

## Hydra Arc

### *Achieving Increased Visibility, Transparency, and Efficiencies*

“Our partnership with Ariba has improved the efficiency of our invoicing process, which directly improved cash flow. Our goal is to continue to automate more of our procurement processes so we can stay focused on delivering great results for customers.”

**Mohamed Pahad**  
Director, Hydra Arc

Hydra Arc is a leading South African specialized welding contractor that has won multiple international awards for quality management and leadership. Located in Secunda of the Mpumalanga Province in South Africa, it offers a full range of engineering and construction capabilities including welding services such as pressure vessel maintenance and refurbishment, piping fabrication, steel construction, and refinery and boiler maintenance.

With more than 25 years of specialized welding experience, the global leader's mission is to deliver long-term value for both customers and employees. Valuing training and innovation are key tenets of its business model. Hydra Arc Group has added the Mshiniwami Artisan Academy to its portfolio. The Academy aims to educate 1,000 individuals per year in construction and fabrication specialty roles. At the end of this first year, the Academy is on track to produce professional welders and boilermakers that are leaders in their respective fields.

### **Solution**

Introduced to the Quadrem network (now the Ariba® Network\*) by one of its customers, Hydra Arc joined the network to handle work requests. In South Africa, SAP, with its acquisition of Ariba, is one of the few companies that provides the proper tools to improve account and payment management processes to lower costs and minimize risk. Hydra Arc's specific goal on the Ariba Network was to remain customer focused without lowering the quality of its services.

Hydra Arc has been transacting on the Ariba Network since March 2015, and uses the network to connect with and provide specialized welding and fabrication products and services to a leading international energy and chemical company headquartered in South Africa. It initially experienced some compliance issues, which delayed payments and resulted in major cash flow problems. However, through improved communications and guidance from the Ariba team, Hydra Arc found the support and assurance it needed to work through its issues and find customer success through the Ariba Network.

\*Quadrem was incorporated into the Ariba Network after the acquisition by Ariba.

## Benefits

Since implementing the Ariba Network, Hydra Arc has improved its business operations with enhanced visibility and transparency over its transactions. And it has become more efficient by significantly reducing the number of days from job completion to invoicing and receiving payment. Hydra Arc achieved its goal of receiving more regular payments to overcome its challenge of limited cash flow. As a result, the South African company benefits from complete control of its organizational processes to support its annual revenue of 700,000,000 Rand.

## Future Plans

Hydra Arc plans to utilize more SAP® business solutions as a result of its positive experience with the Ariba Network. It plans to automate all of its procurement processes from orders to invoices, not simply sending and receiving purchase orders. The company is exploring how it might increase its exposure by identifying new business opportunities with Ariba, and is interested in leveraging SAP Fieldglass® solutions to manage its workforce.

## About Hydra Arc

The Hydra Arc Group consists of associated companies that operate primarily in the petrochemical, construction, mining, and power generation industry segments. The Group companies specialize in:

- Pressure vessel and piping fabrication
- Construction
- Refinery maintenance
- Supply of specialized labor and training
- Tooling and equipment supply

The Hydra Arc Group prides itself on being a world leader in the welding field, combining over 25 years of specialized experience with innovation and a willingness to embrace and develop new technologies.

## About SAP Ariba Solutions

Industry-leading, cloud-based SAP Ariba solutions combine with the world's largest Internet-based trading community to help companies discover and collaborate with a global network of partners. Using the Ariba Network, businesses of all sizes can connect to their trading partners anywhere, at any time, from any application or device to buy, sell, and manage their cash more efficiently and effectively than ever before. Companies around the world use the Ariba Network to simplify interenterprise commerce and enhance the results that they deliver. Join them at [www.ariba.com](http://www.ariba.com).

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