

Chemanol: Streamlining Processes and Operations with a Digital Transformation

Methanol Chemicals Company, also known as Chemanol, is one of the world's leading formaldehyde producers. It has an annual capacity of one million metric tons, exporting to more than 50 countries in upward of 21 industries. With such widespread operations, Chemanol needed to **better integrate key business processes** to gain a competitive edge in the global market.

Recently, Chemanol set out to use resources within the Kingdom of Saudi Arabia to manufacture high-value specialty products and to become a major supplier for customers around the globe. To achieve these goals, the company knew it would need to simplify and optimize its existing technology landscape. Only then could Chemanol become an intelligent enterprise and begin automating business processes.





PUBLIC



Leading Organization-Wide Innovation with SAP S/4HANA[®] Cloud

Before: Challenges and Opportunities

- Innovate with the latest technology to streamline and optimize business processes
- Reduce system customizations
- · Enable faster access to data to support decision-making across business functions
- Eliminate time-consuming reporting and analytics slowing down finance, logistics, and supply chain processes

Why SAP and Al-Bilad Arabia Co. Ltd.

- SAP S/4HANA® Cloud to provide a foundation for ERP and key business processes in the cloud
- · Capabilities for automating manual processes and reducing time and error
- · SAP partner Al-Bilad Arabia, which provided expert consulting that helped ensure Chemanol implemented the right solution to simplify processes as planned

After: Value-Driven Results

- Improved strategic planning and decision-making processes
- · Enhanced the reporting system and reorganized inventory
- Optimized and standardized workflow, report, interface, conversion, enhancement, and forms processes for production orders
- · Enabled time savings in the approvals processes

Industry

Chemicals

- Achieved ~40% increase in user satisfaction with the SAP Fiori[®] user experience and intuitive workflows
- Improved accessibility of SAP[®] applications through mobile and other handheld devices
- Increased sales by reducing days sales outstanding and boosting overall sales effectiveness

Methanol Chemicals Company (Chemanol) Jubail, Saudi Arabia www.chemanol.com

Products and Services

Production of formaldehyde and other chemicals

Employees Revenue US\$182 million

488

Featured Solution SAP S/4HANA Cloud



"Chemanol has digitally transformed its enterprise in order to meet business requirements. With the introduction of SAP S/4HANA Cloud, Chemanol management gets a 360-degree view of their daily transactions."

Mohamed Kaleel, SAP Manager, Methanol Chemicals Company (Chemanol)

30%

Greater operational efficiency through increased productivity

Reduction in time to create reports (from two days down to two minutes)

~98%

Featured Partner



THE BEST RUN



Building an Intelligent Enterprise to Support Change and Productivity

Methanol Chemicals Company (Chemanol) chose SAP S/4HANA[®] Cloud to solve complex problems within the company's technology landscape. SAP S/4HANA Cloud enabled Chemanol to shift from a transactional system that records data and instead take advantage of real-time data from internal and external sources. Chemanol also enhanced experiences for employees with the SAP Fiori[®] user experience, which helped them adopt and begin using their new systems quickly.

Chemanol has many goals related to Saudi Vision 2030, the country's strategic framework to reduce its dependence on oil, diversify the economy, and innovate. Chemanol's digital transformation, beginning with the migration to SAP S/4HANA Cloud, helps the company propel itself toward this vision for the good of the business – and its country.

Now, Chemanol can drive new revenues and profits with this improved performance and efficiency. The company has experienced better performance in areas including real-time planning, execution, reporting, and analytics based on live data as well as improved decision-making processes.

"Chemanol was the first company to complete the implementation of the transportation management module in SAP S/4HANA Cloud in the Kingdom of Saudi Arabia. SAP S/4HANA Cloud increased our productivity by 30%."

Mohamed Kaleel, SAP Manager, Methanol Chemicals Company (Chemanol)

96%

Faster procurement processes, including PO creation (down from one day to just one hour)

75%

Less time required for accounts receivable approval (from four days down to one day)



