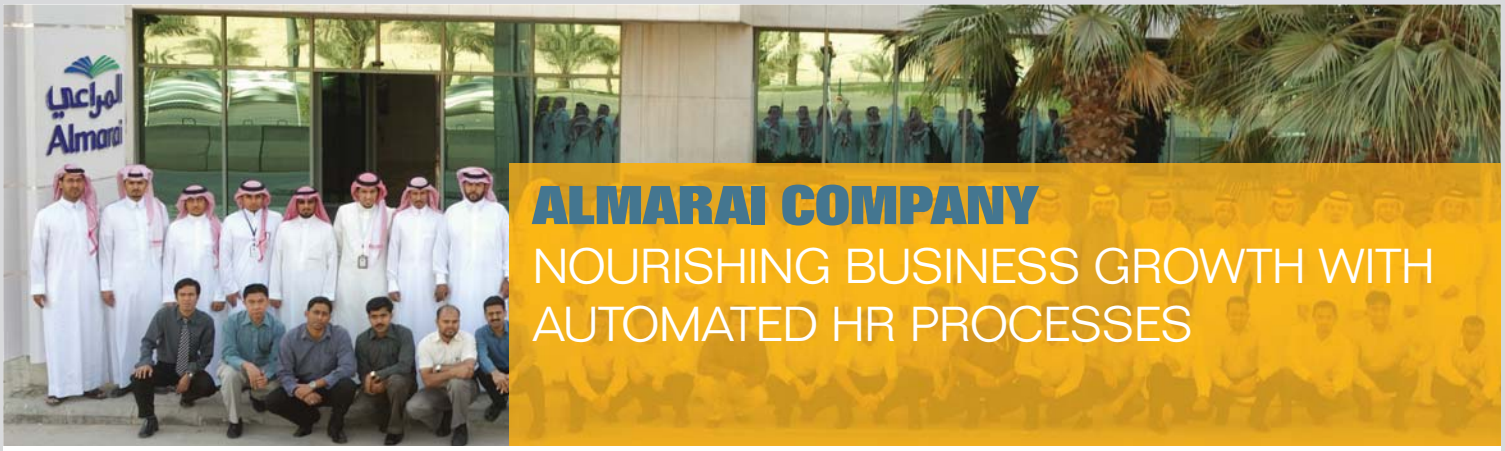

ALMARAI COMPANY

NOURISHING BUSINESS GROWTH WITH AUTOMATED HR PROCESSES

QUICK FACTS

Industry
Consumer products – food companies

Revenue
US$1.5 billion

Employees
20,000

Headquarters
Riyadh, Saudi Arabia

Web Site
www.almarai.com

SAP® Solutions and Services
SAP® ERP Human Capital Management (SAP ERP HCM) solution, SAP Interactive Forms software by Adobe, SAP Consulting services

Implementation Partners
Al Bilad Arabia Co. Ltd., Hexaware Technologies

Responding to rapid business growth, food and beverage producer Almarai Company expanded its workforce to more than 20,000 employees. Yet the company's paper-based, manual HR processes caused inefficiencies, inaccurate data, and excessive delays in handling employee and manager requests. By deploying SAP® software, Saudi Arabia–based Almarai automated its HR processes, helping to reduce cycle times and costs and increase employee satisfaction.

Key Challenges

- Support dramatic business growth with scalable human capital management (HCM) strategies
- Increase efficiency of HR processes to meet needs of rapidly growing workforce
- Replace legacy paper-based HR systems with automated processes and forms
- Enhance efficiency of payroll, personnel, and organizational management processes

Why SAP Was Selected

- SAP® software footprint in consumer products industry and HCM processes
- Long-term strategic partnership with SAP
- Existing deployment of SAP ERP HCM
- Support for integrated business processes
- Comprehensive HCM functionality on a single global software instance
- Superior features over assessed competitors
- Cost-effective maintenance support

Implementation Best Practices

- Cut implementation time by coordinating separate tracks for 5 key processes
- Assigned complex process to second implementation partner to prevent delays
- Conducted widespread user training
- Received support from key executives
- Engaged SAP Consulting expertise to invoke customized rules in standardized HCM forms and processes

Low Total Cost of Ownership

- Completed deployment on time – in 7 months – and within budget
- Used the ASAP methodology for deployment in multiple tracks
- Consolidated disparate applications and reduced number of supported interfaces by 50%
- Reduced HR processing cost by 20% to 30%
- Invested in initial and ongoing user training and change management

Financial and Strategic Benefits

- Created a scalable HCM platform to support strategic company growth
- Automated HR processes, freeing employees to focus on value-added tasks
- Increased throughput, productivity, and profitability
- Improved employee service and satisfaction
- Reduced time needed to plan and conduct routine HR activities
- Enhanced management's HR reporting ability
- Increased visibility into personnel skills
- Enhanced enforcement of HR approval rules

Operational Benefits

Key Performance Indicator	Impact
Cycle time for HR processes	-30% to -40%
Effort of HR-related paperwork	-70% to -80%
HR transaction costs	-30%
Employees served per HR team member	+30%
Administrative overhead and value-added activities	+50% to +60%

المراعي
Almarai

SAP®

"With the SAP software, employees and management can access up-to-date, reliable information that supports HR and business-related decisions. This increases efficiency, further enabling our company's growth and development."

Abdulrahman Al Turaigi, Assistant CEO, Almarai Company

www.sap.com/contactsap

At Almarai Company, the largest integrated dairy and foods company in the Middle East, dramatic business expansion created a hunger for more efficient employee processes. To nourish its growth and satisfy employees, Almarai used SAP® software to automate and streamline HR processes and forms.

Almarai produces and distributes consumer food and beverage products to more than 40,000 customers. Based in Riyadh, Saudi Arabia, the company's main business segments include dairy and juices, poultry, and bakery products. From its founding in 1976 as a series of dairy farms, Almarai has grown into a modern agricultural and processing operation.

Appetite for Change

Growth creates challenges. "For five consecutive years, Almarai's year-over-year sales increased by 22% to 24%," explains Amit Chakravarty, head of strategic projects. "To maintain our standards for superior product quality and customer service, the workforce was augmented."

Yet Almarai's manual HR processes hampered the company's payroll, personnel, and organizational management productivity. Paper forms from workers in more than 50 locations flowed into corporate headquarters for data entry. Information needed for employee contracts, transfers, promotions, termination, and travel or holiday requests was often late or inaccurate.

To increase productivity and enhance employee satisfaction, Almarai sought to automate its HR processes and forms. The firm chose SAP Interactive Forms software by Adobe to complement its existing SAP ERP Human Capital Management (SAP ERP HCM) solution.

"Almarai has enjoyed a strategic working partnership with SAP for almost a decade," says Abdulrahman Al Turaigi, assistant CEO at Almarai. "To help us increase workforce productivity by streamlining and integrating internal processes, SAP was a natural fit because of its industry-proven HCM expertise."

Recipe for Efficiency

The Almarai team deployed the software within budget in just seven months. The company used the ASAP methodology and coordinated separate implementation tracks for each of the five key HR processes. When one process became more complex, it was reassigned to a second implementation partner for efficiency. Experts from SAP Consulting helped the team invoke customized software rules in standardized HCM forms and processes.

Almarai's HCM project team consolidated disparate applications and reduced the number of supported interfaces by 50%. The company conducted comprehensive employee training using both classroom and online tools. Both ongoing training and change management efforts help maintain employee skills.

Hearty Success

Some 14,000 employees, including 400 managers, now use the SAP software to handle routine HR tasks.

"We've seen a marked improvement in process efficiency," says Chakravarty. "Employees can access their HR information, and managers benefit from automated task processing. Thanks to the reduction in administrative overhead, we've doubled the time employees can spend on value-added, expertise-based activities. As a result, each member of the HR team can serve 30% more employees."

Cycle time for HR processes was reduced by 30% to 40%, and HR-related paperwork decreased by 70% to 80%. HR transaction costs are 30% lower. Managers appreciate the enhanced HR reporting capabilities, increased visibility into personnel skills, and enforcement of HR approval rules. Employee satisfaction has risen with the improved service.

Almarai is satisfied with the value delivered by SAP software and services. "In a large company like ours, HR touches everyone," says Chakravarty. "By helping us increase throughput, productivity, and profitability, the SAP software delivered tremendous benefit."

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