

Segregation of Duties Is Not Just a Finance Control

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Segregation of Duties is usually discussed in the context of financial systems.

Who can create a vendor? Who can approve a payment? Who can release funds?

These are important controls. They help prevent fraud, reduce error, and ensure that sensitive financial actions are not handled end-to-end by a single person.

But Segregation of Duties, often referred to as SoD, is not limited to financial systems. It applies just as much to operational workflows.



Segregation of Duties applies wherever critical workflow steps influence business outcomes.

Any process that involves preparation, review, approval, evidence, exceptions, or downstream decisions can carry control risk. And in many organizations, these workflows live outside core financial systems. They may run through task management tools, spreadsheets, shared drives, email threads, SharePoint lists, or lightweight workflow platforms.

That is where SoD can become less visible - but no less important.

What SoD Means in a Workflow Context

In theory, Segregation of Duties means that no single person should control all critical steps in a process.

In a practical workflow context, it means answering very specific questions:

- Who is allowed to perform the task?
- Who is allowed to review it?
- Who is allowed to approve it?
- Can the same person perform and approve the same work?
- Did the tasks happen in the required order?
- Were exceptions captured and explained?
- Is there evidence that the rule was actually followed?

That last question matters.

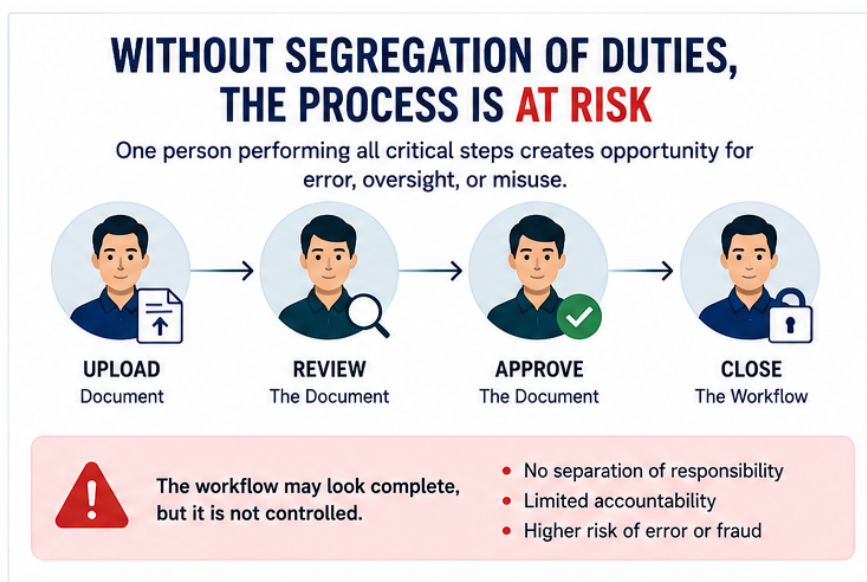
A workflow may show that all tasks were completed. But completion alone does not prove control.

A workflow can look complete while still failing a basic control question: did the right people perform the right actions in the right order?

A Simple Example

Consider a workflow where a document must be uploaded, reviewed, approved, and then closed.

If one person uploads the document, reviews it, approves it, and closes the workflow, the process may appear complete. But from a control perspective, the organization has no meaningful separation between preparation and approval.



A completed workflow is not necessarily a controlled workflow.

The issue is not that the person acted improperly. They may have been trying to move the work forward quickly.

The issue is that the workflow allowed one person to complete all critical steps without enforcing separation, review, or independent approval.

That creates risk.

In a governed process, the workflow should be able to enforce rules such as:

- The preparer cannot be the approver.
- Approval cannot happen before required evidence is submitted.
- A review task cannot be skipped if the process requires it.
- A reopened task may require downstream approvals to be revalidated.
- Exceptions must be captured, explained, and visible in the audit trail.

That is practical Segregation of Duties. Not just a policy statement. Not just a training reminder. Not just an expectation that people will follow the process. Actual enforcement, with evidence.

Why This Matters Outside Finance

Many operational workflows have real control implications. Examples include:

- Procurement requests
- Vendor onboarding
- Compliance attestations
- Risk assessments
- Policy exceptions
- Access reviews
- Contract approvals
- Issue remediation



Many operational workflows carry control risk, even when they are not part of a financial system.

These may not always be financial system transactions, but they often influence important business decisions. They may determine whether work is approved, whether evidence is accepted, whether risk is closed, or whether an exception is allowed.

If the workflow does not enforce who can do what, in what order, and under what conditions, the organization may be relying on trust rather than control.

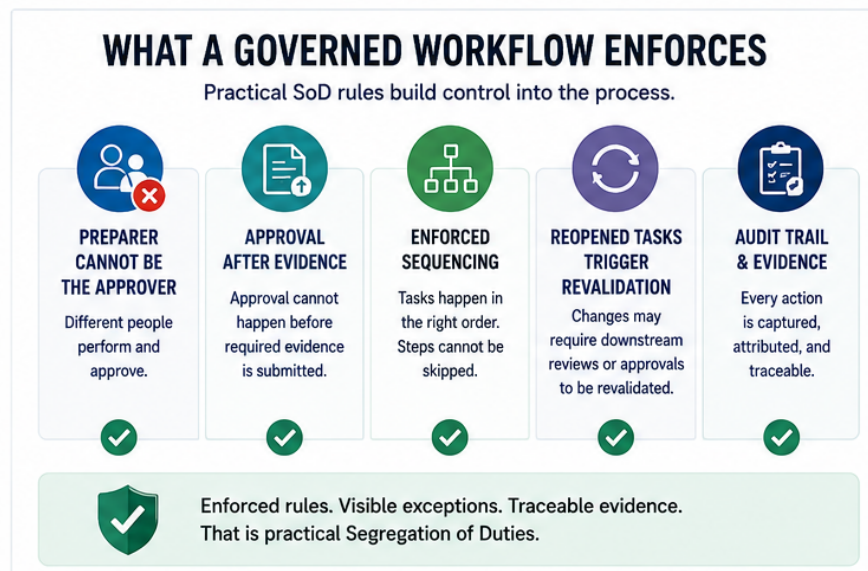
Trust is important. But governed processes need proof.

From Documentation to Enforcement

Many workflow tools are good at documenting activity. They can show that a task was assigned, completed, dated, commented on, or routed to the next person.

But Segregation of Duties requires more than documentation after the fact. It requires the workflow to enforce the rule while the process is happening.

- If the person who uploaded evidence tries to approve the same task, the system should prevent it or require an authorized exception.
- If approval is attempted before evidence is submitted, the system should block it.
- If a completed upstream task is reopened and changed, the system should determine whether downstream reviews or approvals need to be revalidated.
- If an exception is allowed, the workflow should capture who approved the exception, why it was allowed, and what changed as a result.



Practical SoD means rules are enforced while the work is happening - not reconstructed after the fact.

This is where workflow design becomes part of the control environment. The workflow is not just moving work from one person to another. It is enforcing the rules that make the process reliable.

The Importance of Proof

A key part of SoD is being able to prove that the rule was followed.

If an auditor, manager, regulator, or process owner asks whether a workflow was properly controlled, the answer should not depend on memory, screenshots, or scattered email threads.

The workflow itself should show:

- Who performed each step.
- Who reviewed each step.
- Who approved each step.
- Whether the same person performed conflicting actions.
- Whether required sequencing was followed.
- Whether exceptions occurred.
- Who approved those exceptions.
- What evidence existed at the time of approval.

Without proof, the organization may know that work was completed, but not whether it was completed under the right controls.

Practical SoD Is About Better Workflow Design

Segregation of Duties does not need to make workflows slow or overly complicated. The goal is not to create unnecessary friction.

The goal is to make sure critical work is handled by the right people, in the right order, with a reliable record of what happened.

A well-designed workflow should make the right path easy and the risky path visible. It should allow teams to move quickly while still preserving control. It should support exceptions when needed, but not allow exceptions to disappear into comments, emails, or undocumented decisions.

That is the difference between a workflow that simply tracks tasks and a workflow that supports governance.

The Real Question

Segregation of Duties is not just a finance control. It is a workflow control.

And for any process that involves evidence, approvals, risk, compliance, or operational decisions, it should be designed into the way work gets done.

Do your current workflow tools actually enforce Segregation of Duties - or do they simply document tasks after the fact?

Ready to build control into the workflow itself?

If your workflows involve approvals, evidence, exceptions, or control-sensitive decisions, they should do more than track task completion. Candent helps organizations design governed workflow solutions where Segregation of Duties, approval sequencing, exception handling, and audit evidence are built into the process - not left to policy documents, training reminders, or after-the-fact reconstruction.

Contact Candent today to turn workflow activity into reliable evidence of control.