



Enterprise Portfolio and Project Management

Strategic Planning of Capital Projects: Drive New Business by Investing in the Right Projects

Renato Zadro, Solution Owner EPPM
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Strategic Planning of Capital Projects: Drive New Business by Investing in the Right Projects

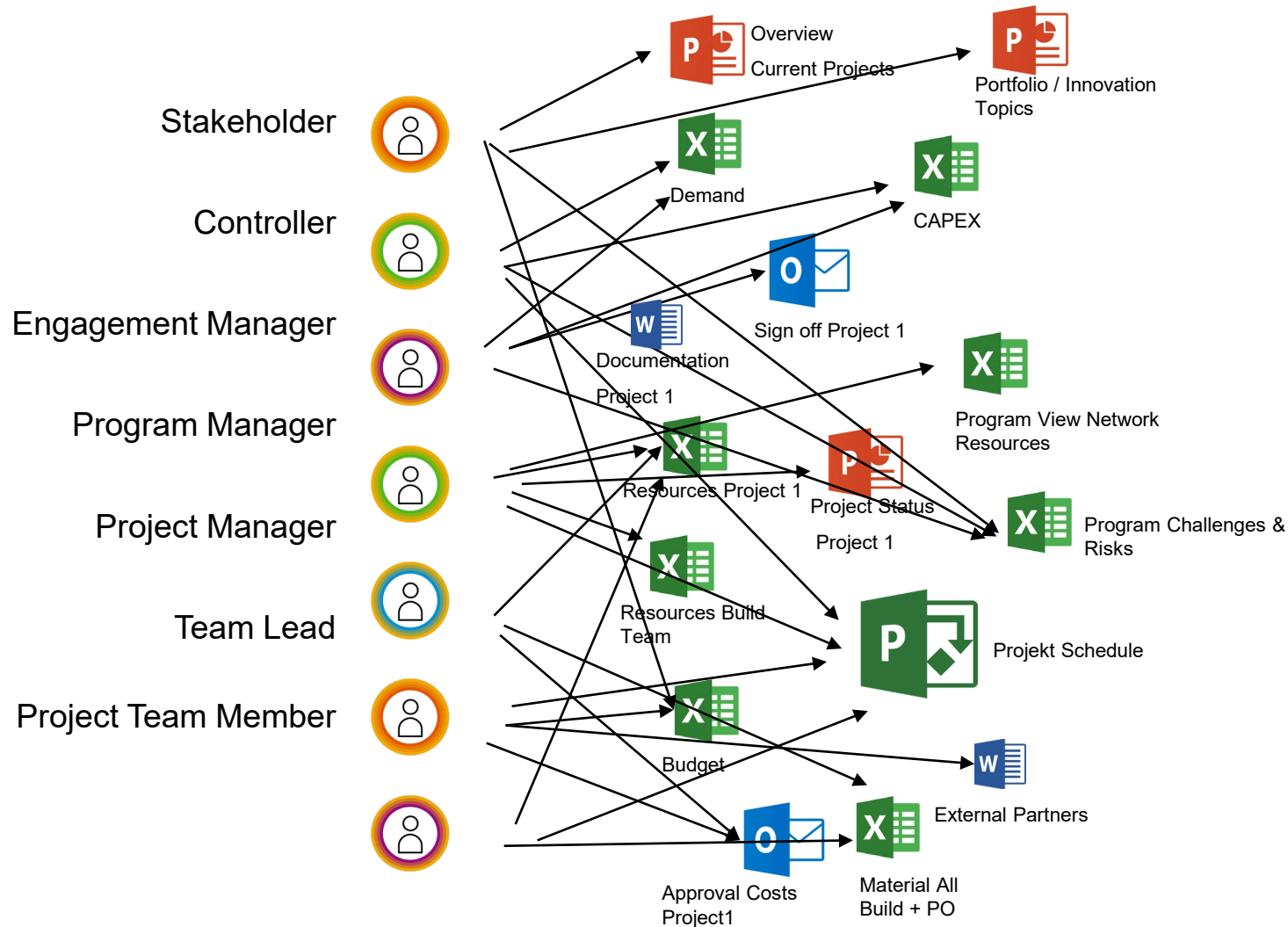


Renato Zadro
Chief Solution Expert,
Products & Projects, SAP



Rick Paull
Project Portfolio Manager,
Indorama (previously Huntsman)

Challenges of Project Organizations



! Inconsistent project information

! Multiple data sources

! No consolidated view

! Manual planning & monitoring

! Outdated information

→ Complex Handling

→ Difficult decision making

SAP S/4HANA Single Source Of Truth

Immidate

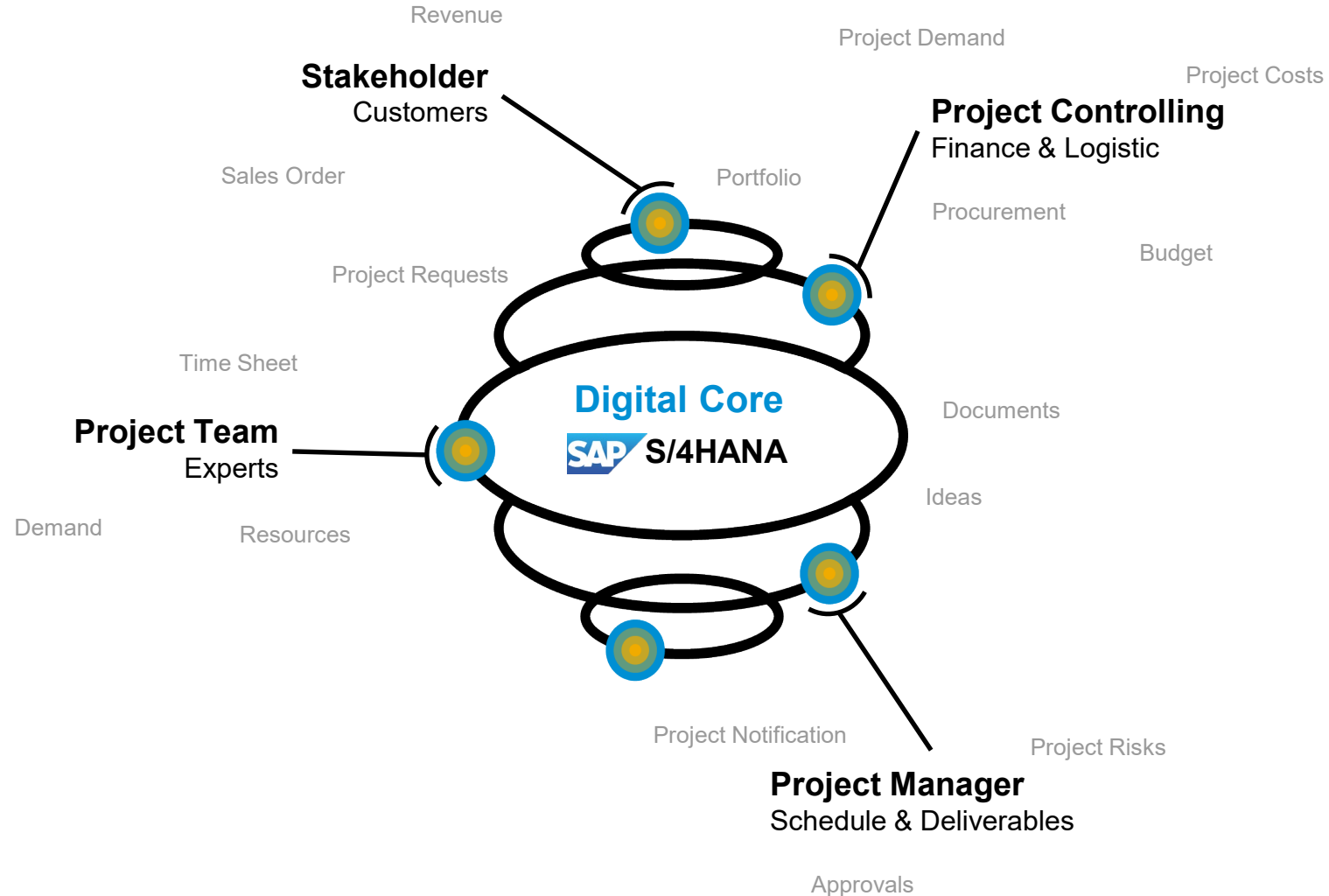
- Single source of truth
- Instant access

Integrated

- Platform that “connects” all project participants (internally and externally)
- Integration to business functions

Interactive

- Real-time project analytics
- Role-based user interface built on SAP Fiori apps



Solution Capabilities in EPPM

SAP Enterprise Portfolio and Project Management

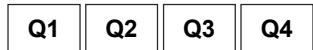


SAP S/4HANA

- Single source of truth
- Finance - Providing Instant access to detailed financial insights
- Direct access to ERP cost records
- Efficient procurement
- Human Resources integration
- S/4HANA real-time project analytics
- Consistent Fiori UX for SAP S/4HANA

Portfolio and Project Structure in EPPM

Portfolio Structure



Portfolio Items



Project Execution

Organizational

(Manufacturing, R&D, Service ...)

Regional

(EMEA, North America, Middle East...)

Operational

(New Construction, Maintenance, Shutdown ...)

Project Proposals & Projects

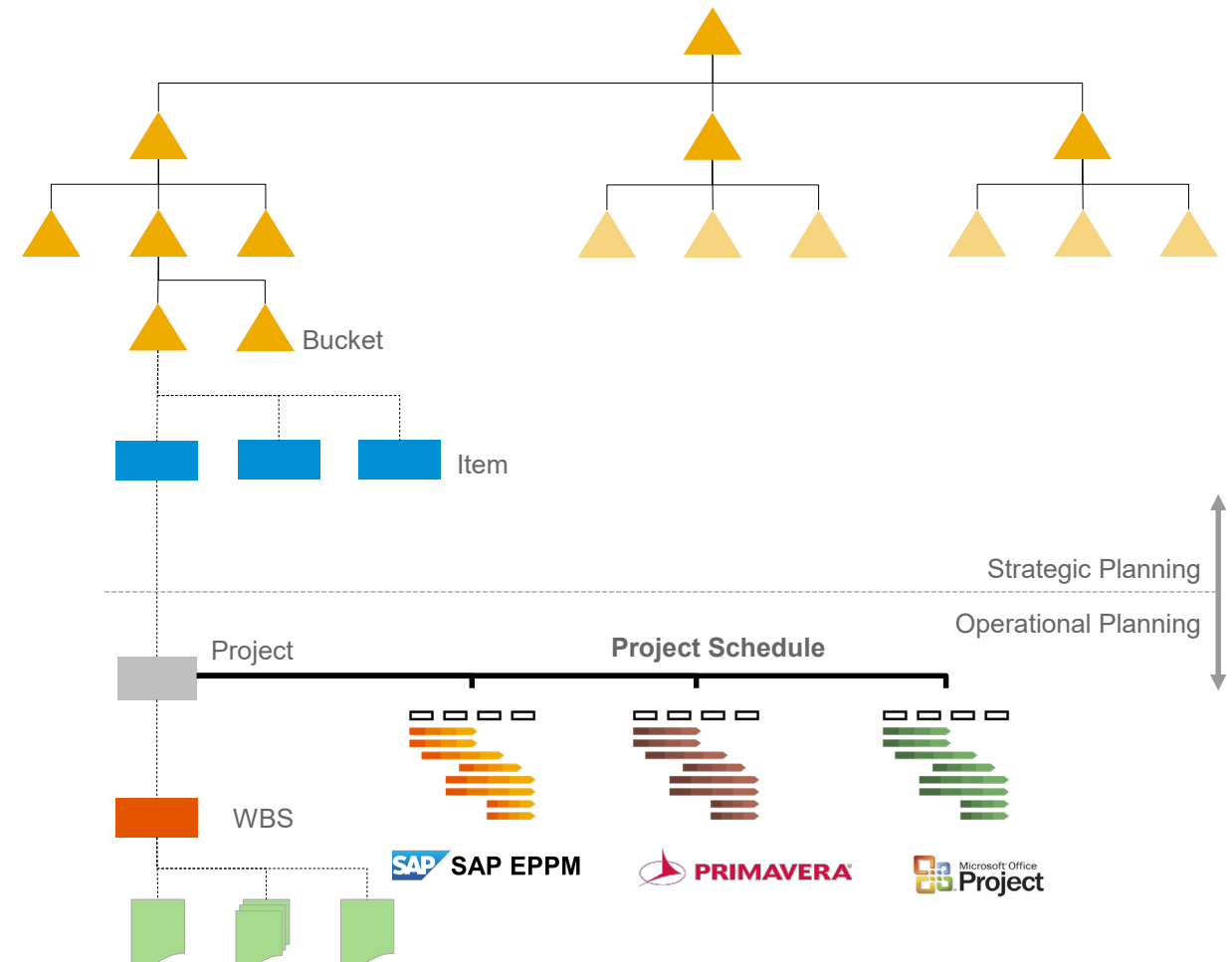
- Initiation of Project Proposal
- Prioritization of Projects Proposals
- Approvals of Projects
- Monitoring of Projects & Portfolio

Operational Projects

- Detailed Cost & Revenue Planning
- Project Schedule
- Resource Management
- Change Management
- Risk Management

- Project Accounting & Controlling

- Project Logistics (Procurement, Production ...)



Demo

Customer Spotlight

Who am I and Why am I here?

Rick Paull

Project Portfolio Manager

Indorama (previously with Huntsman)



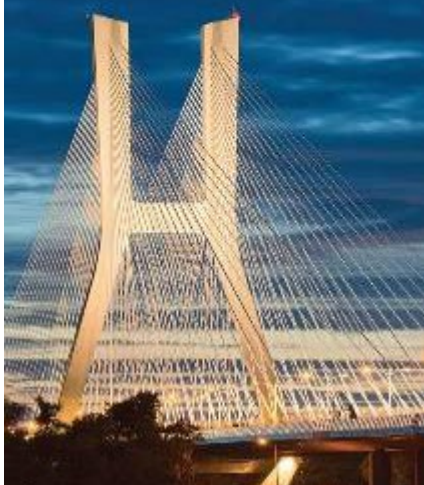
- Worked for Huntsman's Performance Products division until January 2020 when one of their business areas within PP was sold to Indorama.
- As a chemical engineer by degree, he has worked globally for Huntsman for almost 32 years in many areas of manufacturing including Technical Services, Operations, Supply Chain, Six Sigma, Licensing, Project and Portfolio Management.
- Was project manager for various small and large scale SAP implementations over the years.
- His efforts developing and managing the capital portfolio and systems since 2013 for Huntsman provided the unique experience and expertise to help develop the scope and lead the implementation for a global Huntsman SAP PPM system.

About Huntsman

Huntsman Corporation is a publicly traded global manufacturer and marketer of differentiated and specialty chemicals with 2019 revenues of approximately \$7 billion. Their chemical products number in the thousands and are sold worldwide to manufacturers serving a broad and diverse range of consumer and industrial end markets. They operate more than 70 manufacturing, R&D and operations facilities in approximately 30 countries and employ approximately 9,000 associates within four distinct business divisions: Polyurethanes, Advanced Materials, Performance Products, and Textile Effects. For more information about Huntsman, please visit the company's website at huntsman.com

Polyurethanes

MDI Polyols
PO/MTBE TPU
PU Systems



Performance Products

Amines
Maleic Anhydride
Carbonates



Advanced Materials

Composites
Adhesives
Resins

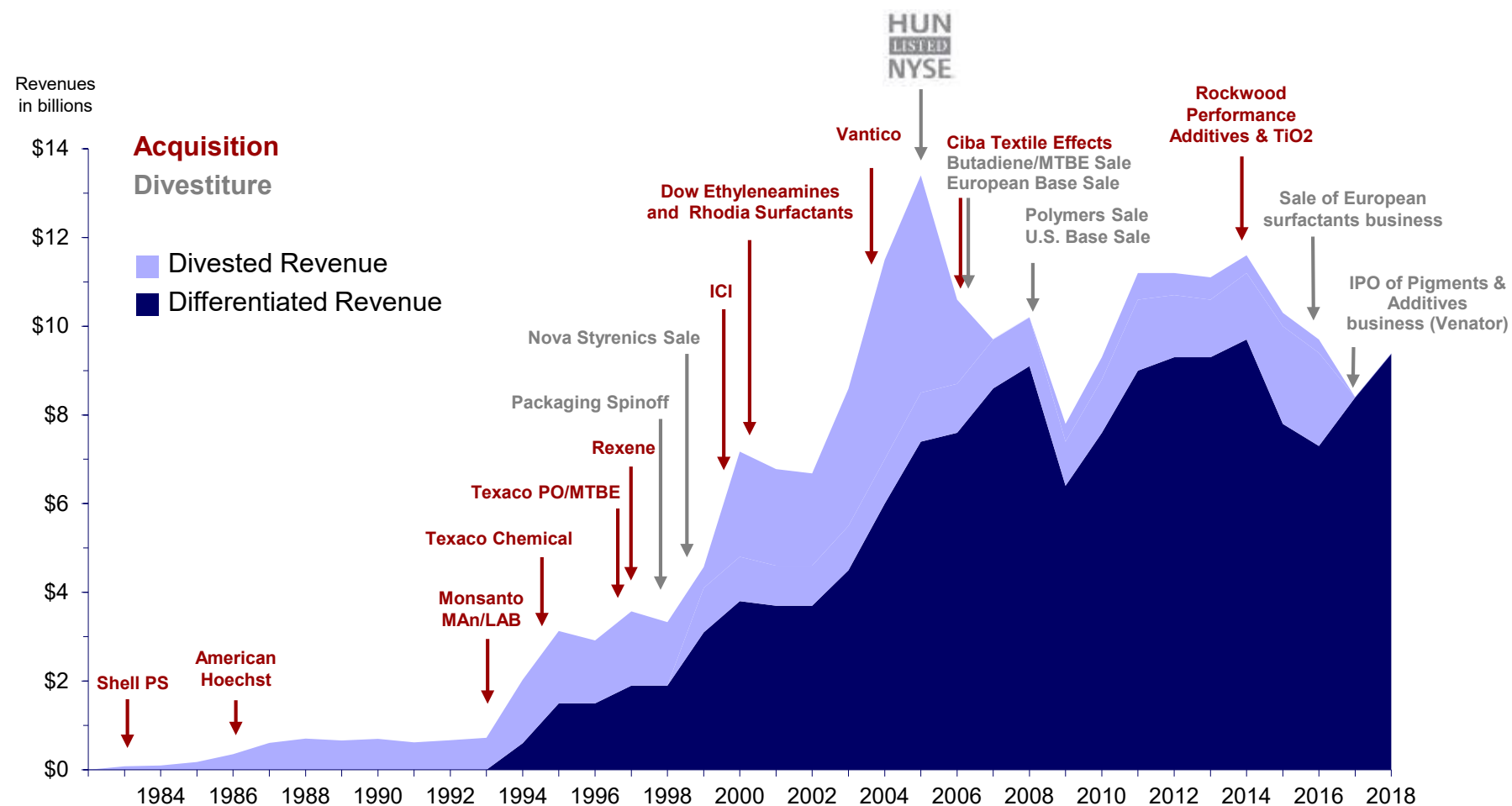


Textile Effects

Dyes Apparel
Chemicals Home & Institutional
Inks Technical Textiles



Huntsman Growth Story



Huntsman PPM Journey Milestones



Questions & Answers

Test Drive a full S/4HANA system for free

- Customer can Test-Drive PPM in S/4HANA with preconfigured Best Practice for IT PPM
- Delivered through SAP Cloud Appliance Library (CAL)
- Can be hosted on AWS/MS Azure/GCP or customer-owned machines
- 30 days license included for free

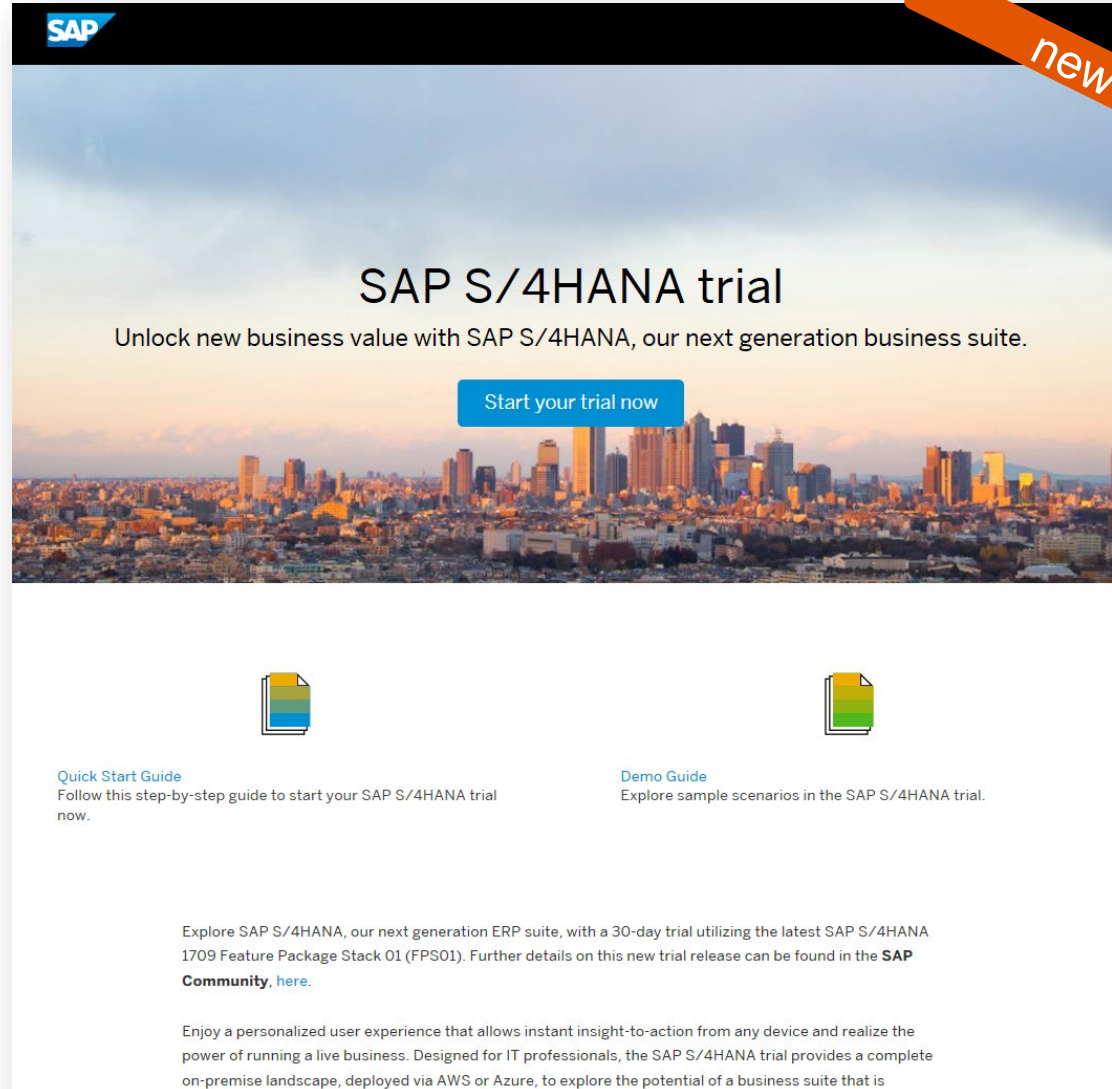
Access to hosted solution

- [30-day trial](#)
- <http://cal.sap.com> for longer-lasting subscriptions

Pre-requisites

- Own AWS/Azure/GCP account credentials
- Valid licenses (waived for 30-day trial period)
- SAP CAL subscription (waived for 30-day trial period), see [here](#)

- Demo Scenarios / Scripts [here](#)



The image shows a screenshot of the SAP S/4HANA trial landing page. At the top left is the SAP logo. In the top right corner, there is an orange diagonal banner with the word "new" in white. The main header area features a cityscape background with the text "SAP S/4HANA trial" and "Unlock new business value with SAP S/4HANA, our next generation business suite." Below this is a blue button that says "Start your trial now". The page is divided into two columns. The left column has a document icon and the text "Quick Start Guide" followed by "Follow this step-by-step guide to start your SAP S/4HANA trial now." The right column has a document icon and the text "Demo Guide" followed by "Explore sample scenarios in the SAP S/4HANA trial." At the bottom, there is a paragraph of text: "Explore SAP S/4HANA, our next generation ERP suite, with a 30-day trial utilizing the latest SAP S/4HANA 1709 Feature Package Stack 01 (FPS01). Further details on this new trial release can be found in the SAP Community, [here](#)." Below this is another paragraph: "Enjoy a personalized user experience that allows instant insight-to-action from any device and realize the power of running a live business. Designed for IT professionals, the SAP S/4HANA trial provides a complete on-premise landscape, deployed via AWS or Azure, to explore the potential of a business suite that is".

<https://www.sap.com/cmp/oth/crm-s4hana/s4hana-on-premise.html>

Thank you.

Contact information:

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PPM Solution Search

Goal: Capital Lifecycle Clarity, Performance Management,
Reporting, and Governance

“One Version of the Truth”

Problems

- Capital management and reporting is currently too fragmented across too many systems
- System complexity requires additional resources
- Lack of integration limits financial drill down
- Lack of visibility and performance tracking on a project and portfolio level impacts decision making & governance
- Limited project learning - not documented or transparent
- “Do More with Less” challenge demands better tools!

PPM Solution Search

Some Key Selection Criteria

- Must be capable of replacing the functionality of three legacy capital applications
- Must be compliant with the Construction Industry Institute (CII) stage gate process adopted within Huntsman
- Must be able to communicate with multiple SAP ERP systems – preference is through integration vs. interface
- Preferred solution to operate in a “cloud” type of environment

Selection Outcome

- Narrowed the field with preference given to extending SAP functionality (leverage capability of existing assets)
- Developed a Proof of Concept to demonstrate some of the required functionality

Proof of Concept (POC)

Objective

- Design, configure, develop, test, and demonstrate an Enterprise Project Portfolio Management (EPPM) system that is capable of supporting key components of Huntsman's Front End Planning Process to support capital investment decisions.
- POC will include the following components:
 - ✓ Idea Management (supported using PPM idea management and BPM Fiori Forms)
 - ✓ Approval Routing (supported using BPM)
 - ✓ Project Cost Estimating & Budgeting (Economic Models supported via Analysis for Excel)
 - ✓ Reporting (supported via Analysis for Excel)
 - ✓ Demonstrate connectivity to multiple SAP systems in a HEC environment

**Successfully met all objectives in a short
duration timeframe in 2016**

Introducing the Construction Industry Institute (CII)

The screenshot shows the CII website homepage. At the top left is the CII logo (a stylized 'C' and 'I' made of blue squares) followed by the text 'The Knowledge Leader for Project Success' and 'Owners • Contractors • Academics'. To the right are 'LOG IN' and 'Site Registration' buttons, and a search bar with a 'GO' button. Below this is a green navigation bar with links: HOME, ABOUT CII, MEMBERS, BEST PRACTICES, EVENTS, GROUPS, SERVICES, and STORE. The main content area features a blue box on the left with the text 'Visit the CII Knowledge Base for the Resources You Need' and 'Explore CII content by drilling down through six easy-to-use portals.' To the right is a large graphic with the text 'Knowledge Base from CII' over a background of a construction site. Below this is a white box containing a paragraph about CII. At the bottom, there are two promotional boxes: 'Introduction to Construction Safety: Part II' and 'Read about CII's Next Generation Plan'. Below these are social media icons for CII Media, Facebook, Twitter, and LinkedIn. A footer bar contains links for 'Contact CII', 'FAQ', and 'Site Map'. The bottom-most green bar contains the copyright notice '© 2017 Construction Industry Institute™ All rights reserved. | Privacy Policy' and the logo of 'The University of Texas at Austin Cockrell School of Engineering'.

CII The Knowledge Leader for Project Success
Owners • Contractors • Academics

LOG IN Site Registration

HOME ABOUT CII MEMBERS BEST PRACTICES EVENTS GROUPS SERVICES STORE

Visit the CII Knowledge Base for the Resources You Need

Explore CII content by drilling down through six easy-to-use portals.

Knowledge Base from CII

The Construction Industry Institute, based at The University of Texas at Austin, is a consortium of more than 130 leading owner, engineering-contractor, and supplier firms from both the public and private arenas. These organizations have joined together to enhance the business effectiveness and sustainability of the capital facility life cycle through CII research, related initiatives, and industry alliances. A learning organization with a wealth of knowledge and information, CII is unique in the engineering and construction industry.

Introduction to Construction Safety: Part II

Read about CII's Next Generation Plan

CII Media Facebook Twitter LinkedIn

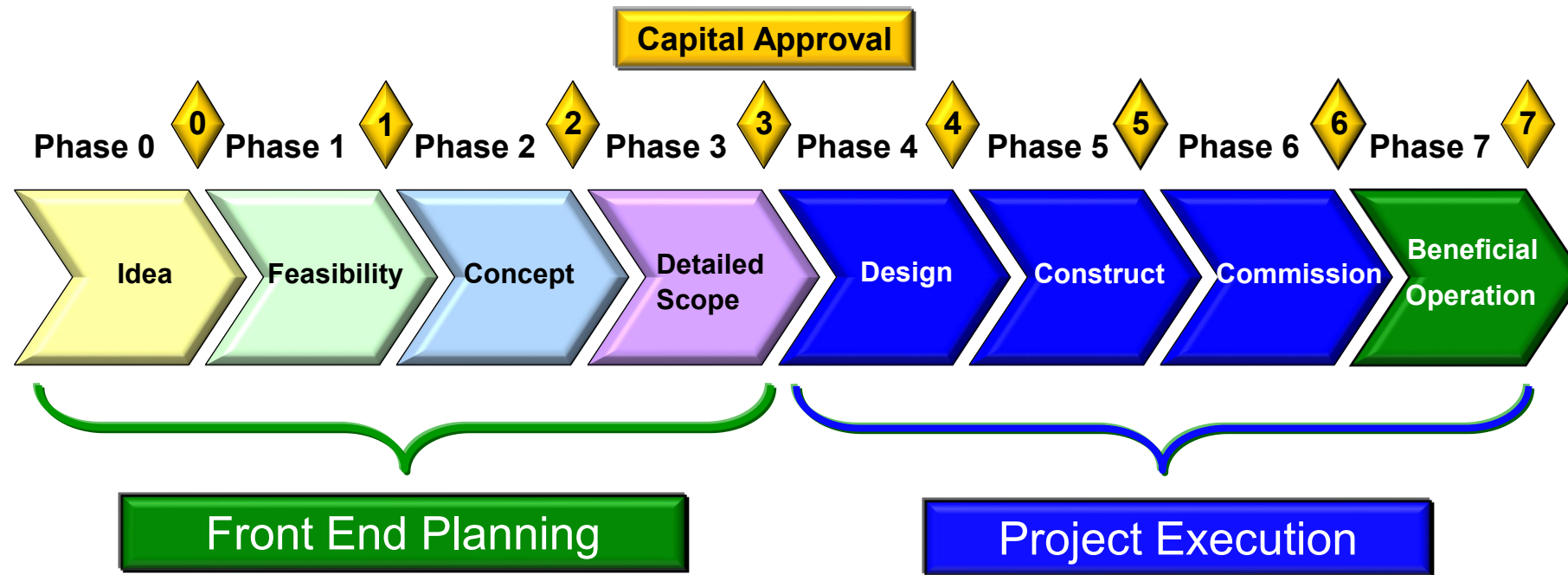
Contact CII | FAQ | Site Map

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The University of Texas at Austin
Cockrell School of Engineering

Huntsman Capital Project Process

CII Process Supported by External Tools



CII benchmarking data shows that proper Front End Planning results in lower project cost, shorter project schedules and up to a 24% increase in portfolio NPV

CII Best Practices – Improvements Benefits Benchmarking

	<i>Cost*</i>	<i>Schedule*</i>	
Front End Loading	7%	15%	<i>*Source - CII</i> Best Practices incorporated into our Alliances
Client Alignment	2%	1%	
Team Driven to Meet Goals	1%	2%	
Integrated Project Teams	2%	1%	
Vendor Alliances	1%	1%	
Construction Driven	2%	4%	
Aggressive Permitting	10%	10%	
Constructability	5%	5%	
Value Engineering	10%	10%	
Construction Alliance	7%	5%	
Integrated Commissioning	2%	2%	
Incentivized Performance	3%	5%	
Zero Accidents	1%	-%	
Quality Process	4%	10%	
Integrated Tools	2%	4%	
Work Processes	3%	4%	