

# From Procurement Automation to Procurement Intelligence: An Integrated Framework for AI-Driven Procurement Transformation

Vijay Mittal<sup>1</sup>

<sup>1</sup>Enterprise Architect | SAP Solution Architect | Author | Digital Transformation Leader

<sup>1</sup>ORCID ID: <https://orcid.org/0009-0002-3630-1289>

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**Abstract:** Procurement is moving beyond transaction automation toward a new operating paradigm in which data, enterprise applications, artificial intelligence, governance, human judgment, and measurable value must function as an integrated system. Yet many organizations approach AI-enabled procurement through disconnected technology pilots, isolated process automation, or platform-led implementation programs. These approaches can produce local efficiency while leaving unresolved questions of enterprise readiness, capability maturity, architectural coherence, governance, and value realization. This article introduces an integrated transformation methodology built around three original frameworks: the Intelligent Procurement Reference Architecture (IPRA™), the Procurement AI Maturity Model (PAIMM™), and the Enterprise Procurement AI Readiness Assessment (EPARA™). IPRA™ defines a seven-layer reference architecture for the future-state procurement ecosystem. PAIMM™ provides a five-level maturity model evaluated across eight enterprise dimensions. EPARA™ provides a six-dimension weighted diagnostic for determining whether the organization possesses the foundational conditions required to initiate or expand AI-enabled procurement. Used together, the frameworks connect readiness assessment, maturity diagnosis, target-state architecture, governed implementation, benefits realization, and continuous reassessment. The article presents the conceptual foundation, scoring methodologies, mathematical formulations, decision logic, governance implications, implementation roadmap, and research agenda for the integrated model. SAP-enabled enterprise procurement is used as an illustrative technology context, while the framework principles remain adaptable to other enterprise technology ecosystems.

**Keywords:** *Intelligent Procurement; Artificial Intelligence; Procurement Transformation; Enterprise Architecture; AI Readiness; Maturity Model; SAP S/4HANA; SAP Ariba; SAP Business AI; Responsible AI; Digital Procurement; Agentic AI.*

Introducing IPRA™, PAIMM™, and EPARA™ for Enterprise Procurement Architecture, Maturity, and AI Readiness.

**Original Frameworks:** Intelligent Procurement Reference Architecture (IPRA™), Procurement AI Maturity Model (PAIMM™), and Enterprise Procurement AI Readiness Assessment (EPARA™).

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## I. INTRODUCTION

Enterprise procurement has evolved from a predominantly transactional function into a strategic capability responsible for cost, resilience, supplier performance, compliance, innovation, sustainability, and

increasingly data-driven decision intelligence. The next phase of this evolution is not simply “more automation.” It is the emergence of Intelligent Procurement: an enterprise model in which business processes, trusted information, integrated applications, artificial intelligence, governance, people, and operating models work together to improve

decisions, automate appropriate activities, manage risk, strengthen supplier relationships, and continuously create measurable business value.

The challenge is that AI adoption often moves faster than enterprise design. Organizations may acquire generative-AI capabilities, predictive analytics, intelligent document processing, copilots, autonomous agents, or advanced sourcing tools without first establishing the information quality, integration maturity, governance mechanisms, skills, decision rights, and target architecture required to sustain them. The resulting environment may contain impressive demonstrations but weak scalability, fragmented accountability, limited user trust, and uncertain value realization.

Recent research reinforces the importance of organizational and capability conditions surrounding digital and AI adoption. A 2024 systematic literature review of AI adoption in supply-chain management synthesized

technological, organizational, environmental, and human drivers and barriers, illustrating that AI outcomes depend on more than technology deployment alone. A 2025 procurement maturity study similarly described procurement digitalization readiness as underexplored and emphasized alignment among people, information, processes, and existing capabilities. These findings support the need for a procurement-specific method that connects readiness, maturity, architecture, governance, and business value rather than treating them as independent workstreams.

This article therefore proposes an integrated method around three complementary questions. EPARA™ asks, “Are we ready to begin or expand AI-enabled procurement?” PAIMM™ asks, “Where are we today, and what level of maturity should we target?” IPRA™ asks, “What should the future-state Intelligent Procurement architecture look like?” The combined methodology then extends these answers into governed implementation, value measurement, and continuous reassessment.

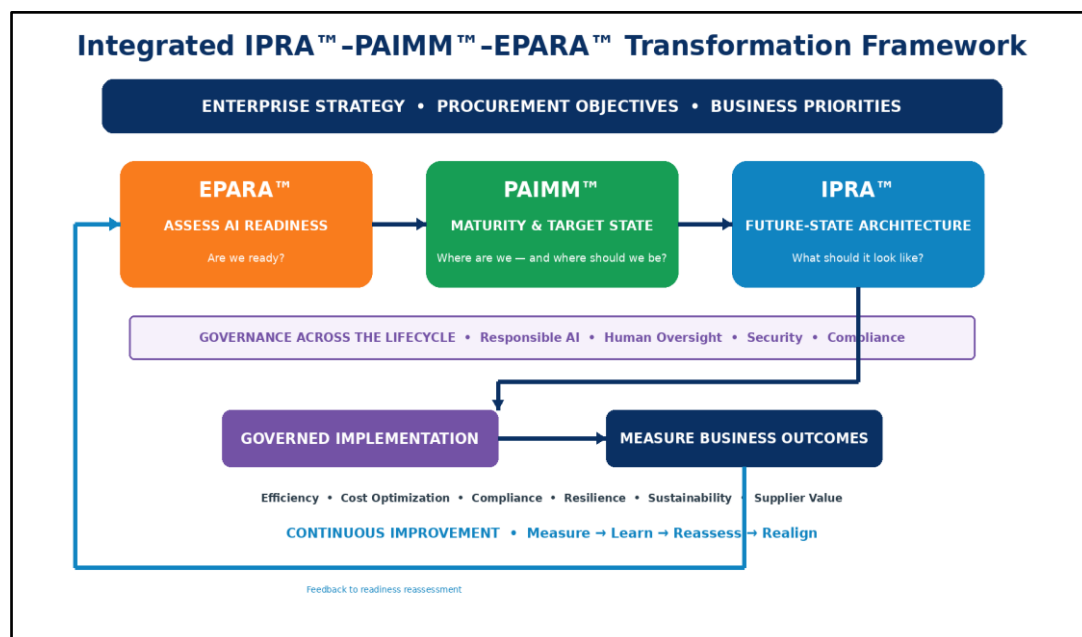


Fig 1 Integrated IPRA™-PAIMM™-EPARA™ Intelligent Procurement Transformation Lifecycle

## II. SCOPE AND RESEARCH MOTIVATION

The scope of the proposed methodology is enterprise procurement transformation across source-to-contract, procure-to-pay, supplier lifecycle management, contract lifecycle management, procurement analytics, supplier collaboration, risk management, and related decision processes. The frameworks are intended for chief procurement officers, chief information officers, enterprise architects, procurement transformation leaders, AI strategy leaders, program managers, SAP practitioners, and researchers studying AI-enabled enterprise transformation.

The central research and practitioner problem can be stated as follows: enterprises need a repeatable method for determining whether they are ready for AI, diagnosing the maturity of the capabilities that AI depends upon, designing a coherent target architecture, governing implementation, and linking investment to measurable outcomes. A platform implementation methodology alone does not fully answer these questions; neither does a generic AI-risk framework or a procurement process maturity model. The proposed integrated approach seeks to bridge these perspectives at the procurement-enterprise boundary.

The framework is intentionally architecture-led rather than product-led. SAP S/4HANA, SAP Ariba, SAP Business Technology Platform, SAP Business AI, Joule, business networks, data services, and governed extensibility provide a relevant enterprise context, but IPRA™, PAIMM™, and EPARA™ are not intended to depend on a single vendor. Their underlying logic can be mapped to equivalent ERP, source-to-pay, data, integration, AI, workflow, security, and governance capabilities in other enterprise environments.

### III. METHODOLOGY AND FRAMEWORK DEVELOPMENT LOGIC

The methodology is design-oriented and practice-informed. It synthesizes enterprise-architecture thinking, procurement management, digital-transformation principles, AI governance, maturity assessment, readiness diagnostics, and implementation experience into three linked artifacts. The objective is not to claim empirical universality at this stage; rather, it is to provide a structured, falsifiable, and operational framework that can be applied, assessed, refined, and validated through future multi-organization research.

The development logic follows six stages: (1) identify recurring enterprise procurement transformation problems; (2) separate readiness, maturity, and architecture as distinct but interdependent constructs; (3) define dimensions and layers that are sufficiently comprehensive for enterprise use; (4) introduce transparent scoring and classification rules where quantitative assessment is useful; (5) connect assessment outputs to architecture and transformation

decisions; and (6) embed governance and value realization into the lifecycle rather than treating them as post-implementation activities.

This distinction between constructs is important. Readiness is a precondition-oriented question: can the organization responsibly and effectively proceed? Maturity is a capability-development question: how advanced and balanced are the capabilities required for Intelligent Procurement? Architecture is a design question: how should the enterprise capabilities, information, applications, intelligence, governance, operating responsibilities, and value mechanisms fit together? Conflating these questions can lead to false confidence—for example, assuming that a modern technology stack automatically implies organizational readiness or high AI maturity.

### IV. IPRA™ — INTELLIGENT PROCUREMENT REFERENCE ARCHITECTURE

IPRA™ is a structured, layered enterprise framework for designing, implementing, governing, and evolving AI-enabled procurement ecosystems. It organizes Intelligent Procurement into seven interconnected architectural layers: Business Architecture, Information Architecture, Application Architecture, Intelligence Architecture, Governance Architecture, Operating Model, and Value Realization. The core principle is that Intelligent Procurement should be designed as an integrated enterprise architecture rather than as a collection of isolated technology initiatives.

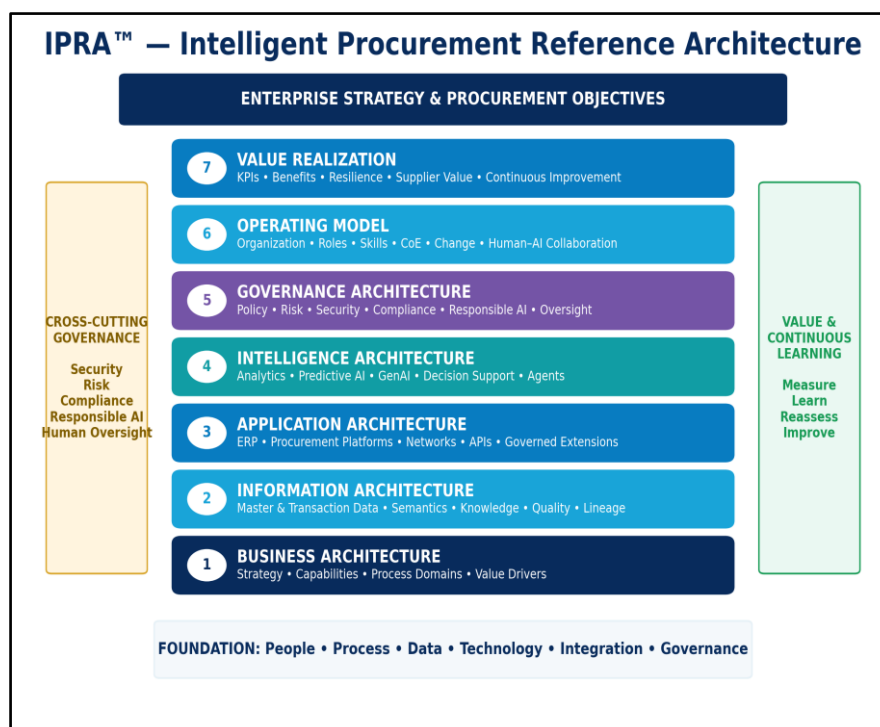


Fig 2 IPRA™ Seven-Layer Intelligent Procurement Reference Architecture

➤ *The Seven Architectural Layers*

Table 1 The Seven Architectural Layers

| IPRA™ Layer                  | Purpose                                                                                                                        |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 1. Business Architecture     | Align procurement strategy, capabilities, process domains, and value drivers with enterprise objectives.                       |
| 2. Information Architecture  | Establish trusted master, transactional, analytical, semantic, and knowledge foundations.                                      |
| 3. Application Architecture  | Structure ERP, procurement applications, networks, APIs, integration, workflow, and governed extensibility.                    |
| 4. Intelligence Architecture | Embed analytics, predictive models, generative AI, decision support, intelligent automation, and governed agents.              |
| 5. Governance Architecture   | Define policies, controls, decision rights, compliance, security, risk management, auditability, and human oversight.          |
| 6. Operating Model           | Define organization, roles, skills, CoE capabilities, change management, service delivery, and human–AI collaboration.         |
| 7. Value Realization         | Connect architecture and investment to KPIs, benefits, risk reduction, resilience, supplier value, and continuous improvement. |

Business Architecture establishes the strategic intent of procurement transformation. It should define which procurement capabilities matter, which business outcomes are expected, and where intelligence can materially improve decisions or execution. Information Architecture then provides the trusted information foundation on which those capabilities depend. This sequencing matters because sophisticated AI operating on fragmented, poorly governed, or semantically inconsistent procurement data can amplify rather than resolve enterprise problems.

Application Architecture provides the system context in which procurement capabilities execute. In an SAP-enabled environment, this can include SAP S/4HANA, SAP Ariba solutions, SAP Business Network, SAP BTP, APIs, integration services, and governed extensions. Intelligence Architecture defines how AI, analytics, predictions, recommendations, copilots, automation, knowledge capabilities, and agents are introduced into procurement decisions and workflows.

Governance Architecture is deliberately a first-class architectural layer. It establishes accountability, policy, risk controls, authorization, auditability, model oversight, explainability expectations, security, privacy, compliance, and human intervention mechanisms. The Operating Model defines who owns and sustains these capabilities, while Value Realization ensures that architectural sophistication remains connected to measurable enterprise outcomes rather than becoming an end in itself.

➤ *IPRA™ Architectural Principles*

Five principles guide practical IPRA™ application. First, Clean Core First encourages enterprises to preserve the

stability and upgradeability of the digital core while placing differentiated extensions in governed extension layers. Second, Business-Driven Design requires architecture decisions to begin with procurement outcomes rather than product features. Third, AI by Design treats intelligence as an intentional architectural capability rather than an add-on. Fourth, Data as a Strategic Asset recognizes information quality, semantics, lineage, and governance as prerequisites for scalable intelligence. Fifth, Governance by Default embeds control, accountability, and responsible-AI requirements throughout the design lifecycle.

Interoperability is equally important. Intelligent Procurement typically spans ERP, source-to-pay applications, supplier networks, data platforms, risk services, identity and security services, workflow engines, external intelligence sources, and specialized AI capabilities. IPRA™ therefore favors explicit interfaces, reusable services, governed APIs, event-driven patterns where appropriate, and architecture decisions that reduce unnecessary point-to-point coupling.

## V. PAIMM™ — PROCUREMENT AI MATURITY MODEL

PAIMM™ provides a structured framework for assessing current procurement maturity, identifying capability gaps, defining a target state, and guiding progression toward increasingly intelligent and appropriately governed autonomous procurement. The model defines five maturity levels—Initial, Defined, Integrated, Intelligent, and Autonomous—and evaluates maturity across eight interconnected dimensions.

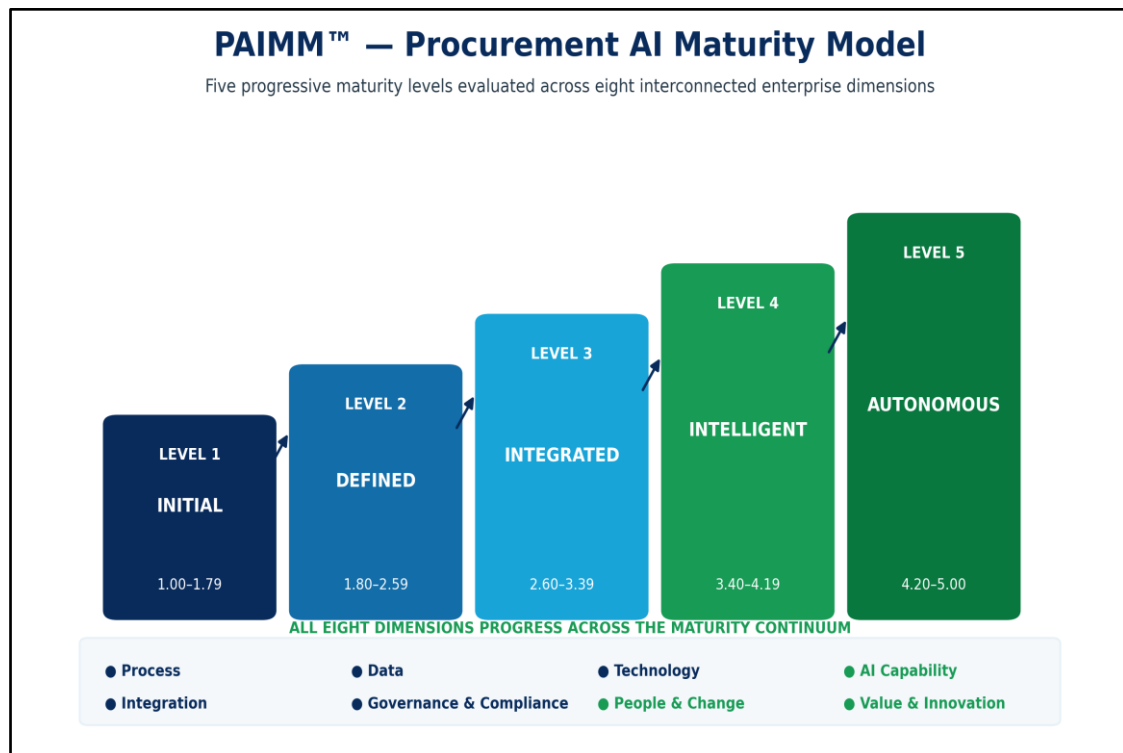


Fig 3 PAIMM™ Five-Level Maturity Progression across Eight Dimensions

➤ *Eight PAIMM™ Dimensions*

Table 2 Eight PAIMM™ Dimensions

| Dimension               | Assessment Focus                                                                                                                       |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Process Maturity        | Standardization, digitization, automation, exception management, performance management, intelligent execution.                        |
| Data Maturity           | Quality, ownership, governance, accessibility, semantic consistency, analytics and AI readiness.                                       |
| Technology Maturity     | Enterprise platforms, architecture, extensibility, scalability, security, modernization.                                               |
| AI Capability           | Use cases, predictive intelligence, generative AI, lifecycle management, responsible AI, intelligent automation, agentic capabilities. |
| Integration Maturity    | Application, data, API, event, supplier-network, and cross-enterprise integration.                                                     |
| Governance & Compliance | Policies, controls, decision rights, risk, compliance, security, responsible AI, human oversight.                                      |
| People & Change         | Skills, AI literacy, organizational readiness, change management, adoption, roles, operating model.                                    |
| Value & Innovation      | Business-value measurement, benefits realization, innovation, continuous improvement, strategic outcomes.                              |

➤ *PAIMM™ Scoring Formula*

Each PAIMM™ dimension is scored from 1.0 to 5.0. The standard model uses equal weighting so that the enterprise score reflects balanced maturity rather than allowing one highly developed capability to mask foundational weaknesses elsewhere.

Where D<sub>1</sub> = Process Maturity, D<sub>2</sub> = Data Maturity, D<sub>3</sub> = Technology Maturity, D<sub>4</sub> = AI Capability, D<sub>5</sub> = Integration Maturity, D<sub>6</sub> = Governance and Compliance, D<sub>7</sub> = People and Change, and D<sub>8</sub> = Value and Innovation.

$$\text{PAIMM}^{\text{TM}} \text{ Overall Maturity Score} = (D_1 + D_2 + D_3 + D_4 + D_5 + D_6 + D_7 + D_8) / 8$$

Table 3 PAIMM™ Scoring Formula

| Overall Score | Level | Designation | Interpretive Meaning                                                                                         |
|---------------|-------|-------------|--------------------------------------------------------------------------------------------------------------|
| 1.00–1.79     | 1     | Initial     | Fragmented and predominantly manual procurement with limited digital and AI capability.                      |
| 1.80–2.59     | 2     | Defined     | Standardized processes supported by foundational technology and rule-based automation.                       |
| 2.60–3.39     | 3     | Integrated  | Connected ecosystem with integrated data, predictive analytics, and AI-supported decisions.                  |
| 3.40–4.19     | 4     | Intelligent | AI-embedded procurement with intelligent automation, predictive intelligence, and governed decision support. |
| 4.20–5.00     | 5     | Autonomous  | Governed agentic procurement with increasingly autonomous execution within defined authority boundaries.     |

The decimal score should be retained when determining classification rather than rounded to the nearest whole number. More importantly, the overall score must always be interpreted together with the eight-dimensional profile. Two organizations can have identical averages and radically different capability risks. A technology-strong but governance-weak organization should not be treated as equivalent to a balanced organization with the same mean score.

PAIMM™ therefore uses two complementary views: an Overall Classification for executive communication and a Dimensional Profile for diagnosis and investment prioritization. Progression toward Level 4 and especially Level 5 requires balance across trusted data, integrated systems, governance, authorization controls, organizational readiness, human oversight, and demonstrated value. A

numerical maturity score is not permission for unrestricted autonomy.

## VI. EPARA™ — ENTERPRISE PROCUREMENT AI READINESS ASSESSMENT

EPARA™ is a diagnostic framework for determining whether an organization possesses the foundational conditions required to begin or expand AI-enabled procurement. It is deliberately distinct from PAIMM™. PAIMM™ evaluates the maturity of the broader capability system; EPARA™ focuses on the readiness conditions that can enable or constrain near-term AI deployment. It is especially useful before major AI investments and as a diagnostic when existing AI initiatives are underperforming.

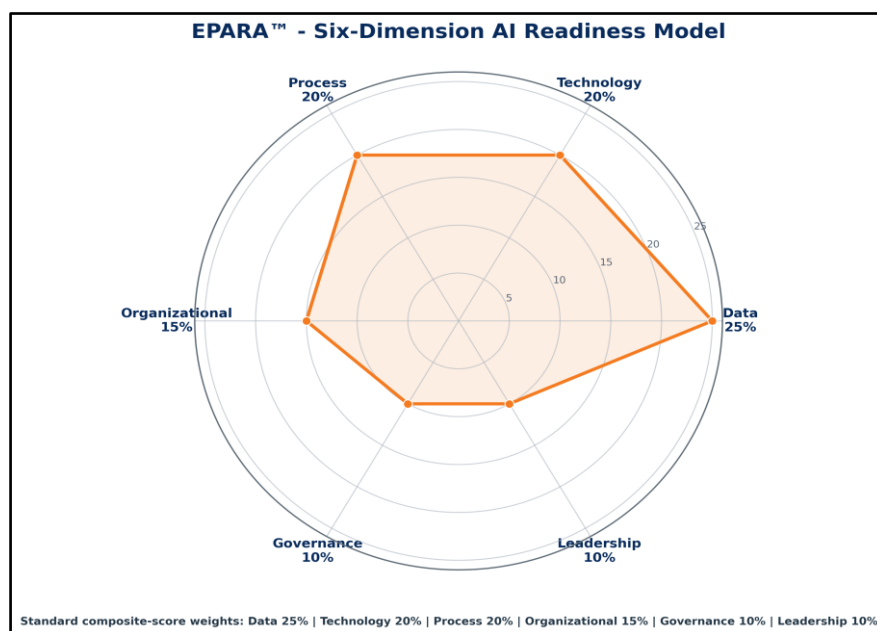


Fig 4 EPARA™ Six-Dimension AI Readiness Model and Standard Composite-Score Weights

- *Note: The radar profile represents the standard weighting assigned to each EPARA™ readiness dimension. It does not represent an individual organization's readiness-assessment results.*

➤ *EPARA™ Dimensions and Weights*

Table 4 EPARA™ Dimensions and Weights

| Readiness Dimension      | Weight | Assessment Focus                                                                                |
|--------------------------|--------|-------------------------------------------------------------------------------------------------|
| Data Readiness           | 25%    | Quality, completeness, accessibility, semantics, ownership, and governance of procurement data. |
| Technology Readiness     | 20%    | Platform currency, integration maturity, scalability, security, and architectural fitness.      |
| Process Readiness        | 20%    | Standardization, documentation, controls, exception logic, and process stability.               |
| Organizational Readiness | 15%    | Skills, structure, change capability, adoption capacity, roles, and collaboration.              |
| Governance Readiness     | 10%    | Policies, controls, responsible-AI framework, compliance, oversight, and accountability.        |
| Leadership Readiness     | 10%    | Executive sponsorship, strategic clarity, investment commitment, and decision alignment.        |

➤ *EPARA™ Composite Formula*

Let  $R_i$  represent the assessment percentage for readiness dimension  $i$  and  $w_i$  its assigned weight, with the six weights summing to 1.00. The composite readiness score is calculated as the weighted sum:

$$\text{EPARA}^{\text{TM}} \text{ Score} = 0.25R_{\text{Data}} + 0.20R_{\text{Technology}} + 0.20R_{\text{Process}} + 0.15R_{\text{Organizational}} + 0.10R_{\text{Governance}} + 0.10R_{\text{Leadership}}$$

If each  $R$  value is expressed as a percentage from 0 to 100, the resulting EPARA™ score is also a percentage from 0 to 100. The weighted design intentionally gives the greatest emphasis to data, technology, and process foundations while retaining explicit organizational, governance, and leadership readiness.

Table 5 EPARA™ Composite Formula

| Composite Score | Readiness Classification | Deployment Guidance                                                                                      |
|-----------------|--------------------------|----------------------------------------------------------------------------------------------------------|
| 80–100%         | AI Ready                 | Proceed with enterprise AI deployment, prioritize high-value use cases, and maintain ongoing governance. |
| 60–79%          | Conditionally Ready      | Proceed with targeted pilots where readiness is strong while remediating remaining gaps in parallel.     |
| 40–59%          | Partially Ready          | Remediate critical gaps—typically data, process, organization, or governance—before broad deployment.    |
| Below 40%       | Not Yet Ready            | Prioritize foundational remediation before broad AI deployment.                                          |

A key design implication is that readiness is not equivalent to maturity. An organization can be mature in conventional procurement operations but insufficiently ready for AI because data rights, model governance, AI literacy, or leadership alignment are weak. Conversely, an organization can demonstrate enthusiasm and leadership sponsorship for AI while lacking the process and information foundations required for reliable deployment. EPARA™ makes these asymmetries visible before they become expensive implementation failures.

## VII. INTEGRATING EPARA™, PAIMM™ AND IPRA™

The principal contribution of the integrated methodology is the explicit sequencing of three different decision lenses. EPARA™ establishes whether the organization should proceed broadly, proceed conditionally, or first remediate foundational gaps. PAIMM™ then establishes the maturity baseline and target-state capability profile. IPRA™ translates those findings into an enterprise architecture that connects business outcomes, information, applications, intelligence, governance, operating responsibilities, and value realization.

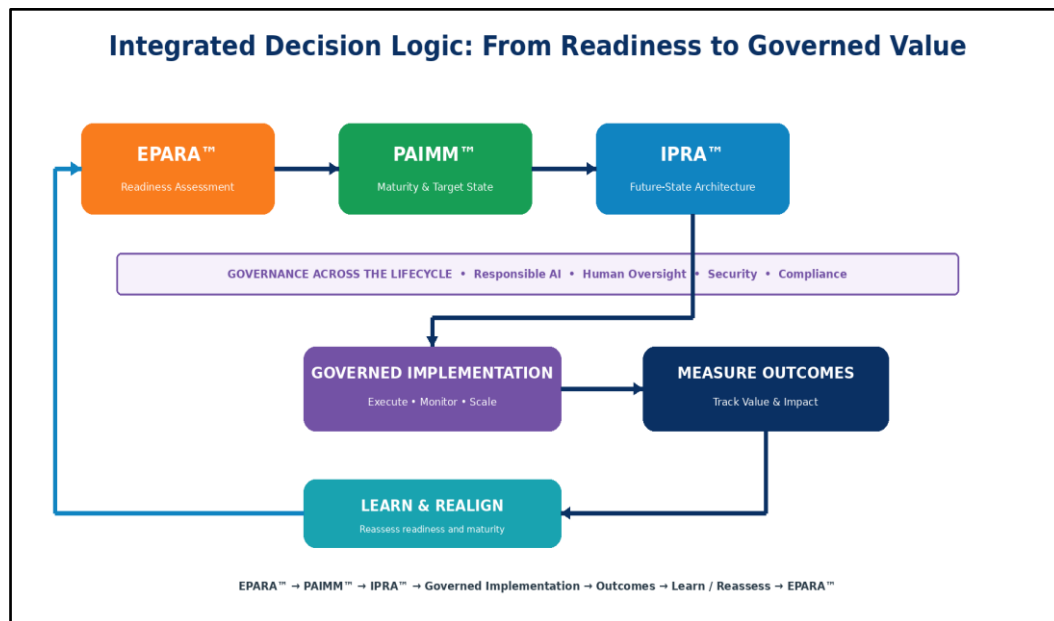


Fig 5 Integrated Decision Logic from AI Readiness to Value Realization

Table 6 Integrating Epara™, Paimm™ and Ipra™

| Framework | Primary Question                                                          | Primary Output                                                                             | Best Used When                                                                                     |
|-----------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| EPARA™    | Are we ready for AI-enabled procurement?                                  | Weighted readiness profile, composite score, remediation priorities.                       | Before major AI investment; before scaling; when AI initiatives underperform.                      |
| PAIMM™    | Where are we now and what maturity should we target?                      | Eight-dimensional maturity profile, overall level, capability gaps, target state.          | During strategy, portfolio planning, benchmarking against internal target state, and reassessment. |
| IPRA™     | What should the future-state Intelligent Procurement ecosystem look like? | Seven-layer target architecture, principles, dependencies, governance and value structure. | During architecture definition, solution design, transformation sequencing, and governance.        |

#### ➤ Gap-to-Roadmap Logic

The integrated approach can be operationalized through a gap matrix. For each PAIMM™ dimension, the organization records the current score, desired target score, capability gap, architectural dependency, EPARA™ readiness constraint, business priority, and planned initiative. This prevents transformation roadmaps from becoming generic lists of technology projects. Each initiative must respond to an evidenced capability gap and map to one or more IPRA™ architectural layers.

For example, a low Data Maturity score combined with weak EPARA™ Data Readiness should trigger Information Architecture work before large-scale predictive or agentic procurement deployment. A high Technology Maturity score combined with low Governance and Compliance should shift investment toward Governance Architecture, model oversight, decision rights, human-in-the-loop controls, audit logging, and policy codification. A weak People and Change score should influence the Operating Model through role redesign, AI literacy, training, adoption governance, and Center-of-Excellence capabilities.

#### ➤ Target-State Design is Not Maximum Autonomy

The integrated methodology does not assume that Level 5 autonomy is the correct target for every procurement process. Strategic sourcing, supplier negotiations, regulated purchasing, high-value awards, sanctions-related decisions, and other consequential activities may require persistent human accountability even in highly mature organizations. The appropriate target is governed autonomy: the controlled use of autonomous or semi-autonomous AI within explicit authority limits, policies, controls, escalation paths, monitoring, and human-oversight arrangements.

### VIII. GOVERNANCE AND RESPONSIBLE AI

AI-enabled procurement introduces risks that conventional workflow automation does not fully address. Models can generate inaccurate recommendations, reproduce data bias, expose sensitive information, create opaque decision paths, interact with suppliers in unintended ways, or execute actions beyond appropriate authority. Procurement also sits at the intersection of financial control, third-party

risk, legal obligations, cybersecurity, privacy, sanctions, sustainability claims, and supplier relationships. Governance

must therefore be embedded in architecture and operating processes from the beginning.

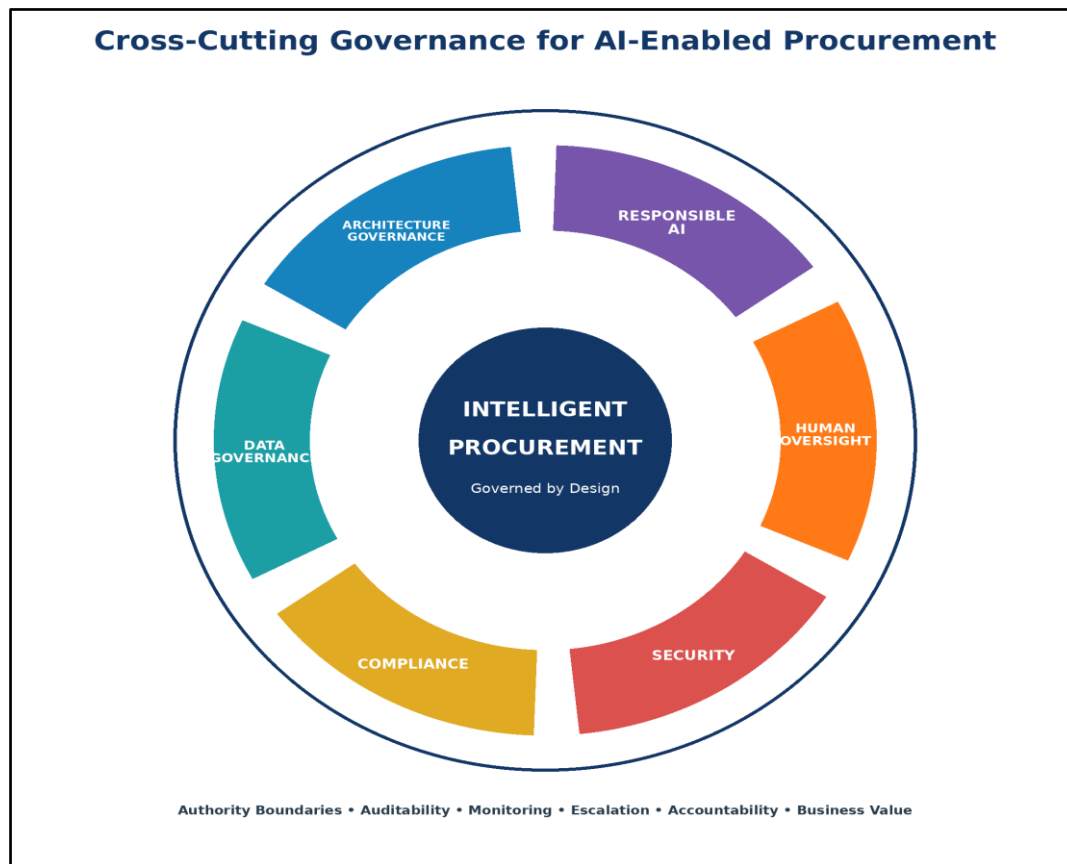


Fig 6 Cross-Cutting Governance for AI-Enabled Procurement

The NIST Artificial Intelligence Risk Management Framework provides a useful external governance reference because it is voluntary, cross-sectoral, and designed to help organizations incorporate trustworthiness considerations into AI design, development, use, and evaluation. Its core functions—Govern, Map, Measure, and Manage—reinforce the need for continuous AI-risk management rather than a one-time approval exercise. ISO/IEC 42001:2023 provides a complementary management-system perspective for establishing, implementing, maintaining, and continually improving an Artificial Intelligence Management System. These external frameworks do not define IPRA™, PAIMM™, or EPARA™; rather, they can be mapped to the Governance Architecture and operating controls of the proposed procurement methodology.

A practical procurement AI governance model should include at least: accountable business ownership; documented use-case purpose and risk classification; approved data sources; privacy and security review; model or agent lifecycle ownership; testing and validation; explainability appropriate to decision consequence; human oversight and escalation; segregation of duties; authorization boundaries; monitoring for drift and abnormal behavior; audit

logging; supplier-facing communication controls; incident response; and periodic reassessment of business value and risk.

#### ➤ *Human Oversight and Decision Rights*

Human oversight should be risk-based rather than ceremonial. Low-risk, high-volume activities such as classification suggestions or routine information retrieval may permit extensive automation. Medium-risk activities may use AI recommendations with human approval. High-consequence decisions—such as supplier exclusion, contract commitment, strategic award, or autonomous financial action—may require stronger approval thresholds, dual controls, or prohibition of autonomous execution. The maturity of governance should therefore rise with the consequence and autonomy of the use case.

## IX. ENTERPRISE IMPLEMENTATION ROADMAP

A practical transformation program can be organized into six phases. Phase 1 establishes executive sponsorship, scope, value hypotheses, and assessment governance. Phase 2 performs EPARA™ and PAIMM™ assessments. Phase 3

defines the IPRA™ target architecture and prioritizes gaps. Phase 4 implements foundational data, integration, governance, process, and operating-model capabilities. Phase 5 scales intelligent use cases under controlled governance.

Phase 6 measures value, reassesses readiness and maturity, and continuously realigns the architecture.

Table 7 Enterprise Implementation Roadmap

| Phase                 | Primary Activities                                                                 | Representative Deliverables                                      |
|-----------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------|
| 1. Mobilize           | Define business outcomes, scope, stakeholders, governance, and decision rights.    | Transformation charter; value hypotheses; governance structure.  |
| 2. Assess             | Run EPARA™ readiness and PAIMM™ maturity assessments; validate evidence.           | Readiness profile; maturity heat map; current-state baseline.    |
| 3. Architect          | Define IPRA™ target state and map capability dependencies.                         | Seven-layer target architecture; principles; gap matrix.         |
| 4. Build Foundations  | Remediate data, process, integration, security, governance, and skills gaps.       | Trusted data; integration services; policies; CoE; change plan.  |
| 5. Scale Intelligence | Deploy prioritized analytics, copilots, predictive models, automation, and agents. | Production AI use cases; controls; monitoring; adoption metrics. |
| 6. Realize & Reassess | Measure outcomes, review risk, reassess EPARA™/PAIMM™, evolve IPRA™.               | Benefits dashboard; updated scores; architecture roadmap.        |

#### ➤ Use-Case Prioritization

AI use cases should be prioritized using a balanced portfolio lens rather than technological novelty. Candidate criteria include expected financial value, cycle-time reduction, decision-quality improvement, compliance benefit, resilience contribution, supplier experience, data readiness, process stability, integration complexity, model risk, regulatory consequence, change impact, and implementation effort. High-value/high-readiness use cases can be accelerated; high-value/low-readiness use cases should trigger foundation work; low-value/high-complexity use cases should normally be deferred.

#### ➤ Illustrative SAP-Enabled Mapping

In an SAP-enabled enterprise, Business Architecture can guide the scope of SAP S/4HANA and SAP Ariba capabilities; Information Architecture can connect S/4HANA, Ariba, business data, semantic, and analytics foundations; Application Architecture can define S/4HANA, Ariba, Business Network, BTP, APIs, and governed extensions; Intelligence Architecture can incorporate SAP Business AI, Joule, predictive services, and agentic capabilities; Governance Architecture can integrate enterprise security, access, audit, model governance, and responsible-AI controls; the Operating Model can establish procurement and AI Centers of Excellence; and Value Realization can connect analytics and KPI governance to benefits tracking. This mapping is illustrative, not an endorsement or dependency of the frameworks on SAP products.

## X. MEASUREMENT AND VALUE REALIZATION

The success of Intelligent Procurement should be evaluated through a multidimensional value system. Cost savings remain important but are insufficient. Relevant outcomes include sourcing cycle time, requisition-to-order cycle time, touchless transaction rate, contract compliance, maverick-spend reduction, invoice exception rate, supplier onboarding time, supplier-risk detection lead time, forecast accuracy, user adoption, AI recommendation acceptance, override frequency, model-quality indicators, audit exceptions, supplier experience, resilience, and innovation contribution.

Value measurement should distinguish output, outcome, and capability metrics. Output metrics measure what the system produces—for example, number of invoices processed automatically. Outcome metrics measure business effect—for example, reduced cycle time or fewer late-payment penalties. Capability metrics measure whether the organization is becoming more able to sustain Intelligent Procurement—for example, improved PAIMM™ Data Maturity or EPARA™ Governance Readiness. Combining these views reduces the risk of declaring success based only on technology deployment.

A benefits-realization register should connect each transformation initiative to an accountable owner, baseline, target, measurement method, realization period, and architectural dependency. Value should then feed back into portfolio governance. Use cases that fail to deliver expected outcomes should be redesigned, constrained, or retired; successful patterns should be standardized and scaled.

## **XI. MANAGERIAL AND ARCHITECTURAL IMPLICATIONS**

For procurement executives, the integrated methodology provides a language for moving AI discussions from isolated demonstrations to enterprise capability decisions. It makes explicit that AI value depends on procurement process design, information quality, architecture, governance, skills, and adoption. It also provides a structured basis for explaining why some investments should precede others.

For CIOs and enterprise architects, IPRA™ provides a domain-specific reference architecture that can operate within broader enterprise-architecture governance. It helps translate procurement strategy into information, application, intelligence, governance, operating-model, and value requirements while preserving alignment with enterprise standards. For transformation offices, PAIMM™ and EPARA™ provide evidence-based gates for sequencing investments and monitoring progress.

For boards, risk leaders, and audit stakeholders, the methodology emphasizes that autonomous procurement is not a binary technology state. It is an operating condition that requires explicit authority boundaries, traceability, accountability, monitoring, human intervention, and demonstrable business value. This makes governance an enabler of responsible scale rather than a late-stage obstacle.

## **XII. RESEARCH CONTRIBUTION AND POSITIONING**

The proposed contribution is the integration of three constructs that are frequently treated separately: AI readiness, procurement maturity, and enterprise architecture. Existing research provides important perspectives on digital procurement maturity, supply-chain AI adoption, technology–organization–environment conditions, and responsible-AI governance. The present framework seeks to extend this body of work by offering a procurement-specific enterprise methodology in which readiness determines whether and how to proceed, maturity determines capability gaps and progression, and architecture defines the coherent future-state design.

The contribution should be interpreted as a proposed conceptual and practitioner framework requiring continued empirical validation. Claims of superiority over established maturity or architecture models should be tested rather than assumed. Future research should compare the framework with alternative procurement maturity models, enterprise-architecture methods, and AI-readiness instruments; examine

inter-rater reliability; validate dimension weights; test relationships between scores and business outcomes; and evaluate whether the framework behaves consistently across industries, geographies, enterprise sizes, and technology landscapes.

## **XIII. LIMITATIONS AND FUTURE RESEARCH**

Several limitations should be acknowledged. First, PAIMM™ uses equal weighting across eight dimensions in its standard form. This improves transparency and comparability but may not reflect the strategic importance of every dimension in every industry. Future research could evaluate alternative weighting methods, including expert elicitation, analytic hierarchy process, or empirical factor weighting. Second, EPARA™ uses predetermined readiness weights. These weights are intentionally practical but should be validated across a larger sample of organizations.

Third, maturity and readiness assessments can be influenced by self-reporting bias. Stronger applications should triangulate workshop scores with objective evidence such as data-quality measures, integration inventories, process-conformance results, audit findings, training completion, adoption telemetry, model-performance evidence, and realized benefits. Fourth, the rapid evolution of generative and agentic AI means that governance and architecture requirements will continue to change. The frameworks should therefore be treated as living management instruments rather than static certification schemes.

Future research can explore sector-specific profiles for pharmaceuticals, automotive, manufacturing, utilities, public sector, and financial services; develop validated question banks; establish inter-rater reliability; examine causal links between readiness/maturity and transformation outcomes; define risk-adjusted autonomy thresholds; and investigate how agentic procurement alters roles, segregation of duties, supplier interactions, and enterprise accountability.

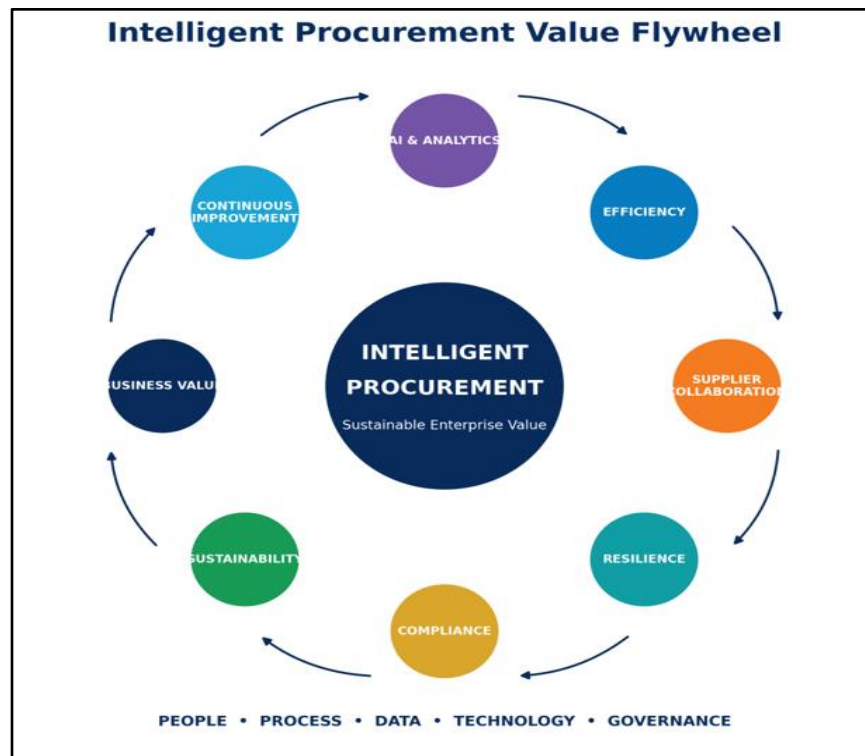


Fig 7 Intelligent Procurement Value Flywheel — Linking Intelligence, Operational Outcomes, Sustainable Value and Continuous Improvement

#### XIV. CONCLUSION

The transition from procurement automation to procurement intelligence requires more than deploying AI tools. It requires an enterprise system in which strategy, processes, trusted information, applications, intelligence, governance, people, operating responsibilities, and measurable value are intentionally designed to work together. IPRA™, PAIMM™, and EPARA™ provide three complementary lenses for managing that transition.

EPARA™ determines whether the foundational conditions for AI deployment are sufficiently strong. PAIMM™ determines the maturity of the broader procurement capability system and the gap between current and target states. IPRA™ translates those findings into a coherent seven-layer future-state architecture. Together, the frameworks create a repeatable lifecycle: assess readiness, diagnose maturity, architect the target state, implement under governance, measure business outcomes, and continuously reassess.

The intended destination is not automation for its own sake, nor maximum autonomy in every process. It is governed Intelligent Procurement: an enterprise capability that applies AI where it improves decisions and execution, preserves human accountability where consequence demands it, and continuously demonstrates measurable value. The next research challenge is to validate, refine, and benchmark the

integrated methodology across organizations and industries so that Intelligent Procurement can mature from a collection of emerging practices into a more rigorous enterprise discipline.

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