Siam City Cement: Driving Digital Business Transformation with SAP S/4HANA®

Siam City Cement Public Company Limited is an innovative supplier of cement products, services, and solutions throughout Thailand. To stay ahead of the competition, innovate more quickly, and provide more value to stakeholders into the future, management is using SAP S/4HANA® to power digital transformation across the enterprise.
Executive overview

BUSINESS TRANSFORMATION

Objectives
• Implement a future-proof solution for digital transformation
• Harness digital technologies to differentiate, innovate, and engage customers
• Run live, with real-time insights, to make the best decisions and improve business

Resolution
• Adopted a full range of SAP® software, including SAP S/4HANA®, SAP HANA® Cloud Platform, and SAP BusinessObjects™ Lumira
• Automated, streamlined, and connected core business processes
• Implemented real-time reporting and analysis based on complete enterprise data

Benefits
• Simplified IT and operations throughout the company
• Improved overall efficiency
• Gained real-time insights based on a single source of truth

1 day
To close financial statements (down from 2.5 days)

50% faster
Time to complete financial consolidation

300 ms
For dialog response (down from 1,200 ms)

“Digital technologies from SAP can help our business do things differently, change business models, and gain a strong position in the market.”

Ittaya Sirivasukarn, CEO, INSEE Digital (Subsidiary of Siam City Cement Public Company Limited)
Embracing digital business for long-term advantage

Siam City Cement Public Company Limited is the second-largest cement manufacturer in Thailand. Established in 1969, it has relentlessly focused on being an innovative supplier of cement and concrete products. Through its six subsidiaries, the company provides customers with green, cement-based building materials; lightweight concrete blocks; architectural and decorative products; sustainable waste management solution and industrial services; power generation; and IT services. Products are manufactured in plants that have been awarded Green Industry Level 5 certification.

Siam City Cement’s vision is to create the greatest value for its stakeholders, which requires continuous growth, innovation, and agility. But outdated systems, fragmented data, and manual processes were holding the company back, even with the most basic finance processes. “We were spending most of our time collecting data, manually entering numbers, performing manual consolidations, and generating tons of reports for decision makers,” says Pawinee Ariyamongkolchai, deputy chief financial officer at Siam City Cement. “There wasn’t any time left for finance staff to act as a business partner who can share valuable insights and advise decision makers.”

“For us, it’s clear the future is digital,” says Ittaya Sirivasukarn, CEO of INSEE Digital, a subsidiary of INSEE Group responsible for Siam City Cement’s information technology operations. “Siam City Cement could either invest early in digital solutions to drive business transformation, innovation, and growth for the next 10 years – or act late and miss the boat.”
Cementing the path to digital transformation

Management began its digital transformation by exploring available solutions. Explains Hans Keril Ante, IT security and compliance management at INSEE Digital, “We wanted an IT infrastructure that’s simple and agile and would lay the foundation for future business transformation as new innovations become available.” The new infrastructure also had to be fast, always available, and secure as the company moved to the latest digital, cloud, and Internet of Things (IoT) solutions.

Management ultimately chose to deploy SAP S/4HANA® software along with SAP HANA® Cloud Platform and other SAP® applications. Applications include the SAP Business Warehouse application; SAP BusinessObjects™ Planning and Consolidation application; SAP governance, risk, and compliance solutions; SAP Ariba® solutions; SAP Fiori® apps; and, in the near future, SAP BusinessObjects Lumira software. Using these solutions with SAP S/4HANA allows the team to centralize all its enterprise data in real time, make decisions on the fly, and empower users with data-driven, instant insight across the organization to boost efficiency.

“Working as a team with the Digital Business Services organization at SAP, we had a clear objective to get everything done within nine months,” explains Ariyamongkolchai. “Our solutions were delivered on time and at a lower cost than budgeted.”

“Now we can generate reports with one click. Our people are so happy, and management is too, because now the finance group has more time to give executives the information and insights they need.”

Pawinee Ariyamongkolchai, Deputy Chief Financial Officer, Siam City Cement Public Company Limited
Running a faster, smarter, agile, and connected enterprise

Siam City Cement’s digital transformation is well under way. All core business processes run on SAP S/4HANA with one source of real-time enterprise data, and this is a game changer, explains Ante: “With a fast and reliable database, integrated systems, and real-time data, we’re able to run live. This changes how people work, from running reports and procuring materials to engaging with customers and managing finances.”

For example, with real-time insights, executives can make informed decisions deemed critical to maintaining market share and gaining competitive advantage. Finance employees – freed from manual reporting and number crunching – can generate accurate forecasts and analyses in seconds. This gives them time to explain the significance of numbers and the implications of different choices to decision makers.

Digital transformation powered by SAP S/4HANA has also helped Siam City Cement keep its promise to customers: on-time delivery of quality products and services. “By analyzing our data, we can measure the voice of the customer and improve the quality of our products and services,” adds Sirivasukarn. “In addition, we can create innovative offerings customers don’t even know they want yet.” This is vital to keeping Siam City Cement ahead of its competitors. And, to ensure timely order fulfillment, SAP Ariba solutions enable efficient, transparent, direct procurement of materials in bills of materials needed by manufacturing.

SAP S/4HANA also makes it easier to grow the business. “For example, we’re buying a company in Bangladesh, and with SAP S/4HANA, we can load our predefined configuration and ‘boom,’ this new office can use it right away,” concludes Ariyamongkolchai.
Continuing on the path to digital transformation

Siam City Cement continues to strengthen digital transformation, using SAP S/4HANA to innovate, adapt, and grow its market share. Now that employees have experienced the benefits of digital transformation, many are actively identifying other cloud solutions that can improve the business.

At the same time, management wants to realize even greater value from its investments in solutions such as SAP BusinessObjects Planning and Consolidation. “It will be a very good tool for predictive analytics and budget forecasting,” says Ariyamongkolchai. The company also plans to use SAP HANA Cloud Platform with IoT solutions for predictive maintenance. And using SAP BusinessObjects Lumira together with SAP S/4HANA, the finance group plans to eliminate more than 100 management reports currently being manually created in Microsoft Excel. “Now the reports will be available with one click,” says Ariyamongkolchai. “Freed from tedious work, people will be happier and more analytic in their work.”