U.PORTO

FEP FACULDADE DE ECONOMIA E GESTÃO UNIVERSIDADE DO PORTO

THE ROLE OF ADMINISTRATIVE AND FINANCIAL WORKFLOWS IN MITIGATING OPERATIONAL RISK IN B2B TECHNOLOGY DISTRIBUTION

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Internship Report

Master's In Management

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2026

Resumo

O presente relatório de estágio investiga o papel operacional dos fluxos de trabalho administrativos e de back-office financeiro na mitigação de riscos operacionais e financeiros no contexto da distribuição B2B, caracterizada por elevados volumes transacionais e margens reduzidas. Com base num estágio curricular de 450 horas realizado no Departamento Administrativo e Financeiro da Esprinet Portugal, Lda., são examinadas cinco rotinas fundamentais: a integração e verificação de conformidade de terceiros (onboarding), a governação documental, o controlo de tesouraria transfronteiriça, a validação de crédito em encomendas de clientes e a recuperação fiscal de IVA ao abrigo do Artigo 78.º do CIVA. A análise sustenta-se nas tarefas operacionais diárias e na observação dos fluxos de trabalho para avaliar o seu funcionamento prático.

Os resultados revelam que os procedimentos administrativos não operam como meros custos indiretos de natureza burocrática, mas sim como controlos de ativos que impõem uma fricção calculada e necessária perante as pressões comerciais, salvaguardando o fundo de maneio e o cumprimento regulamentar. Adicionalmente, a avaliação das iniciativas digitais demonstra que, embora as ferramentas low-code eliminem o desperdício administrativo em tarefas padronizadas, não substituem a supervisão humana direta. Consequentemente, os profissionais administrativos atuam essencialmente como gestores críticos de exceções, dependendo a mitigação de riscos da execução disciplinada e da manutenção contínua das rotinas operacionais.

Palavras-chave: Controlo Interno, Operações de Back-Office, Gestão de Crédito Comercial, Dinâmica de Rotinas, Automação de Processos, Lean Office.

Abstract

This report investigates the operational role of financial back-office and administrative workflows in mitigating operational and financial risks within high-volume, low-margin B2B distribution. Based on a 450-hour curricular internship at the Administrative and Financial Department of Esprinet Portugal, Lda., the report examines five core routines, them being third-party compliance onboarding, document governance, cross-border treasury oversight, trade credit order gatekeeping, and fiscal VAT recovery under Article 78 of the CIVA. The analysis draws on daily operational tasks and workflow observations to evaluate how these routines function in practice.

The findings indicate that baseline administrative workflows do not function as passive clerical overhead, but as active boundary controls that impose calculated, necessary friction against commercial pressure to protect working capital and regulatory standing. Furthermore, the evaluation of digital initiatives reveals that while low-code tools eliminate repetitive clerical waste in standardised outbound tasks, they cannot fully replace frontline human oversight. Consequently, frontline administrative staff operate essentially as critical exception managers, with risk mitigation depending directly on the disciplined execution and maintenance of desk-level routines.

Keywords: Internal Control, Back-Office Operations, Trade Credit Management, Routine Dynamics, Process Automation, Lean Office.

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1. Introduction

The following report documents the operational activities and findings of a curricular internship undertaken in the Administrative and Financial Department of Esprinet Portugal. The main objective of this report is to evaluate how administrative routines mitigate operational and financial risks at the desk level. Specifically, it investigates five core workflows: third-party compliance onboarding, document governance, cross-border treasury oversight, trade credit order gatekeeping, and fiscal VAT recovery. Moreover, it assesses the practical implementation of a desk-level automation and the exploratory testing of volume-based performance indicators.

Methodologically, the analysis is grounded in a 450-hour curricular internship, adopting a participant-observation approach that combines daily task execution with qualitative workflow analysis. To maintain analytical rigor, the report explicitly separates tasks personally executed, broader processes observed across commercial and subsidiary departments, and forward-looking optimisation proposals.

Regarding its structure, the report is divided into five chapters. The remainder of Chapter 1 presents the hosting entity's profile, defining its commercial footprint and operational reality, whereas Chapter 2 outlines the operational activities executed during the internship. Subsequently, Chapter 3 establishes the theoretical foundation of the report, synthesising academic literature on internal control, routine dynamics, Lean Office principles, trade credit management and task automation. Thereafter, Chapter 4 provides a critical reflection on each routine, contrasting verified operational outcomes against theoretical expectations, identifying limitations, alongside areas for improvement. Finally, Chapter 5 presents the general conclusion, answering the core research question, highlighting key contributions and limitations, and reflecting on the professional competencies acquired throughout the internship.

1.1. Contextualisation of the Business Environment

The Business-to-Business (B2B) Information Technology (IT) wholesale distribution sector faces a unique structural challenge by managing high-volume financial turnover while constantly maintaining extremely compressed unit profit margins. Within this economic context, Esprinet Portugal, Lda. is a representative case study, with an annual turnover of around €100

million (Business IT, 2026). Therefore, in such a high-volume, low-margin environment financial viability presents itself as heavily reliant on volume efficiencies, which means that the slightest operational or administrative discrepancies can significantly reduce net profitability. As a result, there is virtually no operational margin of error in the back-office infrastructure. In most cases, corporate survival in high-volume wholesale distribution depends on this consistent and meticulous execution of micro-level administrative and financial tasks, whereas traditional corporate management literature usually emphasises the macro-level risk measures. In fact, the firm's actual, daily internal control is usually established by these recurring workflows, which often serve as active risk-prevention procedures that protect the organisation's assets, enforce regulatory compliance, and guarantee revenue assurance rather than simply being characterised as passive data-entry routines.

1.2. Problem Statement

Given the operational vulnerabilities that are inherent in high-volume, low-margin IT distribution, it is of the highest concern to evaluate the defensive capacity of baseline administrative systems. Therefore, this report looks to address the following central research question:

- How do financial back-office and administrative workflows contribute to mitigating operational and financial risks in a high-volume, low-margin distribution environment?

To address this question, this report evaluates how standardised operational routines, specifically structured third-party onboarding, lean document governance, centralised subsidiary bank oversight, internal disbursement verification and proactive VAT recovery, supported by targeted workflow automations, collectively operate as an active internal control mechanisms to prevent capital leakage, eliminate information asymmetry and mitigate both operational and compliance risks.

1.3. Hosting Organisation: Esprinet Portugal

Esprinet Portugal, Lda. is a structured subsidiary of Esprinet S.p.A., an international technology distribution group which is headquartered in Italy and publicly listed on the Borsa Italiana. Positioning itself as a primary high-tech distributor in Southern Europe, the parent

group manages an annual turnover exceeding €4 billion (Esprinet S.p.A., 2026), on a consolidated scale while, nationally, the Portuguese subsidiary, which operates from its commercial and administrative offices in Porto, manages a localised turnover of approximately €100 million (Business IT, 2026).

Moreover, Esprinet Portugal is a prominent player within the domestic B2B IT wholesale distribution sector. While under the financial direction of the hosting supervisor, the corporate treasury, accounting, and management control departments must process immense volumes of transactional data daily, which is inherent to any organisation of this sort. The company's business model relies on serving as an efficient intermediary between the major global IT manufacturers and a wide network of local retailers and corporate re-sellers, thus requiring absolute exactness in financial documentation, cash tracking, risk mitigation, and compliance routines.

1.3.1. The Strategic Segmentation: Esprinet vs. V-Valley

To effectively handle the ever-evolving demands of the market and protect its operating margins, the Esprinet Group utilises a distinct multi-brand organisational structure that is divided by technological complexity:

Esprinet Portugal, Lda. (The Volume Business):

This branch focuses on the traditional high-volume, transactional distribution, often handling consumer electronics, including personal computers, smartphones, and peripherals that are destined for large retail chains and standard B2B re-sellers. This segment is characterised by fast-moving inventory with heavily compressed unit profit margins, where operational delays will directly impair the organisation's cash cycles.

V-Valley Portugal (The Value Business):

Operating as the specialised "Advanced Solutions" sector of the group, V-Valley focuses on high-margin, complex enterprise technologies, namely corporate servers, cloud infrastructure, networking architectures, and cybersecurity software solutions. Rather than relying on pure volume, this branch requires technical pre-sales support, custom configurations,

and complex financial terms tailored to corporate value-added re-sellers (VARs) and corporate integrations.

1.3.2. International Expansion and Centralised Administrative Governance: V-Valley Africa

The group's footprint extends beyond the Iberian Peninsula through strategic commercial corridors, notably V-Valley Africa, which is centred structurally in Morocco. Here, V-Valley Africa serves as the group's strategic gateway into the expanding North African corporate IT market, focusing on delivering advanced solutions across enterprise cloud and digital infrastructure. Crucially, while commercial and sales operations are localised within the North African market to stay close to clients, the financial and administrative oversight is structurally tied to the established back-office infrastructures in Porto, creating a centralised administrative governance model, which mitigates international data asymmetry, ensures strict compliance with European audit standards, and allows the group to maintain a highly lean and cost-efficient operational footprint across its different branches.

2. Description of Operational Workflows and Activities

To preserve empirical validity and ensure absolute academic honesty with the examination jury, this section details the distinct operational workflows executed during the 450-hour internship period. These activities are mapped directly to their real daily volumes and operational contexts:

2.1. Third-Party Risk-Management & Compliance Onboarding

This task involves the processing of 5 to 10 registration requests daily through a structured control workflow. This process is initiated with a formal documentation review, verifying the Certidão Permanente and NIF for Portuguese entities, or the Certificado Censal and Modelo 036/037 for Spanish entities. Here, when a client's Economic Activity Codes (CAE/IAE) do not match with any of the organisation's pre-approved list, the request is stopped and formal validation from the Country Manager is sought after. Once the validation is given, a mandatory screening phase is carried out universally for every single client profile, utilising a specialised corporate platform (ECP – EXPORT CONTROLS PLATFORM) alongside Microsoft Copilot's Generative AI capabilities to assist in investigating further compliance backgrounds, documenting risk profiles, and flagging specific irregularities. Finally, only after all control layers are cleared is the client created in the CRM system and the supporting documentation annexed.

2.2. Information Governance & Document Digitalisation

This activity is focused on the systemic capture, validation, and scanning of 20 to 80 financial documents daily, which fall into two primary operational categories. First, it focuses heavily on commercial debit and credit notes from major national retail accounts, where commercial disputes regarding margins, logistics penalties, and returns, which frequently occur within the B2B wholesale framework. Second, the workflow extends to processing corporate invoice flows, also including additionally credit and debit notes, across all three structural entities: Esprinet Portugal (EPT), V-Valley Portugal (VVPT), and V-Valley Africa (VVAF), generally concerning essential overhead expenses required for daily organisational operations.

This systematic logging and scanning process ensures that the accounting and management teams have immediate access to the validated documentation required to reconcile operational overheads and account for commercial returns.

2.3. Multi-Bank Subsidiary Operational Control

Dedicated to the financial governance of international operations, this task involves logging the multi-bank statements of the foreign subsidiary, VVAF, directly into the centralised corporate accounting software, including direct customer payments, vendor disbursements and associated bank commissions or transactional fees. Essentially, this daily logging of bank movements provides headquarters with continuous visibility regarding the subsidiary's cash positions.

2.4. Transaction Compliance & Internal Disbursement Verification

This operational routine requires verifying internal company expenditures by verifying employee travel expense claims. The process demands checking mileage maps, hotel invoices, and meal receipts while carefully differentiating between corporate-card usage and personal funds, ensuring that employee spending remains aligned with company interests. Notably, this task verifies that all corporate cash disbursements validate true company liabilities and are backed by valid fiscal documentation.

2.5. Pre-Analytic Performance Mapping

This workflow consists of aggregating raw, unstandardised operational data which is generated across daily tasks and converting it into preliminary Key Performance Indicator (KPI) tables and visual graphs, enabling early-stage data visualisations that will assist management control. However, this task takes place within an organisational environment that has not yet maturely established daily data routines or formalised baseline target parameters. Therefore, this creates a distinct operational gap between data gathering and active performance management, highlighting the challenges of generating analytics in an environment where the data governance lifecycle is still developing.

2.6. Fiscal Compliance and Tax Asset Recovery

This operational workflow is centred on the control of credit notes that have been issued by Esprinet and that are currently pending formal signature and recognition by its B2B clients. Under Portuguese tax legislation, specifically Article 78, No. 5 of the VAT Code (CIVA - Código do Imposto sobre o Valor Acrescentado), the supplier can only legally deduct and recover the VAT related to a credit note that has been previously issued once they hold proof that the purchaser has formally acknowledged the rectification, either through a signed and stamped copy of the credit note, or simply through an e-mail. Consequently, and given the standard 23% VAT rate on technology products in Portugal, the aging pipeline of these unacknowledged documents is managed weekly, verifying client responses and enforcing compliance.

2.7. Administrative Process Optimisation

This activity required designing and implementing an automated notification pipeline using Microsoft Power Automate, which directly complemented the fiscal control procedures outlined in Section 2.6. In practice, manually tracking down aging, unacknowledged credit notes represented a significant operational bottleneck, requiring the repeated drafting and sending of individual reminder emails to numerous client accounting departments, which posed an enormous time constraint. Therefore, to streamline this administrative burden, an automated workflow was built to systematically track the database of pending credit notes. Here, essential transaction data, including credit note numbers, original invoice references, and issuance dates are automatically extracted by the automated flow, which then creates customised email notifications that are delivered straight to the assigned customer financial contacts. Simultaneously, the flow creates a transparent, auditable record of all compliance follow-ups by recording dispatch timestamps into a central monitoring excel file.

By replacing manual chasing with scheduled automated notifications, this solution reduced manual email drafting, recorded acknowledgment lead times, and freed operational bandwidth to focus on resolving non-routine tasks.

2.8. Order Credit Validation and Delinquency Gatekeeping

This task requires systematically verifying and approving all customer orders registered in the organisation's ERP system. Here, every incoming B2B purchase flows directly into the central administration interface, requiring human review and validation by the back office, with each individual order needing to undergo a thorough, two-step financial verification process. The first step involves analysing the client's cumulative credit exposure against their pre-approved credit ceiling, or plafond, to determine whether the incoming transaction pushes the account beyond its authorised limit. Afterwards, the second step involves examining the customer's financial account to verify whether there are outstanding, overdue invoices that are pending settlement.

In most instances, an order is formally approved and released in the system only when both verification criteria are fully satisfied, meaning the customer holds sufficient available credit and maintains a clean ledger with zero delinquent balance. Conversely, if either condition fails, or if an account simultaneously breaches its credit limit and possesses unpaid overdue invoices, the order is denied approval and placed on an administrative hold.

In cases of non-approval, the order cannot proceed to fulfilment until the underlying financial concerns are resolved. Therefore, the back-office coordinates directly with the assigned sales representatives and/or the client's accounting department, requiring either verified proof of bank transfer to clear the overdue invoices or, in some instances, formal executive authorization to adjust the credit parameters. Through this verification routine, the back-office monitors customer account balances, restricting order release for accounts that do not comply with established credit and payment parameters

3. Literature review

The main goal of the following literature review is to construct a cohesive theoretical background that can examine the key roles of financial back-office and administrative operations as crucial internal control mechanisms that mitigate operational and financial risks in high-volume, low-margin B2B wholesale distribution channels.

Indeed, in such commercial environments that are defined by thin profit margins alongside high transaction speed, the back-office operations operate not simply as a static administrative overhead, but rather as a proactive line of defence. As Basiru et al. (2023) argue, well-structured administrative workflows are directly connected to operational alignment, while tight credit and cash governance safeguards organisational liquidity against potential working capital inefficiencies (Deloof, 2003).

Therefore, to construct this foundation, this following chapter synthetises theoretical and empirical literature across five distinct pillars: Corporate Governance and Internal Control Evolution, Mechanics of Administrative Routines and Bureaucratic Rules, Process Efficiency and Lean Office Principles, Trade Credit Management, and Modern Workflow Automation Alongside Human-AI Complementarity.

3.1. The Strategic Evolution of Internal Control & Corporate Governance

Over the recent years, the conceptual paradigm surrounding internal control within corporate management has undergone a profound structural transformation. Historically, early accounting perspectives adopted a more constrained perspective, reducing internal control primarily to checks and balances embedded within accounting systems, mainly focusing on curbing fraud and potential incompetence (Pfister, 2009; Spira & Page, 2003). In contrast, modern organisational governance focuses on framing internal control as an expansive, integrated framework that is vital for sustaining operational efficacy and maintain strategic alignment across any given organisation (Pfister, 2009).

3.1.1 From Mechanical Safeguards to Integrated Governance Systems

Traditionally, financial risk was merely interpreted as exposure to direct financial losses which originated from internal fraud or administrative misalignments (Spira & Page, 2003). According to the authors, internal control systems would predominantly function as deterrents, designed only to safeguard enterprise assets and, therefore, prevent reporting discrepancies. Yet, as modern business models have expanded not only in scale, but also in complexity, managers face increasing difficulties when they are tasked with identifying their teams' strength, operational risk and, naturally, managing through uncertainties inherent to any industry or market (Karagiorgos et al., 2011). Consequently, the "narrow" aspect of internal control expanded from isolated safeguards to an overarching framework of organisational governance (Pfister, 2009).

Pfister (2009) categorises these comprehensive internal control mechanisms into two complementary dimensions. On the one hand, Structural Safeguards, which are, in these cases, any institutional governance element, such as active audit committees and independent internal audit functions, but also rigorous segregation of duties, clear definitions of authorisation tiers and restricted access to both physical and financial assets. On the other hand, System Safeguards are mainly focused on the handling and integrity of information and data, going hand in hand with accurate record-keeping and comprehensive documentation, creating transparent audits and timely management reporting (Pfister, 2009)

While the main motivation for establishing robust internal control usually stems from management's ultimate obligation to protect organisational assets and ensure exact financial reporting (Krishnan, 2005), the utility of this control structures go far beyond simple internal administrative oversight. For instance, external counterparties, which not only include suppliers and B2B clients, but also financial creditors and regulatory authorities, are increasingly demanding verifiable assurance in regards to the quality of this control to, ultimately, minimise information asymmetries, mitigate asset vulnerability and continuously establish B2B trust (Kinney Jr., 2000). Additionally, effective control activities, defined as the internal procedures and rules designed to ensure managements directives are strictly followed (Karagiorgos et al., 2011), must function pervasively across the entirety of the hierarchical levels and functional departments of any organisation.

3.1.2 Institutional Risk and Defensive Proceduralism

As the corporate environments become increasingly regulated and volatile, risk management has evolved from a specialised technical niche into the one of the main drivers of business management (Rothstein et al., 2006). In response to heightened regulatory pressures alongside relentless public scrutiny, organisations are encountered with institutional pressures to comply with prescribed norms and guidelines to preserve institutional legitimacy and financial stability, as well as long-term survival (Chalmers et al., 2018). In return, this gives rise to several institutional risks, which actively threaten the legitimacy of organisations, their administrative rules and, finally, their operating methods (Rothstein et al., 2006).

Consequently, to shield the organisation from these threats, control systems seek to translate, in a systematic way, primary operational risks into "system risks", by converting real-world uncertainties, characterised by their unpredictable nature, into compliance metrics and automated early warning signals, facilitating their traceability and auditability (Power, 2004). In this sense, defensive proceduralism appears as a governance strategy whereby subjective human judgement is gradually replaced by standardised and empirically defensible processes. This, is turn, gives space for management to construct publicly visible, transparent and auditable routines (Power, 2004), overpowering the "hunger" and "low appetite for blame", a constant characteristic that is almost inherent to the culture of any organisation, where this "blame" for negative outcomes usually outweighs the credit that is awarded for positive results.

Ultimately, this process allows the management of risk to confer a crucial organisational benefit, the immunity from blame. As Spira and Page (2003) observe, formal risk governance operates as much to protect decision-makers as it does to safeguard assets, where embedding decisions into standardised routines disperses personal accountability throughout the organisational hierarchy, thereby shielding actors from blame when adverse outcomes appear. Consequently, establishing standardised administrative procedures enables leadership to handle daily operational tasks as well as their inherent institutional threats simultaneously (Rothstein et al., 2006), while ensuring that the external display of their internal control remains unquestioned and intact (Tekathen & Dechow, 2013).

3.1.3. Agency Theory, Operational Complexity & Control Vulnerabilities

Looking beyond institutional legitimacy, the necessity for administrative rigor is further explained by agency theory, particularly within multi-tiered or headquarters-subsidiary organisational structures. In multinational firms, information asymmetry and moral hazard often create goal misalignment between the central management (the principal) and its local subsidiary or operation units (the agent), which heightens the risk of opportunistic or dysfunctional behaviour (Kostova et al., 2016). As a result, according to the authors, to overcome these agency frictions, sustainable and long-term inter-organisational relationships heavily rely on formalised and repeatable control routines.

That being said, the overall design and operational success of an internal control system heavily depends on the firm's structural complexity and resource availability (Doyle et al., 2007; Jokipii, 2010). With time, as transaction volumes expand and operations start spanning multiple business units, the necessity for sophisticated controls increases exponentially, thus making operational complexity one of the main drivers of internal control breakdowns (Doyle et al., 2007). Conversely, in times of high market uncertainty, implementing such structured control mechanics will directly boost the performance of the organisation, since the gap between existing data and required operational data is gradually closed (Jokipii, 2010; Widener, 2007).

Despite these benefits, organisations frequently suffer from administrative vulnerabilities that originate from structural limitations. For example, resource constraints and staffing deficiencies, where financially or operationally strained organisations often lack the capital that is necessary to properly staff the several administrative functions with skilled personnel (Doyle et al., 2007), since investing in control frameworks is often overlooked at the expense of focusing solely on immediate commercial survival. Moreover, according to the authors, fast-growing companies frequently outgrow their own already existing internal control frameworks, which, in turn, creates a lag, where old and predetermined routines cannot cover surging transaction volumes. Not only that but also standardised control models are often designed for larger corporate environments, therefore not tailored for smaller business units or local subsidiaries, which leads to administrative friction and burdens regarding rigid compliance (Jokipii, 2010).

By extension, as technological advancements accelerate the speed of real-time business operations, key stakeholders are increasingly demanding continuous verification that

management enforces proper decision-making discipline and risk oversight (Wassie & Lakatos, 2024). Thus, building an effective governance structure requires not only balancing administrative rigor with practical operational execution, but also ensuring that these control routines generate clear data that will be needed to, in the future, execute long-term strategic plans (Kinney Jr., 2000; Pfister, 2009).

3.2. Administrative Controls, Organisational Routines & Bureaucratic Rules

While high-level governance frameworks establish an organisation's overall risk exposure, the actual execution of its internal control will fundamentally depend on its administrative mechanisms and, therefore, on its operational routines. In complex commercial environments, operation inefficiency frequently stems from administrative practices that are too outdated, poor inter-departmental communication and coordination (Basiru et al., 2023). Consequently, in order to prevent this, management control systems will rely on standard operating procedures (SOPs), predetermined bureaucratic rules and administrative competencies that focuses on ensuring that daily tasks are systematically executed with high predictability and precision (Becker, 2004; Ouchi, 1979; Shatnawi et al., 2024).

3.2.1. Conceptualising Organisational Routines and Standard Operating Procedures (SOP)

At the core of administrative execution are organisational routines, which, according to Becker (2004) routines represent stable yet adaptable behavioural patterns that guide daily operations while remaining open to evolve, if needed, in response to internal or external environmental shifts. Additionally, within the organisation, SOPs interact with informal team norms to establish clear expectations that will impact how daily activities and routines are processed (Becker, 2004).

Moreover, the standardisation of administrative routines is viewed as a direct prerequisite for effective management control, where Becker (2004, p. 655) observes that "the more standardised, the easier to compare. The easier to compare, the easier to control". Consequently, the overall coordination of the organisation's activities varies directly with the degree to which the essential operations are characterised as these routine practices, given that these standardised

behaviours are inherently easier to measure, benchmark and, therefore, evaluate, than non-routine actions (Becker, 2004).

Beyond simple monitoring and control, organisational routines play a vital role in conserving managerial time and decision-making capacity (Parmigiani & Howard-Grenville, 2011). Due to the fact that administrative tasks require employees to select actions from an established organisational repertoire, the authors note that the routines act as structured cognitive shortcuts that streamline problem-solving, conflict resolution and environmental adaptation. On top of that, routines can also act as repositories of organisational memory, since it enables firms to remember by doings, whenever specific operational stimuli are triggered (Parmigiani & Howard-Grenville, 2011). Nevertheless, effectively translating general operating rules into practice still requires human interpretive judgement, as staff members must determine, beforehand, which specific routine to apply under varying operational contexts (Becker, 2004).

3.2.2. Routines as Dynamics Shock Absorbers and Cross-Functional Linkages

Far from being static or mechanical processes, organisational routines are inherently dynamic, since they are continuously reproduced and refined through the ongoing effort of organisational actors (Feldman et al., 2016). Importantly, routines act as administrative shock absorbers, due to their ability to adjust task execution in order to absorb potential operational threats without compromising the overarching standards of the organisation or its centralised control systems (Feldman et al., 2016).

Nowadays, administrative routines rarely exist in isolation within a single department. Instead, they often span multiple organisational units as well as geographical locations, linking together distinct actors within the corporation through shared operational interactions (Becker, 2004). When these cross-functional routines end up embedded into software platforms, they not only enhance coordination and control, but also collaboration across all organisation's departments (Parmigiani & Howard-Grenville, 2011). Furthermore, improvements in information processing technologies have continuously reduced the cost of managing dispersed operations and the historical necessity for expansive and centralised command structures (Kostova et al., 2016).

3.2.3. Administrative Skills, Information Transparency and Error Reduction

The operational efficacy of any administrative control system fundamentally relies on both the technical competencies and administrative skills of the organisation's workforce (Shatnawi et al., 2024). As the authors argue, these skills often act as the primary operational engine that leads the way for the organisation to optimise its resource allocation, namely labour, time and capital, as well as to prevent any material waste. Moreover, high-quality administrative communication is also a key factor, since it aligns employee activities with the management's strategic goals, while also ensuring smooth operational work across all fields and departments (Shatnawi et al., 2024).

Ultimately, the main objective of an administrative control system is to monitor the proper utilisation of resources, since they are fundamental to meet the organisation's goals (Ganahreh et al., 2018). Following this line of thought, the same authors defend that achieving high administrative transparency directly impacts the company's performance by preventing any procedural deviations, reducing error rates and, finally, simplifying processing steps. When digital platforms and automated tools are naturally integrated into these workflows, they have the ability to standardise data handling, minimise miscommunication and, most importantly, free human bandwidth from repetitive tasks, allowing personnel to focus on higher-level strategic activities (Basiru et al., 2023). Thus, empirical evidence confirms that a higher adoption rate of standardised control metrics directly correlates with a superior task performance and operational accuracy (Ganahreh et al., 2018).

3.3. Process Efficiency, Performance Measurement & the Lean Office

In high-volume commercial environments, the back-office functions as the critical operational engine that bridges corporate strategy with the daily commercial execution. Historically, the efforts undertaken for enterprise optimisation were focused almost exclusively on shop-floor manufacturing and physical logistics, but, nowadays, modern management research demonstrates that back-office operations play an equally decisive role in driving the overall performance and sustaining the competitive advantage of any organisation (Gonçalves et al., 2025; Waszkowski & Nowicki, 2018). In turn, to achieve this sustainable operational excellence, organisations must continuously design, measure and optimise their administrative

processes through structured management control systems and continuous improvement frameworks (Neely et al., 1995; Trkman, 2010; Widener, 2007).

3.3.1. Business Processes and the Lean Office Philosophy

Conceptually, a business process is defined as a complete, dynamically coordinated and ordered set of activities across time and space, which is designed to transform inputs into value-adding outputs for either internal or external stakeholders (Melville et al., 2004; Trkman, 2010). Normally, in traditional organisational structures, operational friction often arises when workflows become isolated within departmental silos, preventing the horizontal visibility that is necessary to correctly manage cross-functional value streams (Trkman, 2010). For an organisation to be able to bridge these barriers, it requires optimising these business processes at an intermediate level, since the overall impact of IT and administrative investments on overall performance directly ties to intermediate process execution (Melville et al., 2004).

Fundamentally, to be able to streamline these intermediate workflows, organisations increasingly translate Lean and Kaizen frameworks, originally developed for industrial manufacturing and shop-floor production, to administrative environments (Gonçalves et al., 2025). It is clear that, the primary distinction between traditional lean production and a "lean office" lies in the nature of the operational output, with the authors noting that, while industrial production manages tangible material movement, an administrative environment governs intangible information flows and, therefore, human knowledge. Consequently, raw data will serve as the direct operation equivalent of physical inventory. In turn, as this data moves through the different stages of capture, validation, processing and distribution, administrative waste at this intermediate level will inevitably accumulate and must be methodically eliminated (Gonçalves et al., 2025).

3.3.2. Decoupling Efficiency from Effectiveness in Administrative Operations

A central challenge in designing performance measurement systems in an organisation is establishing a clear distinction between operational efficiency and operational effectiveness (Neely et al., 1995). Fundamentally, the authors bring their attention to the fact that performance measurement usually involves qualifying past organisational actions, with effectiveness reflecting the degree to which both the operational requirements and the stakeholders' expectations are

met, whereas efficiency quantifies how economically the organisation's resources are used to achieve a given level of performance.

In back-office environments, initiatives focused on improving the organisation's efficiency frequently underperform when management tracks labour reduction or unit costs without taking into consideration the effectiveness of its operations. As Ferber et al. (2010) argue, transactional efficiency, such as cost per invoice, should not be assessed in isolation from effectiveness indicators, namely process lead times, days sales outstanding or even transaction error rates. Furthermore, it is important to note that these operational dimensions are intrinsically connected, since improving administrative effectiveness directly drives higher efficiency, given that, for example, upfront credit validation or shortened payment cycles reduce write offs, simplify account posting and, most importantly, eliminate costly exception handling (Ferber et al., 2010).

3.3.3. Performance Measurement Systems (PMS) and Process-Level KPIs

The main role of a Management Control System is to provide timely and reliable data that supports strategic planning, decision-making and performance evaluation (Widener, 2007). Notably, the authors look into the fact that, under conditions of environmental uncertainty, namely when gaps exist between the known and the desired operational data, which threaten enterprise margins, frequent performance monitoring becomes essential to reduce information asymmetry and, once again, protect the organisation's resources and profitability. Additionally, back-office workflows can be measured and managed in a similar way to the traditional manufacturing processes (Waszkowski & Nowicki, 2018).

To secure sustainable operational improvements, performance measurement must happen directly at the activity level where the processes are executed (Trkman, 2010). As a result, these administrative processes will require regular benchmarking against several key indicators, namely processing time, operational cost, labour productivity, output quality and capital consumption (Trkman, 2010).

Beyond simple quantification, performance measurement systems possess substantial behavioural influence across an organisation (Neely et al., 1995). Since performance metrics will naturally influence how individual employees will allocate their daily effort, Neely et al. (1995) note that aligning key performance indications with strategic priorities ensures that daily

administrative activities remain consistent over time. This alignment will, in turn, reinforce strategic fit and ensure that the internal practices keep up with the organisation's broader competitive posture (Henderson & Venkatraman, 1993).

3.3.4. Operational Trade-Offs, Process Ownership and Continuous Adaptation

Designing process-oriented administrative structures requires balancing trade-offs, particularly in regards to workforce specialisation (Trkman, 2010). While specialised personnel develop operational routines faster, possess deeper task knowledge and often achieve high processing accuracy, generalist personnel that can accurately handle various tasks can provide the organisation with structural flexibility that is necessary in order to absorb transaction volume spikes or manage staffing absences. Distinctively, this can lead to structural coordination challenges, where duplicating expertise across isolated processes can drive up overhead costs create horizontal bottlenecks and, most notably, cause inconsistent decision-making (Trkman, 2010).

Therefore, to be able to prevent these possible drifts and maintain process coherence within the organisation, every process should require a dedicated process owner tasked with evaluating performance metrics and maintaining accountability for the continuous workflow improvements (Trkman, 2010). Since strategic alignment naturally requires constant adjustments rather than being a static implementation (Henderson & Venkatraman, 1993), administrative workflows must be regularly re-evaluated to eliminate non-value-added steps and adapt to shifting market conditions (Gonçalves et al., 2025; Waszkowski & Nowicki, 2018). Ultimately, cultivating learning and routine adaptability allows for the organisation to protect their competitive advantage across all levels of dynamic and ever-changing high-volume markets (Widener, 2007).

3.4. Working Capital, Trade Credit & Financial Risk Management

In high-volume B2B wholesale distribution, the management of working-capital represents a crucial intersection between commercial strategy and financial control. Since accounts receivable constitute a substantial share of total corporate assets, the strategic governance when it comes to credit policies will directly influence the organisation's value and liquidity (Mian & Smith, 1992). While granting trade credit serves as a potent commercial lever

that stimulates transaction volume, it comes with unavoidable trade-offs, namely locking significant financial capital in working capital across the supply chain (Deloof, 2003). Therefore, safeguarding against these operational risks that are inherent to B2B credit extensions should require rigorous administrative tasks that are able to balance customer growth against possible default exposure, bad debt and capital illiquidity.

3.4.1 The Integrated B2B Trade Credit Channel

Trade credit management across supply networks operates as an interdependent, dual-channel pipeline, where an organisation secures short-term financing from upstream suppliers through accounts payable while simultaneously extending trade credit to its downstream buyers through accounts receivable (Ferrando & Mulier, 2013). As both authors demonstrate, trade credit obtained from suppliers provides financing that is essential for supporting ongoing production and inventory cycles, which in turn enables the organisation to extend commercial credit to its own customers that might be capital constrained.

However, beyond serving as a liquidity buffer, trade credit can also function as a strategic commercial tool that looks to mitigate the information asymmetry between buyers and sellers. According to Baños-Caballero et al. (2012) and Deloof (2003), allowing buyers to delay payment enables them to verify product and service quality prior to any settling of invoices, effectively acting as a sort of implicit price discount that lowers the transactions costs and, most importantly, strengthens long-term commercial relationships. From the other perspective, selecting suppliers that provide credit to its clients serves as an implicit warrant of product reliability and should signal long-term market stability (Paul & Boden, 2011).

Nevertheless, the operational duration of the credit extension directly impacts the organisation's profitability through the cash conversion cycle (CCC). As Deloof (2003) emphasises, the CCC measures the exact time lag between initial cash expenditures for inventory purchases and the final cash collection from receivables. Here, the longer this time lag persists, the larger the financial capital that is kept locked up in non-earning assets. As a result, strategically pacing supplier payables allows the organisation to assess the quality of the received inventory (Baños-Caballero et al., 2012; Deloof, 2003) while also benefiting from flexible financing, but deferred settlements still require disciplined management and oversight so that it can avoid forfeiting early payment discounts or damaging supplier relationships.

3.4.2 Supplier Leverage, Early Warning Tripwires and Long-Term B2B Partnerships

In B2B trade relationships, suppliers frequently maintain meaningful operational leverage over their commercial buyers. Petersen and Rajan (1997) observe that suppliers possess the credible threat of cutting off future sales and deliveries if a buyer demonstrates financial distress or opportunistic behaviour, in this case, a threat that often holds a significant weight when the buyer relies on any specialised product line. Moreover, a customer's inability to take advantage of early payment discounts also acts as some sort of administrative tripwire, which alerts the supplier to possible deterioration in the buyer's creditworthiness well before any formal default occurs (Petersen & Rajan, 1997).

Despite this leverage, B2B credit relationships are rarely purely adversarial, since, as Petersen and Rajan (1997) keep noting, suppliers hold a direct and long-term interest in the financial survivability and continuity of their client base. Nevertheless, when evaluating whether to extend credit to distressed clients, suppliers must assess not only the immediate margins on the current transactions, but also on the present value of their future profit streams that should be generated by preserving the commercial partnership (Ferrando & Mulier, 2013; Petersen & Rajan, 1997).

Now, from an administrative standpoint, extending trade credit can also yield significant transaction cost savings. As Petersen and Rajan (1997) argue, rather than just processing individual payments for every distinct delivery, credit terms allows commercial buyers to consolidate their daily delivery obligations into consolidated and periodic settlements, which effectively decouples the actual delivery schedules from financial payment cycles.

3.4.3. Credit Administration Functions - Front-End Screening vs Back-End Chasing

To manage receivables effectively, credit administration must execute four distinct core functions to safeguard the organisation's capital assets. In this sense, it must assess the default risk of potential debtors, structure formal credit-granting terms, finance receivable until maturity and manage the ultimate collection process (Mian & Smith, 1992). Consequently, to effectively execute these administrative functions, the organisation requires a structured governance

framework that is designed to optimise the trade-off between risk and reward while also minimising unexpected asset loss (Kinney Jr., 2000).

Taking into consideration the four functions mentioned above, a major operational risk appears when credit management places all its focus on the reactive activities of chasing payments that are overdue and resolving invoice disputes, while neglecting the critical step of front-end risk assessment (Paul & Boden, 2011). On this topic, organisations that prioritise their efforts on the front-end operations, such as rigorous client risk screening, creditworthiness, establishing clear payment terms, often experience a direct reduction in downstream collection efforts, bad debt recovery cycles and billing disputes.

Conversely, only relying on reactive credit management exposes the organisation to severe financial vulnerabilities, which include unpredictable cash conversion lags, high default rates and costly collecting processes (Baños-Caballero et al., 2012). Therefore, to prevent these losses, establishing a formal credit policy represents a deliberate organisational design that replaces the reliance on informal market interactions with internal rules that are standardised to facilitate the daily management of individual buyer accounts (Paul & Boden, 2011). If not, when organisations fail to accurately anticipate changes in opportunity costs or even bad debt rates, identifying and recovering delinquent accounts will certainly generate substantial administrative expenses (Baños-Caballero et al., 2012).

3.5. Digitalisation, Workflow Automation & Human-AI Complementarity

The modern back-office operating environment is undergoing a structural technological transformation that is mainly driven by digitalisation, Business Process Management Systems (BPMS) and Artificial Intelligence (AI). As a result, in high-volume B2B environments, modern management requires moving beyond the abstract "buzzwords", such as "digitisation, automation, AI and big data", and translate these concepts into actual tangible and high-impact operational projects (Eulerich & Wood, 2024). Moreover, as administrative workflows become increasingly complex due to the ever-evolving market demands, organisations systematically employ digital platforms and automated workflows, looking to not only standardise repetitive operational procedures reduce processing error rates, but also improve information transparency and maximise employee productivity (Basiru et al., 2023; Ganahreh et al., 2018; Gonçalves et al., 2025; Wassie & Lakatos, 2024).

3.5.1. Digitalisation, BPMS and the Automation of Administrative Workflows

The strategic drive towards administrative digitalisation is mainly motivated by the organisation's need to achieve improvements both in operational efficiency and process effectiveness (Eulerich & Wood, 2024). In this sense, automating repetitive administrative tasks can enhance employee productivity across all the back-office units by compressing processing lead times, simplifying the access to data and streamlining real-time information sharing (Gonçalves et al., 2025). Furthermore, the integration of BPMS allows management to implement rigorous and automated parameters and process-level KPIs across these administrative routines, effectively mirroring the operational rigor that was once only reserved for industrial production and manufacturing lines (Waszkowski & Nowicki, 2018).

On top of that, and from an internal control perspective, introducing digital solutions can directly strengthen organisational compliance and error prevention (Basiru et al., 2023; Ganahreh et al., 2018). By standardising execution paths, digital platforms are able to eliminate communication friction and ensure that the overall administrative procedures are uniformly and consistently applied across all levels of the organisation (Basiru et al., 2023).

3.5.2. Emergence of Generative AI and Intelligent Document Processing in Control Environments

On compliance and transparency, as ongoing technological advances increase operational complexity, stakeholders systematically demand assurance that the organisation's governance structures enforce proper risk management, maintain reporting transparency and regularise high-volume information flows (Wassie & Lakatos, 2024). As a response to these demands, AI and machine learning tools are rapidly being integrated into internal control and auditing procedures, with the main goal of automating labour-intensive analytical tasks (Eulerich & Wood, 2024; Wassie & Lakatos, 2024). As Wassie and Lakatos (2024) note, within internal control routines, AI is particularly effective in time-consuming administrative tasks, fundamentally accelerating document processing and risk evaluation.

In practice, generative AI models provide concrete operational value across several phases of internal control, including test preparation, audit report generation, test step recommendations and dynamic risk screening by conducting continuous, automated pattern recognition and anomaly detection (Eulerich & Wood, 2024). When directly embedded within

software infrastructure, these digital tools practically encode organisational routines into algorithmic systems, thereby strengthening cross-departmental coordination, policy enforcement and real-time data tracking across subsidiary units (Parmigiani & Howard-Grenville, 2011). Thus, the strategic focus of the modern back-office has evolved beyond mere cost reduction toward achieving increased processing speed, control rigour and operational resilience (Batchvarova, 2026).

3.5.3. Human-AI Complementarity, Exception Management, and Strategic Value Creation

Despite the rapid adoption of automated processing, executive managers systematically recognise that accelerating task execution through innovative technologies does not automatically translate into superior organisational performance (Batchvarova, 2026). Rather than entirely replacing human oversight, generative AI technologies function primarily as assistive tools that look to support human creativity, problem-solving and administrative rigour (Wassie & Lakatos, 2024). Similarly, as Batchvarova (2026) explains, "as AI takes on more routine classification, routing and document processing, the value of human talent shifts toward judgement, exception management, stakeholder communication and process ownership".

This division of labour forms the conceptual foundation of modern human-AI complementary within back-office control environments (Eulerich & Wood, 2024; Wassie & Lakatos, 2024). In this sense, automating repetitive, high-volume processing tasks can increase overall operational efficiency while freeing human bandwidth, which means that staff are able to redirect their focus and effort toward more complex administrative tasks that demand increased critical thinking, oversight and professional judgement (Eulerich & Wood, 2024). Thus, by relieving staff from manual data entry and repetitive, routine validation, automated platforms can empower leadership to focus on more strategic initiatives that enhance competitive positioning and long-term growth (Basiru et al., 2023).

Ultimately, in workflows that span multiple departments, such as document validation, credit screening and cash application, the value that is produced breaks down when tasks are not effectively coordinated across the various roles and systems within the organisation (Batchvarova, 2026). Combining automated workflows with human-led exception management can bridge this gap, ensuring that administrative controls deliver speed, transparency and

reliability (Batchvarova, 2026; Ganahreh et al., 2018). Therefore, high-performing organisations are able to conciliate technological automation with continuous administrative development, building resilient back-office control systems, capable of safeguarding margins in dynamic commercial environments (Batchvarova, 2026; Shatnawi et al., 2024).

3.6. Synthesis of the Literature Review

Taken together, the literature review establishes an integrated conceptual framework that reframes administrative back-office operations not as passive clerical routines, but as a mechanism of internal control. At the structural level, this organisational governance relies on formal administrative boundaries and bureaucratic oversight (Ouchi, 1979; Pfister, 2009) in order to manage operational risks and bridge agency friction across geographically dispersed units (Kostova et al., 2016). In parallel, defensive proceduralism (Power, 2004; Spira & Page, 2003) explains the drive to translate daily uncertainties into auditable, verifiable compliance trails. Additionally, far from functioning as an infallible shield against all corporate liabilities, these auditable records formalise due diligence, reinforce procedural accountability, and maintain institutional legitimacy across core operations.

At the operational level, this overarching control architecture converges with trade credit theory, Lean Office principles, and routine dynamics to explain how administrative governance unfolds in daily desk execution. On the one hand, front-end credit screening and non-discretionary boundary tripwires grant the organisation direct operational leverage, where the withholding of inventory replenishment enforces commercial payment discipline among downstream counterparties (Paul & Boden, 2011; Petersen & Rajan, 1997). Simultaneously, Lean principles (Gonçalves et al., 2025) treat transactional workflows as information pipelines in which repetitive, manual data handling constitutes operational waste (*muda*). When understood through routine dynamics (Feldman et al., 2016) and human-technology complementarity (Batchvarova, 2026; Eulerich & Wood, 2024), these routines are adaptable. While task automations can help eliminate repetitive clerical friction, frontline human oversight remains centred on exception handling and discretionary judgement. Together, these theoretical concepts provide the analytical lens in Chapter 4 to examine the empirical realities and governance trade-offs observed across the host organization's daily operations.

4. Critical reflection and Discussion of Operational Activities

To move beyond the descriptive operational reporting of daily tasks set forth in Chapter 2, this chapter evaluates the operational routines carried out during the 450-hour curricular internship between March and May 2026, at the Administrative and Financial Department of Esprinet Portugal, Lda. Methodologically, the empirical baseline relies primarily on administrative records accessed during daily task execution, such as SAP ERP and Informa D&B financial reports and internal workflow tracking spreadsheets. To avoid ungrounded extrapolations and establish a clear distinction between empirical realities and theoretical assumptions, each core operational workflow is evaluated across six sequential analytical dimensions:

- Underlying operational and financial risks identified;
- Theoretical control mechanisms and governance principles applied;
- Concrete empirical evidence and administrative interventions observed;
- Evaluated operational outcomes;
- Inherent operational limitations and residual risks of the routine;
- Actionable proposals for structural optimisation.

4.1. Proactive Front-End Risk Control vs Downstream Friction in Third-Party Onboarding

The execution of counterparty screening and onboarding represents the primary boundary control through which Esprinet manages its initial exposure to commercial, legal and regulatory risks. In managing 5 to 10 daily registration files across Portuguese and Spanish commercial jurisdictions, the back-office operates under constant structural tensions. On the one hand, the commercial sales department faces aggressive market pressures to maximise its transaction speed, accelerate account activation to capture higher sales volumes. On the other hand, the administrative back-office enforces a deliberate procedural friction prior to commercial entry, establishing an operational gatekeeping routine that validates legal legitimacy, tax and regulatory compliance before any contractual commitment or inventory dispatch occurs.

At the centre of customer acquisition, Esprinet faces two distinct risk categories that directly threaten its financial viability and organisational stability. The first category involves commercial default and counterparty insolvency, where granting trade credit or releasing high-value inventory to unverified legal entities, insolvent resellers or counterparties lacking legitimate representation powers can create immediate credit default exposure. As previously mentioned, in wholesale distribution models characterised by thin margins, an uncollectible receivable may require considerable subsequent commercial volume simply to recover lost gross profit. Furthermore, onboarding clients with invalid fiscal identifiers can expose the organisation to tax liabilities under Portuguese and Spanish jurisdictions. Beyond this direct credit exposure, regulatory and institutional risks that can threaten corporate legitimacy and regulatory compliance persist (Power, 2004; Rothstein et al., 2006). Since IT distribution involves dual-use technologies and infrastructures, releasing products to companies which are subject to international trade sanctions or unverified transhipment hubs can trigger severe penalties, trade disqualification and reputational damage.

The administrative defence mechanisms applied against these risks are grounded in boundary controls and defensive proceduralism. Grounded in Transaction Cost economics (Williamson, 1981) and trade credit governance literature (Paul & Boden, 2011), preventive screening instituted prior to any contractual agreement is systemically more cost-effective than ex-post litigation or bad-debt write-offs. Moreover, drawing on Widener's (2007) Levers of Control with Ouchi's (1979) bureaucratic surveillance framework, the onboarding process enforces clear operational boundaries. Specifically, the validation of CAEs functions as a boundary mechanism since, whenever a prospective client's economic code falls outside the pre-approved codes, the workflow comes to a halt, requiring formal written authorisation from the Country Manager before proceeding. This, in turn, permits standard operational volume to flow smoothly while routing deviations directly to senior leadership (Becker, 2004; Widener, 2007). Simultaneously, in line with Power (2004) and Spira and Page (2003), this process translates external uncertainties into auditable compliance metrics. This means that, by compiling standardised compliance archives for every counterparty, the back-office establishes an immutable record of due diligence, though it does not confer automatic immunity from liability or guarantee the substantive quality of every onboarding decision, this practice demonstrates regulatory compliance and facilitates internal accountability."

In essence, the personal operational responsibility within this task involved auditing varied fiscal documentation, namely the prospective client's Certidão Permanente to verify active corporate registration and activity codes, cross referencing this information against the NIF registry for Portuguese counterparties. Regarding Spanish clients, the process involved analysing both the Certificado Censal and Modules 036/037 while also validating their VAT number through the European Commission's VAT Information Exchange System (VIES). Furthermore, every counterparty was screened through the corporate ECP (ZPC S.r.l., 2026) to cross-reference corporate names, addresses and beneficial owners against international sanction databases and denied-parties registries. Additionally, Microsoft Copilot was utilised alongside primary compliance platforms to synthesize all the information gathered while also collecting additional data. Finally, following the successful completion of these verification layers the client would be formally activated in the CRM system with the supporting compliance dossier annexed.

During the observed period, the execution of this task achieved verified compliance tracking, ensuring that no accounts were activated in the CRM system without a complete, annexed compliance documentation. The protocol consistently enforced the CAE stop-rule, identified non-conforming activity codes and secured Country Manager authorisation prior to commercial exposure, while the assistive use of Microsoft Copilot noticeably accelerated preliminary data extraction. In contrast, academic literature posits that robust ex-ante screening minimises bad-debt write-offs, shortens DSO and reduces downstream billing disputes (Deloof, 2003; Paul & Boden, 2011). While conceptually sound, linking front-end administrative onboarding directly to DSO reductions or default rates remains an expected theoretical benefit rather than an empirically proven outcome within the temporal boundaries of this report, as long-term collection performance is usually mediated by broader credit terms, sales incentives and macroeconomic conditions.

Notwithstanding its structural rigour, this onboarding and screening routine carries clear operational limitations and residual risks. In a fast-moving wholesale market, the processing lag created may lead to operational friction with sales teams that constantly seek immediate order processing, generating informal pressure to expedite or bypass these compliance steps. Moreover, the verification protocol produces only a static snapshot of counterparty risk at the moment of registration. An account that is solvent, compliant and/or unsanctioned during onboarding may subsequently experience financial distress, ownership restructuring or incur

international sanctions months later, creating residual risk in the absence of systematic re-screening protocols. Nevertheless, this vulnerability is partially counterbalanced by the dynamic monitoring features of the secondary platforms used. In this case, ECP maintains continuous surveillance over the counterparty database, automatically generating real-time notifications if an existing client is subsequently added to international sanctions lists or exhibits critical name, address, or ownership similarities with newly flagged entities. Similarly, corporate vitality is tracked through event-driven alerts from Informa D&B, a corporate database that aggregates official registry records, financial solvency indicators and legal status (Informa D&B, 2026), which notify the back-office when a counterparty registers official changes in business activity or initiates formal liquidation and closure procedures. However, the similarity alerts generated by ECP frequently produce algorithmic false positives due to shared business addresses or generic corporate naming similarities, creating administrative drag. Finally, the assistive use of generative AI also presents constraints, namely due to the fact that large language models carry the inherent risk of data hallucination or inaccurate synthesis when interpreting dense information, thus necessitating continuous human oversight (Batchvarova, 2026; Wassie & Lakatos, 2024).

To enhance internal control efficiency while mitigating these procedural bottlenecks, the onboarding workflow presents concrete opportunities for operational improvement. In practice, the primary operational constraint stems not from the cognitive complexity of analysing tax identifiers or generating AI due diligence summaries, but rather from systemic workflow fragmentation. Here, the employee responsible is forced to act as a bridge across multiple disconnected interfaces, executing a routine that involves jumping between public tax portals, generative AI tools, CRM client-creation screens, external compliance software, document archives and email clients to issue acceptance notifications. Thus, to eliminate this administrative friction and reduce non-value-added operational motion (Gonçalves et al., 2025), Esprinet could implement an end-to-end pipeline using Robotic Process Automation or even Microsoft Power Automate, building directly upon the automation capabilities already deployed in its fiscal workflows. Nevertheless, this should be evaluated as a prospective feasibility study rather than a complete and immediate overhaul, since its deployment heavily depends on security clearances and on its cost-benefit across the Iberian Group.

Under an integrated architecture, submitting an onboarding request could automatically trigger the background scan of official tax registries, prompt the standardised Copilot compliance synthesis, archive the due diligence dossier in the central repository, and simultaneously register the counterparty into the ECP database. Once the administrative officer reviews the consolidated dossier and confirms authorisation, the system would automatically dispatch the standardized acceptance notification to the client. By linking these different environments through automated data flows, the distributor would eliminate manual data re-entry, compress account activation lead times, and substantially reduce the risk of procedural omissions, such as failing to register a newly created CRM client on the ECP platform or forgetting to annex compliance proof in the digital archive. Ultimately, this technological consolidation would elevate the administrative professional from a fragmented data-transfer intermediary into a focused human-in-the-loop controller, directing operational attention strictly toward critical exceptions, and executive oversight (Eulerich & Wood, 2024; Wassie & Lakatos, 2024).

4.2. Cross-Border Agency Friction, Centralised Governance and Defensive Proceduralism

Within multinational corporate networks, maintaining operational integrity across dispersed geographic units requires internal control structures that are able to mitigate governance friction and informational divergence. The Esprinet Group addresses this operational challenge by concentrating financial oversight within a centralised back-office shared service located at its Porto offices, overseeing financial documentation, internal disbursements, and subsidiary treasury movements across EPT, VVPT, and the North African commercial subsidiary, VVAF, situated in Morocco. Structurally, this arrangement centralises three critical administrative workflows, the daily intake, validation, and scanning of financial documents and dispute notes, logging of international multi-bank statements, and the compliance verification of employee expense claims. Far from being simple and mundane routines, these tasks constitute an active operational line of defence which is designed to govern cross-border agency relationships, maintain formal organisational boundaries, and construct auditable records.

The primary operational and financial risks regarding this centralised back-office structure stem from agency friction, the geographical distance, and information asymmetry. When localised operational units (the agent) are spatially and institutionally separated from central management (the principal), goal divergence and operational drift can become persistent risks (Kostova et al., 2016). In the case of VVAF, physically separating frontline commercial operations in Morocco from the administrative oversight in Porto introduces distinct operational vulnerabilities. Namely delays in recording customer collections or vendor disbursements, can distort group-level visibility over subsidiary liquidity, while unmonitored local bank charges and foreign exchange conversion costs create ongoing channels for silent cash leakage. Simultaneously, managing high-density transactional volumes across three business units creates severe documentary exposure. Notably, the thin-margin realities of wholesale distribution generate a continuous stream of commercial friction involving supplier debit and credit notes, returns and logistics non-compliance penalties. Whenever these physical documents remain unverified, delayed, or siloed within local sales teams, accounting records may diverge from reality, giving space for vulnerability when it comes to unverified liabilities and dispute claims. Internally, employee reimbursement processes face recurring moral hazard and agency costs, where submitted expense reports may conceal non-compliant personal expenditures, fiscally invalid receipts, or inflated mileage claims, creating unwarranted capital dissipation.

To mitigate these vulnerabilities, Esprinet mobilises theoretical control mechanisms rooted in agency governance, administrative boundaries, and defensive proceduralism. Drawing on agency theory (Kostova et al., 2016), the organisation implements standardised administrative routines that monitor agent actions and reduce informational asymmetry between the parent entity and operational units. By establishing centralised treasury and document verification in Porto, this provides a classic structural safeguard (Pfister, 2009), enforcing a strict segregation of duties between decentralised commercial actors who initiate transactions and the centralised back-office team responsible for recording and validating them. Simultaneously, the routine validation and scanning of incoming financial documentation functions as a system safeguard (Pfister, 2009), preserving the integrity of accounting data and eliminating departmental information silos. In terms of regulating internal corporate disbursements, by establishing mandatory receipt policies, spending caps, and accounting separation between corporate-card liabilities and personal reimbursements, these administrative procedures define an acceptable

operational behaviour and limit opportunism. Furthermore, these verification routines operationalise defensive proceduralism (Power, 2004; Spira & Page, 2003), where, by methodically validating every receipt, cross-checking travel routes, and compiling digital records, the back office converts daily disbursements into a structured, auditable evidence.

The execution of these responsibilities during the internship required daily administrative interventions across three primary operational workflows. Within the information governance routine, the personal tasks involved managing the daily intake of 20 to 80 financial documents daily, categorising, validating, and scanning commercial debit and credit notes from major national retail accounts alongside operational overhead invoices across EPT, VVPT, and VVAF. Afterwards, each document was archived into a shared document repository to guarantee cross-departmental access for financial accounting and management control. Regarding the multi-bank subsidiary oversight, the back office systematically retrieved daily statement movements from VVAF, recording customer transfers, vendor disbursements, and bank commissions into the centralised accounting software to reconcile the subsidiary's balances. Finally, within the travel expenses compliance routine, the personal responsibilities involved verifying internal employee travel expense reports, examining employee submitted invoices, such as meal receipts, hotel bills, gas and mileage for fiscal validity, cross-verifying values and separating corporate credit card statements from personal cash reimbursements, in order to verify that every claimed expense represented company liability.

In terms of verified operational outcomes, the systematic execution of these tasks established complete digital accessibility across all processed invoices and credit notes, clearing physical document backlogs and allowing accounting personnel to have constant access to disputed retail debit notes during financial reconciliations. For the VVAF treasury oversight, manual statement logging maintained parity between reported Moroccan bank balances and the general ledger in SAP, ensuring that recurring bank commission fees that would otherwise remain unrecorded were accurately registered. Furthermore, internal expense verification identified procedural errors in real time, identifying claims that lacked compliant fiscal documentation or contained calculation mistakes. Conversely, the academic literature suggests that centralised administrative oversight mitigates organisational agency costs, curbing opportunistic behaviour, and optimising international cash pooling strategies (Kostova et al., 2016; Pfister, 2009). Nevertheless, and while conceptually sound, linking daily document

scanning and bank logging directly to broad enterprise-level reductions in agency loss or global cash optimisation remains an expected theoretical benefit rather than an empirically measured outcome, as these macro-level dynamics are mediated by executive capital allocation and overall corporate culture.

Despite their structural rigor, these administrative routines reveal operational limitations and residual risks in daily execution. Within the scanning of documents, incoming commercial records arrive in varied, unstandardised formats, especially across major retail partners. As a result, the Kofax OCR engine frequently misinterprets critical data fields, confusing secondary references with invoice numbers, misreading subtotals, or misinterpreting document polarity by registering a credit note as a commercial invoice. In turn, this technical shortcoming forces administrative staff into repetitive manual corrections, introducing operational waste (*muda*) and leaving a persistent residual risk of entering wrong figures or characters (Gonçalves et al., 2025). Similarly, the logging of bank movements remains heavily reliant on manual data entry, since transcribing transactions including client payments, vendor disbursements, and banking fees, from online portals into the accounting system, SAP, creates severe operational drag. Since the back office must then manually reconcile the closing balance in the ERP against the online banking system, even a minor data-entry typo will require an exhaustive line-by-line reconciliation to find the discrepancy. Finally, internal expense auditing exposed notable procedural disparities across operating entities. Domestic expense submissions for EPT and VVPT relied on unstructured email chains with photo attachments of receipts, which risked document loss and created backlogs in tracking spreadsheets. For VVAF, this operational gap was wider: auditing was confined to opening loose PDFs and image files individually to confirm that receipt amount and the employee's summary figure matched, reducing the control routine to a basic clerical check rather than a structured administrative verification.

To resolve these vulnerabilities, the organisation has clear opportunities for targeted, desk-level process optimisations. Within document governance, Kofax OCR accuracy could be substantially improved by configuring dedicated extraction anchors for frequent document layouts and embedding mandatory verification prompts, functioning as a poka-yoke (error-proofing) mechanism, requiring the operator to validate document polarity explicitly before committing data. On the other hand, in the treasury domain, the recurring manual data-entry routine could be replaced by employing automated file ingestion features available within SAP.

Rather than transcribing individual transaction lines manually from banking portals, uploading structured daily bank statement files would allow the system to process routine movements automatically, restricting administrative intervention strictly to unmatched clearing exceptions (Batchvarova, 2026). Finally, regarding internal expense management, the dedicated platform which was introduced at the end of the internship period for EPT and VVPT, centralised intake by enabling employees to log their expenses directly into the platform, categorise expenditures by type, and attach corresponding invoices, eliminating lost email records. Here, extending this centralised platform to VVAF could eliminate the manual inspection of loose image files. Additionally, enabling the system to export an automated summary report upon validation would remove the need to maintain secondary Excel tracking files, establishing a standardised, auditable disbursement control across domestic and foreign operations while eliminating duplicate data handling (Basiru et al., 2023; Eulerich & Wood, 2024).

4.3. Working Capital Preservation, Credit Delinquency Gatekeeping, and Fiscal Asset Recovery

Within high-volume wholesale distribution, preserving organisational liquidity requires continuous administrative oversight across downstream commercial transactions and tax compliance routines. While comprehensive working capital governance spans multiple corporate functions, from executive credit officers to treasury management, certain back-office routines provide an essential defensive barrier at the transactional desk level. Among these routines are the manual verification and gatekeeping of customer sales orders against authorised credit ceilings and overdue receivables, alongside the tracking and fiscal recovery of VAT tied to customer credit notes. In this sense, these routines demonstrate how transactional administrative controls actively defend corporate liquidity, preventing unauthorised credit exposure while systematically mitigating regulatory tax leakage.

The operational and financial vulnerabilities addressed by these workflows are centred on counterparty credit default, working capital immobilisation, and the risk of blocked or forfeited tax recovery. In wholesale distribution environments operating on compressed profit margins, extending unsecured trade credit exposes the enterprise to losses from customer default and delayed settlement (Deloof, 2003; Mian & Smith, 1992). Similarly, releasing inventory to

commercial accounts that have surpassed their authorised credit ceiling or carry unsettled, past-due invoices creates immediate default vulnerability. Consequently, absorbing a defaulted receivable will demand substantial incremental revenue simply to break even on lost gross profit. Simultaneously, issuing credit notes for commercial discounts, price adjustments, or product returns triggers a distinct tax compliance exposure under Portuguese law, where, under Article 78.º, n. º 5 of the CIVA, the supplier's recovery of the VAT requires holding demonstrative proof that the buyer was formally notified of the rectification or reimbursed the tax. In the absence of verifiable proof, the organisation cannot immediately execute the tax regularisation, resulting in the VAT amount remaining temporarily immobilised as an unrecovered fiscal credit until proof of customer acknowledgement, leaving the recovery of company cash dependent on counterparty compliance.

To counter these vulnerabilities, the organisation applies conceptual control mechanisms rooted in trade credit governance, administrative boundary systems, and defensive proceduralism. Consistent with trade credit literature (Mian & Smith, 1992; Petersen & Rajan, 1997), commercial credit functions as an active operational enforcement mechanism, where, by depending on continuous inventory replenishment to sustain commercial turnover, withholding order dispatch provides the firm with immediate administrative leverage to enforce payment discipline. This order gatekeeping routine reflects Ouchi's (1979) bureaucratic controls, where administrative personnel evaluate incoming orders against explicit, non-discretionary criteria, specifically remaining credit and the absence of unsettled invoices. Therefore, by enforcing these tripwires, the back office establishes an ex-ante boundary that prevents the accumulation of counterparty risk. In parallel, the credit note tracking exemplifies defensive proceduralism (Power, 2004; Spira & Page, 2003). By maintaining an auditable tracking routine to collect acknowledgments, the administrative back-office creates a trail that guarantees institutional compliance during tax audits, safeguarding the organisation's legal right to fiscal asset recovery.

Executing these controls during the internship required systematic administrative interventions across both workflows. Firstly, in the order-gatekeeping routine, the direct operational responsibility involved verifying every customer purchase order routed through the central ERP queue. Here, for each transaction a two-stage sequential review was executed, verifying that the buyer's pending order balance remained within the pre-authorised credit ceiling, followed by a ledger analysis to confirm the absence of overdue invoices. When both

operational criteria were satisfied, the order was manually cleared for warehouse fulfilment. If an account breached its credit ceiling or exhibited past-due balances, the transaction was placed on an administrative hold. Secondly, within the fiscal asset recovery routine, the back office oversaw the portfolio of issued credit notes pending customer acknowledgment. At first, this task was done manually but, in order to mitigate the operational burden of manually pursuing customer acknowledgments, an automated workflow was suggested and, afterwards, implemented using Microsoft Power Automate (detailed in Section 2.2.7), which periodically extracted pending records from a control excel file and sent standardised follow-up reminders directly to clients.

In terms of verified outcomes, within the sample of customer orders analysed and cleared at the desk during the internship, established credit thresholds were strictly enforced, ensuring that no unapproved releases occurred for accounts carrying overdue balances or exceeding authorised credit insurance limits without formal commercial validation. Additionally, the act of documenting explicit justifications for why an order was put on hold within ERP order notes eliminated procedural ambiguity, providing an auditable barrier against unauthorised order releases. For the management of credit notes, the systematic document tracking secured the evidentiary records required to regularise the VAT, directly preventing capital leakage on validated adjustments. Concurrently, the Power Automate notification flow successfully automated the sending of reminder notices, eliminating repetitive manual drafting and establishing an auditable timestamp of administrative follow-ups. While corporate finance literature connects credit gatekeeping to reduced DSO and Cash Conversion Cycle optimisation (Baños-Caballero et al., 2012; Deloof, 2003), desk-level order holds primarily act as a tactical boundary defence, with DSO performance driven by market liquidity and commercial credit agreements.

Despite their operational value and utility, these tasks present distinct limitations and residual exposures in daily execution. In the order-gatekeeping routine, the main limitation would stem from its inherently backward-looking nature, in that manual verification relies exclusively on historical data, inspecting existing overdues and static credit ceilings, which, on one hand, provides an immediate defensive barrier, but on the other hand, fails to capture prospective credit deterioration or sudden financial distress before an invoice falls past its due date. Nonetheless, because this verification routine is procedurally standardised and rapidly

executed, it functions effectively without generating significant administrative bottlenecks. Conversely, routine regarding the credit notes exhibits structural friction driven by counterparty apathy and administrative asymmetry. Once a client receives a commercial credit note that rectifies their balance, they lack commercial or financial incentive, even if it is a simple action, to acknowledge, sign, stamp, and return the document. Crucially, while the reminder dispatches were successfully automated via Power Automate, inbound management of responses remained entirely manual, requiring staff to inspect incoming emails, verify whether compliance standards were satisfied and manually update the central tracking file.

To address these operational bottlenecks, the management of credit notes offers clear opportunity for targeted incremental improvement. While manual order gatekeeping functions effectively as a human-in-the-loop control that requires no structural overhaul, given that qualitative human judgment remains essential for evaluating key exceptions, the second routine could be substantially improved by completing the automated flow initiated with Power Automate. Specifically, there is room to expand the automation to also manage inbound response processing, by configuring automated triggers within Microsoft Power Automate to scan the dedicated email inbox, identifying incoming counterparty responses referencing specific document numbers, attached PDF documents, and staging them in a pending verification queue. Crucially, because the mere receipt of an email and attachment does not guarantee that the content constitutes valid proof of acknowledgement, the workflow must preserve a mandatory human validation step. In this case, rather than automatically marking the process as cleared, the system could alert the administrative staff to verify document conformity before formalizing the tax adjustments, thus restricting manual intervention to substantive validation and exception handling (Eulerich & Wood, 2024; Wassie & Lakatos, 2024). In turn, this improvement could close the gap between outbound dispatch and inbound verification, reducing administrative overhead while securing the evidentiary trail required for VAT regularisation.

4.4. Administrative Throughput, Automation and Performance Measurement

Within the administrative department of Esprinet, sustaining operational momentum across core routines requires ongoing vigilance over procedural efficiency and workload

allocation. Taking this into consideration, in order to confront these daily operational pressures, two initiatives were undertaken, namely the design, testing and implementation of low-code automated flows via Microsoft Power Automate to handle clerical compliance tasks, alongside the exploratory design of a volume-based PMS to evaluate administrative throughput. Far from constituting an integrated, company-wide strategic transformation, these initiatives represented localised, practical interventions aimed at reducing desk-level friction and establishing baseline operational transparency over daily administrative execution.

The underlying operational exposures that prompted these initiatives stem from administrative waste and systemic operational opacity. In back-office environments, repetitive manual tasks consume valuable cognitive bandwidth without contributing qualitative value, leading to fatigue and distracting personnel from complex exception handling (Gonçalves et al., 2025). Simultaneously, administrative labour is characterised by an inherent lack of physical visibility, whereas manufacturing lines and logistics hubs exhibit tangible bottlenecks on the shop floor, administrative backlogs remain concealed within email inboxes, enterprise software queues, and local desktop folders. Therefore, operating in the absence of structured volume metrics exposes the organisation to significant governance liabilities, depriving management of objective operational data to evaluate actual team capacity, identify emerging processing bottlenecks, manage volume spikes, or ensure a fair distribution of workloads across the administrative team.

Thus, to evaluate these operational dynamics, the analysis draws on lean office principles, citizen-led process automation, and performance measurement frameworks. Drawing on lean administrative literature (Gonçalves et al., 2025; Waszkowski & Nowicki, 2018), back-office routines look to systematically eliminate non-value-adding clerical activities (*muda*), redirecting administrative capacity toward supervisory verification and exception handling. In this sense, the development of operational metrics reflects performance measurement theory (Neely et al., 1995; Widener, 2007), where, within an administrative context, tracking operational volume indicators establishes an empirical feedback mechanism that quantifies task execution, providing the foundational visibility required to support informed control and decision-making.

Setting aside the automation routines that have been detailed throughout this chapter, the distinct operational challenge tackled here involved laying the groundwork for internal performance governance. Rather than tracking complex financial ratios, the back-office initiated

early-stage trials to define and monitor operational volume drivers that meaningfully reflected administrative throughput and operational effort, isolating basic operational volume indicators, such as the daily count of new customer accounts activated, the volume of financial documents scanned, number of manual billing adjustments and the tracking of regularised credit notes versus those pending customer acknowledgment. However, tracking raw transactional output provides visibility only over gross workload volume, failing to reflect task complexity, execution quality, or equitable workload distribution. Following these scoping sessions, preliminary baseline data was systematically gathered through manual spreadsheet tracking to test the viability of routine performance monitoring at the desk level.

Regarding the outcomes, the Power Automate script successfully removed repetitive drafting tasks, establishing a consistent automated notification flow that preserved administrative bandwidth. Similarly, the preliminary testing of volume metrics provided the department with its first empirical baseline of desk-level workload, converting subjective perceptions of administrative pressure into quantifiable transaction counts across back-office activities. Predominantly, these initiatives served as localised interventions to remove desk-level friction and test task feasibility, rather than comprehensive corporate transformations (Neely et al., 1995; Waszkowski & Nowicki, 2018). Most importantly, tracking preliminary metrics demonstrated the potential for operational visibility, but fully capturing productivity requires implementing metrics beyond raw volume counts

Despite their operational utility, both initiatives exhibited distinct limitations and residual risks during the observation period. Regarding performance measurement, the primary constraint stemmed from its maturity. Since the system was confined to exploratory testing, data collection relied on decentralised, manual spreadsheet logging. Crucially, requiring administrative staff to manually record daily task counts generated secondary administrative waste, paradoxically consuming the very operational bandwidth and cognitive focus that performance governance seeks to optimise, while remaining disconnected from regular managerial reviews or formalised feedback loops. Within the automation domain, the primary limitation lies in its isolated scope and procedural knowledge concentration, meaning that, although the flow effectively resolved one specific bottleneck, low-code automation remained largely unexploited across numerous other repetitive back-office activities where heavy manual data entry persisted. Furthermore, because the workflow was developed independently as a bottom-up initiative

without formal technical documentation, its operational architecture remained concentrated with its creator, introducing an institutional continuity risk should troubleshooting, maintenance, or process modifications be required.

To consolidate and advance these administrative initiatives, Esprinet has clear opportunities for practical steps toward formalisation and routine expansion. For the automation initiative, the immediate priority is drafting a clear SOP that documents the architecture, file dependencies, and basic maintenance protocols, ensuring procedural transparency across the administrative team. Concurrently, the department should systematically identify and map other repetitive administrative bottlenecks where low-code workflows can be incrementally implemented. On the other hand, for operational performance measurement, the organisation should keep transitioning from exploratory testing to an institutionalised routine. To establish meaningful operational governance without creating extensive clerical drag, future development should transition beyond raw volume counts by evaluating complementary indicators, such as average processing cycle times or error rates. Here rather than relying on permanent manual self-logging, these metrics should ideally be captured through automated system timestamps, complementing structured weekly operational check-ins to balance team workloads without generating administrative friction. As a result, implementing this review will provide management with objective, continuous visibility over its team capacity, enable proactive workload rebalancing during volume spikes, and, finally, transform basic task logging into an active operational control mechanism (Gonçalves et al., 2025; Widener, 2007).

4.5. Synthesis

Across the operational workflows examined, a persistent organisational governance emerges between administrative oversight and commercial velocity. Operating in a high-volume, low-margin distribution sector where sales teams are constantly driven to maximize turnover, routine back-office processes impose a calculated and necessary friction. Whether halting onboarding through the CAE stop-rule, or freezing orders for accounts that breach credit ceilings or carry delinquent balances, these tasks do not function as isolated clerical checkpoints. Instead, they constitute an interconnected defensive perimeter that protects corporate liquidity and prevents financial and fiscal leakage.

At the same time, evaluating these workflows highlights not only the practical utility of administrative digitalisation, but also its inherent boundaries. While low-code tools like Microsoft Power Automate and generative AI successfully tackle repetitive clerical waste (*muda*) across structured tasks, human oversight remains indispensable for verifying inbound legal evidence and managing complex credit exceptions. This reality elevates the administrative role from passive data entry to active, analytical exception management. Crucially, the inefficiencies observed in manual control initiatives demonstrate that disconnected controls can inadvertently generate their own operational friction. Consequently, process improvements must remain pragmatic and proportionate, prioritising immediate, low-cost structural adjustments, before committing resources to capital-intensive system overhauls.

5. Conclusion

This report set out to examine how routine administrative and financial back-office workflows contribute to mitigate operational and financial risks in a high-volume, low-margin distribution environment. Grounded in the empirical setting of Esprinet Portugal, the findings demonstrate that baseline administrative routines do not operate as passive clerical overall, rather, they function as active, frontline internal control systems and discretionary boundary tripwires. In an operating environment where compressed margins and commercial pressure constantly prioritise transactional speed, administrative oversight imposes a deliberate and necessary friction. By enforcing rigorous screening rules during counterparty onboarding, withholding inventory from delinquent accounts, and managing compliance trails for VAT recovery under Portuguese tax law, the back office establishes a defensive perimeter that prevents capital dissipation and regulatory liability before commercial commitments become binding.

At the organisational level, this report provides the department with a structured assessment of its daily workflows, defining the precise boundary where low-code solutions aid to reduce repetitive clerical work and where human cognitive judgment remains indispensable. Theoretically, rather than proposing new models, the report contextualises established concepts and how they actually operate in daily practice. In doing so, it demonstrates that formal risk-governance policies ultimately depend on the consistency of the routines supporting them. Therefore, frontline administrative staff emerge as vital exception managers who interpret ambiguous regulatory standards, verify the evidentiary legitimacy of inbound legal documentation, and resolve nuanced commercial conflicts.

These conclusions must nevertheless be interpreted through the methodological and temporal boundaries of the report. The principal constraint stems from the 450-hour duration of the curricular internship, which necessarily restricted qualitative observation to a specific subset of workflows within a single corporate department. Consequently, the participant-observation methodology afforded qualitative visibility into process mechanics at the expense of a econometrical analysis or the direct statistical isolation of desk-level interventions on macro-level corporate performance indicators. Therefore the presented findings are context-specific

and qualitative, reflecting documented procedural outcomes rather than asserting generalised, firm-wide causality.

Finally, the internship provided a bridge between academic management theory and corporate practice, consolidating technical and professional competencies. From a technical standpoint, daily desk responsibilities deepened practical proficiency in using the SAP ERP and developing low-code workflow automations through Microsoft Power Automate. Equally significant was the development of core managerial capabilities, such as greater autonomy, time management, and accountability when handling high-risk workflows. In parallel, it developed key interpersonal and managerial capabilities, notably managing the friction between commercial pressure and credit compliance, applying careful judgment during exception handling, and maintaining alignment across a decentralised cross-border team. Ultimately, these experiences illustrate that a sustainable organisational performance relies not merely on overarching corporate strategy, but also on the operational discipline that safeguards institutional stability on a daily basis.

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