

SABIC EUROPE MANAGEMENT OF BUSINESS PROCESS BOTTLENECKS DURING RAPID GROWTH



Customer

SABIC Europe is a SABIC subsidiary (Saudi Basic Industries Corporation) that includes all SABIC petrochemical activities in Europe and employs around 6,000 people. Headquartered in Sittard, the Netherlands, SABIC Europe has a European wide network of sales offices and logistic hubs, as well as three petrochemical production sites in Europe: at Geleen (the Netherlands), at Teesside (United Kingdom) and at Gelsenkirchen (Germany).

Industry

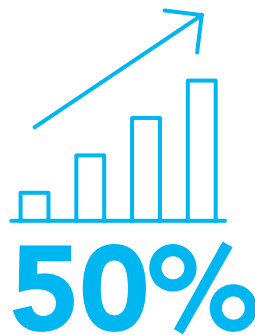
Chemicals

Opportunity

- Identify and solve the bottlenecks (logistics, technical, financial and human resources) in the business processes that occurred and will occur by growth
- Use of ARIS Redocumentation as quality check on SAP® and SAP® Solution Manager usage
- Use the SCOR reference models in ARIS
- Synchronization by SAP Solution Manager and ARIS Business Architect for SAP (now called ARIS for SAP Solutions) one single view of reality

Key Benefits

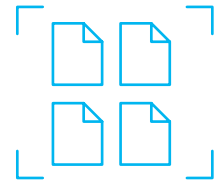
- Less time-consuming communications
- Improved speed and quality of project
- Improved business process awareness in the company
- Process-oriented SAP projects increased the quality of work



INCREASE
**PRODUCTION
CAPACITY**
IN ABOUT FOUR YEARS

KEEP TOTAL CONTROL
OF BUSINESS

according SIX SIGMA PRINCIPLES



Business challenge

SABIC Europe's ambition is to continue being one of Europe's strongest petrochemical companies, based on backward integration in olefins, cost leadership and growth. To cope with this growth and enable successful consolidation of different companies, dealing with IT and organizational differences, a transparent business model and business process were required.

Additionally, SABIC Europe needed more sophisticated Business Process Management (BPM) and IT support to realize its strategic growth successfully. That's why SABIC chose to work with the ARIS Solution for Process-Driven SAP Management to enable the Business Process Analysis (BPA) projects of the SAP Customer Competence Center (CCC) and to support the business.

"...we use the integrated solution of ARIS and SAP... It is all about speaking the same language..."

— **Peter de Esch** | Manager, SAP Customer Competence Center, SABIC Europe

Key components

- ARIS for SAP Solutions
- ARIS Simulation
- ARIS Web Publisher
- ARIS Redocumentation
- ARIS BI Modeler

Solution and use of ARIS products

The project phases are partly taken from the Six Sigma approach. SABIC selected the best of several methodologies. Also SAP's ASAP methodology and work packages of ARIS Value Engineering (now called Prime) are used. At the time of this case study, SABIC was in the change phase.

Define phase: In this phase the project plan is made, the workshops for the next phase are prepared and a starting point for process modeling is created based on the SAP reference models and the SCOR model.

Measure phase: This phase is supported by several workshops (>50) with end users and key SAP users using ARIS in the workshops for documentation of business processes. The performance of the modeled "as-is" processes are measured and the figures are also put in ARIS.

Analyze phase: Based on these measures the constraints (both IT and process related) and the causes of these constraints are determined and put in ARIS to reuse in subsequent phases. Based on the causes they developed solution directions that solve the constraints. In this phase they used ARIS Simulation to evaluate the different solution directions for their harbor case.

Improve phase: The preferred solution directions are combined and converted into business cases. Several business cases have been judged. Based on this SABIC decided which and when new projects will be implemented. Here was also taken into account the damage and costs of doing nothing.

Change phase: The phase started at the end of 2006 and will continue until mid 2009. At the start of this phase the process models were synchronized with the SAP Solution Manager. In this way SABIC has a solid base for using the SAP Solution Manager and ARIS in a process-based

way during the change phase of the projects. The process structure in Solution Manager will be the basis for all project documentation.

ARIS Redocumentation is used to check the quality of existing process documentation of SAP processes in ARIS and to add missing process descriptions, customized transactions, document types and enterprise structures.

Peter de Esch, manager, SAP CCC, SABIC Europe, says: "ARIS Redocumentation gave SABIC Europe in a short time insight in the completeness and quality of our current ARIS end-to-end process models, leading to a good starting point for realizing the next steps of business process optimization."

The implementation of changes will follow the priority statement as given by the management board. In the Go Live ARIS ProcessWeb based on ARIS Web Publisher (now called ARIS Publisher) supports the end users as a central point of information.

Customer benefits

- A BPM/SAP knowledge center for SAP CCC and process owners/key users has been created and proved to be successful
- Improved communication on transparent business processes between IT and business that resulted in less time-consuming communications
- Integrated actual documentation that resulted in improved speed and quality of project implementations
- Improved business process awareness in the company, providing a basis for BPM
- Process-oriented SAP projects increased the quality of work
- Easier design and impact analyses for "to-be" scenarios, which will be continuously created in a very fast growing business
- For new SAP roll outs or alignments at mergers the current ARIS processes form the template for process implementation

ABOUT SOFTWARE AG

The digital transformation is changing enterprise IT landscapes from inflexible application silos to modern software platform-driven IT architectures which deliver the openness, speed and agility needed to enable the digital real-time enterprise. Software AG offers the first end-to-end Digital Business Platform, based on open standards, with integration, process management, in-memory data, adaptive application development, real-time analytics and enterprise architecture management as core building blocks. The modular platform allows users to develop the next generation of application systems to build their digital future, today. With over 45 years of customer-centric innovation, Software AG is ranked as a leader in many innovative and digital technology categories. Learn more at www.SoftwareAG.com.

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