AI-Fueled Accounts Payable Automation for SAP S/4HANA

Peter Luttmann
Presales Consultant

xSuite North America, Inc.

asug

Key Outcomes and Objectives

1. Understand Benefits of Digitizing Accounts Payable

2. How Technology fits into AP

3. Understand how Artificial Intelligence and Machine Learning Improve Accounts Payable Processing

 © 2021 ASUG Confidential

ASUG

Agenda

- xSuite Overview
- Current AP Situation
- Artificial Intelligence
- Application of AI in AP
- Demonstration of Concepts
- Questions and Answers

 © 2021 ASUG Confidential

About xSuite

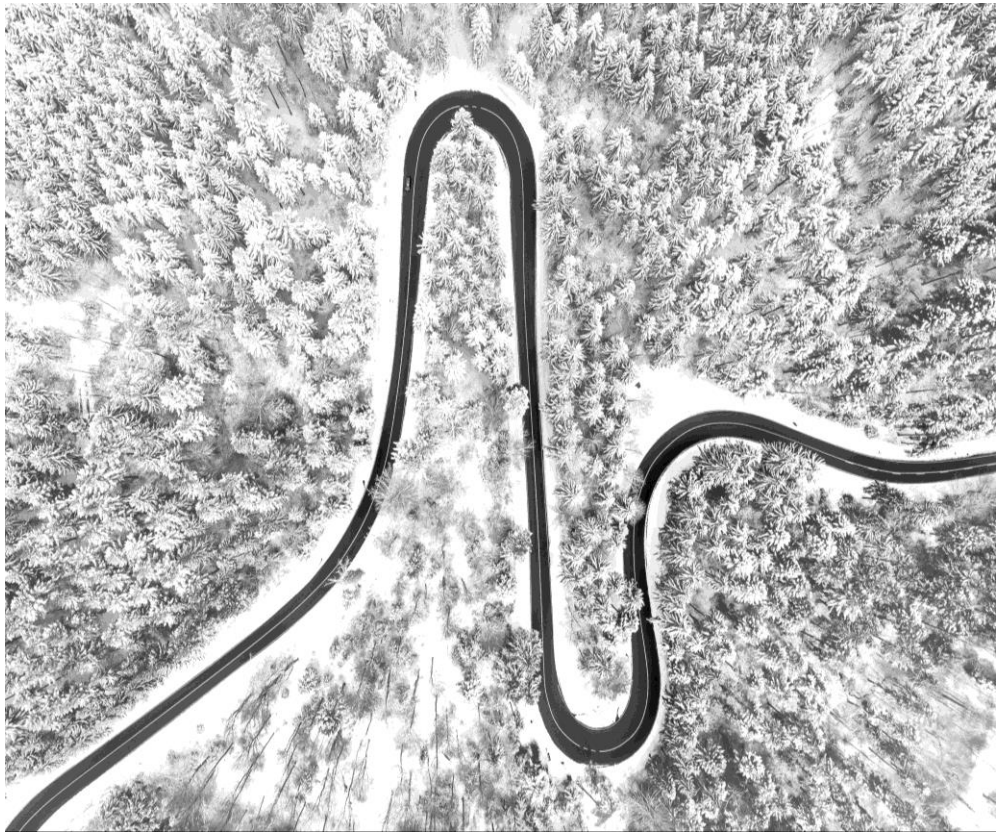
- 27 Years on the Market
- Global Presence
  - 10 Offices Globally
  - Used in over 60 Countries
- Over 1,2000 Customers
- SAP Silver Partner
- Solutions are SAP Certified

 © 2021 ASUG Confidential

ASUG

Today's Challenges

- Remote working needs digital content and processes
- Processing costs per invoice too high
- Too many supplier inquiries
- Current workflows are neither compliant nor documented
- Few (if any) cash discount due to slow processes
- E-invoicing readiness for global operating companies



 © 2021 ASUG Confidential

ASUG

Technology is a Game Changer

- Artificial Intelligence can make the difference
- Best practice solutions are saving time and money
- Integration in SAP will drive acceptance
- Automating Vendor Communications improves relations, improves efficiencies and reduces costs
- Cloud can make deployment fast

 © 2021 ASUG Confidential

ASUG

Artificial Intelligence

- Artificial Intelligence (AI), is a field of computer science that deals with the automation of intelligent behavior and machine learning.
- Two Classifications
  - Weak AI
  - Strong AI

 © 2021 ASUG Confidential

ASUG

Categories of Artificial Intelligence – Weak AI

- Weak (or narrow) AI is artificial intelligence that implements only a limited part of mind or is focused on one narrow task, on solving a certain, concrete problem.

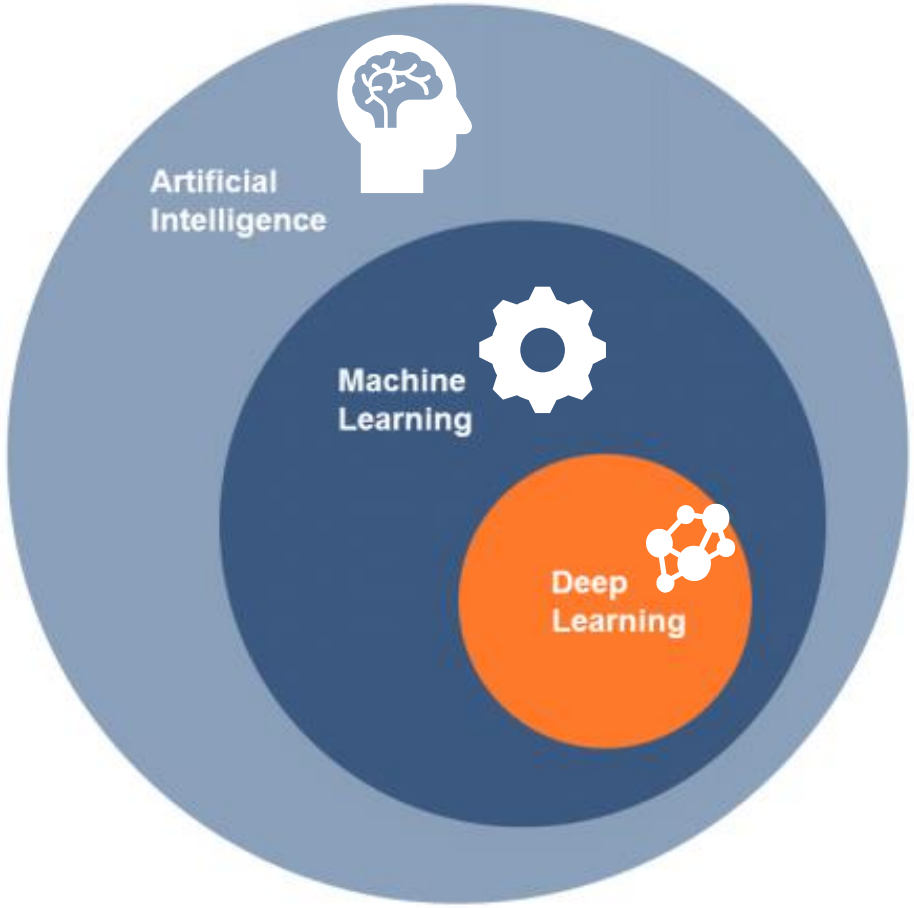
- All systems available today, belong to this category:
  - Character or text recognition
  - Speech recognition
  - Image recognition

Categories of Artificial Intelligence – Strong AI

- Strong (or general) AI refers to machine intelligence that has capabilities similar to or even exceeding, those of humans.
- It possesses, among other things, logical reasoning, decision-making ability even in the face of uncertainty, and communication in natural language.
- As of today, strong AI is still not readily usable

AI, Machine Learning and Deep Learning

- AI enables a system or computer to perform tasks that require human intelligence.
- Machine Learning: Algorithms that learn from a set number of example cases and abstract generally applicable rules from them.
- Deep learning is a subset of machine learning that uses neural networks and big data to optimize itself.



 © 2021 ASUG Confidential

Application of AI and Deep Learning in SAP

Empirical values from existing documents:

- Posting data
- Workflow data
- Archive documents

Recognition of:

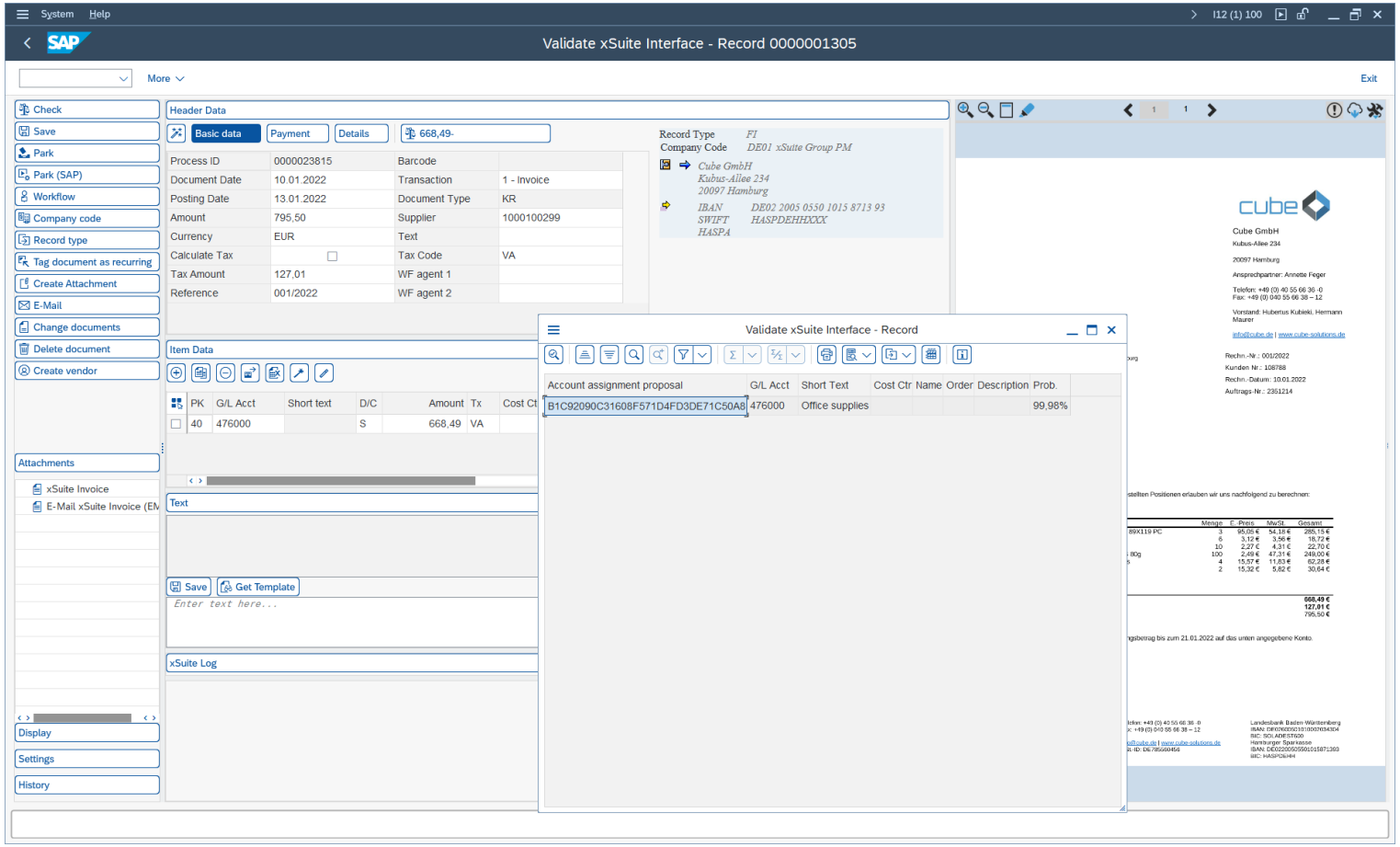
- Interrelationships
- Patterns
- Dependencies
- Hidden structures

Proposal values for:

- Company code
- Vendors
- Coder or Accountants
- Account assignments
- Forecasting

 © 2021 ASUG Confidential

Account Assignment Proposals



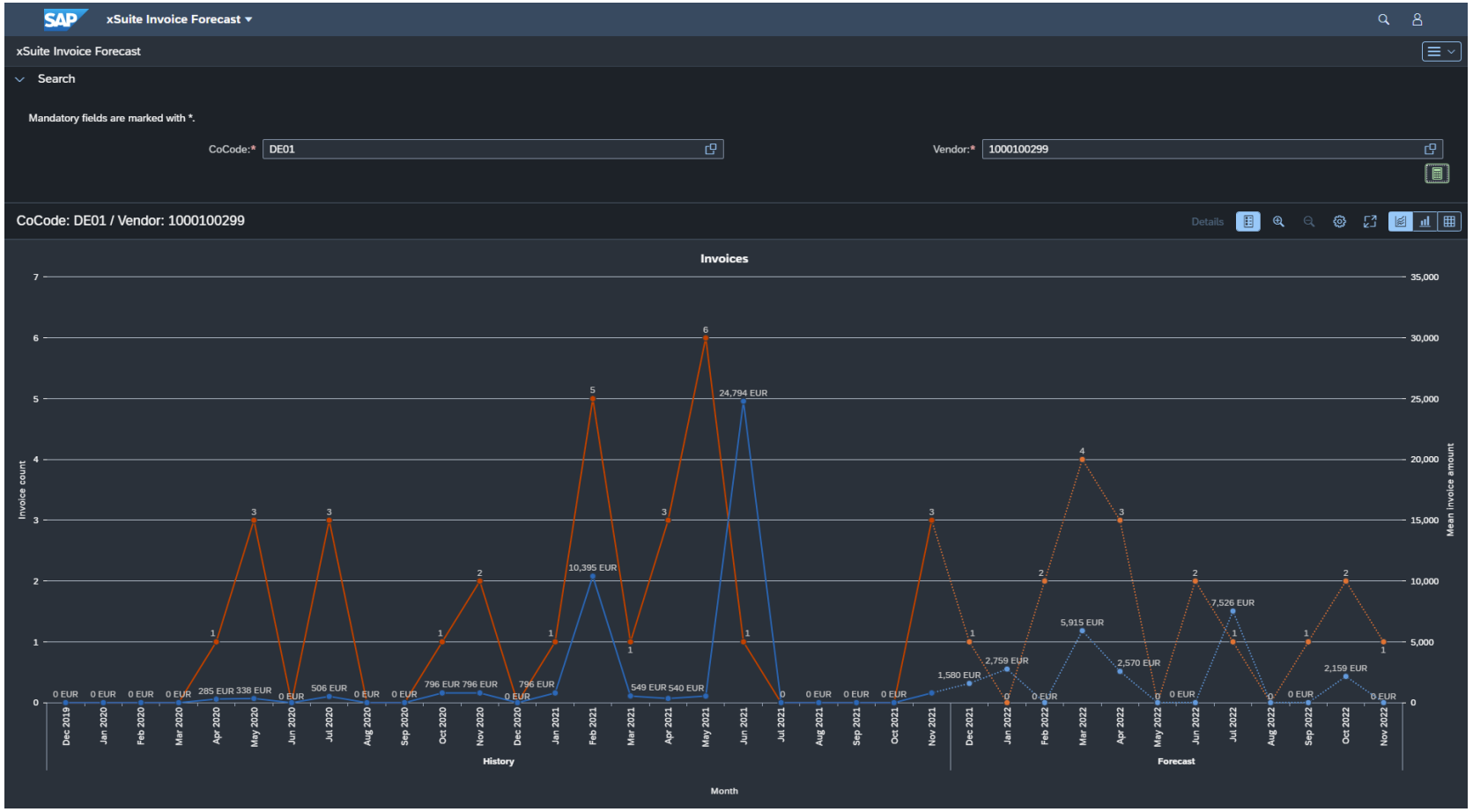
Proposals for G/L account, cost center and internal order

Automatic proposal with high confidence

Available in all tasks and interfaces

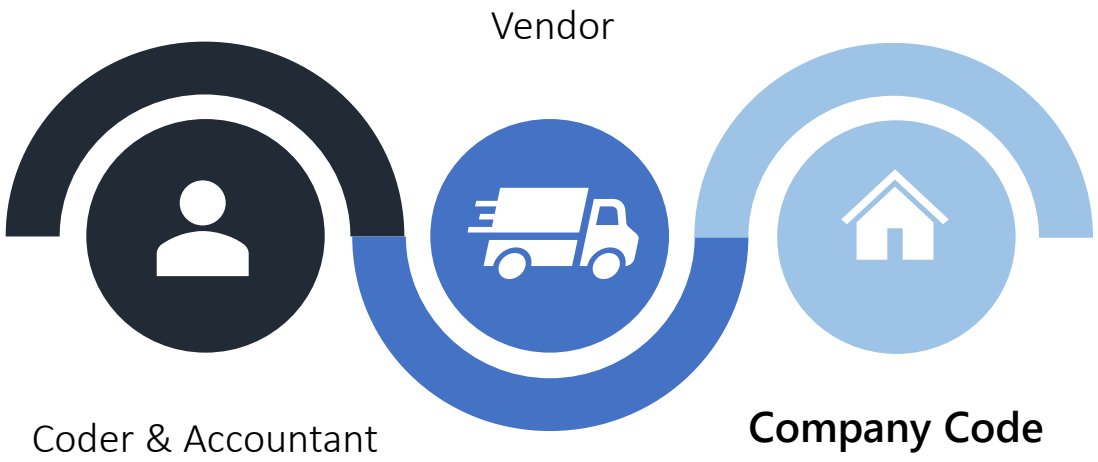
 © 2021 ASUG Confidential

History and Forecast for Invoices



 © 2021 ASUG Confidential

Other Proposals within the Workflow



 © 2021 ASUG Confidential

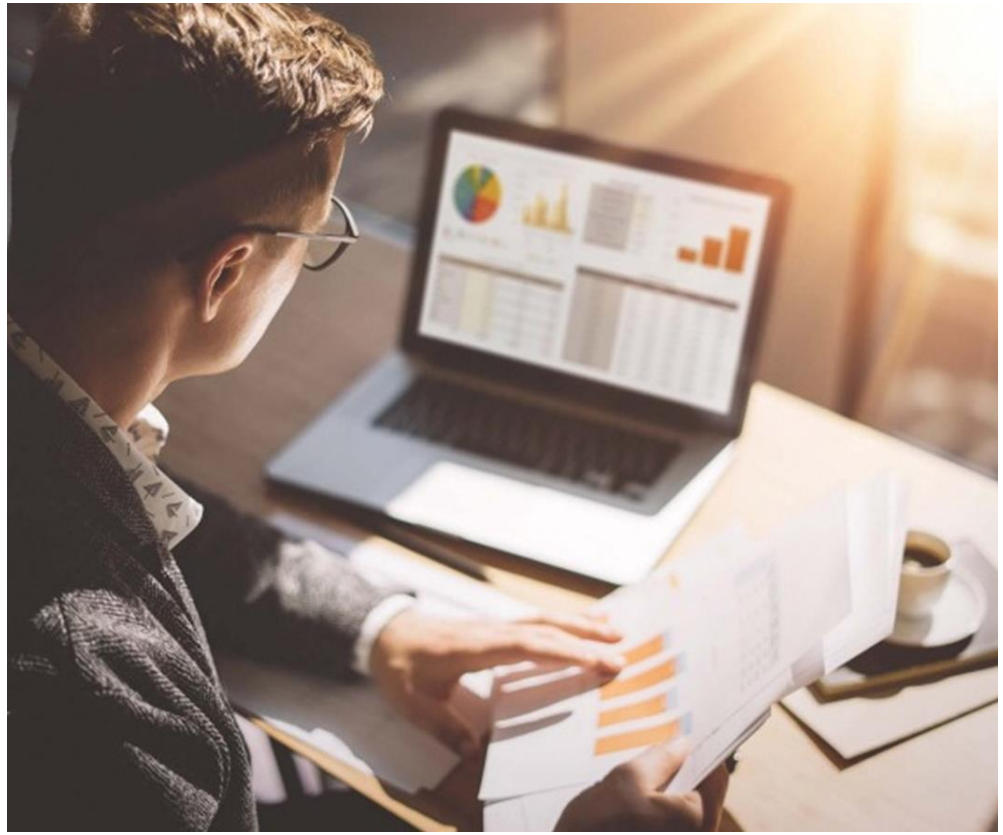
Future Scope of Functions

- Anomaly detection/ predictive analytics
- Models for payment terms
- Adaption of the approval process
- Identification and integration of further scenarios and models

 © 2021 ASUG Confidential

Big Picture Goals

- Take automation levels of document-based processes to the next level
- Reduction of human interaction in invoice processing of documents without purchase order reference
- Focus of the accounting clerks on the relevant topics



 © 2021 ASUG Confidential

ASUG

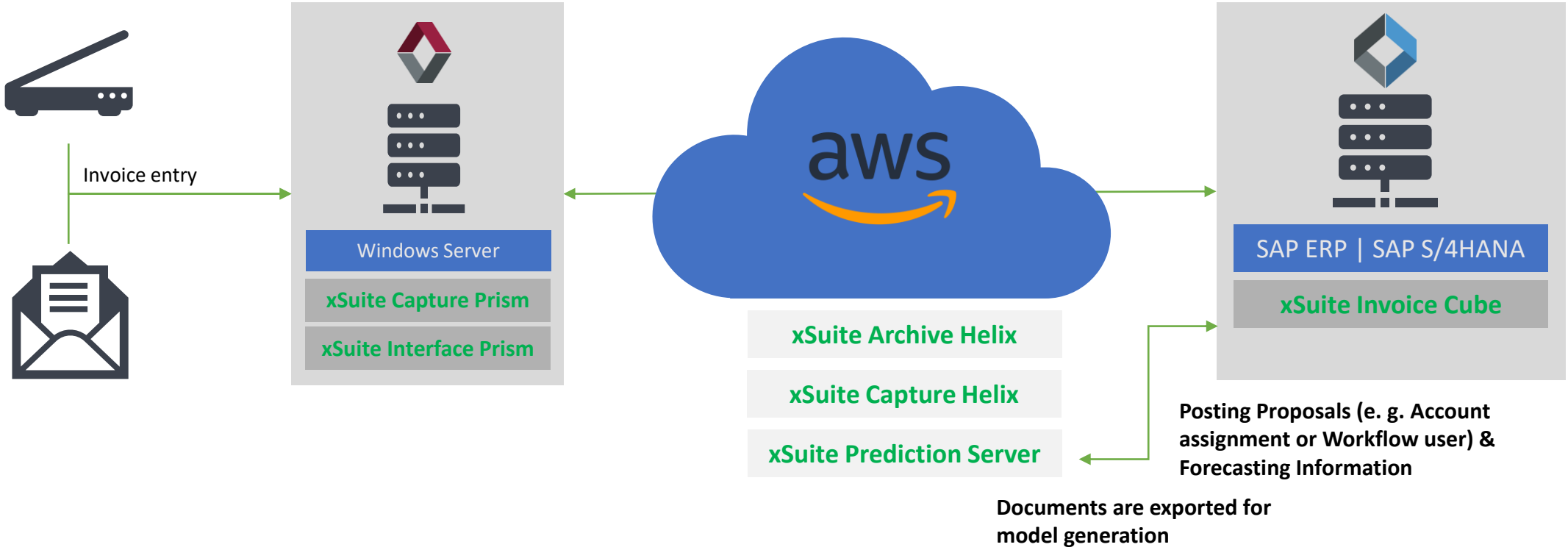
What is the xSuite Prediction Server?

- The xSuite Prediction Server is a cloud service hosted on AWS
- Feature set of the Prediction Server:
  - Proposal of account assignment and organizational data
  - Automatic proposal values from a probability > 85%
  - Proposals can be generated in real-time via neural network and called up within the entire process
  - Independent of data extraction
- Changes in information have a direct influence on future proposals

 © 2021 ASUG Confidential

ASUG

How Does the Prediction Server Work?



 © 2021 ASUG Confidential

Short Demonstration

Impact of AP Automation with AI

- Faster, more efficient data entry
- Structured and documented workflows (approval, release,..)
- More transparency end-2-end purchase to pay process
- Digital vendor communication
- Long-term archiving strategy for all ERP related information

 © 2021 ASUG Confidential

ASUG

Questions?

For questions after this session, contact us at info@xsuite.com or peter.Luttmann@xsuite.com.

 © 2021 ASUG Confidential

Thank you.

www.xsuite.com

 © 2021 ASUG Confidential