

## Instructure: Converting a Skeptical Founding CEO

As a veteran private venture investor in technology companies, Firas Raouf of OpenView Venture Partners was excited about Instructure. A new, innovative provider of Learning Management Systems, Instructure was on a fast track to transforming a mature education market that was dominated by one firm steadily losing share. In his view, Instructure, led by its visionary founding CEO, Josh Coates, was poised to take off. The executive management team, however, lacked a seasoned executive Vice President of Sales, and Firas was determined to help Josh find the right person.



Having worked with Peggy Thompson at Summative Executive Search on several executive searches in the past, Firas turned to her and posed a challenge. Could she win over Josh, a CEO who was skeptical of the value of recruiters, and collaborate with him on a national search to attract a top candidate and convince that person to relocate to Instructure's headquarters in Utah?

"Peggy Thompson is my personal, preferred senior recruiter," according to Firas. "It's difficult to find an executive search firm that takes a truly consultative approach but Summative is unique."

### Investing Time Upfront to Identify Key Differentiators

"Peggy spends a considerable amount of time upfront," Firas explained, "to understand the client company, where it fits in the marketplace, how it competes and the best way to express its value proposition so that prospective candidates can get excited about it. She has the advantage here because she has a background in technology operations and sales. In fact, she won't start the search without coaching the client on how to properly position the organization to target candidates."

Peggy did her homework on Instructure, and its CEO Josh Coates, to understand how Instructure was disrupting the Learning Management System education market. She also instantly appreciated that Josh's track record of launching disruptive technology to competitive markets could be leveraged to attract top sales talent (he was, after-all, the founder of Mozy.com). She noticed too that investors were also seeing opportunities in the education market, investing more than \$600 million in 2012 alone.

### Building Trust with the CEO

Armed with her due diligence research, Peggy shared her thoughts with Josh about how to position the executive sales position opportunity not only to candidates who might already know the education industry, but also how to attract the attention of top sales execs outside of education.

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Though skeptical at first, Josh was willing to give Summative a try. “In the past,” he recalled thinking at the time, “my experience with executive recruiters had been that they often cost a lot of money and don’t always deliver.”

Firas was pleased. “Peggy understands people and what motivates them. She is particularly aware and sensitive to the dynamics of working with a founding CEO in an executive search. That means understanding that CEO’s persona and knowing how to present the CEO’s qualities in order to make them attractive to candidates. On the flip side, she works with candidates to really learn their strengths and weaknesses and how the CEO and candidate personalities will mesh.”

## **Leveraging Summative’s Extensive Toolkit to Assess Candidates**

Working with Josh, Peggy developed an Executive Vice President of Sales job description that guided the selection of candidates as Josh began to screen and interview them. When each candidate was presented to Josh, he was given access to a pre-recorded video interview with the candidate. This gave him the opportunity to watch the candidates online before ever speaking with them.

Josh also leveraged Summative PXT, an objective online survey designed to help assess and provide interviewing suggestions for top candidates. Summative PXT was administered after the initial set of client interviews to gauge how candidates compared to top performers in the private venture technology community. This was particularly helpful with candidates who lacked extensive early-stage experience.

## **Refining the Search to Attract the Best**

Each initial candidate interview was usually conducted with Josh through Skype since it was a national search involving candidates from around the country. Peggy would then get feedback from Josh and others at Instructure, as well as the candidate, to refine the job description and the desired candidate persona to reflect what was learned.

The Instructure search was unique, according to Peggy, in that most clients in the education industry typically try to attract candidates from the education space. Instructure initially wanted to exclude the typical education candidate instead opting for successful enterprise sales leaders. Peggy encouraged Instructure to keep the candidate pool open to best of breed sales leaders in all industries—including education. Ultimately, the candidate hired by Josh brought the best of both worlds to the executive sales position: in depth knowledge of best practices selling to the enterprise and to the education market.

“Peggy uses a dynamic process that gave me confidence we were finding the right fit in an individual candidate,” Josh emphasized. “This was in contrast to past experiences with recruiters where I felt more like I was just going through a static list. We seriously looked at several executives from across the country and narrowed it down to two excellent candidates.”

Firas echoed Josh’s sentiments regarding the search process with Summative. “Peggy is super smart, methodical and aggressive in the way she conducts searches,” he explained. “She carefully quarterbackes the process from both the client and candidate perspective, and is exceptionally good at keeping things moving and the candidates engaged. She strikes just the right balance between the needs of the client and the wants and desires of the candidate.”

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## Successfully Managing Client and Candidate Needs

Instructure hired Marc Maloy as its Executive Vice President of Sales, convincing him to move with his family from Nashville to Utah. In Marc, Instructure found its ideal candidate, one that combined best practices selling into the enterprise within the context of the education market.

For Marc, the way Summative conveyed the opportunity and managed the recruiting process had a major impact on his decision. “Peggy was clear that Instructure’s product is one of the hottest in the education market today—taking market share away from the traditional leader—and that got my attention. I appreciated the open communication throughout the whole search experience, and I couldn’t be happier with my decision to join Instructure.”

## Appreciating the Summative Difference

CEO Josh Coates attributes the successful match to Peggy’s large network of contacts, her positioning and marketing of the opportunity and her insight into the candidate skills and personality that he was looking for.

“Peggy has a top-notch network of candidates. I was always happy with the candidates she got in front of us. I felt like she was making sure we were seeing the best,” Josh noted. “She understood what we were looking for, helping us to refine it as we went along, and we trusted her to weed out those who would not be appropriate.”

“Perhaps most impressive was the amount of effort she put into preparing the candidate and the client for the interviews,” Josh recalled. “With Peggy, this was not a labor intensive process from our end, but it was clear she had done her homework, doing the heavy lifting and getting the details right all in advance so it made our time with candidates much more productive.”

“Peggy Thompson is different,” Josh summarized. “She’s real. She’s genuinely concerned with getting results in terms of the right fit of the candidate and client as opposed to just trying to get a hire. She’s the best recruiter experience I’ve had.”