SAP Business AI + Procurement Solutions

AI Built for Business

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SAP AI momentum

24,000+ customers

>$1B investment via venture capital

$6.1B in annual total R&D investment

3 direct investments in generative AI leaders

ALEPH ALPHA   ANTHROP\C   cohere

The future with SAP Business AI

Business insights
Delivered with perfect clarity

Generating new processes
Transforming business performance

Augmented employee productivity
Improving business outcomes

Real business results

Relevant

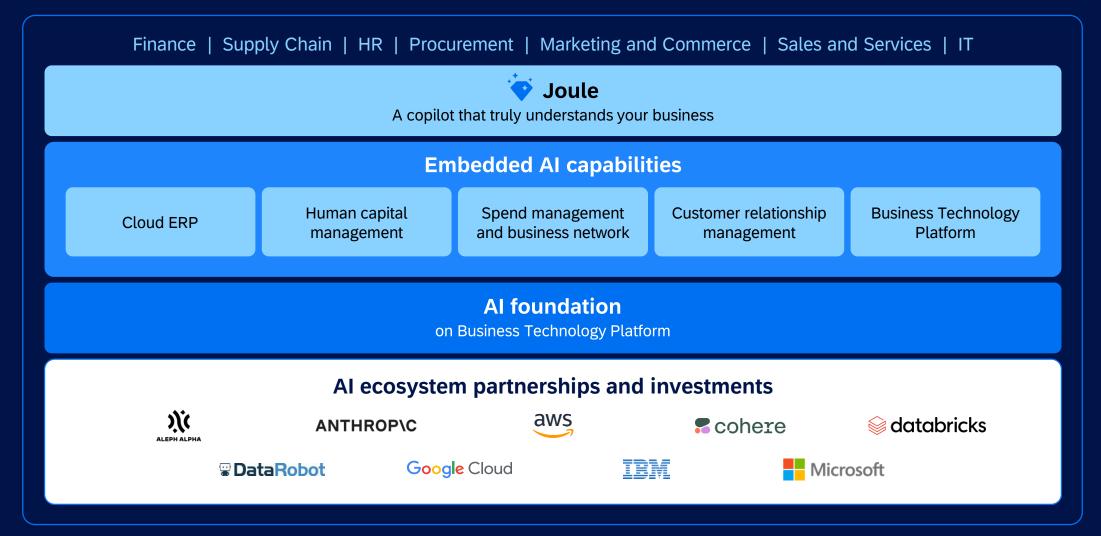The most relevant AI delivered in the context of your business processes

Reliable

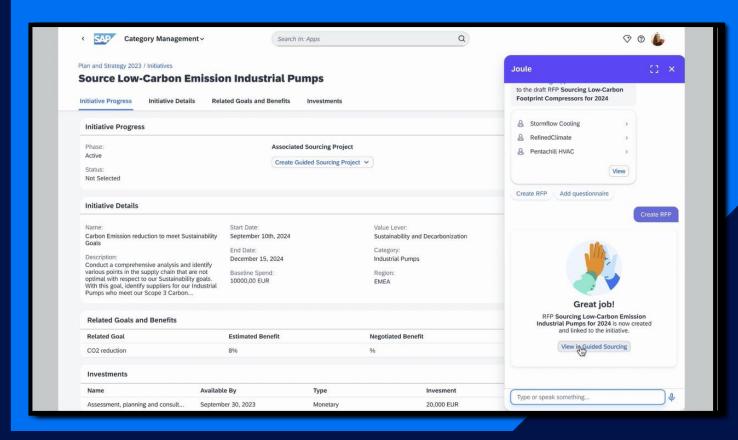Uniquely reliable AI trained on the industry's broadest business data sets

Responsible

AI built on leading ethics and data privacy standards

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

ALEPH ALPHA   ANTHROP\C   aws   cohere   databricks

DataRobot   Google Cloud   IBM   Microsoft

Joule in SAP Ariba

Reduce average search time across applications by up to 80% with an AI copilot that helps you work faster

Benefit from smarter insights and quick answers on demand

Achieve better outcomes when creating content, code, and more

Maintain full control over decision-making & your data privacy

AI and automation is the **vital** next step for Procurement

AI that drives an immediate impact to the bottom line

"The platforms that will succeed are those who will find the right balance between an engaging user interface, comprehensive and simple processes, automation, AI driven decision-making support and embedded BI at all stages of the processes."[1]

The Economist

Take advantage of new automation, AI and ML

The top strategic focus for businesses in the next 1–3 years is AI/Digital capabilities.[2]

Hackett Group

1 The Economist | Decoding Confidence in the Procurement Function 2023

2 Hackett Group | 2023 Procurement Agenda and Key Issues Study Results

SAP procurement solutions

Procurement teams face cumbersome manual processes, staff shortages and often lack visibility of spend across the organization

Teams are buried

In routine manual processes and struggle to find necessary information

Burdensome buying experiences

Stand in the way of self-service and drain more resources

Risk for unmanaged purchases

Is high and meeting compliance KPIs is a struggle

Procurement

CPOs and procurement departments face growing challenges with containing costs, enforcing compliance, and managing supplier risks.

Needs

- Spend visibility and risk mitigation
- Intelligence to help stakeholders identify opportunities and risks to prioritize
- Benchmarking data to plan and forecast
- Fast and easy way to evaluate suppliers and re-negotiate contracts
- Maintaining guardrails and keeping compliance while limiting unmanaged purchases
- Time saving automation that uplevels productivity

Challenges

- Siloed data
- Time to value with key tech investments
- Clean data that is reliable and accurate
- Tiresome day to day operations leaving little time for strategic planning
- Evolving policies and regulations
- Catching fraudulent activities and risk

Processes

Organizations **reinvent the wheel** every time they build AI.

People

Organizations need to acquire **more expertise** while scaling AI.

Tools

Organizations require tools that are **interoperable** and can support a multitude of personas.

Challenges scaling AI

Transition from reactive to proactive

Imagine automating purchases, increasing risk mitigation across procurement, and gaining prescriptive insights into problems.

Business AI from SAP

- Recommends actions based on your criteria
- Provides guidance in view of market dynamics
- Gives your team time to focus on high-value work by removing repetitive tasks

How is SAP different?

- Large volumes of SAP data enables the right training sets to build the right models that competitors will never match
- Allows for human oversight at key points in the process
- AI built on leading ethics and data privacy standards

With SAP, your solutions can…

Recommend

- Identify a short list of suppliers for a sourcing event based on similar past events

- Optimize selection criteria based on historic sourcing activity

- Recommend purchase items based on past organizational or individual activity—frequently bought together

With SAP, your solutions can...

Streamline

- Excel upload tools to parse supplier information for sourcing events

- Machine learning and optical character recognition (OCR) tools to continually process invoices and learn from the process

- Situation handling to automate small repetitive tasks

With SAP, your solutions can…

Guide

· Pre-filled GL codes based on past purchases

· Increasingly relevant search results based on past performance of the organization

· Predictions for direct material deliveries and contract consumption rates

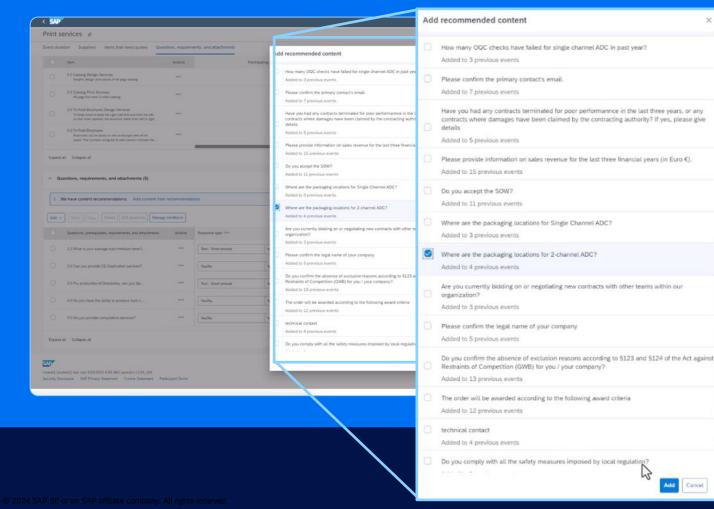# Scale and achieve better business outcomes

SAP Ariba Sourcing

Import custom spreadsheets for sourcing projects

- Flexibility to import custom Microsoft Excel files for sourcing project content generation

- Parse data from files with multiple sheets for:

  - Items

  - Questions

  - Requirements
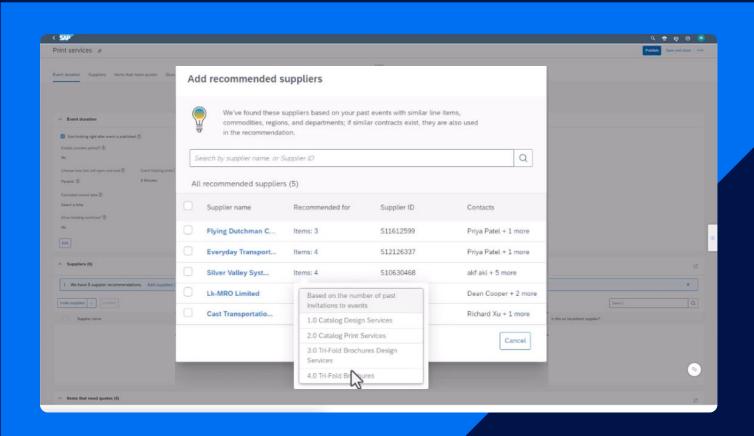
  - Formulas

SAP Ariba Sourcing
Recommended content for sourcing events

- Automatically recommends the right questions to ask suppliers

- Based on your historic sourcing activity

- AI pulls information from previous events and contracts in the system
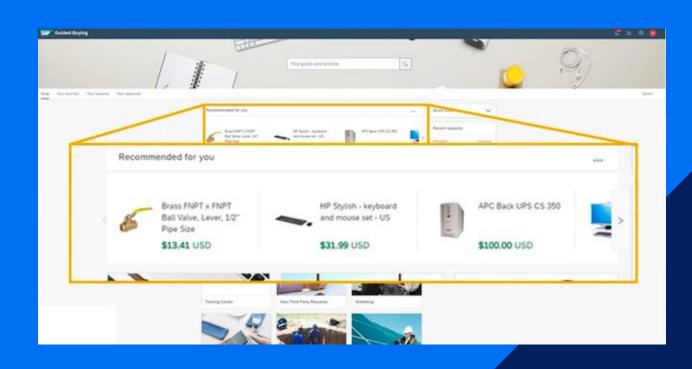
SAP Ariba Sourcing
Recommended suppliers for sourcing events

- Recommends suppliers to invite to a guided sourcing event based on similar past events

- Data used to generate the recommendation includes:

  - Key supplier information

  - Material Number and Material Code fields

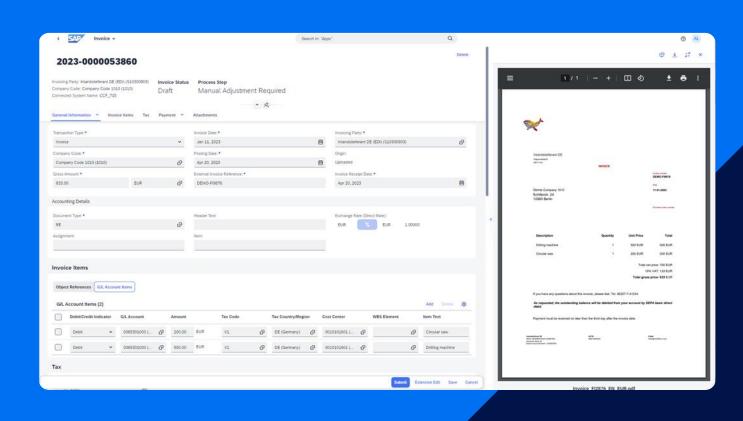 - Supplier history in past events, including invitations and contracts

SAP Ariba Buying
Get instant, real-time item recommendations

- Guides users to goods and services within the company catalog

- See recommendations based on what colleagues have ordered

- Recommendations are continuously and dynamically updated

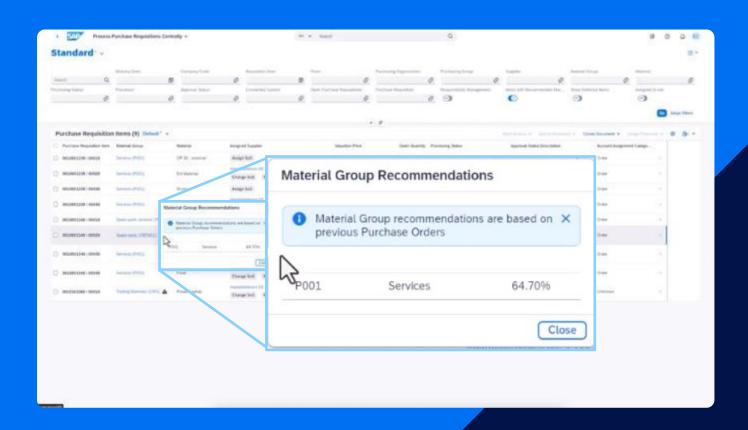- After selection, the system generates similar items to compare before final purchase

SAP Ariba Central Invoice Management
Extract supplier invoices from mail and uploads

- Automated extraction and upload of key fields into the invoice management system

- Optical Character Recognition (OCR) tool processes invoices on a continuous basis

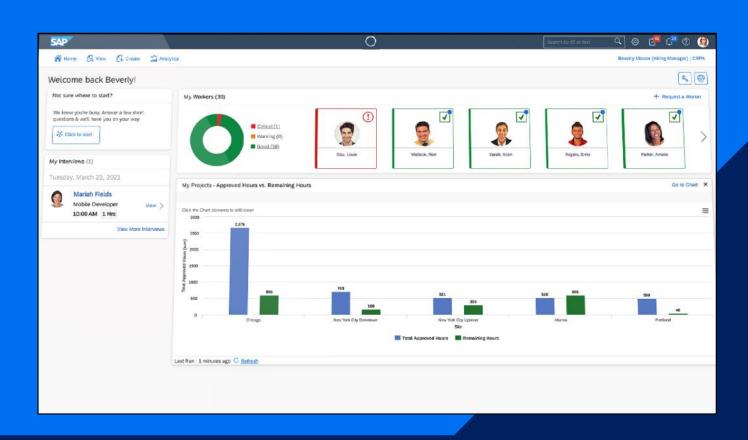- Process invoices from suppliers as PDF, JPEG, PNG, and TIFF

SAP Ariba Central Procurement
Receive material group recommendations

- Notifications for incorrectly assigned material groups within purchase requisitions

- Requisitions created in any satellite backend are automatically scanned

- Increase data quality by adjusting the incorrect material group before processing
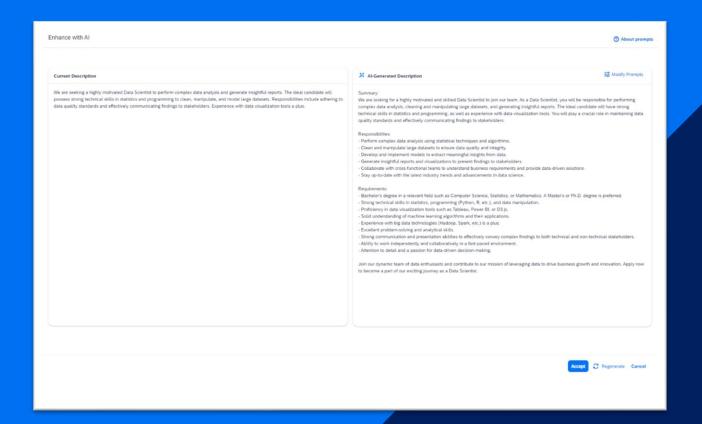
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SAP Fieldglass
Speed up your hiring with Intelligent resume analysis

Accelerate resume screening by using machine learning with AI to compare candidates side by side

Highlight key skills in a CV or resume to drive candidate conversations

SAP Fieldglass
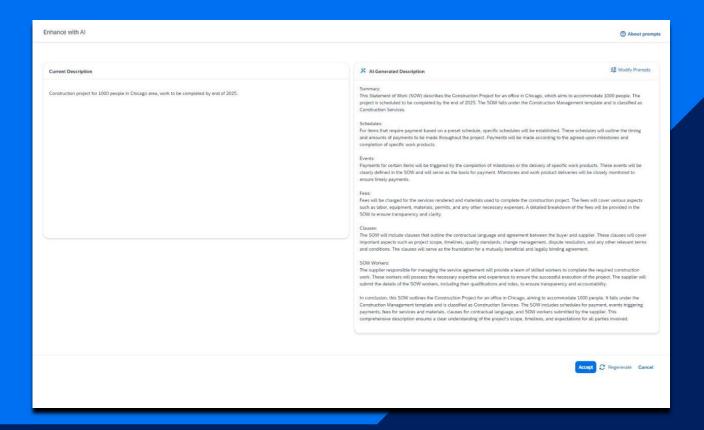## Streamline recruitment by automating job descriptions

Use key phrases to create effective job descriptions that match your skills requirements

Ensure postings are void of unconscious bias

Automatically integrate pre-approved obligatory content, like your company mission statement

SAP Fieldglass
Transform project briefs into comprehensive SOWs

Convert project outlines into comprehensive descriptions

Optimize collaboration, reduce cycle time, and mitigate project risks

Enable service providers to attain higher efficiency and success

SAP Fieldglass
Translate job postings within the application

Seamlessly translate a job description in over 20 languages

Effortlessly support all regions in their preferred language

Help regional service providers clearly understand business needs

Proof Points for AI in Procurement

Procurement professionals often wonder about the tangible benefits of artificial intelligence. Here are four examples of how innovative, AI-driven solutions from SAP could help you find cost savings.

Event creation using unstructured Microsoft Excel information in **SAP® Ariba® Sourcing solution**

Up to 50% less time
to publish an event, compared to manual creation in predefined, templated formats

Intelligent item recommendations in **SAP Ariba Buying solution**

Up to 60% faster
shopping cart submission time through algorithmic comparisons to the organization's recent purchasing history

In-app large language models in **SAP Ariba Category Management solution**

As much as a 56% reduction
in onboarding time for category managers by accelerating development processes for category strategies across several hundred categories

Intelligent résumé ranking in **SAP Fieldglass solutions**

As much as a 15% reduction
in work orders closed with a "Do not rehire" reason, saving customers time in reviewing candidates and finding candidates with rehire potential
Over a six-month period, a customer in the hospitality sector found that **61% of the time**, hiring managers selected the candidate ranked first.

*Source: Internal SAP performance benchmarking

2024 SAP Ariba and SAP Fieldglass roadmap items

Q2	Q3	Q4
Quickly generate effective job descriptions and SOWs for all regions	**Maximize sustainability and efficiency with SAP**	**Streamline supplier management, invoice processing and hiring**

Q2

- Streamline recruitment by automating job descriptions to find qualified candidates as early as possible with SAP Fieldglass

- Translate job descriptions within SAP Fieldglass so regional service providers will more clearly understand business needs, which will improve the quality of their candidate submissions.

- Transform project briefs into comprehensive Statements of Work (SOW) to clearly communicate requirements with SAP Fieldglass

Q3

- Leverage SAP Sustainability Footprint Management (SFM) to simulate Scope 3 Emissions in SAP Spend Control Tower to enable progress towards ESG goals

- Utilize SAP Joule to initiate a guided experience with natural language prompts to create new sourcing events with RFPs in SAP Ariba Category Management

Q4

- Understand a suppliers sustainability priorities with Supplier ESG Scorecard in SAP Ariba Supplier Lifecycle & Performance

- Recommend catalog bundles with relevant items in real time in SAP Ariba Guided Buying

- Create invoices from pdfs and images in SAP Ariba Central Invoice Management with DOX Premium to streamline processes

- Import PDF files for draft SOW elements with DOX Premium to reduce manual data entry errors in SAP Fieldglass

- Use SAP Joule in SAP Fieldglass to create job descriptions and SOWs with select templates and pre-filled data to simplify the hiring process

- Empower user to find, modify, and run reports across SAP Fieldglass using SAP Joule's natural language capabilities

- Retrieve information across SAP Fieldglass help files and communities with SAP Joule, receiving succinct responses with helpful links.

Reflects current state of planning, subject to change. Refer to SAP Roadmap Explorer.

This Roadmap is subject to change without notice. Please carefully read the legal disclaimer.

SAP core principles for AI in procurement

Relevant
AI and automation that improves the most critical procurement processes

- Compliant buying with cost containment front and center
- Optimized sourcing; receive recommendations for new suppliers that meet your criteria, predict future needs

Reliable
technology that fits within your ecosystem

- Gain better visibility to data and streamline buying processes
- Remove data silos and gain accurate spend data across the organization

Responsible
AI with opportunities to confirm AI research

- Keeping the human in the loop to validate research findings and ensure AI is not using biased content
- Using AI to help achieve sustainable selections, distribution of material goods, and cost reduction

AI built on leading ethics and privacy standards

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.

01. Human Agency & Oversight

02. Addressing Bias & Discrimination

03. Transparency & Explainability

Guiding principles and policies that steer the development and deployment of our AI software

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

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

- AI ethics policy
- Data privacy standards
- External AI advisory panel
- AI guiding principles
- AI ethics steering committee

Thank you