



# Harness the power of AI with KPMG LLP and SAP

Go further with a KPMG business-led approach to AI transformation



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# Introduction



In today's fast-evolving business landscape, organizations have a unique opportunity to harness the power of artificial intelligence (AI) to drive meaningful growth.

AI is forecasted to have a huge impact on long-term global productivity growth, and a recent KPMG survey shows that 68% of executives surveyed intend to invest between \$50-\$250 million in generative AI (Gen AI) over the next 12 months.<sup>i</sup>

When integrated with SAP's cloud-based ERP systems like SAP Cloud ERP and SAP Cloud ERP Private, AI can unlock measurable business outcomes by enhancing decision-making, improving customer and employee experiences and boosting productivity.

Now is the time to take control of how AI can accelerate your business transformation and growth journey.

“

**Everybody has seen how Gen AI has impacted global communications. But the key question remains: what do you use it for?”**

— Hendrik Thörner,  
Global SAP Lead Partner,  
KPMG in Germany



Realizing the full potential of AI goes beyond adopting the technology – it depends on how efficiently organizations integrate AI into their existing systems and data landscape. SAP Cloud Solutions offer a robust foundation for AI initiatives, but truly enhancing the value of AI requires harmonized, standardized and transparent data.

While many organizations are investing in AI, few realize meaningful enterprise-wide returns. KPMG professionals bring deep industry and functional expertise and the right knowledge in SAP solutions and AI-driven transformations to help businesses identify the most impactful use cases, from process automation to strategic decision-making and operational efficiency.

KPMG firms also support clients in identifying where standardization is needed to enable AI to

work efficiently. This includes guiding the selection of the right tools and designing pragmatic and actionable integration paths.

For organizations starting their transformation journey, or those already leveraging SAP solutions, there is a significant opportunity to embed AI into business operations. By understanding the nuances of AI implementation and applying the right strategies, businesses can increase performance and remain competitive in a dynamic market.

KPMG firms' holistic approach to AI, combining technical expertise with deep industry knowledge, provides a practical path forward. It enables organizations to unlock the full potential of AI to help drive sustainable growth and innovation.

50%

of leaders are currently scaling their Gen AI technology, up from 10% from mid-2024. However, only 31% of leaders anticipate being able to measure return on investment in the next six months and none believe they have yet reached that stage in their Gen AI implementation.<sup>ii</sup>



# The opportunity: Unlock more value than ever before

Maximize the potential of AI with SAP's cloud-based ERP. Your organization can realize tangible returns on its technology investments, secure growth in a rapidly evolving market and gain a lasting competitive edge.

The potential benefits of AI integration are clear: smarter decision-making, faster time to market, enhanced employee and customer experiences, higher productivity and lower costs. This is only the beginning – many more tangible outcomes remain untapped.

These benefits can be more rapidly realized when organizations operate on, or are in the process of transitioning to, SAP Cloud ERP applications, like SAP Cloud ERP Public and SAP Cloud ERP Private. These platforms offer organizations greater flexibility, independence and visibility, while KPMG firms bring the deep industry expertise to help ensure SAP

solutions are harmonized, standardized and simplified across processes and data. These are essential components in making AI perform at its best.

However, capturing real ROI remains a challenge. The opportunity can only be seized if organizations understand where and how AI can create the most value within their unique business context.

While some may opt for custom-built AI to address their unique challenges, SAP Business AI offers powerful out-of-the-box capabilities across industries.

## Key benefits can include:

- Further reducing operational costs and driving productivity gains
- Enhancing regulatory compliance through AI-driven risk detection and automation
- Improving strategic decision-making with machine learning and data integration, enabling more accurate and relevant business outcomes
- Enhancing user experience in SAP by simplifying tasks, increasing accessibility, and streamlining data management
- Boosting data capabilities and extracting, linking, visualizing and analyzing data more effectively
- Integrating complex global supply chains and industries
- Improving vision and efficiency within businesses
- Leveraging autonomous AI agents to improve accuracy, liberate teams from operational workloads and scale to changing needs

These opportunities are there to be seized. The secret is knowing how to apply AI in the most effective areas of your organization.



## Greenfield vs brownfield, and the value of transparent data

The impact of AI is directly related to the availability of quality data. As such, there are intricacies when it comes to how organizations have or are transforming to an SAP cloud-based solution. These must be considered at the start of any AI program.

For example, organizations starting their transformation journey will have the opportunity to consider AI functionality that exists today and to look at the SAP roadmap to see what further capabilities are coming in the future. These features can then be designed in and leveraged during the transformation stage. Those organizations already well on the way will have a clearer view on what their processes are, what their data looks like, and can start discussing architecture in the context of AI integration.

Any organization that has completed a 'greenfield' transition (designing and transitioning to a completely new SAP solution) should have the right data transparency and build an organization that learns and improves along the way. But those who have completed a lift-and-shift, 'brownfield' transformation (upgrading an existing ERP system to SAP Cloud ERP with little re-engineering of data or processes) may find it more difficult to drive value through AI implementations as there has been little real harmonization of data.

Some organizations may need to rethink their approach to data, ensuring it is transparent and accessible to AI. This can be achieved with the right functional and business expertise.



**KPMG is not just implementing technology, we're architecting the future of intelligent enterprises, driving value and innovation for clients."**

— Valentino Koester,  
Global SAP360 Program Lead,  
KPMG in Japan



## Industry spotlight: Banking

AI is reshaping the banking sector. It is emerging as an essential tool for cutting costs and a catalyst for redefining strategy, operations and culture. In 2025, it has become imperative for banks to move beyond pilot projects and embrace AI as a core component of their strategy. Realizing this potential requires a holistic approach that integrates AI across their operations.

Currently very few banks have achieved significant revenue growth from AI adoption. They face numerous challenges, including data quality issues, regulatory compliance and a lack of AI expertise. But employees are eager to leverage benefits and the opportunity for enterprise-wide transformation exists. Unlocking AI's transformative potential can help them stay competitive in a rapidly changing financial landscape.

Source: KPMG Intelligent Banking: A Blueprint for Creating Value through AI-Driven Transformation' report, 2025 <sup>iii</sup>

**85% of leaders say their employees are quickly getting to grips with using AI tools they have invested in**

**65% have achieved cost savings**

**Yet only 26% have experienced revenue growth**



# Common pitfalls

Disruptive technology brings opportunities and risks – and AI is no exception. Realizing value from AI is complex. Mismanagement, lack of strategic focus and skills gaps often lead to fragmented efforts, underwhelming outcomes and costly implementations.

## Misalignment of AI goals and business outcomes

Many organizations struggle to justify the ROI of AI initiatives, which can lead to misaligned expectations and missed opportunities. Organizations should clearly define how innovation translates into measurable financial outcomes and aligns with the perceived value from AI, like automation and productivity gains with their financial benchmarks.

## Skills and knowledge gaps

Many organizations need expert guidance to implement AI efficiently, including help with business case development, cost-benefit analysis and navigating the commercial aspects of AI use. This includes tailored end-user enablement and knowledge transfer to ensure effective usage of AI capabilities.

## Shadow AI

As AI tools become more accessible, the risk of 'shadow AI' – unmanaged or unapproved tools being used across the business – grows. This poses serious governance and compliance risks. KPMG firms support clients in strengthening governance frameworks and helping ensure responsible AI use across the enterprise.

## Overlooking commercial implications

Scaling AI solutions without fully understanding the commercial impact can result in unforeseen costs and inefficiencies. Businesses should fully scope the opportunity and embrace enterprise-wide standards to scale AI effectively.

## Forgoing (human) checks and balances

Does your organization have the governance and methodologies in place to ensure AI productivity and output is scrutinized and validated? Is it used as a copilot, checked by a human who can confirm its veracity? Or is it on autopilot, designing final-version corporate collateral with no human challenging the output? Consider the risks and establish safeguards.

## Lack of data-driven culture

Poor data quality and limited data literacy undermine the impact of AI. A data-driven culture is essential, one where data is trusted, accessible and used to guide every part of the business. Being comfortable speaking about data and using it to inform decisions is a core requirement of any AI-enhanced digital transformation. Achieving it requires balancing technical implementation with strong change management and cultural alignment.





# The KPMG approach: Holistic. Human. Business-led

With a unique combination of SAP knowledge, deep industry and AI-driven business transformation experience, and industry-specific methodologies, KPMG-led AI adoption on SAP can be practical, scalable and impactful.

A clear five-stage approach helps ensure AI investments align with business needs, leveraging SAP solutions for digital transformation and continuous improvement.

Real value lies in true strategic alignment. To make a meaningful impact on operations, AI implementation must go beyond being just an IT or technologist's responsibility. Successful implementation aligns AI capabilities on SAP closely with organizational goals.

KPMG firms approach AI with a clear strategic belief and offer a holistic framework that integrates both technical and business perspectives. The approach prioritizes organizational values and capabilities and is anchored in trust and the belief that AI's true potential lies in enhancing human capabilities. We help accelerate organizations' AI ambitions through human-centered workshops, guiding them from strategy to execution and from focused pilots to scalable enterprise solutions.

KPMG professionals have SAP technology skills with proven methods specifically designed for SAP transformations, helping organizations maximize value from their SAP investments. Every initiative – AI or otherwise – is aligned with business goals and supported by a tailored business case.

AI adoption varies by region and industry. KPMG firms combine global scale with local expertise, offering industry-specific insights, tested benchmarks and leading practices where they matter most.

## A five-stage approach

KPMG professionals offer businesses a guided approach to align AI investments with organizational pain points:



KPMG's approach to embedding meaningful AI solutions begins with **discovery**, which includes both functional and value discovery. This stage is designed to provide a full assessment of an organization's existing investments, define business cases and help ensure AI investments align with business goals. It is run by KPMG business specialists and technologists who identify areas where AI can have a positive impact and guide the alignment of AI investments with organizational challenges.

The discovery stage is crucial: it establishes a vision for the organization, identifies opportunities for streamlining, and pinpoints areas for value realization early on to help ensure that every AI investment supports business growth.

**Activation** follows discovery. In this stage, organizations are encouraged to leverage SAP's embedded AI functionality before turning to custom-built solutions. Ready-made solutions such as SAP Business AI integrate seamlessly with the SAP Business Technology Platform (BTP), enhancing existing SAP solutions like SAP Cloud ERP and SAP Cloud ERP Private and driving digital transformation at the organizational level. Any 'shadow AI' systems can also be addressed in this

stage, so AI tools are used consistently, efficiently and in line with compliance and regulation.

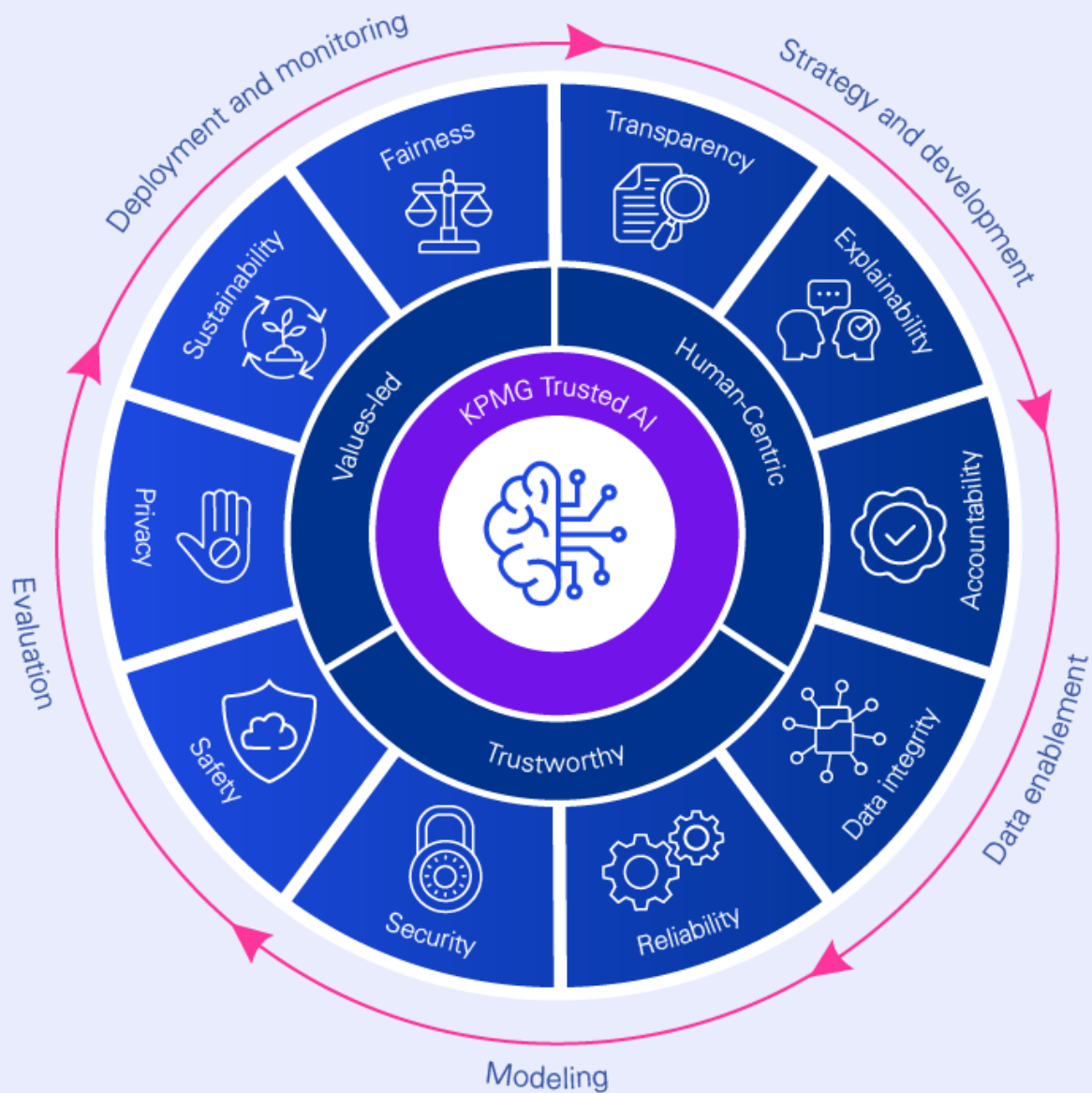
An effective **governance** structure, established in stage three, helps organizations avoid potential pitfalls. While not always necessary for activating SAP's embedded AI solutions, governance is essential when building custom solutions. The structure should protect against cybercrime, prioritize enterprise privacy, comply with regional regulatory practices and ethical standards, and align with organizational goals.

Stage four involves **implementing** AI solutions built by KPMG member firms and third-party vendors that integrate well with SAP. Those can be either custom AI solutions already pre-built by KPMG and/or new custom AI solutions tailored to customers' operational challenges, complementing and bridging existing investments.

The final stage is **refinement**. This is not an endpoint, but the beginning of continuous evolution. It focuses on identifying newer functionalities, enhancing capabilities, monitoring progress, and empowering organizations to manage AI in-house.

# The KPMG Trusted AI principle

The KPMG Trusted AI framework emphasizes AI governance, risk management, security and compliance.





# KPMG custom SAP AI solutions and services

SAP Business AI integrates efficiently with SAP Business Technology Platform (BTP) to leverage advanced data insights, automate processes and scale relevant innovation across business operations. Embedded AI and SAP Joule capabilities are available from the moment an organization transitions to SAP Business Suite, operating across cloud applications from SAP on a clean ERP in the Cloud to run the business.

KPMG-designed custom AI use cases are industry-specific and complement existing SAP capabilities. Each custom AI use case is backed up by a tested value case to help ensure a solid ROI. They are embedded into business processes using SAP BTP to help tackle unique challenges and are tailored to each client's needs, enhancing the impact of AI in digital transformations.



# KPMG transformation services

## Kick start: AI strategy and enterprise architecture consulting

Empower your organization with a tailored AI strategy, ready-to-execute enterprise architecture and transformation roadmap – built on trust and business value.

### Our offering includes:

- A cross-functional AI assessment and opportunity analysis
- AI vision and aspiration setting
- AI strategy and value assessment
- Trusted framework development
- A clear AI prioritization and value case design

This service leverages tailored AI Discovery workshop formats while considering existing SAP and non-SAP investments to construct a holistic and future-proof AI transformation journey.

### Benefits can include:

- A faster time-to-value in AI initiatives
- Cohesive AI enterprise architecture, leading to a reduction in redundant AI investments
- An improvement in cross-functional AI synergies

## Spark change: People transformation with SAP Joule

Leverage SAP's next-gen AI copilot, Joule, to unlock greater efficiency and smarter decision-making across SAP cloud environments.

### Our offering includes:

- SAP Gen AI impact assessment
- Value case creation for SAP Gen AI
- Change management for SAP Gen AI adoption
- Workforce upskilling programs
- Joule activation and rollout support
- SAP Gen AI Trust Framework integration

### Benefits can include:

- A smooth transition to AI-enhanced operations, maximizing ROI
- Smarter insights and improvements in decision-making accuracy
- Faster, more streamlined processes
- A tighter focus on change management and workforce upskilling, which can result in a higher user adoption rate and associated rise in productivity

## Deliver ROI: Value optimization with SAP embedded AI

Unlock measurable value by activating embedded AI across the SAP Business Suite – enhancing processes and outcomes from the inside out.

### Our offering includes:

- Embedded AI impact assessment, activation, adoption and change management
- Use case identification and prioritization
- Creation of embedded AI value cases
- Role-specific enablement and upskilling

### Benefits can include:

- Clear ROI and improved efficiency across business operations
- Increased operational effectiveness across key SAP Cloud applications
- Seamless AI integration reducing manual data processing tasks
- Greater user adoption through role-specific enablement and change management
- Stronger alignment between AI capabilities and strategic business objectives, supporting long-term growth

## Superpower: Value extension with SAP Custom AI

Transform SAP into an innovation engine, tailored to your industry's most pressing challenges.

### Our offering includes:

- Tailored SAP custom AI use case design and implementation
- Data and large language model (LLM) architecture setup
- Rapid deployment of KPMG pre-built AI solutions using SAP BTP (e.g. AI Foundations, Joule Studio etc.)
- Integration with partner ecosystems

All while having a clear view on one-time and recurring costs – embedded into a ROI pathway.

### Benefits can include:

- Increased process efficiency for complex industry and business challenges
- Improved decision-making accuracy with custom AI use cases
- Faster time-to-market for AI-driven innovation through seamless SAP BTP integration
- Stronger competitive advantage through differentiated, scalable AI solutions



An abstract graphic on the left side of the page, consisting of a dense network of blue lines and dots, resembling a neural network or a complex data structure, set against a dark blue background.

## SAP Joule for Consultants

KPMG firms are among the first to adopt SAP Joule for Consultants – a generative AI solution tailored to SAP consulting services. This advanced copilot supports KPMG consultants by answering questions, placing expert level SAP knowledge at their fingertips and accelerating project execution.

By integrating SAP Joule for Consultants into daily workflows, KPMG professionals can gain faster access to SAP product insights and transformation leading practices, concluding in enhanced productivity and stronger alignment with best practices.

As part of SAP's early access program (March 2025), KPMG is using Joule for Consultants to drive smarter service delivery and elevate clients' transformation experience with KPMG.



**We were very early in activating embedded AI functionalities in our sandbox environments so that we could show clients how far solutions can go when they are well integrated. And we are always close to how things develop, using our innovation lab to identify the potential for the next step so we can have more qualified and insightful discussions with our clients.”**

— Hendrik Thörner,  
Global SAP Lead Partner,  
KPMG in Germany

# Six reasons to choose KPMG and SAP

KPMG and SAP: Trusted. Proven. Ahead.

As a trusted global SAP alliance partner, KPMG professionals are pioneering in the AI space, balancing SAP expertise and early-access to AI solutions with a deep industry experience that can power innovation and customer business value.

## 1 Trusted reputation

KPMG professionals are known for integrity and trust, offering clients a reliable edge in a rapidly evolving AI landscape.

## 2 Long-term value

Our focus goes beyond quick wins. KPMG professionals help organizations solve their complex business challenges with sustainable, AI-powered transformation strategies.

## 3 Smarter. Faster. More impactful

As the largest participant in the SAP Joule for Consultants early access program, KPMG firms equip consultants with generative AI tools to deliver faster outcomes and with higher quality to drive greater impact for clients worldwide.

## 4 Tailored AI solutions

KPMG AI transformations are custom built to meet each client's unique business needs while leveraging leading practice methodologies and tools, ensuring relevance and value across the organization.

## Global scale, local expertise

5 With a global network of SAP and industry specialists, KPMG professionals bring unmatched knowledge and experience to drive impactful AI transformations backed by deep market understanding.

## Ahead of the market

6 As a key participant in the SAP 'NEXTLEVEL BTP & AI' program and an SAP AppHaus global strategic partner, KPMG professionals are ready to help businesses leverage cutting-edge AI capabilities and leading practices ahead of the competition.

KPMG ranks **#1** for quality in AI advice and implementation in Source's annual U.S. survey of senior buyers of consulting services <sup>iv</sup>

**NEXTLEVEL**  AppHaus Alliance  
SAP BTP & AI

“

We're bringing real client demand, KPMG professionals' domain functional, and industry experience, together with SAP's leading technologies. When you combine these strengths, you can achieve extraordinary results.” <sup>v</sup>

— Michael Golz,  
CTO SAP Advisory,  
KPMG in the US

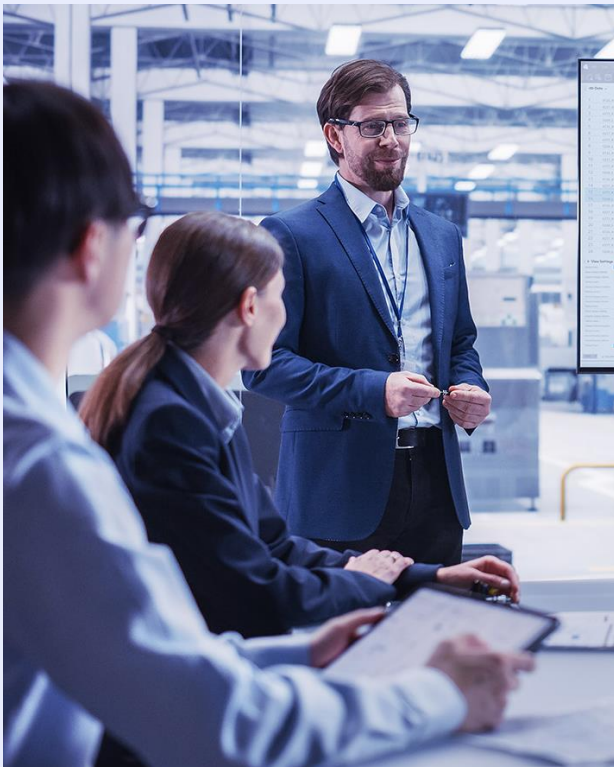
# Case studies

## AI discovery creates the roadmap for value-driven adoption

Dürr is one of the world's leading mechanical and plant engineering companies. They are undergoing a cloud transformation journey with SAP (SAP Cloud ERP). As part of this journey, KPMG conducted an AI discovery workshop with key stakeholders and the SAP AppHaus to identify, evaluate and scope business opportunities with AI and SAP.

One of the world's leading mechanical and plant engineering companies is finalizing its cloud transformation journey with SAP (SAP S/4HANA Cloud Edition). As part of this journey, KPMG conducted an AI workshop with the client and the SAP AppHaus to identify, evaluate and scope business opportunities with AI and SAP.

This business-led approach to AI ensured an aligned strategy, scope and roadmap while clearly balancing expected business outcomes and related costs (one-time and recurring). Also, the workshop enabled cross-functional alignment and created the foundation for scalable AI integration across the enterprise.



### Organizational needs:

- A coherent strategy aligned with business objectives and targeted enterprise architecture
- Stronger stakeholder buy-in across organizational levels
- Deeper understanding of the steps involved in adopting AI, especially concerning embedding AI functionalities and exploring custom AI solutions
- Identification and evaluation of high-ROI AI opportunities
- Clear demonstrable benefits of AI, guidance on investment requirements and a roadmap to move quickly from concept to pilot while tracking estimated ROI and costs



## The KPMG response:

- Defined and aligned AI strategy with SAP, fast-tracking relevant adoption of AI integrated into a broader transformation journey and target operating model
- Demonstrated practical use cases of SAP's embedded AI functionalities and custom AI opportunities with SAP BTP
- Delivered insights for tailored custom AI use cases by identifying business pain points and mapping them to AI capabilities, ensuring relevance and impact
- Explored the commercial aspects of adopting AI with SAP, including investment considerations, ROI expectations and scaling strategies
- Developed a customer specific action plan, a roadmap and pilot for prioritized use cases

## The outcome

The client now has a clear, strategic pathway and a tailored action plan to incorporate AI into its SAP Cloud ecosystem and operating model. This is fully supported by internal stakeholder alignment and a validated value case. The rapid launch of early pilot initiatives sets the stage for an enterprise-wide AI transformation.







# AI-enhanced recruitment processes helped a major South-east Asian bank

KPMG professionals supported a major bank in Asia in transforming recruitment through AI-powered candidate recommendations enabled by SAP SuccessFactors and AI Foundations on SAP BTP.

The bank is undergoing a strategic and SAP-driven transformation. The customer is focused on migrating from SAP ERP Human Capital Management to SAP SuccessFactors solutions, with an emphasis on seamless data and process integration.

KPMG professionals developed a tailored prototype to help streamline recruitment processes and improve talent acquisition outcomes.

## Organizational challenges:

- Manual resumé reviews were time consuming and inefficient
- Inconsistent candidate evaluation and potential bias in the selection process
- High application volume made screening overwhelming
- Variations in resumé structure, format, language and terminology made it difficult to consistently extract and compare candidate skills and qualifications, often resulting in missed talent



## The KPMG response:

- Developed and showcased an AI-Powered candidate evaluation solution integrated with SAP SuccessFactors, built on SAP BTP and using SAP Generative AI Hub.
- Leveraged Generative AI's built in natural language understanding to evaluate candidates with a full, contextual evaluation of the candidate's CV regardless of terminology, formatting, or language used. This overcomes the limits of rule-based systems that rely on keywords.
- Enabled real-time processing to instantly analyze and compare high volumes of applications.

## The outcome

KPMG delivered a broad demonstration of the Hire-to-Retire process, featuring an AI-powered recruitment solution alongside five additional customizations and integrations tailored to the client's envisioned operating model.

The solution significantly reduced manual screening time while improving the candidate shortlist quality. Recruiters and hiring managers can now efficiently review top-ranked, high-potential candidates, increasing the likelihood of identifying the best-fit candidates for each position.

This compelling value proposition of KPMG custom AI solutions complemented the Hire-to-Retire driven transformation journey with SAP SuccessFactors.





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