



A significant predictor of performance at DocuSign®

Founded in 2003, DocuSign is the industry standard for trusted digital transactions and has about 81% market share in the digital transformations sphere. Over 300,000 companies from across the globe pay for their software, including Chevron, Bank of America, and AIG. In 2016 and 2017, DocuSign was ranked among the top 5 on the Forbes Cloud 100 list and was given an estimated \$3.5 billion evaluation.

DocuSign's success derives from its product, which allows users to send documents, which are digitally sign-able, to anyone of their choosing. The signatures processed by DocuSign are comparable to traditional signatures based on the product's compliance with the E-Sign Act as well as the EU's Directive 1999/93/EC on electronic signatures.

Business Challenge

The year is 2015, and DocuSign is on a more accelerated growth curve than ever before. They currently have 700 employees and their goal is to have 2,500 employees by the end of 2017, which comes out to be around 4 new hires every week.

Senior Director of Recruiting, Susan Ross, had just joined the company a few months ago after leaving her Salesforce position and describes the scene as a car that is having its oil and tires changed while being driven down a highway. There were high rates of attrition in all departments and new hires were, for the most part, gut decisions.

"It was kind of a free-for-all," Susan states plainly. "We didn't have a recruiting process in place and we were growing really, really quickly. And what I've always felt very strongly about is not just hiring somebody to fill the seat, but I wanted to feel with passion and conviction that I had hired the very perfect person. We were just hiring people who looked good on paper or connected with that hiring manager, but that doesn't have a lot of objectivity to it. So I started looking into different technologies and processes around hiring."

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Susan Ross - Director of Recruiting at DocuSign

Solution

Susan had taken the PI Behavioral Assessment in a previous job and remembered the results as being accurate and scientific, so she began to show PI to upper management and was able to secure funding from the Senior Vice President of Sales. She immediately introduced it on the front end of their assessment cycle as a quality check starting with their open Account Executive positions, since those are the most critical hires which drive \$1 million in annual revenue.

To do this, Susan and the executive team reviewed top performers in their GTM staff and created a PI Job Assessment based off of their behavioral patterns. This allowed them to map incoming candidates to that success pattern and determine if they were an objective fit for the day-to-day tasks at hand. Susan and her team would also utilize the PI Interview Guides to ask good questions about potential problem areas with a candidate's workplace behavior. Lastly, to make sure that the Job Assessment pattern stayed relevant, the recruitment team would recalibrate their target every quarter based off of top performing employees.

In one year, Susan and her team distributed 900 Behavioral Assessments and hired 250 successful sales executives and representatives.

Results

Susan Ross wanted to show ROI numbers for her implementation of PI, so she gathered data on over 50 employees in the sales department and conducted a validity study. "I wanted to prove that a pattern was a significant predictor of sales performance," Susan explains. "And with this validity study, I was able to say just that."

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The study found that more than one fifth of a salesperson's quota attainment was related to his or her behavioral drives. It came down to two Factors in particular: Extraversion and Formality.

Salespeople who were more Extraverted were more likely to have better quota attainment, as were those who were less Formal (i.e., those who were informal or casual). Likewise, those who were both highly Extraverted and Informal were associated with the best performance – and the bigger the difference between these two Factors, the better. In fact, for every 1 sigma increase in the difference between a salesperson's Extraversion and their Formality (where Extraversion was high, and Formality was low), a 13% increase in quota attainment could be expected. For example, a salesperson with a 1.5 Sigma difference between Extraversion and Formality (with Formality on the high side) could be expected to achieve 106% of their quota, while a salesperson with a much wider spread of 3.5 sigmas could be expected to achieve 203% of their quota.

Salespeople with only small gaps between the Factors, or for whom these Factors are reversed, would be less likely to achieve 100% of their quota, with predictions as low as 65% for those who with low Extraversion and high Formality.

The high-Extraversion, low-Formality combination is representative of what The Predictive Index refers to as an “Informal Interaction Style,” and for this study, this Factor Combination alone was found to account for 21% of a salesperson’s quota performance.

In Conclusion

Using PI as a device in her recruiting tool belt, Susan was able to quickly and procedurally introduce a process that allows her team to compare incoming candidates to current employees, enabling consistency and confidence in the hiring process.

In addition:

- DocuSign’s problem of high attrition disappeared; new hires felt comfortable in their positions and, as a result, were engaged
- The sales team experienced a 21% increase in performance after using top performing employees as a behavioral benchmark
- The company fluidly and successfully grew from 700 to 2,500 employees in under three years



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