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Leveraging AI technology in SAP S/4HANA

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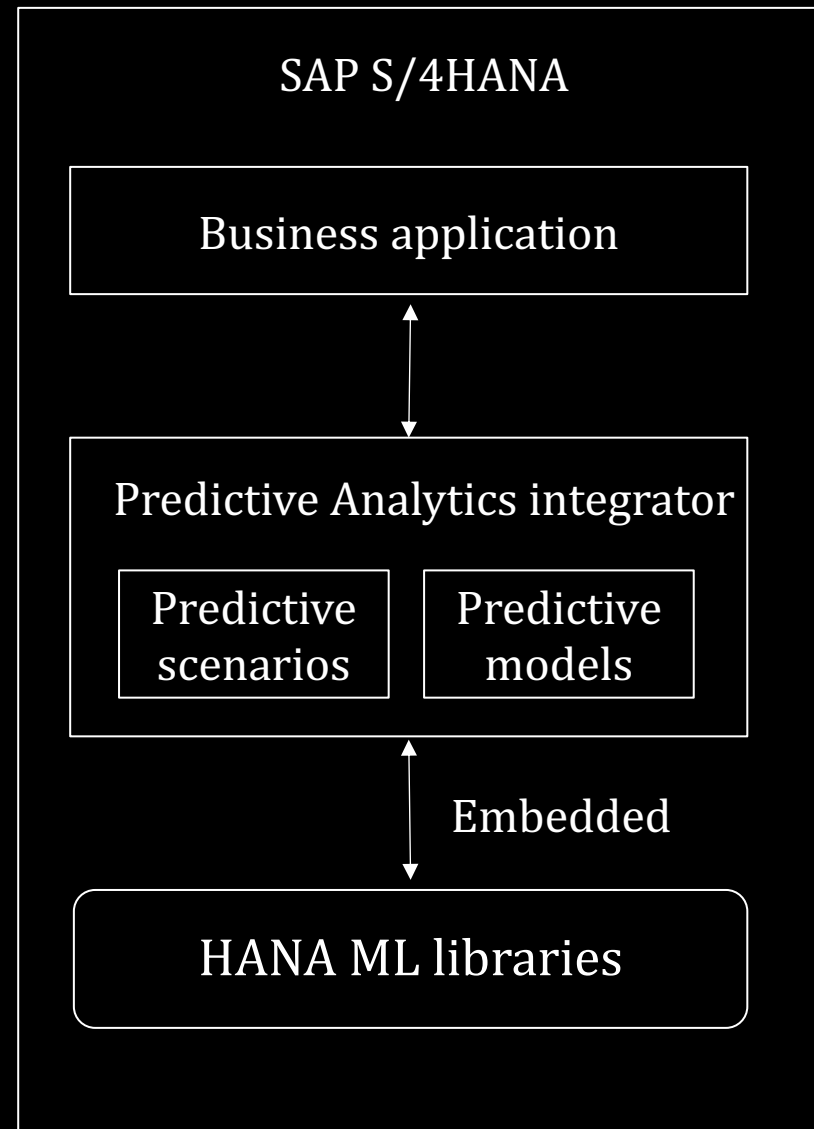
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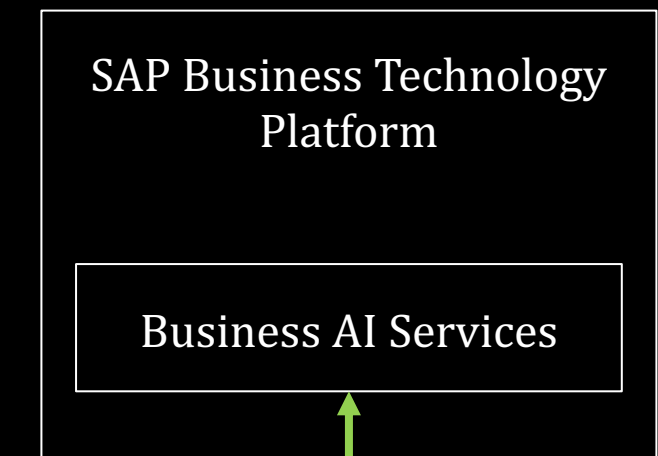
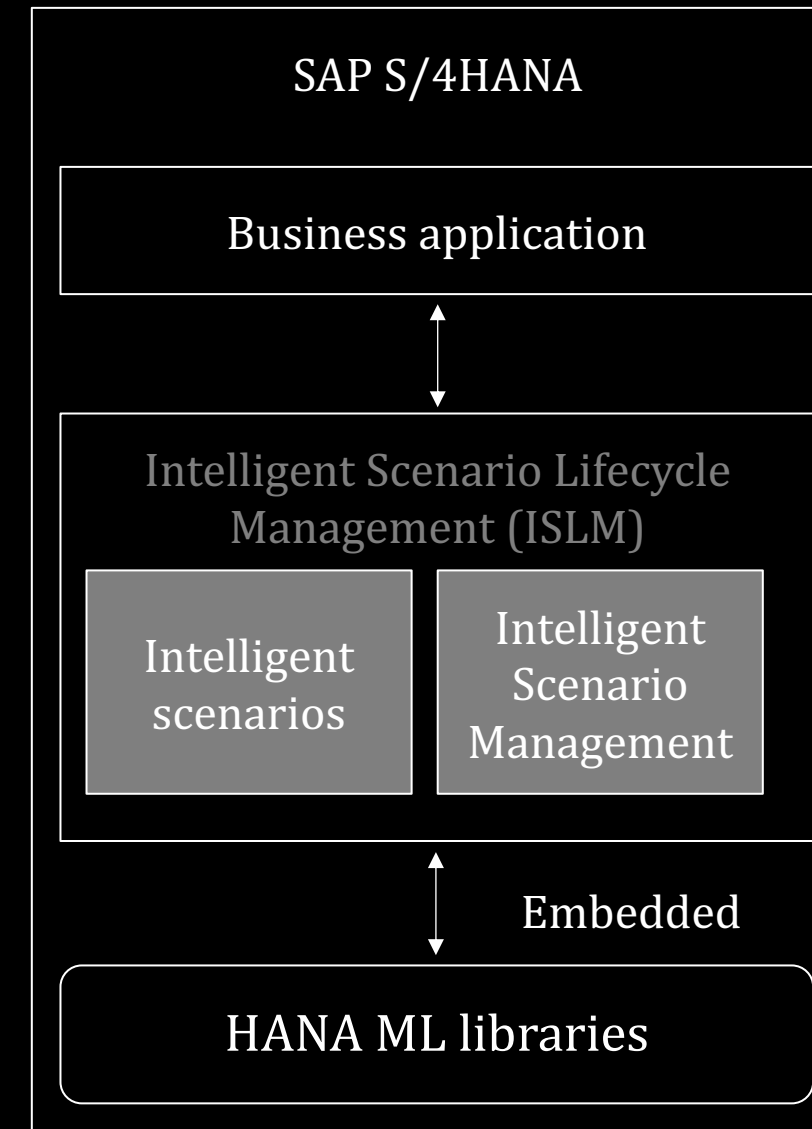
Leveraging AI technology in SAP S/4HANA needs a comprehensive suite of business technology services

Past architectural setup



How to efficiently leverage BTP (Gen)AI services and monitor the associated (Gen)AI scenarios in S/4HANA?

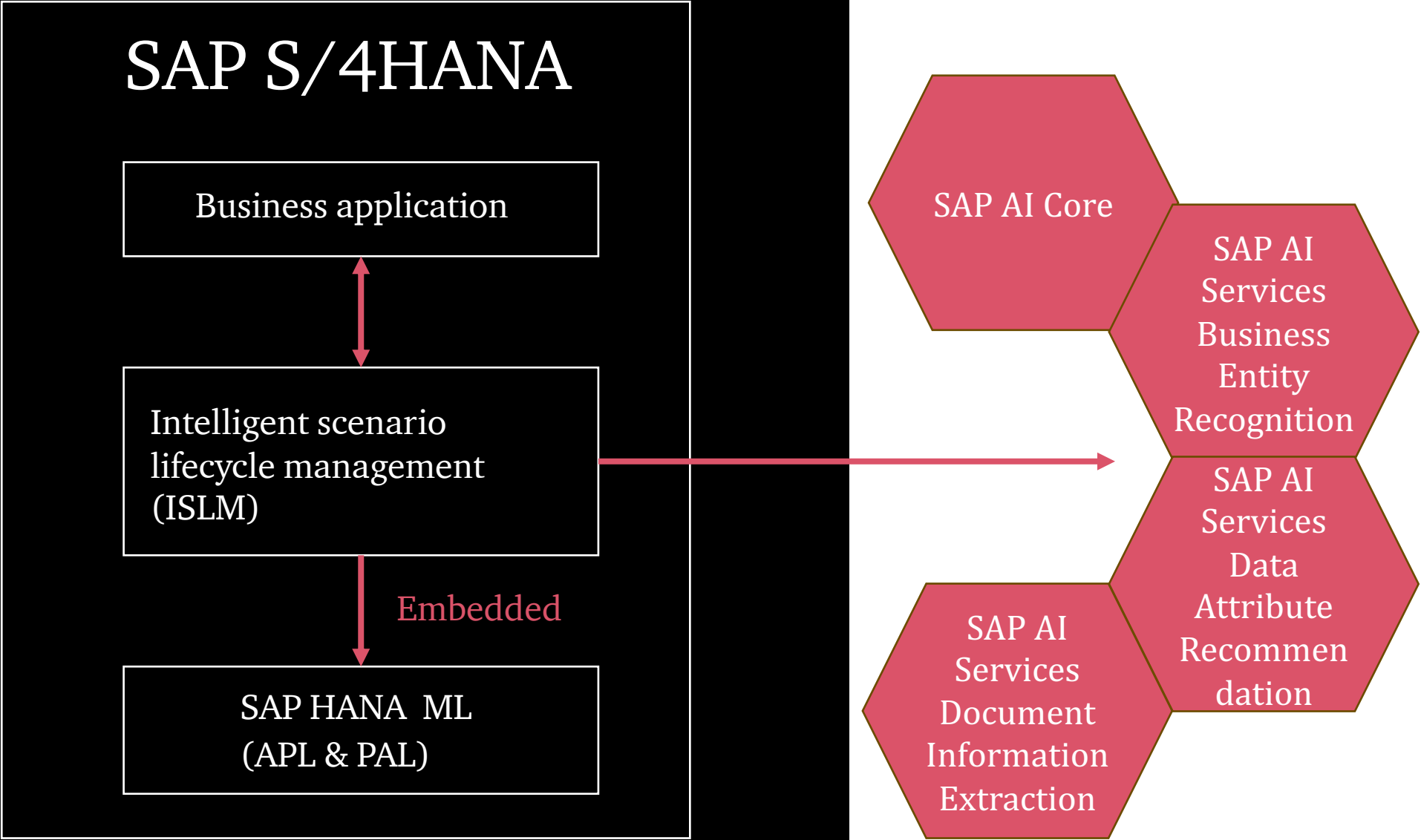
New architectural setup



Side-by-Side

Efficiently create, deploy, operate, and monitor S/4HANA AI scenarios

AI Integration: Leverage ISLM to empower business applications



What is ISLM?

- Single-entry point within SAP S/4HANA to efficiently integrate and operate ML scenarios
- Standardized framework delivered in SAP BASIS component: ISLM is part of standard license for SAP S/4HANA
- Focus on customer managed use cases (custom developed and delivered by SAP)

Key benefits of ISLM

- Standardizes and streamlines application integration with various ML services and runtimes with minimal coding
- Enables end-to-end lifecycle operations in the context of the business application right from exploration, prerequisite checks, training, and activation
- Supports auditing requirements and simplifies change management through explicit activation of models

Discover, operate, and consume prebuilt / custom-built SAP S/4HANA AI use cases by means of the ISLM application

Embedded

AI service provider (such as HANA – ML) runs in the same stack as the business application (SAP S/4HANA)

Side-by-Side

AI service provider runs in a different stack (e.g. SAP AI Core on SAP's Business Technology Platform) than the business application (SAP S/4HANA)

Standardized consumption and operation of machine learning scenarios for both flavors

1a

Discover prebuilt use cases in ISLM

- Explore and identify relevant domain-specific use cases; check additional information about business application
- Check readiness requirements for an intelligent scenario on a given system running SAP S/4HANA

1b

Innovate with new AI use cases

- Identify the AI technology and algorithm
- Create intelligent scenario in ISLM as a binding entity
- Publish intelligent scenario

2

Operate in ISLM

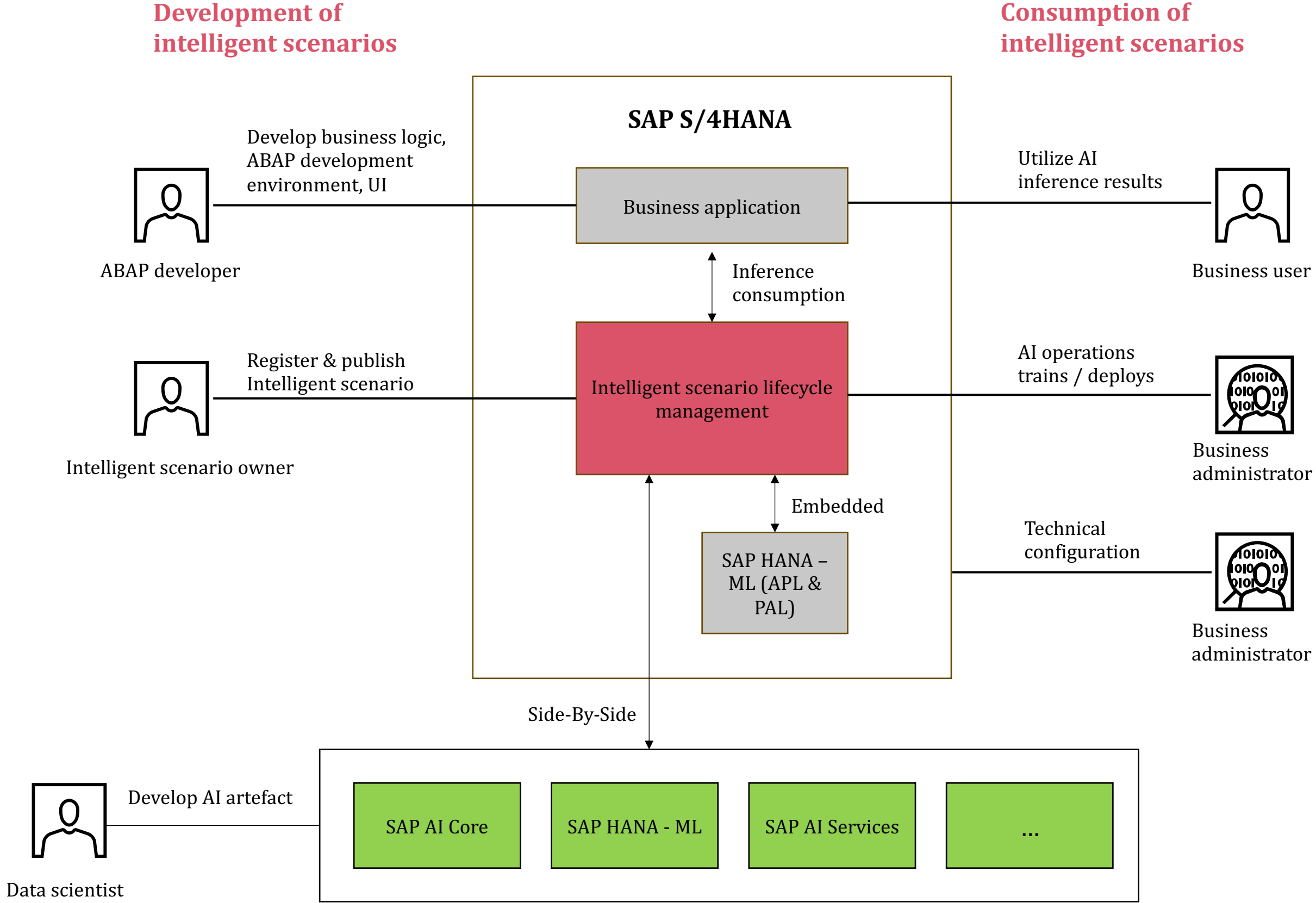
- Maintain connection for the intelligent scenario
- Train AI model with customer data
- Analyze quality of trained AI model

3

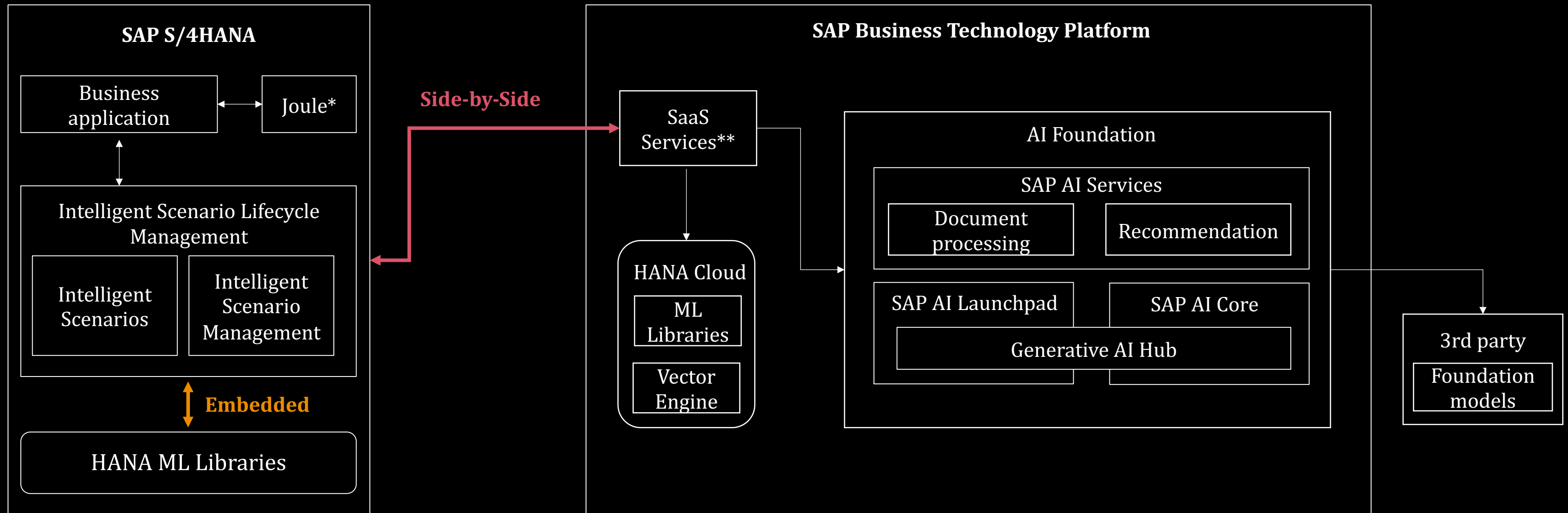
Run productively

- Deploy and activate to specify which trained model to use in business application
- Model consumption in business scenario with SAP S/4HANA

Roles and components in the Intelligent Scenario Lifecycle Management application



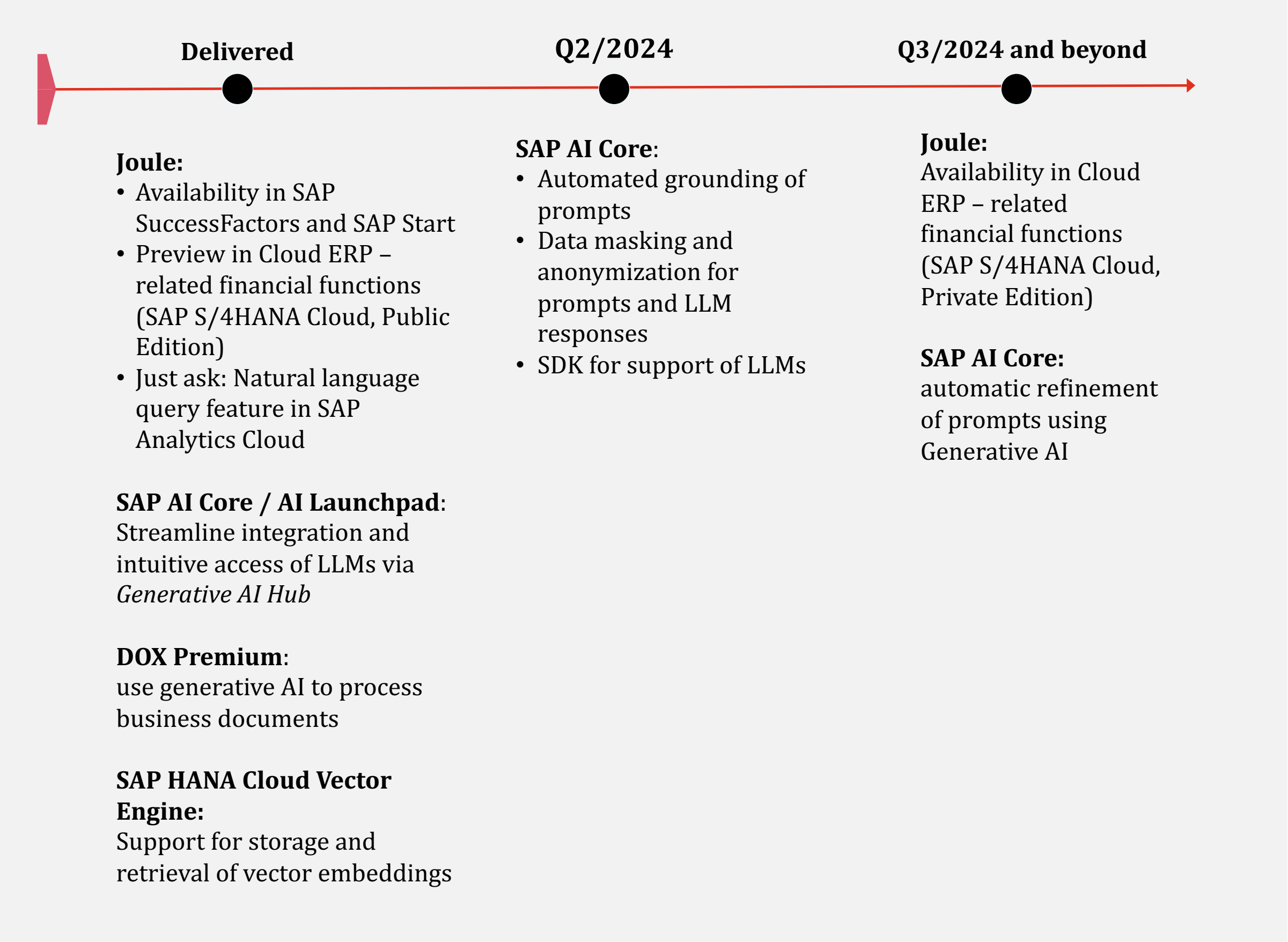
Classification of how to leverage (Generative) AI technology in the SAP S/4HANA ecosystem from an architectural perspective



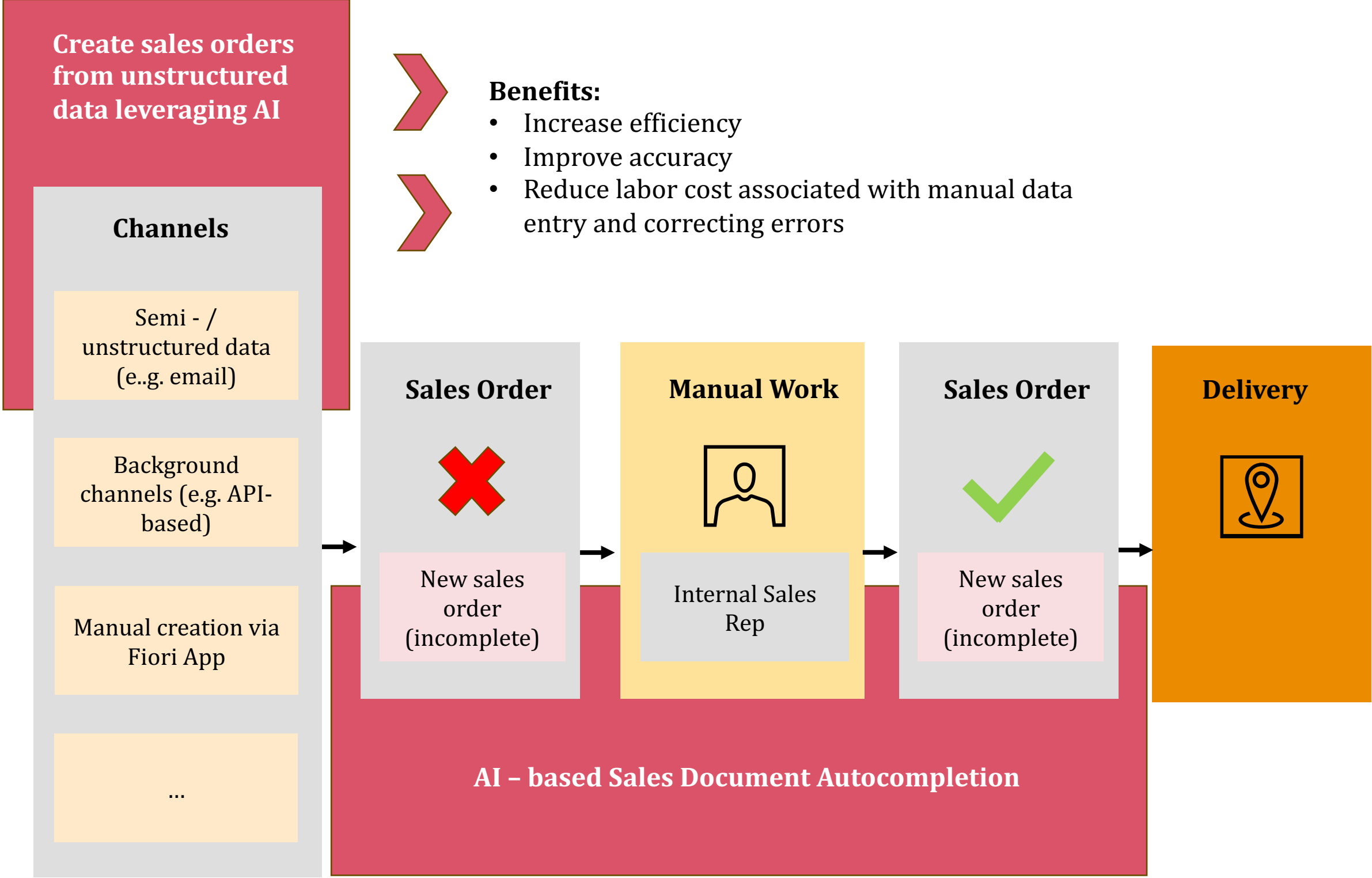
*Availability depends on deployment option

** Can be stand-alone business application (e.g. GRC Cloud)

Extract of SAP's Generative AI roadmap



Scenario 1: Boost efficiency and accuracy of sales order creation by leveraging AI technology



- Benefits:**
- Increase efficiency
 - Improve accuracy
 - Reduce labor cost associated with manual data entry and correcting errors

- Benefits:**
- Accelerate your sales order creation process
 - Reduce data management costs
 - Increase productivity of sales staff

Scenario 2: S/4HANA Embedded AI Showcases

Using the Insight-to-Action principle to combine various out-of-the-box predictive functionalities

Predict Material Slow Movement

Description

- + Reduced inventory carrying and warehouse management costs, increased supply chain efficiency, efficient supply chain planning with reduced effort and avoiding/reducing scrap.

Slow- or Non Moving Materials
Product Fact Sheet

Predict Delivery Dates

Description

- + Prediction of purchase order delivery date based on the historic data. Recognize potential delivery delays and gain insight into the performance of the supplier based on the past deliveries.

Monitor Purchase Order Items

Forecast Goods Transfer Times

Description

- + Prediction of purchase order delivery date based on the historic data. Recognize potential delivery delays and gain insight into the performance of the supplier based on the past deliveries.

Stock Multiple Materials
Transfer Stock: Cross Plant