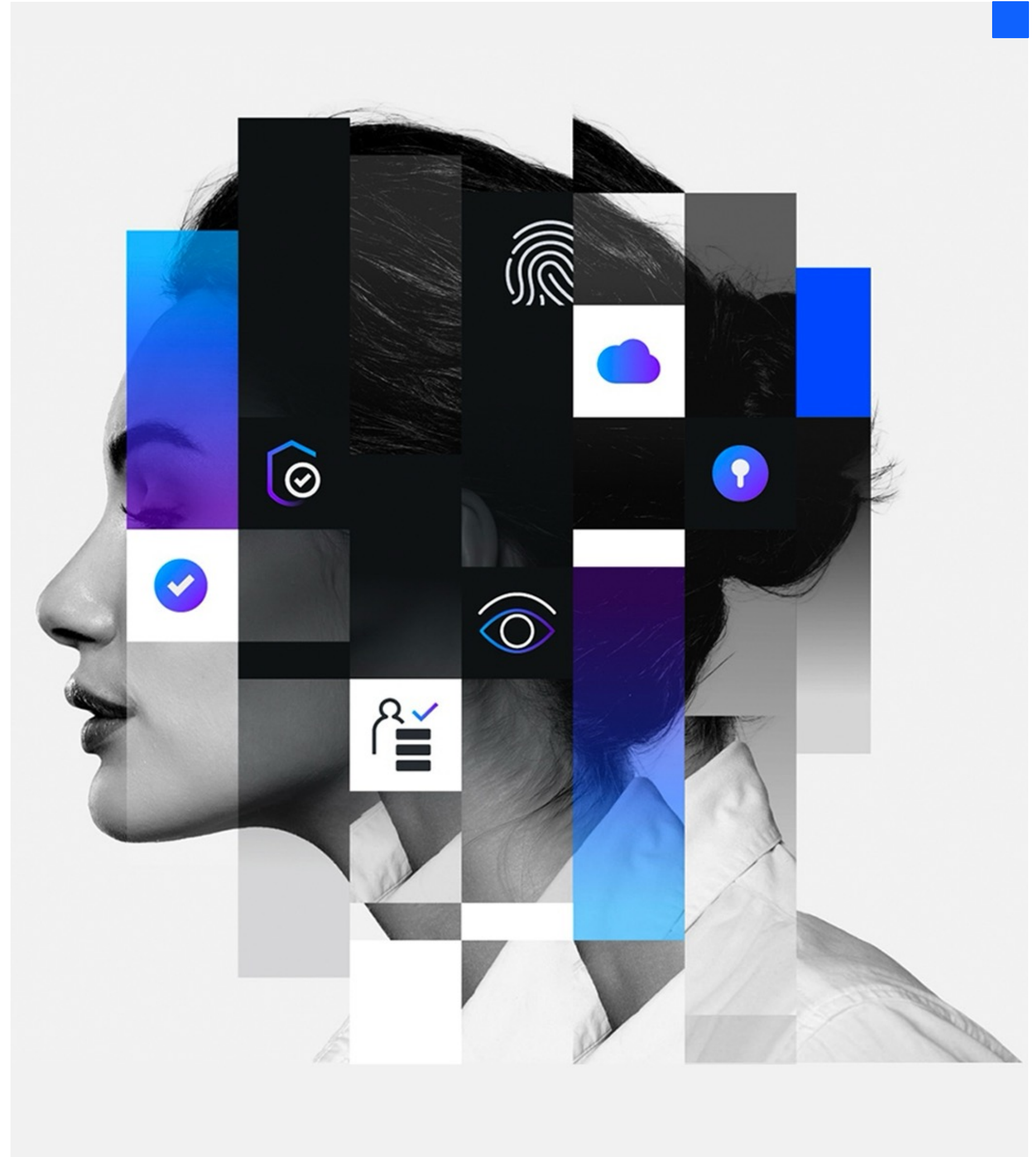


# Generative AI ERP study 2024

## Prompting progress

Achieving enterprise-scale improvements  
with SAP-specific generative AI



# Prompting progress is based on data from global surveys of leaders who know how their organization uses and thinks about SAP and SAP-specific generative AI

DEFINITION:  
SAP-specific generative AI is the application of generative AI solutions to the SAP functional domain within their organization. This application can include using generative AI tools on SAP data, using embedded generative AI through the SAP platform, for example, Joule, or the development of new generative AI solutions with other tools, for example, with the SAP generative AI hub.

This study draws on input from surveys of SAP experts:



### SAP enterprise use survey

**813**  
respondents

**17**  
industries

December 2023–March 2024

### SAP-specific generative AI survey

**200**  
respondents

**20**  
industries

February 2024–April 2024

# This research answers pressing IBM client questions

## Strategic investment to sustain SAP-specific generative AI

- How do SAP-specific generative AI initiatives support an enterprise generative AI strategy?
- How does the ROI on SAP-specific generative AI compare to the ROI of other generative AI projects?

## Program planning that enables SAP-specific generative AI

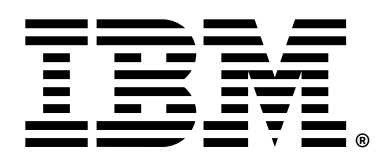
- Does SAP-specific generative AI success depend on S/4HANA and RISE with SAP?
- Which functional areas are the best targets for SAP-specific generative AI investments?

## Project execution to drive SAP-specific generative AI results

- What barriers must be overcome to implement SAP-specific generative AI in the highest-yield SAP functions?
- What SAP-specific skills and tactics are essential to SAP-specific generative AI success?

Chapter 1:

# Strategic investment



# SAP data is the touchstone for enterprise-scale generative AI

To reshape business outcomes, generative AI models must consume and apply SAP data—the definitive source of trusted enterprise insight.

## 52%

of total enterprise generative AI spend in 2024 is dedicated to SAP-specific generative AI, including generative AI solutions that leverage data contained in SAP.

## 54%

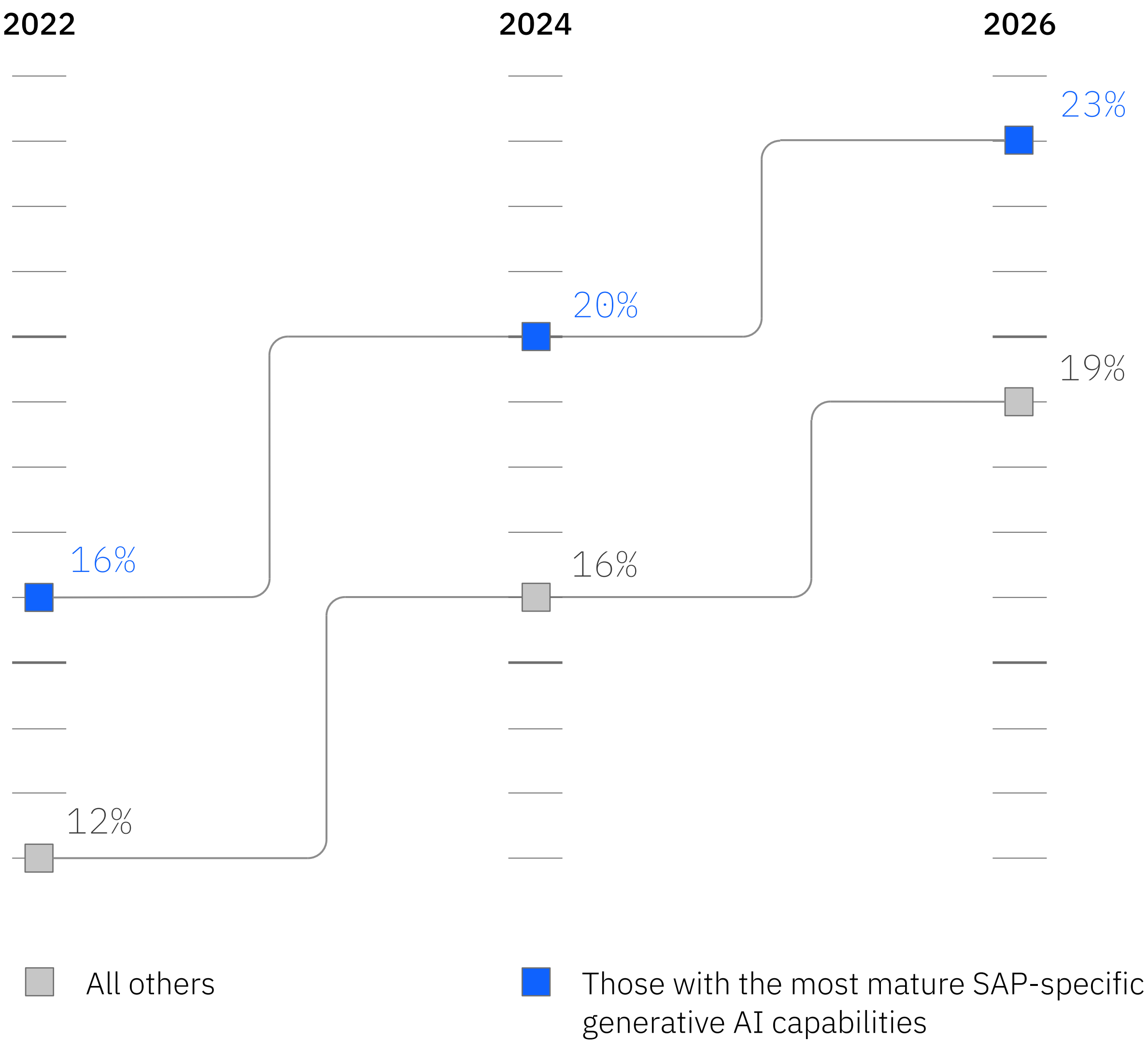
of organizations plan to cut spend elsewhere to increase SAP-specific generative AI investments.

SAP-specific generative AI survey

Prompting progress

SAP-specific generative AI capability maturity is correlated with stronger operating margins

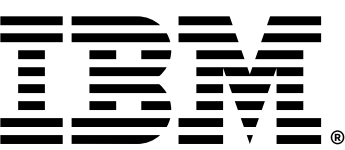
Average annual operating margins



SAP generative AI pulse survey

Chapter 2:

# Program planning



# SAP cloud helps accelerate returns on SAP-specific generative AI

Organizations with mature RISE with SAP implementations enjoy shorter time to value on SAP-specific generative AI investments.

## 87%

of organizations will still be executing their **S/4HANA** migrations in 2024.

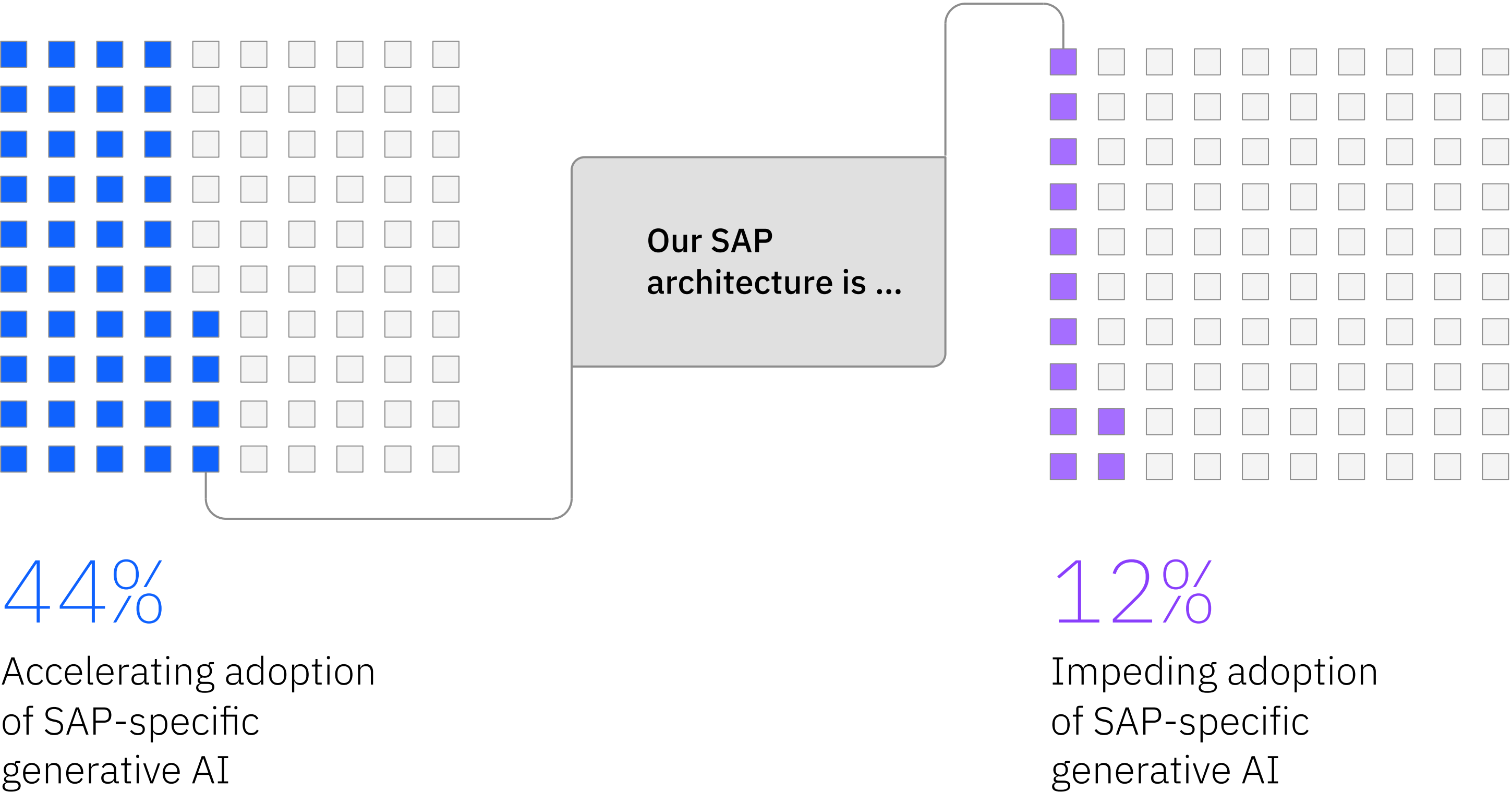
## 59%

of organizations are accelerating the **migration to RISE with SAP** to capture generative AI benefits.

SAP-specific generative AI survey

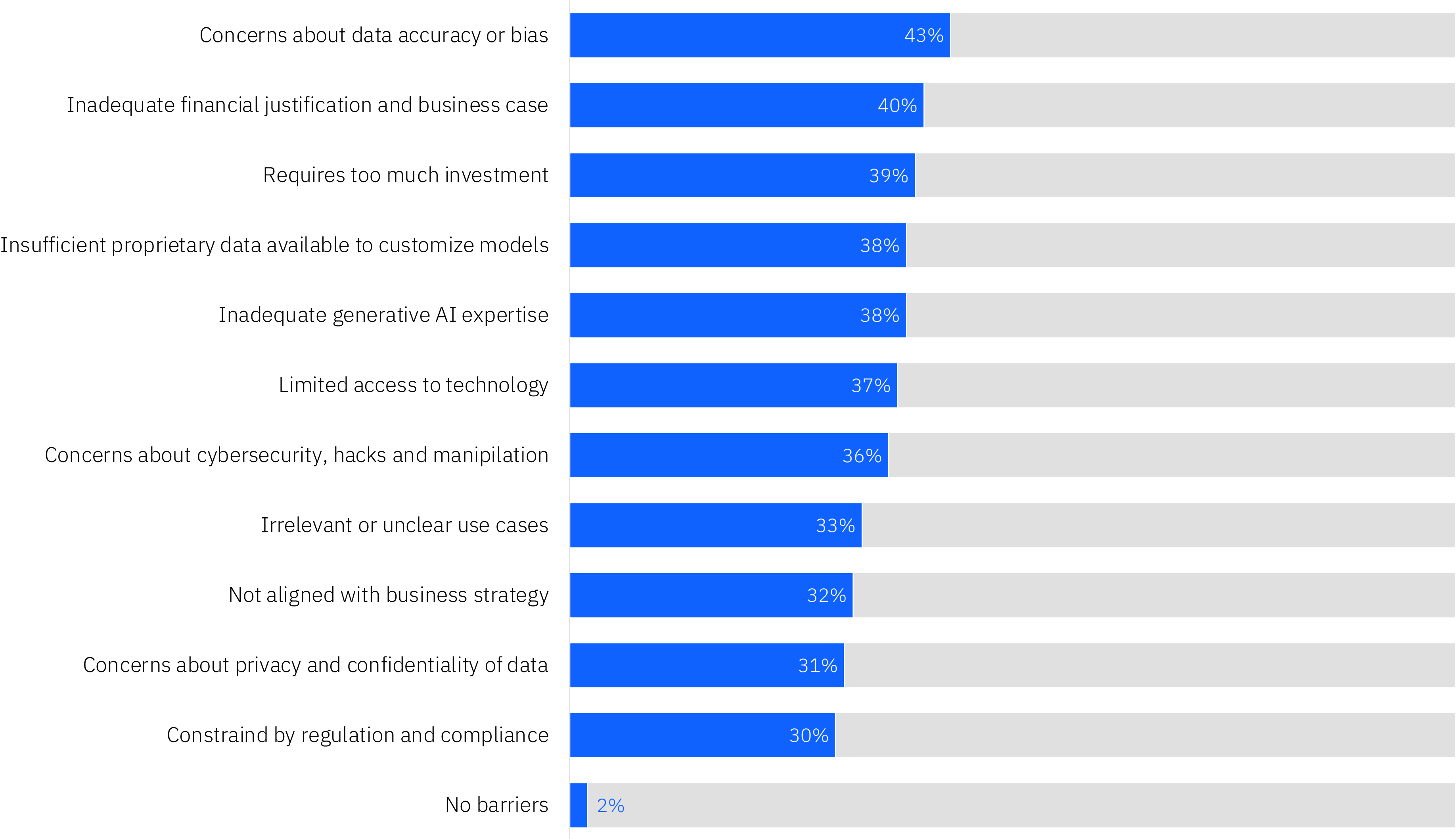
What impact is your SAP architecture having on the adoption of SAP-specific generative AI in your enterprise?

In many organizations, the SAP architecture is accelerating SAP-specific generative AI adoption



SAP-specific generative AI survey

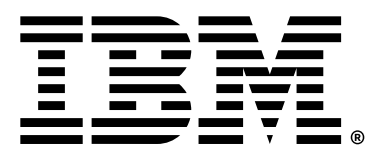
The most significant SAP-specific generative AI barriers relate to enterprise data and ROI



SAP generative AI pulse survey

Chapter 3:

# Execution excellence



Focus teams on execution, not strategy, to drive SAP-specific generative AI success

Robust business and technical capabilities that support SAP-specific generative AI make it easier to extract value from high-yield SAP use cases.

60%

of organizations have made most SAP-specific generative AI progress in more information-intensive domains.

50%

of organizations plan to focus SAP-specific generative AI on customer service, procurement and HR.

SAP generative AI pulse survey

Ethical issues and concerns must be well-managed because SAP-specific generative AI benefits are significant

What roles does AI governance play in the development of a successful SAP-specific generative AI program?

75%

of organizations have been clear about the proper use of SAP-specific generative AI.

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60%

say that their organization will not allow its SAP data to be used in current publicly available generative AI.

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26%

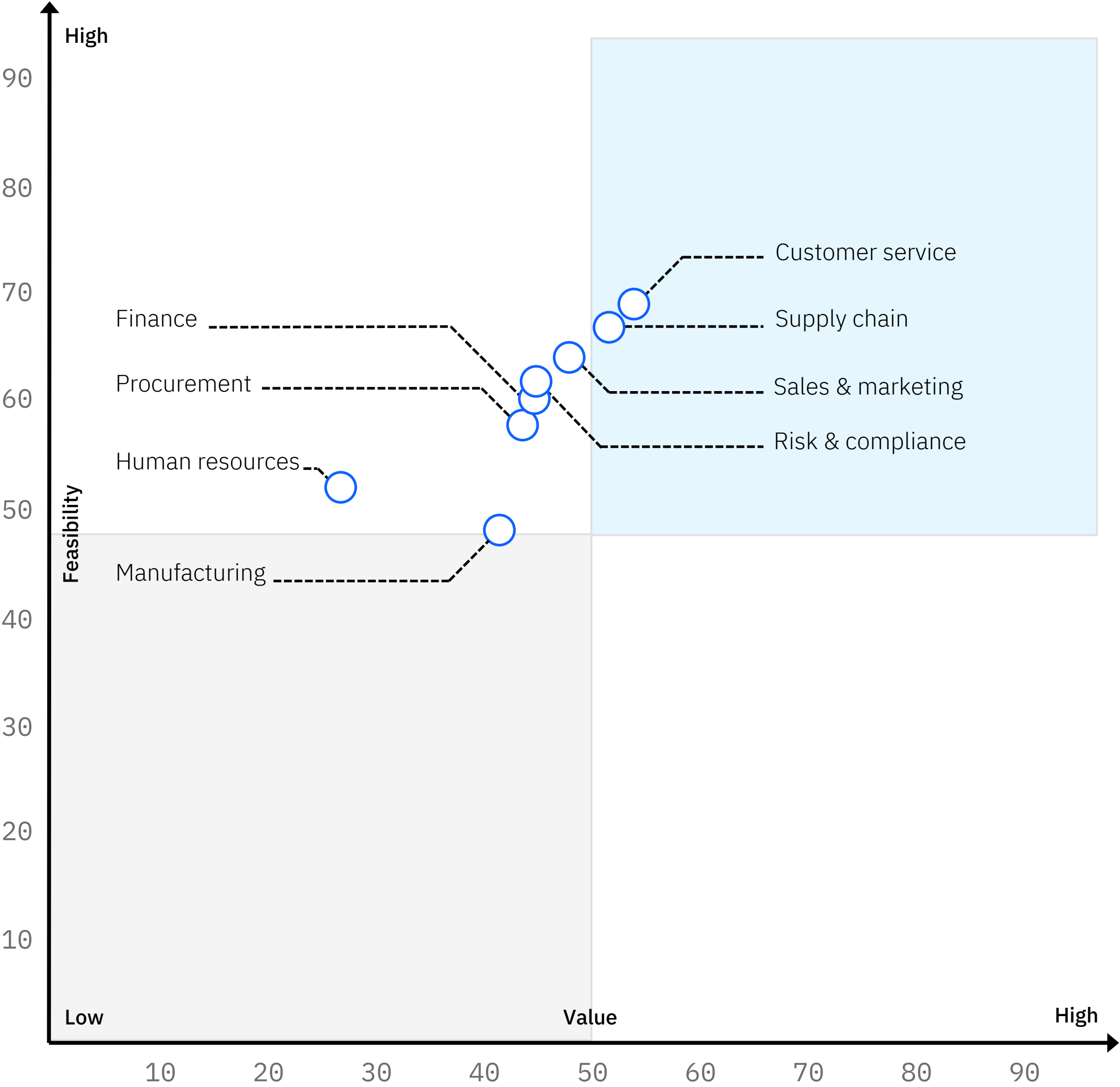
will forgo SAP-specific generative AI benefits because of ethics concerns.

SAP generative AI pulse survey

Prompting progress

SAP-specific generative AI use case feasibility and value are both associated with internal and external interactions

SAP-specific generative AI use cases with high value and high feasibility ...



SAP generative AI pulse survey

# Action guide:

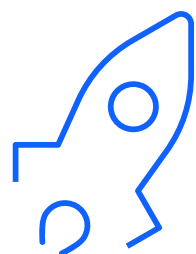
## People



**What to do:**  
Empower teams with SAP-specific generative AI tools and training while maintaining strict outcome accountability

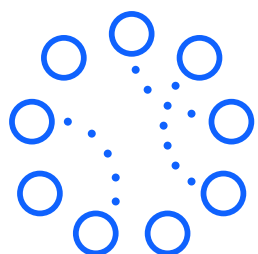
Encourage experimentation with training, clear guardrails and strong governance

- Publish standards of use to guide employees in the use of SAP data in generative AI.
- Implement strong governance to protect the enterprise from misused generative AI.
- Promote the creative application of SAP-specific generative AI in daily work tasks.



Boost creativity by building a strong culture of curiosity

- Pair SAP SMEs with generative AI SMEs to drive SAP-specific generative AI improvements.
- Enhance established SAP processes by scaling proven generative AI gains.
- Reward thoughtful risk-taking to set the tone. Never punish thoughtful failure.



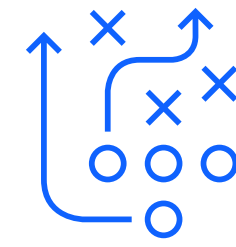
Augment SAP with generative AI but maintain accountability for specific outcomes

- Ensure teams know that they are responsible for SAP-specific generative AI outputs.
- Challenge staff to share SAP-specific generative AI uses as a lighthouse for others.
- Continue to focus on the time-tested metrics that matter to each business function.

# Action guide:

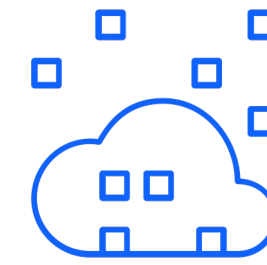
# Process

## What to do: Use SAP-specific generative AI to improve how employees get work done



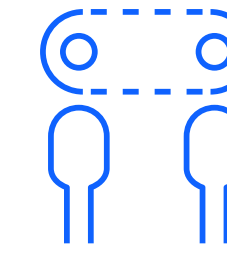
Change the process used by business functions, not the goals, with generative AI

- Align business functions with strategic intent and tactical generative AI execution.
- Encourage SAP-specific generative AI experiments that have clear business results.
- Endorse and scale generative AI processes that add value or increase efficiency.



Invest to grow an enterprise generative AI platform to avoid one specific large language model (LLM) lock-in

- Excel on generic tasks with public LLMs. Deliver specific results with company-focused models.
- Enforce strict standards on use of proprietary enterprise SAP data in public LLMs.
- Generate long-term value with company-specific, SAP-specific generative AI models.



Use SAP-specific generative AI to more effectively integrate between business silos

- Use common company generative AI frameworks with department-specific implementations.
- Bridge chasms between departments and functions with a common AI data model.
- Use insights from generative AI governance to root out rogue data uses across the enterprise.

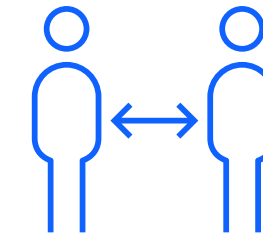
# Action guide: Technology

## What to do: Orchestrate SAP- specific generative AI success without playing all the instruments in the orchestra



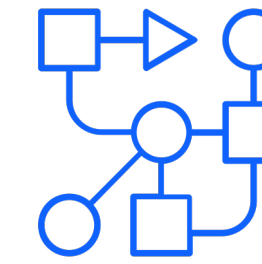
### Don't let your organization's SAP architecture slow you down

- Don't make a big mistake by slowing SAP-specific generative AI until you have SAP cloud.
- Keep pressing forward to complete your RISE with SAP and S/4HANA migrations.
- Use embedded SAP generative AI solutions and the SAP generative AI hub to extend AI benefit.



### Let others take the wheel on SAP- specific generative AI when necessary

- Find SAP-specific generative AI development you can cede to internal and external experts.
- Entrust blended SAP and generative AI teams to execute and scale SAP generative AI.
- Engage partners as participants and beneficiaries in SAP generative AI innovation.



### Don't control SAP generative AI— it's futile. Instead, strive to shape its development path

- Don't use ungoverned generative AI. It introduces risks that can outweigh the benefits.
- Give latitude to unleash employee creativity within a clear framework.
- Give every function clear and specific SAP generative AI business outcomes

# Thank you

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