

PTT Global Chemical: Doubling Efficiency in Key Performance Areas Using SAP® Ariba® Solutions

For best results, petrochemical procurement groups need to streamline and automate processes to align with the company's wider business strategy and to manage spending. PTT Global Chemical (PTTGC) needed to transition its decentralized tactical teams at each of its 18 manufacturing plants into a centralized strategic organization. The company required a solution to help scale the business quickly and proactively support business needs while managing volatile and changing market conditions.

By implementing SAP® Ariba® solutions, PTTGC has become an award-winning, best-in-class procurement organization that is highly respected in Thailand. With standardized processes in place and the ability to manage compliance spending, PTTGC has achieved its aggressive growth goals and has reduced procurement cycle times by 44% and costs by 56%.



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PTTGC improves performance and procurement

Company

PTT Global Chemical Public Company Limited (PTTGC)

Headquarters

Bangkok

Industry

Chemicals

Products and Services

Petrochemical and refinery business

Employees

4,000

Revenue

US\$17.4 billion

Web Site

www.pttgcgroup.com/en

Objectives

- Standardize, streamline, and automate procurement processes
- Centralize processes across 18 plants and 21 locations

Why SAP® Ariba® solutions

- E-procurement solutions leader in processes and networks
- Software features that fit usage needs
- Software that is steadily innovated

Resolution

- Higher cost savings resulting from the SAP® Ariba® Sourcing solution
- Reduction in purchase order processing time with the SAP Ariba Buying and Invoicing solution
- Higher compliance using the SAP Ariba Contracts solution
- Better connectivity using Ariba Network
- Paperless processes

Future plans

- Migrate remaining on-premise solutions to the cloud
- Enable higher adoption of SAP Ariba Sourcing, Ariba Network, and e-auctioning functionality
- Consider implementing e-invoicing functionality

40%

Spend savings

~50%

Improvement in procurement cycle time

56%

Lower inventory cost

Improved

Procurement department service levels

"With improved procurement methods, we now have visibility into spending and cost-reduction opportunities. A centralized service group manages spending across the business, and proactive analysis is in place to ensure that business needs are forecasted and addressed."

Rachean Chanthaweekul, Vice President of Procurement, PTT Global Chemical Public Group Limited

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