

An introduction to Artificial Intelligence (AI) with SAP

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Speaker introduction



- ✓ 28 years of SAP experience, as a user, citizen developer, program manager, product owner, leader, and ultimately project sponsor for customer implementation of S/4HANA
- ✓ Currently reside in the SAP S/4HANA Cloud Center of Excellence
- ✓ Support customers transformation to efficient, user-friendly, connected, automated and secure solutions to support an intelligent enterprise



Relevant

The most relevant AI delivered in the context of your business processes.



Reliable

Uniquely reliable AI trained on the industry's broadest business data sets.



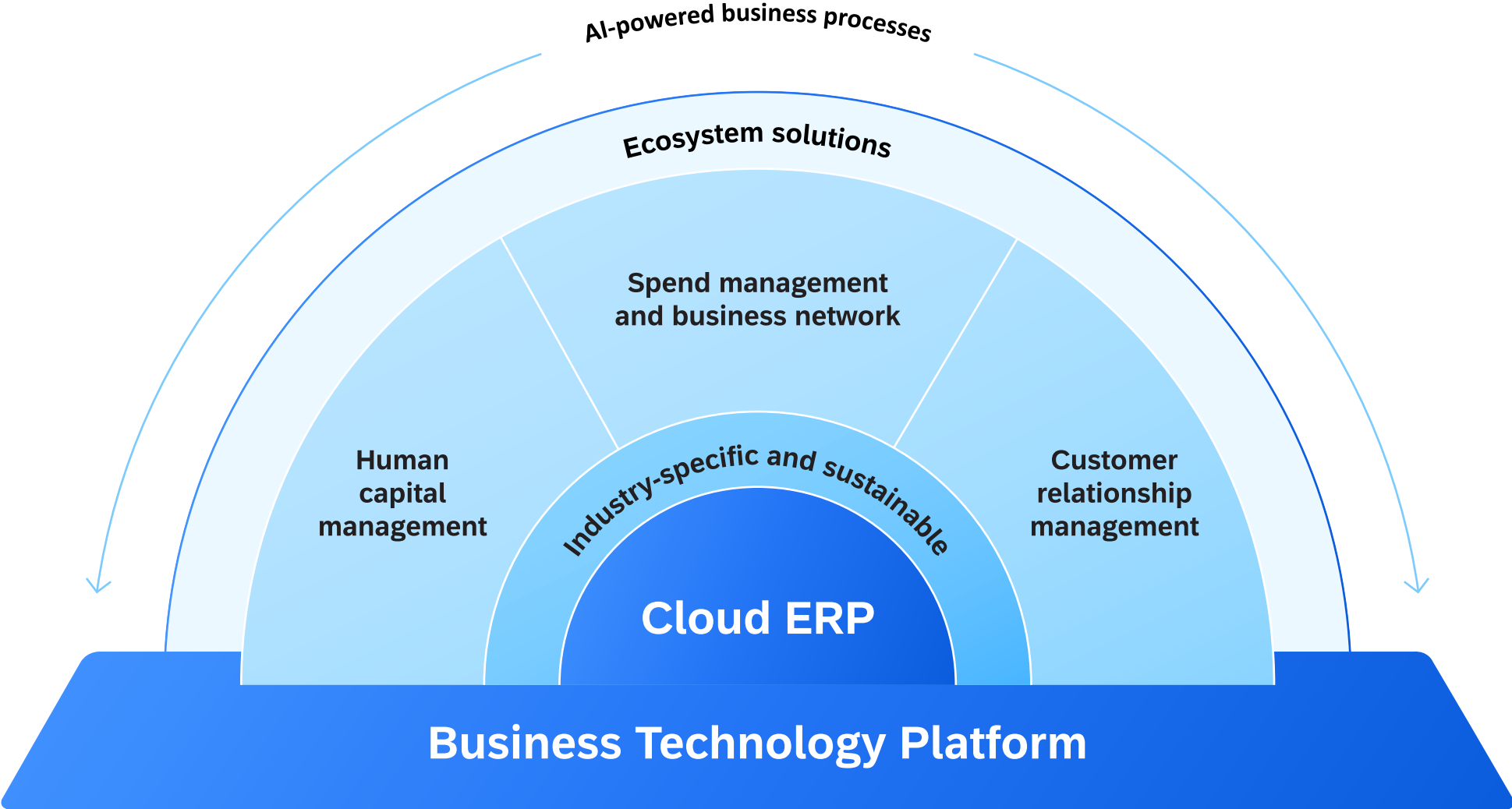
Responsible

AI built on leading ethics and data privacy standards.



Real business results

SAP Portfolio



SAP Business AI Approach

Relevant. Reliable. Responsible.

Finance | Supply Chain | HR | Procurement | Marketing and Commerce | Sales and Services | IT



Joule

A copilot that truly understands your business

Embedded AI capabilities

Cloud ERP

Human capital
management

Spend management
and business network

Customer relationship
management

Business Technology
Platform

AI foundation

on Business Technology Platform

AI ecosystem partnerships and investments



ANTHROPIC



cohere

databricks

DataRobot

Google Cloud

IBM

Microsoft

Relevant AI capabilities delivered through 50 years of deep understanding of business and processes



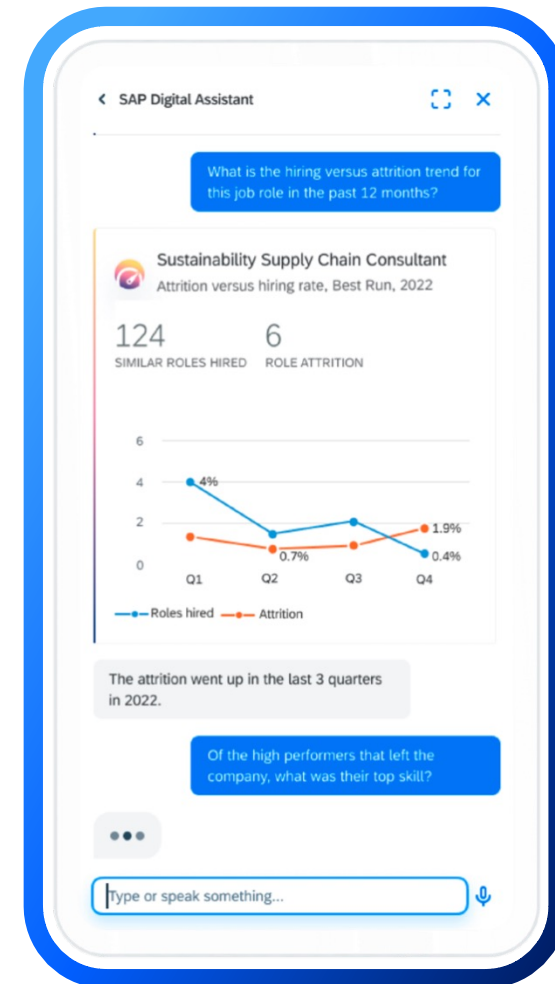
RELEVANT

Empower every employee to interact with SAP application in the most natural way possible

Benefit from AI embedded in your applications that improves and optimize your desired business outcomes

AI trained from real data that learns and adapts from your utilization

Accelerate your cloud journey with automated code generation and migration tools



Integrating the business and process data that resides within SAP applications with the power of AI to deliver unmatched reliability of output

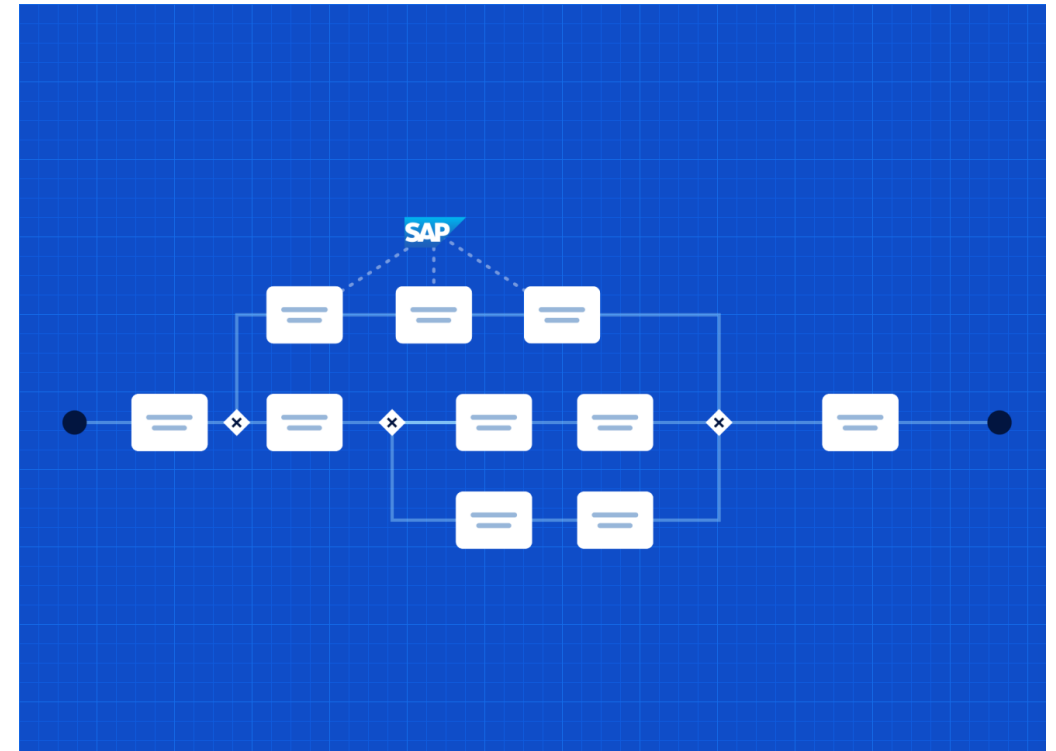


RELIABLE

Grounded in the truth of customer business context and SAP's business and process data

Data protection and privacy standards that you can trust to run your business on

World-class authorization concepts protect employees and business partners from unwanted consequences



Artificial intelligence built on leading ethics and privacy standards



RESPONSIBLE

Guiding principles and policies that steer the development and avoid biases

AI designed for people to get their most valuable work done while keeping humans in the loop

Governance model with external AI ethics advisors and cross-functional operationalization

The AI Ethics Policy.

The AI Ethics Policy clarifies how SAP's Guiding Principles for Artificial Intelligence relate to AI use cases. The policy applies to SAP and all its employees worldwide. It defines intent, expectations and obligations for employees involved in development, deployment and sale of AI systems.

The Pillars of the Policy.



Today, more than 24,000 customers are using SAP Business AI across multiple scenarios, and SAP is further committing to AI as a pillar for future innovation

24,000+
customers

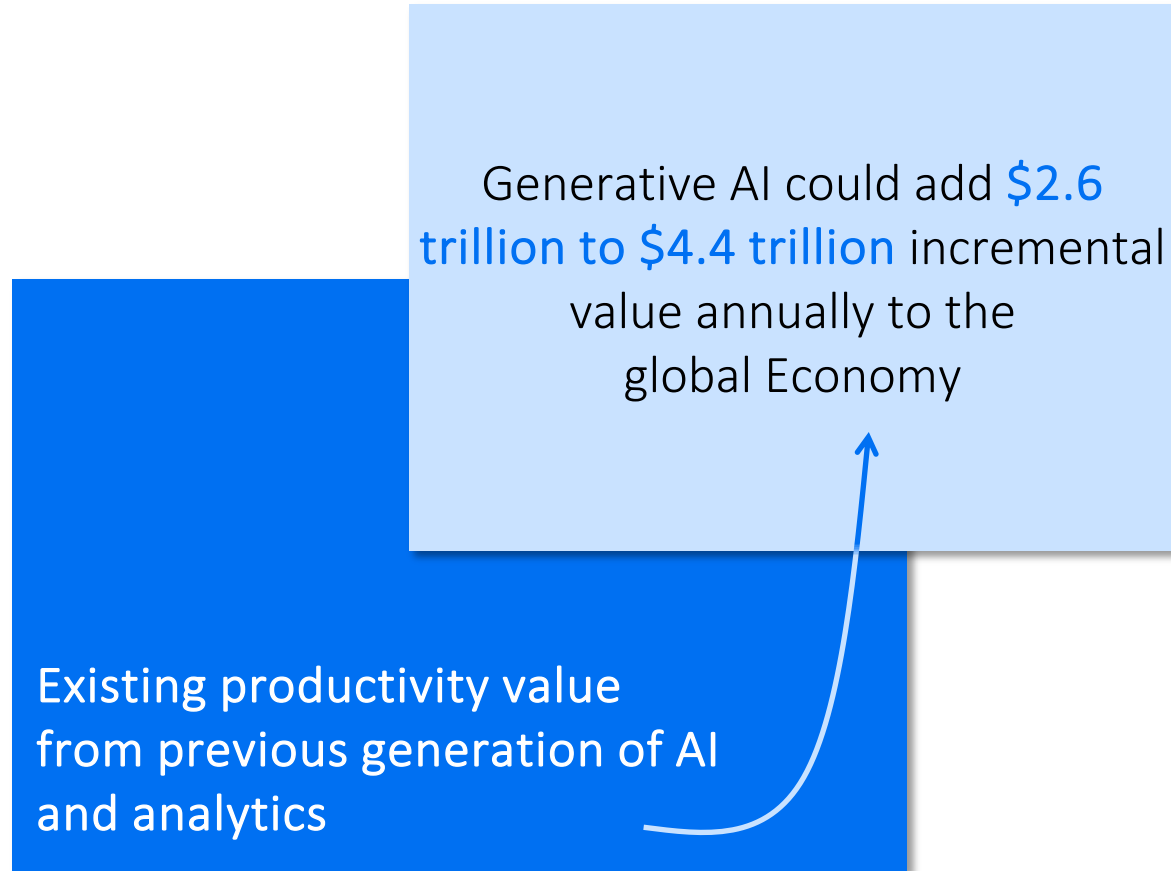
>\$1B investment via venture capital

\$6.1B in annual total R&D investment

3 direct investments in Generative AI leaders



AI represents a huge value creation potential across industries, many organizations are actively looking into expanding their adoption



WIDESPREAD ADOPTION, DESPITE EARLY DAYS

33%

companies globally are using Generative AI regularly in at least one business function

40%

organizations will increase their investment in AI overall because of advances in Generative AI

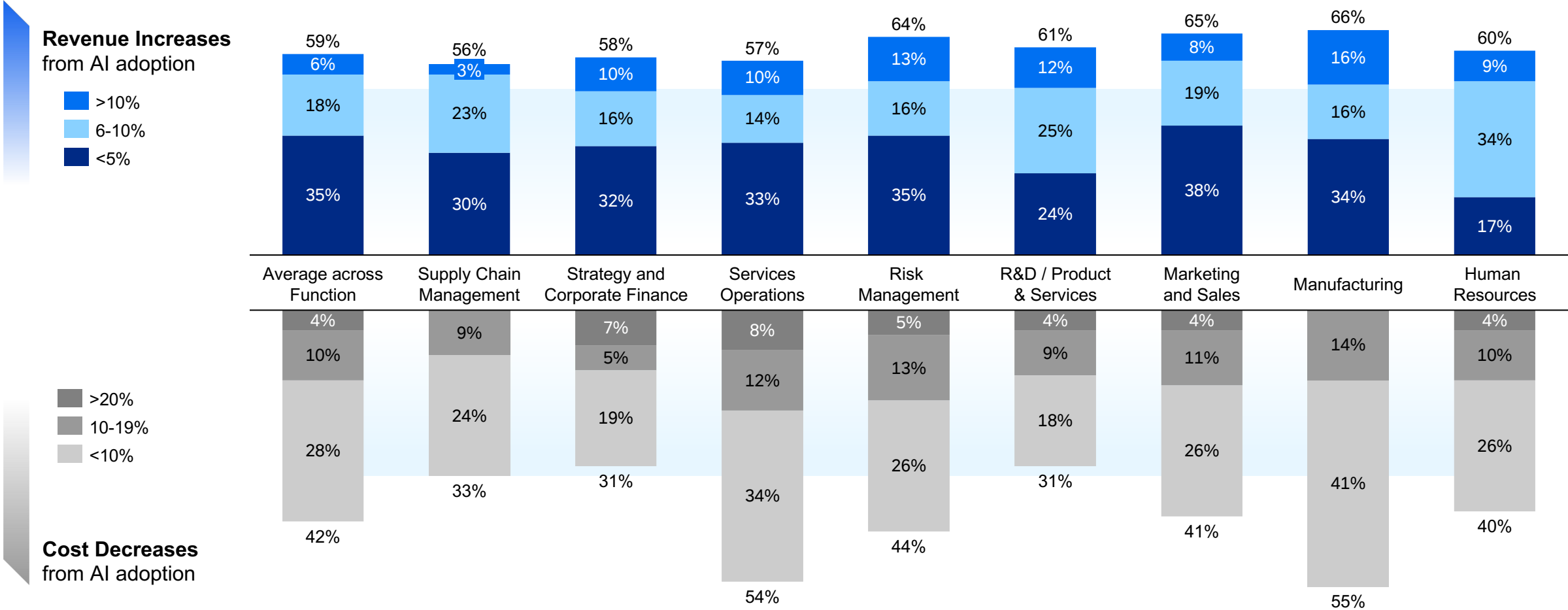
60%

organizations with AI adoption are using Generative AI

Source: McKinsey, [The State of AI in 2023. Generative AI's breakout year.](#) 1,284 participants globally.

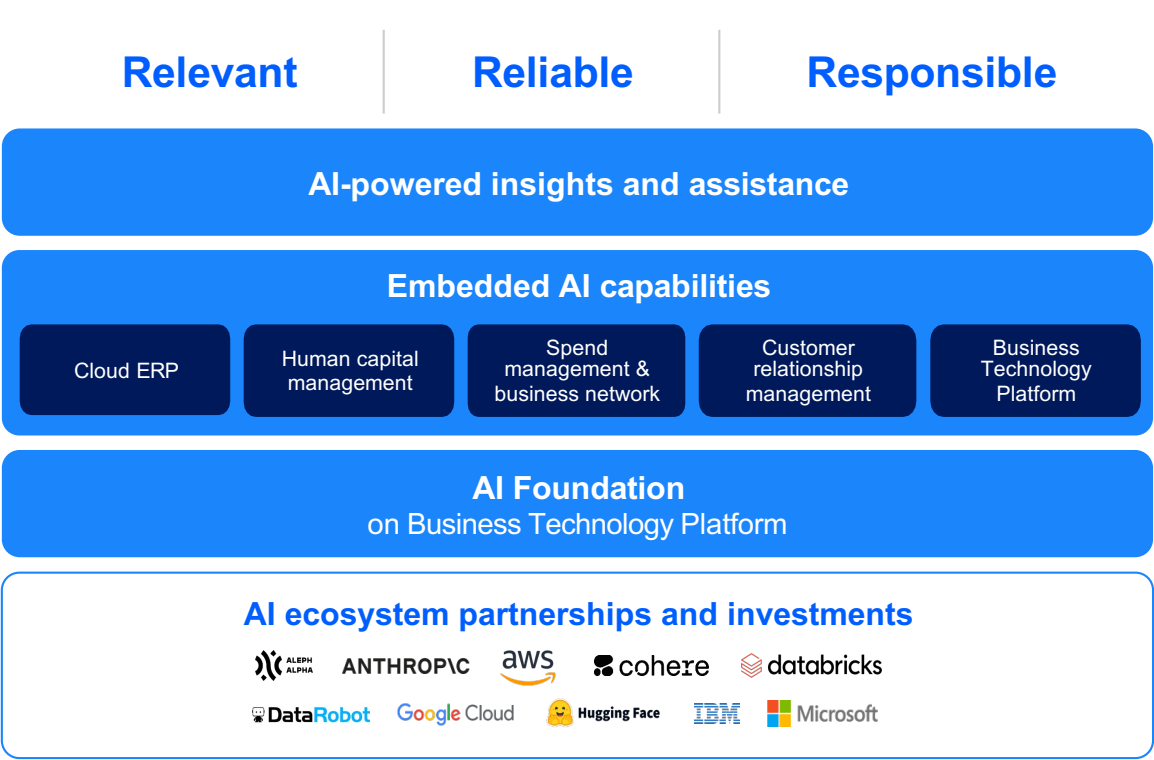
Organizations are seeing both top and bottom line growth improvement by leveraging AI across functional areas

Revenue and/or Cost improvements from AI adoption in the function using AI capabilities¹



¹ Source: McKinsey, State of AI in 2023, 1,684 participants globally. Answers shown above only respondents who stated seeing increase in revenue or decrease in costs

Only SAP Business AI can help customers unlock three sources of value in relevant, reliable and responsible manner for better performance



- **NATURAL USER EXPERIENCE**
Facilitates human-machine interaction
- **AUTOMATION**
Enable machines to complete repetitive tasks like humans
- **INSIGHTS, OPTIMIZATION, & PREDICTIONS**
Augment human decisions and cognition

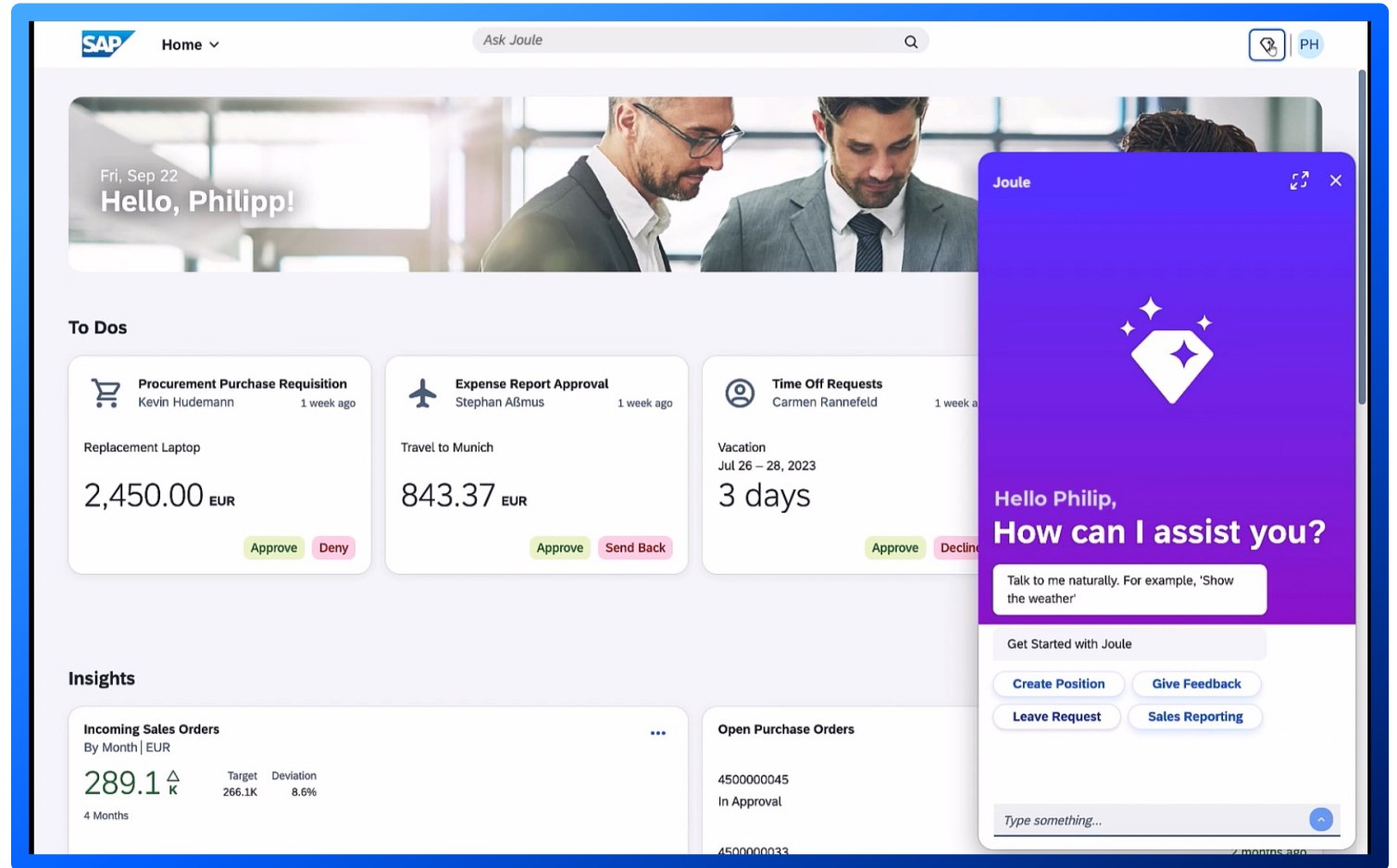
Joule – SAP's AI copilot

Work faster with an AI copilot that truly understands your business

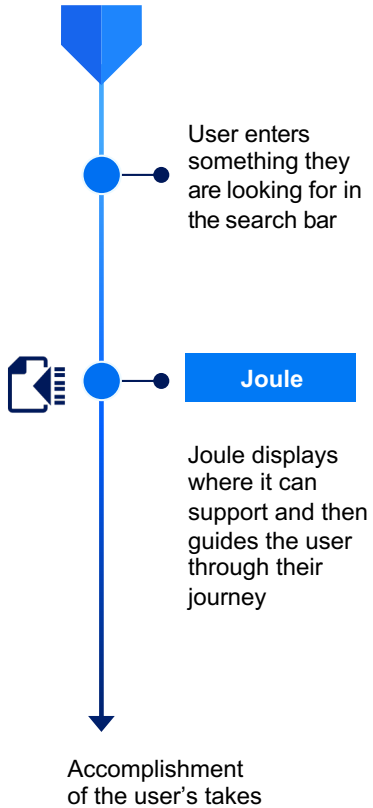
Benefit from smarter insights and quick answers on demand

Achieve better outcomes when creating content, code, and more

Maintain full control over decision-making and your data privacy



Note: Planned availability in SAP business applications at different times, starting with SuccessFactors and SAP Start in Q4 2023.



Challenge

- Delivering an intelligent user experience is challenging for today's Enterprise and stay competitive with intelligent user experience
- Users want to be guided through the SAP ecosystem to get relevant information or task to be done e.g., Get to the point from an entry page and retrieve the needed support

Solution

SAP Start

The central entry point for all SAP business applications – federating information and application into one place

Joule embedded into SAP Start

- Offers unintrusive his services to the user from the search bar integration
- All Capabilities and content at your fingertips in one place
- Appears as a single line up to the full chat window
- Gives access to all SAP Business Software Systems connected to SAP Start

Benefits

- Step-by-step augmented user journey gives the adequate help at the right point
- All defined Business Capabilities for Joule are available at the fingertips of the user
- Serves the full variety of the transactional, informational and navigational patterns of Joule
- Augments the SAP Start from a pure Launchpad to a Business Interaction center
- Everything inside the familiar user interface of Joule

Average Business Value for Customers

Time gain for occasional SAP users

Up to 10mins**
time saved

per usage on transactional patterns

Up to 10mins*
time saved

on informational patterns

Up to 5mins**
time saved

per usage on navigational patterns

* Processing time in interaction with Joule leveraging LLM support compared with « classical » approach, based on assumptions:

— Leave for the different help pages of SAP (SAP User Enablement content)

— Search for the policy documents (customer individual) – planned Q1/24

** gained from SAP experiments based on semi experienced users

Automate finance tasks & make better decisions

Automate manually intensive tasks so you can focus on strategic initiatives

Manage capital effectively with improved reporting accuracy

Mitigate fraud risk and reduce losses with anomaly detection

54%

of invoices automatically matched with payments

>
accenture

enabled by SAP Cash Application

Additional
AI capabilities
available today

Intelligent invoice
matching

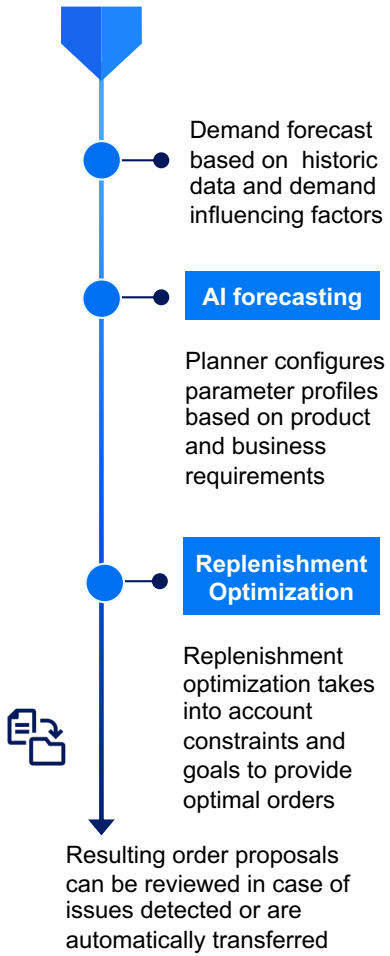
Business integrity
screening

AI-powered contract
management

AI-enhanced
policy audits

And more...

Automating the optimization of your stock with SAP Predictive Replenishment



Challenge

- Retailers are challenged by supply chain disruption volatility and therefore are seeking to achieve supply chain resiliency and tackle the delicate balance between missing out on revenue potential and handling excess inventory

Solution

SAP Predictive Replenishment provides an automatic ordering of replenishable retail products with the help of forecasted demand and highly automated services

- Automatic ordering of replenishable products for distribution centers
- Service level-driven replenishment for distribution centers by considering a multitude of aspects such as constraints, demand volatility, and more
- Alerts for monitoring and controlling, order proposal reviews, exception handling
- Easy configuration of planner responsibility and business objectives

Benefits

- Reduced revenue loss due to stock out
- Lower inventory costs and increased margins
- Increased productivity of replenishment planners
- Decreased manual workload with high levels of automation

Average Business Value for Customers

Calculation Method / Assumption In Notes

1%–30%

Reduced revenue loss due to stock out

1%–25%

Reduced inventory costs

10%–20%

Increased order management
FTE productivity

Source: SAP Value Lifecycle Manager

Create a dynamic, inclusive, and future-ready workforce

Find and attract the best talent for new job postings equitably with gender bias detection

Help your workforce reach its potential with personalized development paths

Identify highly qualified talent in less time with intelligent resume analysis

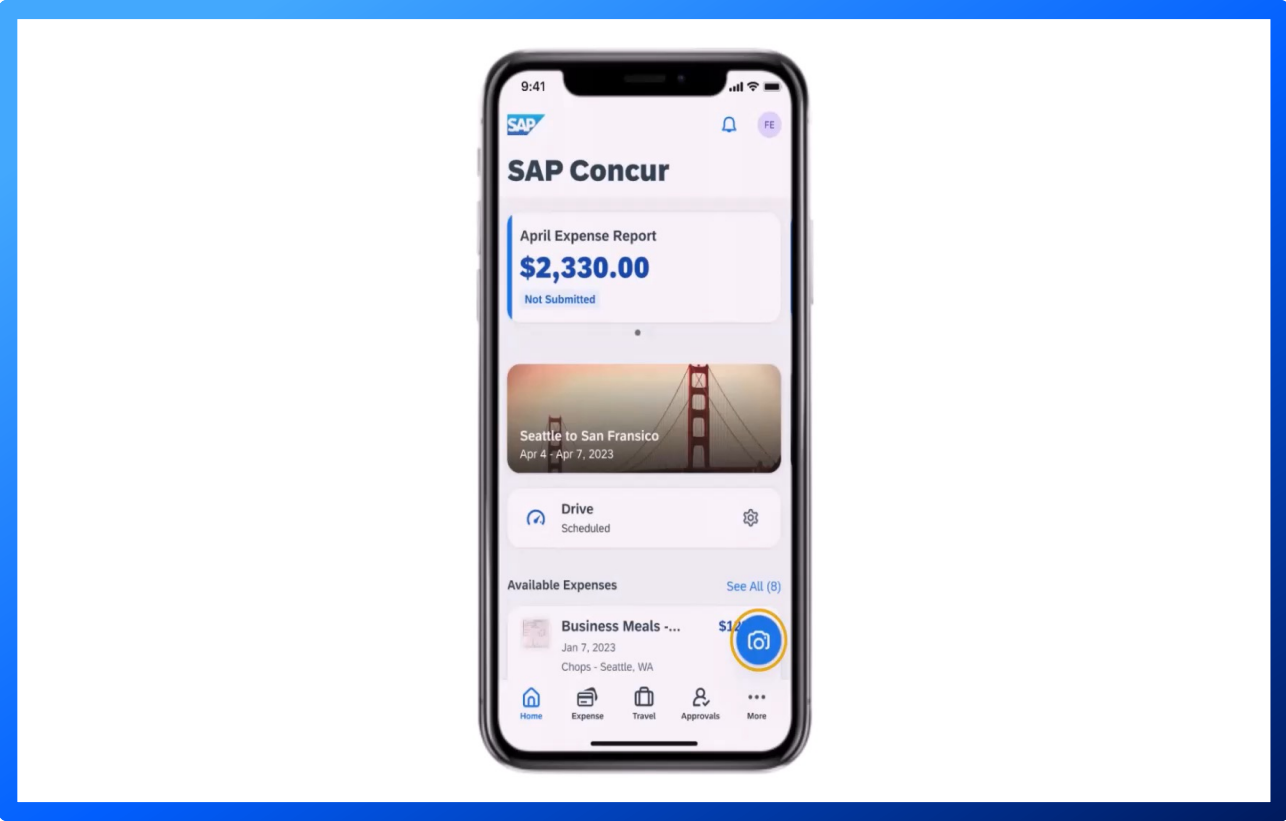


enabled by SAP SuccessFactors



Maximize efficiency, reduce risks and maintain compliance in employee spending

52%
fewer errors
in reporting expenses

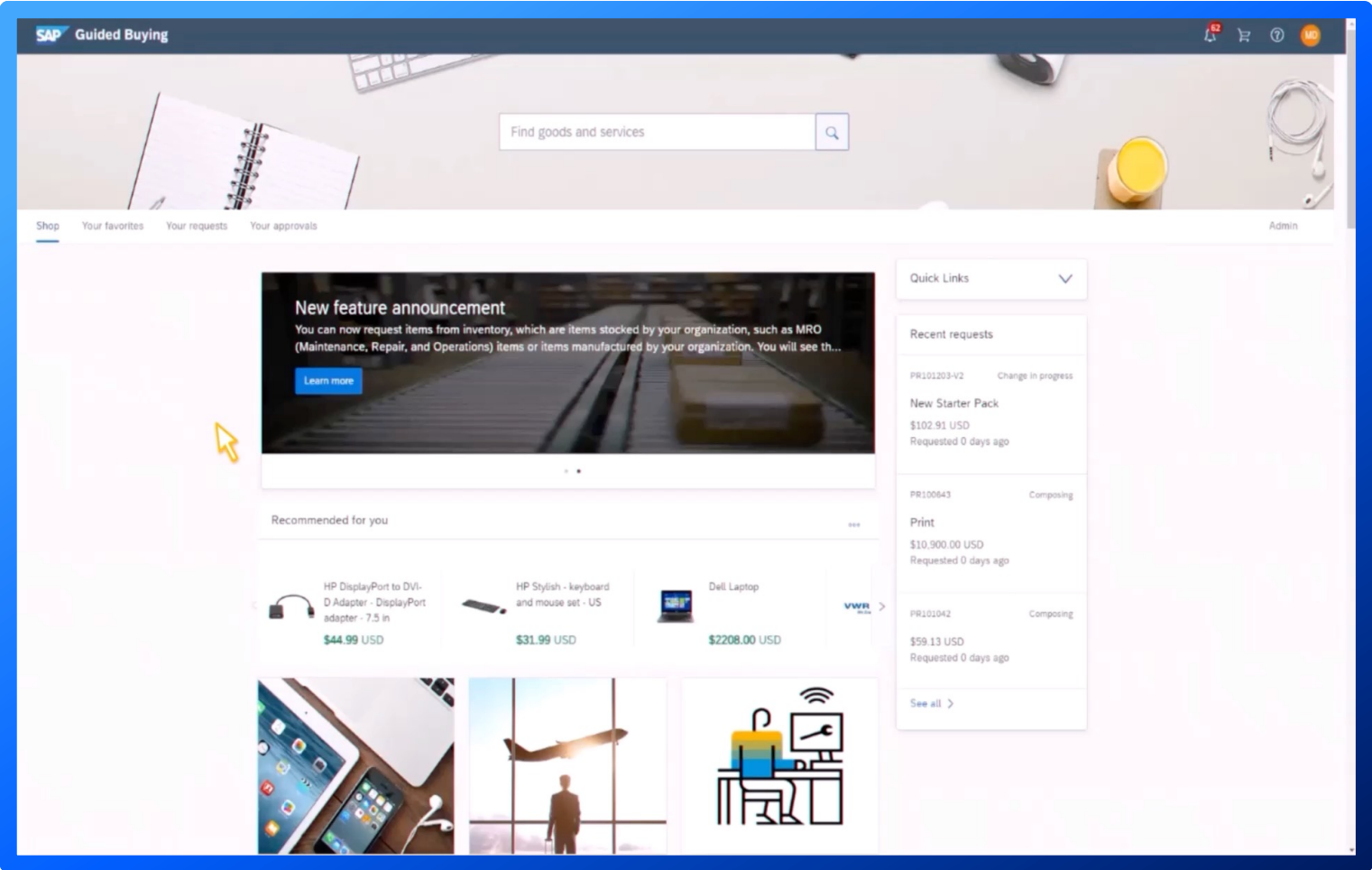


Concur Expense – SAP Concur

Guide employees to reduce expenses

65%

lower number of long tail vendors

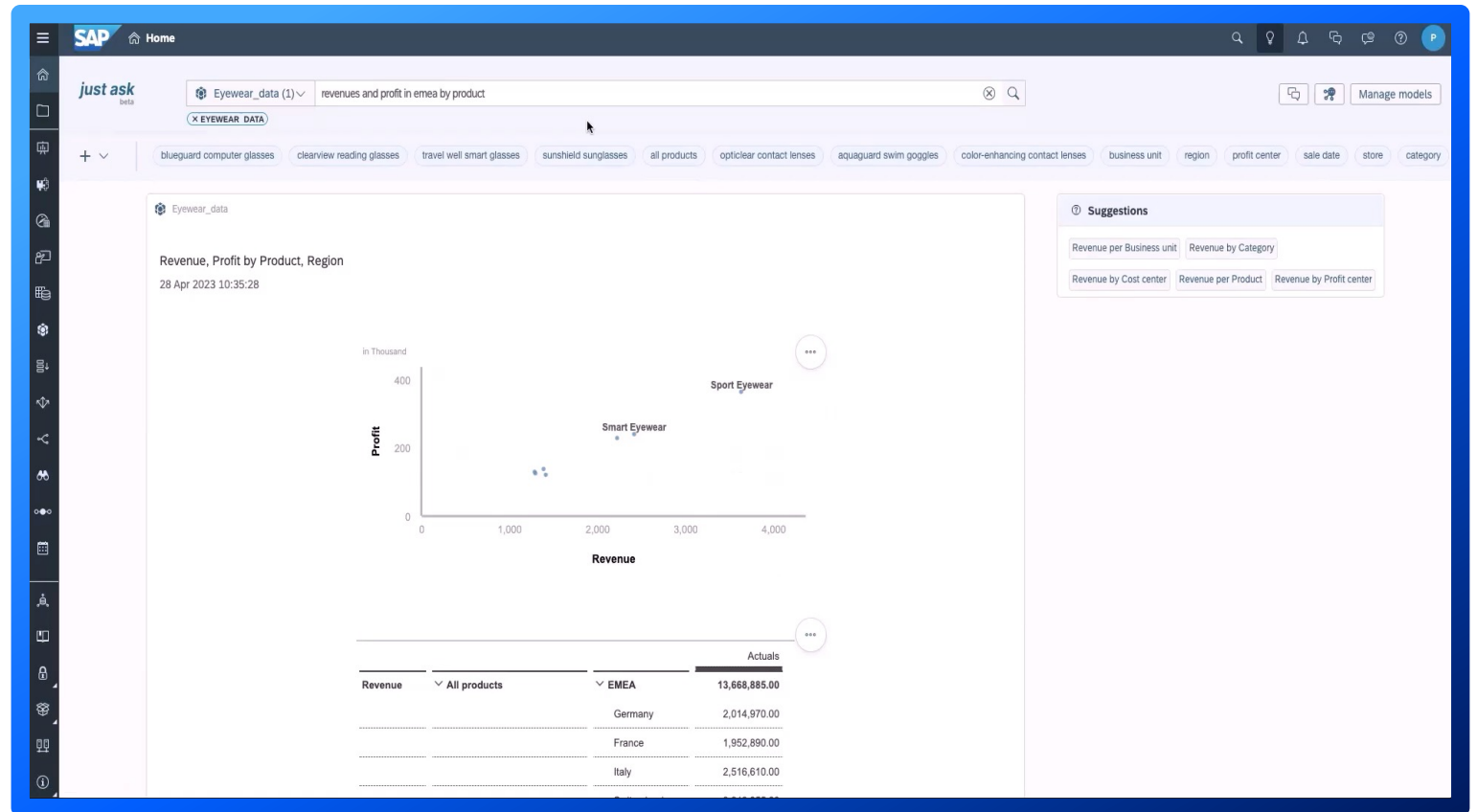


Guided Buying – SAP Ariba

Quickly access trusted insights via natural language

20%

Faster information retrieval



JustAsk– SAP Analytics Cloud

Business AI with SAP: customer examples



99%

of incoming payments
automatically assigned



15 minutes

to run forecasts down
from 3 hours



350 hours

saved each month
by reducing repetitive tasks



91.5%

of employees use
intelligent reskilling
application















Catalog of AI-powered business scenarios

Finance	Supply Chain	Customer Experience	Procurement	Human Resources	IT and Cross-Function
<ul style="list-style-type: none">▪ Tax Compliance▪ Cash Application▪ Intelligent accrual▪ Travel expense auditing▪ Travel expense verification▪ Invoice processing▪ Business Integrity screening▪ Goods and invoice receipt matching▪ Mobile expense entry	<ul style="list-style-type: none">▪ Stock in transit▪ Visual Inspection▪ Demand forecasting & sensing▪ Project-cost prediction▪ Predicted delivery processing▪ Demand-driven replenishment▪ Forward scheduling▪ Field service scheduling▪ Asset prediction & optimization▪ Slow-moving materials prediction	<ul style="list-style-type: none">▪ Predicted delivery processing▪ Discount recommendations▪ Intelligent sales execution▪ Relationship intelligence▪ Sales route optimization▪ Sales order automation▪ Opportunity scoring▪ Customer insights▪ Guided selling▪ Lead scoring▪ Product recommendations	<ul style="list-style-type: none">▪ Guided buying▪ Sourcing item and supply prediction▪ Material group recommendations▪ Invoice object recommendations▪ Job matching for contingent workforce▪ Resume ranking for contingent workforce▪ O'Net labelling	<ul style="list-style-type: none">▪ Skill and career path recommendations▪ Learning recommendations▪ Job analyzer	<ul style="list-style-type: none">▪ Joule▪ Process automation▪ Business rule mining▪ Intrusion detection

...Find out more on [SAP Business AI](#)



SAP's ecosystem also supplies over 360 AI-based solutions readily available on SAP Store

Functional Area	Partner	Solution Description
IT & Cross-Function	 BigID	Machine learning tools and data insight to help enterprise better manage and protect their customer, sensitive and regulated data
Customer Experience	 bloomreach	Generative AI-powered search, content generation, product recommendations and predictive analytics
	 coveo™	AI-enabled search and recommendation platform integrated into SAP commerce cloud with Generative Answering Capabilities
	 pricefx	AI-enabled and Machine learning-enabled price optimization capabilities
	 yellow.ai	Generative AI supported chatbots and voice-bots
Human Resources	 shyftplan	AI-supported solution for shift scheduling , scalable to thousands of employees, even for complex cases
	 PARADOX	Conversational AI recruiting to automate candidate screening, text campaigns, 1:1 texting, interview scheduling, mobile-first
	 degreed.	AI-powered tools to identify skill gaps across businesses and deriving learning and talent development opportunities
	 eightfold.ai	Talent Intelligence Platform uses AI to radically increase the efficiency and effectiveness of talent operations
Procurement	 scoutbee	AI-driven supplier search to identify potential suppliers who meet specific sourcing requirements
	 SHIPPEO	AI-powered real-time transportation visibility of multimodal shipments globally, giving an end-to-end view of supply chain
	 Icertis	Offers new suite of Apps that applies AI to pool of digitized data incl. integration of new large language models

Sample of AI-powered partner solutions available on SAP Store

What lies ahead?



AI roadmap:

<https://dam.sap.com/mac/app/p/pdf/asset/preview/MVCpiyr?ltr=a&rc=68>

Questions?

For questions after this session, contact me at rob.seifert@sap.com

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