IBM Newsroom

IBM and SAP Plan to Expand Collaboration to Help Clients Become Next-Generation Enterprises with Generative AI

New Value Generation partnership initiative focused on delivering greater client productivity and innovation with new generative AI capabilities and industry-specific cloud solutions

ARMONK, N.Y. and WALLDORF, Germany, May 8, 2024 /PRNewswire/ -- IBM (NYSE:IBM) and SAP SE (NYSE: SAP) today announced their vision for the next era of their collaboration, which includes new generative AI capabilities and industry-specific cloud solutions that can help clients unlock business value.

"IBM and SAP's shared approach to generative AI, built on an open ecosystem, trust and purpose-built models, will help empower clients to optimize business outcomes," said John Granger, Senior Vice President, IBM Consulting. "Our new Value Generation partnership initiative will enable clients to accelerate the path to innovation, competitive advantage and become a next generation enterprise through generative AI."

"It makes perfect sense to expand our partnership with IBM to help more customers accelerate their cloud journey leveraging RISE with SAP and realize the transformative benefits of generative AI for business in the cloud," said Scott Russell, Chief Revenue Officer & Executive Board Member, Customer Success of SAP SE. "This expanded partnership will help more of our joint customers reach new heights by innovating through the cloud, data and business AI to grow and transform their businesses."

IBM Consulting and SAP aim to accelerate transformation enabled by RISE with SAP by supporting clients in the following key areas:

- **Next-Generation AI Business Processes**: Together, the companies are exploring opportunities to build new generative AI capabilities for RISE with SAP and infuse AI into SAP business processes across industry-specific cloud solutions and line of business applications. Initially, IBM plans to extend AI capabilities across SAP's portfolio of cloud solutions and applications, all of which are underpinned by SAP Business Technology Platform (SAP BTP). This includes RISE with SAP, the GROW with SAP solution, financial solutions for the office of the CFO, supply chain management solutions, solutions for human capital management, SAP Customer Experience solutions and intelligent spend management solutions. IBM also plans to leverage SAP Signavio and SAP Business AI solutions to help define next-generation

business processes through a proof-of-concept adoption program.

- **Next-Generation Industry Innovation**: IBM and SAP plan to build intelligent industry use cases, enabled by data-driven insights, into end-to-end business processes to fuel next-generation industry innovation. These use cases will initially focus on the industrial manufacturing, consumer packaged goods (CPG), retail, defense, automotive and utilities industries. This includes IBM's recent work with SAP to develop new AI solutions for the CPG and retail industries. As part of this initiative, IBM has begun the development of an extensive portfolio of over 100 AI solutions across industry, line-of-business and product delivery. In addition, IBM plans to develop prescriptive industry value maps that define next-generation business processes and opportunities for impact with AI. Clients will be able to access all of these new AI solutions through the global IBM Innovation Studios and SAP Experience Center sites.
- **Next-Generation Platform Architecture and Customer Adoption Approach**: Next-generation enterprises require next-generation platform architectures and a modernized approach to customer adoption. Through the Value Generation partnership initiative, IBM intends to provide next-generation reference architectures that enable a clean core approach. To do this, IBM plans to leverage SAP BTP, SAP Signavio and LeanIX solutions. These new reference architectures will help define standards across data, process, systems and device integration, process orchestration and automation. IBM consultants supporting clients on SAP projects can also leverage IBM Consulting Advantage, IBM's AI services platform, and its portfolio of proprietary methods, assets and Assistants to bring more repeatability and consistency to client delivery. With IBM Consulting Advantage, IBM consultants can transform the way they deliver SAP solutions to boost productivity and mitigate risk by leveraging generative AI to help complete tasks like generation of user stories, test scripts, training and change management content and code creation.
- **Next-Generation Ecosystem Expansion**: IBM and SAP plan to partner around their respective employee network groups and "next-gen" communities, such as the business women's networks at IBM and SAP, the SAP University Alliances program and the Veterans to Work program of SAP and Veterans at IBM to increase the SAP solutions experience in the consulting workforce and develop the next generation of talent. The companies also plan to explore new ways to collaborate on social impact programs, such as training at- risk youth in the IT sector and accelerating the integration of social businesses into global supply chains.
- **watsonx Planned Availability on the Generative AI Hub**: IBM Granite Model Series are expected to be accessible for use across SAP's portfolio of cloud solutions and applications – which is underpinned by the generative AI hub in SAP AI Core. The generative AI hub facilitates relevant, reliable and responsible business AI and provides instant access to a broad range of large language models (LLMs). This expands on IBM and SAP's collaboration around embedding IBM Watson AI technology into SAP solutions. To further highlight watsonx.ai Granite capabilities, IBM Consulting plans to build extensions using the model on the generative AI hub for select customers.

This initiative will build on the companies' over 50-year collaboration based on deep technology, industry and domain expertise and demonstrates the two organizations' joint commitment to continue to evolve to put clients first and meet market demand.

IBM Consulting accelerates business transformation for our clients through hybrid cloud and AI technologies, leveraging our open ecosystem of partners. With deep industry and business expertise spanning strategy, experience design, technology, and operations, we have become the trusted partner to the world's most innovative and valuable companies, helping modernize and secure their most complex systems. Our 160,000 consultants embrace an open way of working and apply our proven, collaborative engagement model, IBM Garage, to scale ideas into outcomes. As the only major global systems integrator inside a technology company, we don't just advise – we invent and build what's next together with our clients. Find out more at IBM.com/consulting.

To learn more about the Value Generation partnership initiative, visithttps://www.ibm.com/info/sap-value-generation

About IBM

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. More than 4,000 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's long-standing commitment to trust, transparency, responsibility, inclusivity and service.

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About SAP

As a global leader in enterprise applications and business AI, SAP (NYSE:SAP) stands at the nexus of business and technology. For over 50 years, organizations have trusted SAP to bring out their best by uniting business-critical operations spanning finance, procurement, HR, supply chain, and customer experience. For more information, visit www.sap.com

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