

"You Need Leaders With Courage And A Willingness To Take Risks"

Published on January 25, 2022



Christian Klein, CEO of SAP



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Christian Klein, CEO of SAP, shared powerful leadership insights in my latest "Art of Leading" interview. [Subscribe here](#) to receive future interviews.

Q. Tell me about when you were a kid. What were important early influences for you?

A. I played a lot of sports. Through football, or what Americans call soccer, I learned how to play on a team, and that provided many lessons that you can apply in leadership positions later in life. And I hate to lose. My dad played a lot of sports, too, and that drive to win was passed down to me.

My father also worked in politics, and I watched how he did his job. As a politician, he needed to build relationships to make things happen. You cannot just say, "We go left," and then everyone goes left.

Q. You are young for a CEO of such a big company. As you were rising up in your career, what feedback did people give you about why they were promoting you?

A. That's maybe a question for all of my mentors, and I had many of them at SAP, with very different personalities. One was quite outspoken, and one of his strengths was dealing with customers, but he was a bit disorganized with internal operations. Others were the opposite.

And so I adapted to their different leadership approaches. There's a lot of diversity at our company, and you have to be able to adapt to different personalities. My approach throughout my career is to always ask, how can we solve this problem? I hate it when people come to me and tell me that everything is a problem, and they want to make it mine.

So my approach is to always ask, how do we solve it? What kind of people do we need to bring together? What outcome are we working toward? People who can solve problems are in very high demand.

Q. What are the one or two most important leadership lessons you've learned, and how did you learn them?

A. When you are the CEO, the biggest mistake you can make is to believe that you know everything and to go into meetings with your mind already made up about the plan you want to execute. It's always good when you can say in a meeting, "I learned something here, and because of that we are going to course-correct some of our decisions."

The second lesson is that it's very important to assign clear responsibilities and accountability while also making sure that everyone works together as a team. The strategy can only work if the company works in harmony, and it's my responsibility to make sure that happens.

You can't be afraid to disagree

– *collegially, of course.*

Part of that is recognizing that you can't be afraid to disagree – collegially, of course. We have different perspectives. We have different opinions. And it's very important that everyone speaks up. And if we can't agree, then I as the CEO need to be the tiebreaker and make the call so we can move forward.

Q. What should a new direct report know about working with you?

A. What I really don't like is people saying during a one-on-one or quarterly business review that everything is great, and they are selling me a story that everything is perfect. And then, two or three weeks later, I might find out that there actually are some challenges, because usually everyone has a few. It's very important to me that people are honest and transparent, and that they have the courage to say they need help. And maybe that includes asking me to make the call.

The second one is also to just be a human being. We all are dealing with a lot of pressure, and we need to challenge each other, but there are also times where you have to reach out with a helping hand.

Q. What is the most common mentoring advice you share with senior executives?

A. It's better to make nine decisions out of ten instead of making one out of ten and be completely risk-averse. In these times, you need speed and agility, and you need leaders with courage and a willingness to take

risks.

And then once you make a decision to pursue a certain strategy, the execution can often get stuck at different levels, particularly in large organizations. So I also advise leaders to make sure that the accountabilities and priorities are clear, along with how you measure the outcomes. To avoid micromanaging, you have to be clear about the outcome.

Q. What do you consider the hardest part of leadership?

A. It is that courage to make those difficult decisions. There's a lot of talk about digital transformation, but what that comes down to is that, in order to be competitive a few years from now, a lot of companies need to change how they operate and serve their customers.

And people generally fear change. And so leaders have to say, okay, even though we may be in a comfortable place today, we have to make this happen. When I made the decision to pivot the company to the cloud, that meant lower margins in the short-term, but it was the right thing to do.

*These big decisions are never
easy.*

These big decisions are never easy, and you need courage to be an effective leader. For me, what's important is that I'm able, when I look

at myself in the mirror in the morning, to answer the question, is what we are doing absolutely the right thing to do in the mid-term and the long-term? And as long as I can answer that question by saying yes, I know that I'm doing the right thing for all stakeholders.

Q. Any final lessons?

A. As you move into bigger leadership roles, it's very important to manage your priorities. If everything is a priority, then you're going to run into problems.

You have to figure out how much time you need to spend both internally and externally. Time is precious, and the day has only 24 hours, and you have to make sure that you're getting your priorities right.

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