# SAP implements leadership changes amid strong financial results



SAP has announced significant leadership changes and reported robust financial performance during its FY2024 earnings call, highlighting ongoing strategic developments within the company. These updates come after the departures of key executives, including Chief Marketing and Strategy Officer Julia White, Chief Revenue Officer Scott Russell, and Chief Technology Officer Juergen Mueller.

As of February 1, 2024, Sebastian Steinhaeuser will take on the new role of Chief Operating Officer, overseeing a newly created Strategy and Operations board area. Steinhaeuser, who joined SAP in 2020 as Chief of Staff to CEO Christian Klein, had previously served as Chief Strategy Officer. Before joining SAP, he held various roles at The Boston Consulting Group. In addition to Steinhaeuser’s appointment, official announcements included the elevation of Philipp Herzig to global Chief Technology Officer alongside his current duties as Chief AI Officer. Jan Gilg and Emmanuel (Manos) Raptopoulos have been appointed as co-Chief Revenue Officers leading SAP's Customer Success organisation. Raptopoulos is set to manage the EMEA, MEE, and APAC regions while Gilg, who has a successful track record as president and chief product officer for Cloud ERP, will oversee SAP Americas and the Global SAP Business Suite. Both Gilg and Raptopoulos bring nearly twenty years of experience in the company.

Ada Agrait is confirmed to continue in her interim role as Chief Marketing Officer. Along with Herzig, Raptopoulos, and Gilg, Agrait will be a part of an Extended Board intended to serve as a strategic advisory body. Other members of this board include executives such as Michael Ameling, General Manager for SAP BTP, and Sebastian Behrendt, Head of Global Finance. With an objective to create a diverse team that can enhance the Executive Board's reach, this Extended Board is positioned to assist with various portfolio topics and support the company's "AI-first, Suite-first" strategy.

Financially, SAP reported a strong fourth quarter that contributed to a successful FY2024, achieving or surpassing all financial outlook metrics for the year. A 32% increase in current cloud backlog was noted, bringing it to €18.1 billion, alongside a 43% increase in total cloud backlog to €63.3 billion. Cloud revenue rose by 25% to €17.1 billion, while total revenue increased by 10% to €34.2 billion. Additionally, non-IFRS cloud gross profit saw a 28% rise to €12.6 billion. A notable strong cloud performance was recorded in the APJ and EMEA regions, reflecting a growing trend in cloud adoption. Revenue growth in these areas was 37% and 31%, respectively, outpacing a 19% increase noted in the Americas.

In relation to artificial intelligence (AI), SAP reported that AI use cases are now integrated into 50% of deals, with 34,000 customers actively utilising AI solutions. Christian Klein articulated a commitment to establish a robust foundation for businesses needing access to both structured and unstructured data, emphasizing that AI solutions facilitate this, particularly in comparison to on-premise models. SAP’s approach allows for integration of the most fitting AI technology for specific situations, showcasing the company’s intent to meet diverse customer needs effectively.

As SAP transitions to its new leadership structure and continues to solidify its AI-first strategy, analysts suggest that these developments may influence the existing regional sales leadership, potentially reshaping directives in line with the company’s future objectives. Moreover, while no immediate impact on ongoing deals is anticipated, a stronger focus on the Global SAP Business Suite and an ongoing embrace of AI technologies is clear. As SAP positions itself for continued growth heading into 2025—a year marked as “the year of data”—the upcoming revelation of what Klein called "the next breakthrough innovation" on February 13 is expected to significantly steer its strategic direction.

However, concerns regarding regional representation persist, especially as the Executive and Extended Boards reflect increased German representation under Klein’s leadership. The balance between US and German influences will be a pivotal factor in the evolving leadership landscape, given that strong relationships in the Americas will be essential for SAP’s sustained success. Overall, the combination of strong financial performance and strategic adjustments sets a foundational stage for SAP's future initiatives.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.cio.com/article/3478950/sap-is-restructuring-its-executive-board.html> - This article corroborates the departures of key SAP executives, including Julia White and Scott Russell, and provides context on SAP's Executive Board restructuring.
* <https://www.sap.com/index.html> - SAP's official website could provide information on leadership changes and strategic developments within the company.
* <https://www.reuters.com/companies/SAP.DE> - Reuters often reports on SAP's financial performance and leadership changes, which could support the article's claims about FY2024 earnings.
* <https://www.bloomberg.com/profile/company/0347203D:GR> - Bloomberg provides financial data and news that could corroborate SAP's financial performance and strategic initiatives.
* <https://www.cnbc.com/quotes/?symbol=SAP> - CNBC offers financial news and data that might support the article's financial figures and trends for SAP.
* <https://www.sap.com/about/press-releases.html> - SAP's press releases could provide official statements on leadership changes and strategic developments.
* <https://www.forbes.com/companies/sap/?sh=3a5c4e5d66f1> - Forbes often covers SAP's leadership and strategic initiatives, offering insights into the company's direction.
* <https://www.investors.sap.com/en/investor-relations/financial-reports.html> - SAP's investor relations page provides detailed financial reports that could support the article's financial claims.
* <https://www.bcg.com/about/our-people/sebastian-steinhaeuser> - This link might provide background information on Sebastian Steinhaeuser's role at The Boston Consulting Group before joining SAP.
* <https://www.sap.com/about/company/leadership.html> - SAP's leadership page could list current executives and their roles, supporting the article's information on new appointments.