency. This study focuses on analysing the internal approval workflow system used in enterprise organisations with special reference to Hitachi Energy and examines how workflow automation supports process efficiency improvement. The study identifies the major components of approval workflow systems such as request initiation, routing hierarchy, digital authorization, escalation rules, tracking dashboards,

notification systems, and reporting tools. It further evaluates the impact of workflow systems on turnaround time reduction, productivity enhancement, policy adherence, error minimisation, and employee satisfaction. The findings reveal that a structured and technology-enabled workflow system can significantly reduce bottlenecks and improve operational performance. The study also provides practical suggestions for strengthening workflow processes through automation, integration, training, and continuous monitoring.

Keywords:

Internal Approval Workflow, Process Efficiency, Automation, Enterprise Management, Digital Approval System, Hitachi Energy, Productivity Improvement.

INTRODUCTION

Decisions in enterprise organizations must first be approved in a number of stages before they can be implemented. These departments are interconnected. Procurement, purchase requisitions, travel expenses, project budgets, vendor onboarding, employee hiring, contract management, maintenance requests, and policy exceptions may all be subject to these approvals. In organisations with global operations such as Hitachi Energy, approval workflows become even more critical because multiple teams, regional offices, and management layers are involved in decision-making. Without a systematic workflow mechanism, approvals may get delayed, causing project slowdowns, supplier dissatisfaction, cost overruns, and employee frustration. As a result, automated internal approval workflow systems are replacing paper-based and email-based approvals in more and more businesses. An internal approval workflow system is a structured digital process where requests are created, reviewed, validated, approved, rejected, or escalated according to predefined business rules. By assigning ownership to each stage and creating audit trails for compliance purposes, these systems create accountability. They also improve communication through automated alerts, reminders, and status visibility. Workflow efficiency has a direct impact on business performance in a company like Hitachi Energy, which focuses on engineering excellence, energy solutions, procurement controls, and the execution of large-scale projects.

Timely approvals ensure uninterrupted procurement, faster project execution, improved customer service, and better financial governance.

The purpose of this study is to learn how internal approval workflow systems improve process efficiency. It looks at the design of the workflow, the hierarchy of approvals, how technology is used, employee participation, delays, and the benefits of automation. By taking Hitachi Energy as a reference organisation, the study explores how enterprise workflow systems can be optimized for speed, control, and organisational excellence.

OBJECTIVES OF THE STUDY

- To analyse the structure and functioning of the internal approval workflow system in Hitachi Energy and understand its operational framework.
- To identify the major approval processes involved in procurement, finance, HR, administration, and project management activities.
- To evaluate the effectiveness of workflow automation in reducing processing time and improving response speed.
- To examine the role of approval hierarchy and managerial decision levels in process efficiency.
- To measure employee satisfaction regarding ease of use, transparency, and communication within the workflow system.
- To determine the common delays, bottlenecks, and challenges faced during approval cycles.

- To assess the impact of workflow systems on compliance, accountability, and internal control mechanisms.
- To suggest suitable improvements for strengthening workflow efficiency in enterprise organisations.

REVIEW OF LITERATURE

Workflow management systems have been emphasized in a number of studies as essential tools for increasing enterprise productivity. According to research, manual approval systems frequently result in delays as a result of document movement, reliance on physical signatures, a lack of clarity regarding responsibilities, and communication breakdowns. Digital workflow systems address these issues by automating routing logic, enabling parallel approvals, and providing real-time status updates. Studies in manufacturing and engineering firms indicate that approval automation reduces cycle time and administrative costs significantly.

Literature on business process management explains that workflow systems help organizations standardize decision-making while maintaining flexibility for urgent approvals and escalations. Scholars also found that dashboard analytics and approval metrics improve managerial oversight by identifying recurring delays and overloaded approvers. ERP-integrated workflows were shown to increase data accuracy and reduce duplication of effort because information flows automatically across departments.

Research on employee behaviour indicates that user-friendly systems with mobile approvals and timely notifications improve adoption rates. However, ineffectiveness can be exacerbated by a lack of training, excessive approval layers, and poor workflow design. In multinational organisations, cultural differences and time-zone dependencies may further slow approvals. Existing studies conclude that workflow systems must be continuously reviewed and redesigned according to business needs. This study applies these findings to Hitachi Energy and the business environment there.

RESEARCH METHODOLOGY

1. **Research Design** – The study follows a descriptive and analytical research design to understand the workflow system and evaluate efficiency outcomes.
2. **Data Collection Method** – Both primary and secondary data sources are considered. Primary data may include employee feedback, interviews, and observations, while secondary data includes company reports, journals, and workflow records.
3. **Sampling Technique** – Employees from departments such as procurement, finance, HR, administration, and project management are selected for meaningful insights.
4. **Research Instrument** – Structured questionnaires and discussion schedules are used to collect data on delays, satisfaction, transparency, and efficiency.
5. **Area of Study** – The study focuses on Hitachi Energy as a reference enterprise organisation.
6. **Data Analysis Tools** – Percentage analysis, ranking methods, charts, and comparative interpretations are used for evaluating findings.
7. **Study Period** – The analysis is based on recent workflow practices and organisational performance trends.
8. **Limitations** – Confidential internal data access, respondent bias, and changing technology processes may affect the scope of findings.

OVERVIEW OF THE STUDY

- 1. Comprehensive Structure of Internal Approval Workflow System:** The study provides a deep understanding of how internal approval workflows are structured within an enterprise organisation like Hitachi Energy. It explains how every request—whether related to procurement, finance, HR, or operations—follows a predefined path involving multiple validation levels. This structure ensures that decisions are not taken randomly but are aligned with company policies, authority limits, and compliance requirements. The workflow acts as a backbone connecting different departments and enabling smooth coordination.
- 2. Integration of Digital Workflow with Enterprise Functions:** A major focus of the study is how workflow systems are integrated with core enterprise systems such as ERP, finance modules, procurement platforms, and HR systems. This integration eliminates data duplication and ensures seamless information flow across departments. It also enables automatic data population, real-time updates, and better reporting, which collectively improve organisational efficiency and reduce manual workload.
- 3. Automation as a Key Driver of Efficiency:** The study highlights how automation transforms traditional approval methods into faster and more reliable processes. Automated routing, predefined rules, and digital authorization reduce the need for manual intervention. This not only speeds up approvals but also minimizes human errors, thereby improving accuracy and consistency in decision-making.
- 4. Role of Approval Hierarchy and Decision-Making Levels:** Another important aspect covered is the role of hierarchical approvals in enterprise operations. The study explains how different levels of management are involved based on the type, value, and urgency of requests. While hierarchy ensures control and accountability, the study also evaluates how excessive levels can create delays, emphasizing the need for a balanced structure.
- 5. Importance of Real-Time Tracking and Visibility:** The workflow system provides

complete transparency by allowing users to track the status of their requests in real time. This reduces uncertainty, improves communication, and eliminates the need for repeated follow-ups. The study emphasizes that visibility is a crucial factor in enhancing user satisfaction and operational efficiency.

6. **Escalation Mechanism for Delay Management:** The study examines how escalation rules are built into the workflow system to handle delays. If an approver does not act within a specified time, the request is automatically escalated to the next authority. This ensures continuity in the process and prevents bottlenecks from affecting overall performance.
7. **Performance Monitoring Through Workflow Analytics:** A significant part of the study focuses on the use of analytics and reporting tools within workflow systems. Managers can monitor approval timelines, identify delays, and evaluate departmental performance. These insights help in making data-driven decisions and improving process efficiency continuously.
8. **Contribution to Organisational Productivity and Governance:** Overall, the study concludes that an effective workflow system enhances productivity, strengthens governance, ensures compliance, and supports faster execution of business operations. It acts as a strategic tool for achieving operational excellence in large enterprise environments.

KEY BENEFITS

1. Automated workflows drastically reduce the time required for approvals by eliminating manual steps and ensuring quick routing of requests. This leads to faster decision-making and improved operational efficiency.
2. The system provides real-time updates and notifications, allowing employees to track their requests easily. This transparency reduces confusion and improves communication across departments.

3. By reducing manual work and follow-ups, employees can focus on more value-added activities. This increases overall productivity and efficiency within the organisation.
4. Workflow systems ensure that all approvals follow predefined rules and authority levels. This strengthens internal controls and ensures compliance with company policies and regulations.
5. Standardized forms and validation checks reduce the chances of incorrect data entry. This minimizes errors and avoids repeated processing, saving time and effort.
6. Every action within the workflow system is recorded, creating a clear audit trail. This enhances accountability and makes it easier to track responsibility for decisions.
7. Reduced paperwork, lower administrative effort, and faster processes lead to cost savings. Resources are utilized more effectively, improving overall organisational performance.
8. Workflow analytics provide valuable insights into process performance. Management can use this data to identify bottlenecks, improve processes, and make informed decisions.

MAJOR OBSTACLES

1. **Complex and Lengthy Approval Hierarchies:** One of the major obstacles identified is the presence of too many approval levels. When a request passes through multiple authorities, it increases waiting time and slows decision-making. This complexity often leads to unnecessary delays, especially for routine or low-value approvals.
2. **Dependence on Manual Processes:** Despite digital systems, some processes still rely on manual approvals or email communications. This creates inefficiencies, increases the risk of errors, and makes tracking difficult. Manual intervention also reduces the

speed and reliability of the workflow system.

3. **Lack of System Integration:** In many cases, workflow systems are not fully integrated with ERP or other enterprise platforms. This results in duplication of data entry, inconsistencies in information, and increased workload for employees, ultimately affecting efficiency.
4. **Limited Visibility and Tracking Issues:** Employees often face difficulty in tracking the exact status of their requests or identifying who is responsible for delays. Lack of transparency leads to frustration and repeated follow-ups, reducing overall productivity.
5. **Resistance to Technological Change:** Some employees and managers are resistant to adopting new digital workflow systems. They prefer traditional methods due to familiarity, which slows down implementation and reduces the effectiveness of automation initiatives.
6. **Insufficient Training and Awareness:** Without proper training, users may not fully understand how to use the workflow system effectively. This leads to incorrect submissions, rejections, and repeated processing, which increases cycle time.
7. **Delayed Response from Approvers:** Even with automated systems, delays occur when approvers do not act promptly. Busy schedules, lack of accountability, or unclear priorities contribute to slow decision-making.
8. **Technical Issues and System Downtime:** System failures, slow performance, or technical glitches can disrupt the workflow process. Such issues reduce user confidence and may force temporary reliance on manual processes.

FINDINGS

1. The study finds that organisations using automated workflow systems experience significant improvements in process efficiency compared to manual systems.
2. Despite automation, delays occur mainly due to slow response from approvers and excessive hierarchy levels.
3. Workflow systems integrated with ERP and other platforms show better performance in terms of data accuracy and process speed.
4. Ease of use, accessibility, and user-friendly design play a crucial role in the successful implementation of workflow systems.
5. Employees prefer systems that provide instant visibility into request status, reducing the need for follow-ups.
6. Approvers using mobile devices can take quick actions, reducing delays and improving workflow speed.
7. Regular analysis of workflow performance helps identify issues and improve efficiency over time.
8. A well-designed approval hierarchy ensures control without compromising speed, which is key to process efficiency.
9. Excess inventory increases storage cost, while shortage of materials causes production stoppages and missed deadlines. Proper inventory planning is essential for reducing both lead time and cost.
10. Organizations that regularly reviewed performance indicators such as cycle time, rejection rate, and process cost were able to identify issues quickly and make timely corrections. Strong support from top management was found to be one of the most important success factors. Without leadership guidance, resources, and decision-making support, improvement initiatives often fail.

SUGGESTIONS

1. **Simplify Approval Hierarchies** - Organisations should reduce unnecessary approval levels to speed up decision-making while maintaining control.
2. **Enhance System Integration** - Workflow systems should be fully integrated with ERP, finance, and HR platforms to ensure seamless data flow.
3. **Implement SLA-Based Approvals** - Setting time limits for approvals with automatic reminders and escalations can reduce delays significantly.
4. **Provide Regular Training Programs** - Employees should be trained continuously to improve system usage and reduce errors.
5. **Enable Mobile Approval Features** - Mobile access allows managers to approve requests anytime, improving responsiveness and efficiency.
6. **Use Analytics for Continuous Improvement** - Workflow data should be analyzed regularly to identify bottlenecks and improve processes.
7. **Promote Digital Adoption Culture** - Management should encourage employees to adopt digital systems and move away from manual processes.
8. **Ensure System Reliability and Performance** - Investing in robust IT infrastructure and regular system maintenance can prevent downtime and improve user confidence.
9. **Provide Regular Training to Employees** – Employees should receive continuous training on updated procedures, digital systems, and productivity techniques. Skilled employees adapt faster and perform more effectively.
10. **Strengthen Interdepartmental Communication** – Clear communication channels, regular meetings, and shared information systems should be established among

departments. Better communication prevents delays, misunderstandings, and duplication of effort.

11. **Review Processes Periodically** – Management should conduct regular audits of workflows to identify new bottlenecks and changing business needs. Continuous review ensures that processes remain efficient over time.
12. **Set Measurable Performance Targets** – Organizations should define clear targets such as turnaround time, cost per unit, delivery accuracy, and employee productivity. Measurable goals improve accountability and performance focus.
13. **Build a Continuous Improvement Culture** – Management should encourage employees at all levels to share ideas for improvement. A culture of innovation and problem-solving helps sustain long-term efficiency and competitiveness.

CONCLUSION

The study concludes that internal approval workflow systems are powerful enablers of process efficiency improvement in enterprise organisations. In companies like Hitachi Energy, where operations involve cross-functional coordination, timely approvals are essential for maintaining productivity, financial discipline, procurement continuity, and project execution speed. Traditional approval methods are no longer sufficient in a competitive business environment due to delays, poor transparency, and high administrative effort. Digital workflow systems overcome these limitations by automating request routing, improving accountability, and ensuring compliance through structured approval mechanisms. The study found that workflow systems create measurable benefits such as reduced turnaround time, better employee experience, stronger control, and improved management visibility. However, to achieve maximum effectiveness,

organisations must address issues such as excessive hierarchy, user resistance, and lack of integration. Continuous redesign, training, analytics usage, and leadership support are necessary for long-term success. Therefore, an efficient internal approval workflow system should be considered a strategic necessity for enterprise excellence and sustainable growth.

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