

SAP TRENDLINES



Rebuilding the SAP Enterprise

AI isn't just running on SAP, but becoming the new foundation for everything else it builds.

By Joe Perez

For much of its history, SAP innovation has focused on transactional efficiency and data accuracy. Enterprises built their foundations on structured processes and predictable infrastructure to power mission-critical operations. Now, a seismic shift is underway. AI is embedding itself into enterprise DNA, from automating routine tasks to connecting with external intelligence and determining where it ultimately runs. We are now

witnessing a fundamental rethinking of the entire enterprise technology stack.

Automation Learns to Observe

One of the clearest signs of AI's growing role is in automation. Traditional automation platforms could run workflows at scale but lacked real-time insight into their performance. That gap is narrowing with the launch of Redwood Insights, a new embedded observability and analytics layer integrated into its SAP-certified RunMyJobs platform.



across complex, hybrid environments. The platform offers predefined KPIs for standard SAP business processes, real-time SLA forecasts that leverage historical patterns to predict potential deadline breaches, and drill-down dashboards that identify performance bottlenecks linked to specific job chains or systems. This enables operations teams to shift from reactive firefighting to proactive optimization, with performance metrics aligned to business impact rather than just technical health.

The integration with SAP ensures that these insights are interconnected. Information about the health of IT systems can be fed back into business processes, prompting adjustments in related workflows or updating performance dashboards. By combining AI-driven observability with automation, SAP customers can develop self-improving systems that respond to changing business conditions.

Integration Gets Smarter

If automation is the muscle of an intelligent SAP architecture, integration serves as its nervous system. Here, Google's A2A (Agent-to-Agent) protocol, which was developed in collaboration with SAP and other partners, represents a major advancement in how SAP environments connect with AI services.

The A2A protocol is an open standard created to simplify how AI agents

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Redwood Insights provides what Redwood Software calls "Operational Intelligence," which is a set of real-time analytics and forecasting tools that give visibility into job executions

interact across different platforms, organizations, and ecosystems. It outlines a common way for agents to find, authenticate, and communicate with each other, using established standards like HTTP(S) and JSON-RPC.

This reduces barriers to integrating AI into everyday business workflows. A2A provides a way for assistants like SAP Joule to go beyond system-specific queries and become coordinators of cross-application workflows. In this model, Joule could delegate a task to a Google Workspace agent and then retrieve data from Salesforce or ServiceNow, all through a shared communication layer.

The protocol also supports more modular architectures, enabling agents to specify the tasks they can perform, expose endpoints for

AI is increasingly becoming a fundamental architectural element within SAP landscapes, influencing how systems automate, connect, and scale.

handling requests, and even coordinate operations with other agents. This approach reflects broader trends in enterprise IT toward modular, API-driven design.

Infrastructure on AI's Terms

AI is transforming SAP systems' capabilities and is also affecting its hosting

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locations. The discussion around cloud migration in SAP environments has progressed, with AI-readiness now linked to data proximity. Many SAP-centric enterprises are adopting hybrid cloud strategies, making these models a viable option for SAP modernization.

According to recent SAPinsider coverage, many SAP customers are moving workloads back on-premises due to rising cloud costs, with companies potentially saving up to 50% by doing so. One factor in this shift is that AI workloads benefit from being closer to data sources, which decreases training times and enhances inference performance.

Dell Technologies is responding with SAP RISE on Dell APEX, providing as-a-service delivery with predictable Operational Expenditure-based (OPEX-based) cloud costs in customers' own data centers. Dell APEX offers a modern cloud experience on-premises, allowing enterprises to run AI workloads closer to their data while avoiding hidden costs like egress fees.

For many SAP customers, this means the hybrid cloud is now a strategic choice, not just a transitional phase, that enhances AI performance while ensuring data sovereignty and compliance are maintained.

Birth of the Self-Aware Enterprise These developments signal AI's evolution from add-on feature to architectural DNA.

What this means for SAPinsiders

» **Build automation that watches itself.** The next generation of SAP automation executes, observes, learns, and self-corrects. AI-powered observability tools like Redwood Insights transform organizations' systems into digital organisms that spot trouble before it strikes and evolve from every mistake. This flips the operations playbook from firefighting to orchestrating proactive observability workflows.

» **Unleash AI everywhere, not just somewhere.** Google's A2A protocol breaks AI out of its silos, making intelligence available across the entire SAP ecosystem through standardized connections. For architects and developers, this means building modular AI integrations that let you experiment fast and deploy faster without needing to rewrite core systems. Think of AI as a service that flows everywhere it's needed, not just a singular tool. Think of AI as a utility and not an appliance.

» **Let intelligence choose its home.** AI now drives where workloads live, weighing performance, cost, and compliance in real time. For many companies, hybrid solutions from providers like Dell turn infrastructure decisions into strategic advantages, placing each workload where it thrives most. For infrastructure leaders, this demands partnership with business teams to ensure AI recommendations align with enterprise objectives.

Automation platforms now monitor and heal themselves. Integration protocols democratize AI capabilities across every business process. Infrastructure strategies reshape themselves around AI's computational hunger.

This is the emergence of enterprise systems that think, learn, and adapt. Enterprises are redesigning SAP landscapes to embody operational intelligence at their core. The goal has shifted from retrofitting existing systems to architecting inherently intelligent enterprises that evolve without human micromanagement.

For organizations brave enough to embrace this transformation, the stakes couldn't be higher. AI-powered architecture doesn't just incrementally improve operations; it creates self-reinforcing competitive moats that leave traditional competitors scrambling to catch up.