

Disrupt Yourself Podcast

EPISODE 89: KEITH KRACH

Welcome to the Disrupt Yourself Podcast. I'm Whitney Johnson. I think, write, speak and live all things disruption. Our guest today is Keith Krach, Chairman and former CEO of DocuSign and co-founder and former CEO of Ariba. He is widely recognized as a pioneer across multiple industries, leading the creation of several business categories, including B2B e-commerce and digital transaction management.

WHITNEY Welcome to the podcast, Keith Krach. We are delighted to have you.

KEITH Well, Whitney, thank you so much for having me on the program. I really appreciate it.

WHITNEY I'd like to start by asking you where you grew up, and what did you want to be when you grew up.

KEITH Well I grew up in a small town in Ohio called Rocky River. And uh, I, you know, I, I, I was probably like most uh kids there. I wanted to be a football player. (laughs).

WHITNEY Of course you did. What, what did, what position did you want to play?

KEITH Well, full back. I eventually played but I was a defensive back.

WHITNEY Why a full back? I mean, usually people want to be a quarterback or a wide receiver or, like why a full back? What does a full back do, for those who aren't familiar with football?

KEITH Well, that's the one, uh that's the big, tough guy, the toughest runner on the team. Um, back when I was a kid, uh Jim Brown was the full back. He was breaking all the records. Guys would always go bouncing off his thigh. He was fast. He was tough. He was agile. And he never missed a game.

WHITNEY Okay. So you wanted to be a football player. And at some point you decided you were gonna be something else. What did you think you wanted to be when you went to college?

KEITH Um, well, I went to college to become an engineer so that I could go back and uh, grow my dad's five person machine shop and build it big, to about 10 people.

WHITNEY And did your dad want that for you?

KEITH Absolutely. I mean, it, I, I worked in his machine shop since age 12. I started off as a welder than worked on the machines. And he goes, "Keith, uh, you know, if you just can become a

engineer you can come back." And he called it Litgo Industries. "Come back. We can make Litgo a big, uh, company, like 10 people." I go, "All right."

WHITNEY Oh, that's so sweet. And so you, you go to college and so that's so interesting. So you know a lot of the, the trade kind of craft. Like you know how to weld. Well, probably not anymore. Or do you still know how to weld?

KEITH Oh, I know how to weld. That, uh, you never lose that. It's like riding a bike.

WHITNEY So how did the conversation go when you revealed to your dad that you wanted to build a company that was bigger than 10 people? And not in Ohio. Do you ... was there a conversation? Or did it just become an understanding over time?

KEITH Well there was a conversation because my um, uh my sophomore year at Purdue, General Motors came on campus, thanks to uh, the VP of HR, Steve Fuller. And, and, um, they were offering a full ride scholarship, plus a great summer internship, for one male engineering student and one female. I got it, uh, from uh, uh one of those. And uh, I'll never forget. I called up my dad. I said, "Hey, Dad, I interviewed for this scholarship. And uh for General Motors."

He goes, "Oh, all those big companies are the same. They make these promises that, you know, don't hang your hopes on that." And at the same time, my dad said, "You only save money for three reasons. One, becau- you know, for your home, for your family. The second, for your retirement so you don't have to mooch of your kids. And the third is for your children's education. You always mortgage the first two for the third."

WHITNEY Mm-hmm (affirmative).

KEITH So all of a sudden I found out I was the one who got the scholarship.

And he goes, "oh, yeah, well, you know, Generous Motors, that's a great company. And you're gonna intern at Cadillac and that's the best car."

And um, and so, um, you know I had those internships that I got in my senior year. And I kind of liked the leadership side of the equation. And um, and then, they said, "Well, if you get into Harvard Business School or Stanford, we'll give you a General Motors fellowship, which is, you know, books, tuition, living stipend all that stuff that you have, plus half salary."

And when I called up my dad and I told him that he goes, "I don't think you're coming back to Litgo any more, Keith."

WHITNEY How old were you when this happened? It sounds like you were pretty young, still. 21, 22?

KEITH Yeah. Yeah, I was ... yeah, I think I was uh, I think I was 22. 21. Yeah.

WHITNEY Is your dad still alive?

KEITH He is not. He passed about 20 years ago. But um, you know he's kind of with me every day. And uh he was definitely my role model, that's for sure.

WHITNEY So, what do you think your dad would say to you today? Like he's probably so, he, he'd be so proud, right?

KEITH He would be. Um, you know, he was probably, you know one of the most natural leaders, great sense of humor, uh guy. And you know, one of the things that he always said was, um, "A father's dream is when the student surpasses the professor." He also said that you never know if you're a good father until you see your children's children. And I've got five, I've got five great kids. So I know he was a great father. And I think he would just be so proud of that. Probably that more than all the things that in, in my business career. But he would definitely be proud. I mean, man, I would give all the tea in China if he-

WHITNEY Yeah.

KEITH Here right now on the podcast with us, Whitney.

WHITNEY Oh. Oh, that's lovely. Well I ... Yeah. That's uh, and I, I like that, that it's a real mark of if you've been a good parent when you look at your children's children.

Thank you for sharing that with us. I think it's um, it's so interesting to see, you know our parents and what they've accomplished and what, what we learned from them and, and how you take inspiration from him.

Was your dad an engineer?

KEITH No. No. He was uh, he wasn't um, at, at all. I mean-

WHITNEY Okay.

KEITH He, he really never worked in a f- in the, in the factory. So uh, um, you know he just took a gamble. He was a steel salesman until his 40th birthday. And then he just kind of uh ... I'll never forget it. On his 40th birthday I kind of was sneaking on the stairs listening to him and my mom talk. And he was crying. And uh, he goes, "If he prom- promised me a promotion and the vice-pre-, " da da da. And he goes, "This one guy wants to sell the machine shop. And, you know, I can't do it, Elda." This is my mom.

And um, she was a school teacher. And, and she goes, "Gosh darn, Butch. You gotta do it. I'm going back to school." You know, she used to teach at a girl's Catholic school and she'd go across, uh, the street to the boy's uh high school and coach the, the ninth grade wrestling team.

And um, he was so happy being his own boss and being a, you know, entrepreneur and all that kind of stuff.

WHITNEY Wait, who coached the wrestling team? Your dad or your mom?

KEITH My mom.

WHITNEY Wait. Your mom coached the boys' wrestling team?

KEITH Yeah. Ninth grade. And she, I mean she would, you know, she was tough. I mean, when I played football, you know, she'd be in the stands. I mean you can't do it anymore. But she's going, "Keith, kill em." You know?

WHITNEY (laughs).

KEITH And I'd be in the huddle and they'd go, "Krach, is that your mom?"

I go, "Yeah."

"Would you tell her to be quiet?"

I go, "I'm not telling her. You guys tell her to be quiet. I'm not telling her." I go, "Come on. Let's run the play."

WHITNEY (laughs). Oh, that's a great story.

Okay. So, um, I ... First time you become a CEO, um ... Well, did you plan on becoming a CEO? Or was that, like, when you became a CEO, were you like, "Wow. I'm a CEO now." Did it surprise you at all?

KEITH When I was going in my career, uh uh at General Motors, um, you know they put me in a high potential program. Um, I worked for a while for Rick Wagner, um in the New York Treasurer's office, um, at, at GM. He had to be this chairman and CEO. And uh, my goal was always to be the CEO of General Motors. So, you know, I think that, that kind of leadership thing, um, hit me. You know, I would say probably the second half of um, uh of my college career at Purdue.

WHITNEY So it started pretty young, this idea of-

KEITH Yeah.

WHITNEY "Okay, this is interesting, I'm pretty good at this. I wanna do more of it."

KEITH Mm-hmm (affirmative). Exactly. Going off to Purdue was jumping in water over my head. Um, you know, y- one out of the three engineering students wouldn't make it. And I always figured it was me. Um, you know I got a chance to, uh, be a leader in a number of organizations. I remember getting stage fright. My co-chairman, she had to rescue me and on stage and ... And then, you know, go off to HBS straight out of school. The guy sitting next to me was a retired commander from a nuclear submarine. The gal to my right was a vice-president at Chase Manhattan Bank. And I just go, "Well I'm going to be the guy who's going to hit the screen and flunk out." And um, you know, and it kind of gets a little addictive. And then at age 26, at General Motors, they make me a vice-president. I'm going like, "Well, gosh, all my contemporaries are old enough to be my dad." And um, so, yeah. I think um that jumping in water over your head, you get a- addicted to that adrenalin rush. But it's also where you really learn um the most.

WHITNEY So would you talk ab- about for a minute, Keith, um just you, you've been the CEO of four companies, by my count. Is that correct?

KEITH Yeah. Or, or, or led em, in some way, shape or form.

WHITNEY Okay, so, led four companies. Can you just share with our listeners really quickly, give us that quick timeline on the names of the companies, just for people who are meeting you for the first time.

KEITH Yeah.

WHITNEY Um, just walk people through it very quickly.

KEITH Sure, so, uh at G- at, uh, the second half of my career at General Motors ... I spent 10 years there. I put together a joint venture between General Motors and Fanuc in Japan, called GMF Robotics. So it is now the largest robo- uh, uh, industrial manufacturer of uh robots in the world today. Uh so that was one.

And then I went out to Silicon Valley, uh, with a company called Rasna. And uh we created a new category in mechanical design engineering that was called mechanical design synthesis. And then uh we sold that to Parametric Technologies.

And then uh, uh started uh, Ariba, where we created the category of business to business electronic commerce. It now has 1.7 trillion dollars of commerce going through it on, on an annual basis, which is more than Amazon, eBay and AliBaba combined.

Uh and then uh DocuSign, uh is the last one. We just took that public um, uh, in uh, in April. We've become the global standard for digital transaction management.

WHITNEY It's really interesting because if you look at what you're doing, um you're trained as an engineer.

Engineers have to see patterns. Um and it looks like you've kind of come up with a pattern where you look at the system, you analyze it, you see what's going on. You build a team, you create a category, and you go on to the next. Has it ... When you think about ... Are, are you, are you ever surprised? Like, "Oh, wow. I didn't expect that my engineering degree ... Oh, wow, this work that I did with my dad from the time that I was 12 years old was really going to impact my ability. I may not be doing an engineering job, but it influences and informs the way I lead and, and manage a business."

KEITH Oh, yeah. No doubt about it. Y- um, you know I think it gives you a great um system of analysis, you know, analytically, and um, I'm an industrial engineer. So I op- I optimize everything. My focus is on productivity. So if you look at all four companies um that I've helped build, uh they're all in the productivity space. Whether it's uh robots or putting uh mechanical design automation in the hands of regular design engineers instead of PhD's. Um, you look at the productivity of business to business electronic commerce. You look at the tremendous productivity uh driven by DocuSign. Um all, all that is um, you know, that, it's really focused in that direction.

WHITNEY Interesting. And you, you've said something else a- around that. So you're focused on productivity. So there's this systems analysis sort of wiring that you have in your brain and how you see how the world. Um you're very focused on building productivity. You have said that, quote, "Why build a product when you can create a category?"

KEITH Right.

WHITNEY Can you say more about that?

KEITH Well, if you think about um, uh if you are the market leader, or the category king, you get 80% of the resources of that category or that industry. And you get 80% of the market cap. So, you know, first place is the Cadillac. Second place is steak knives. So um, uh ...

WHITNEY (laughs).

KEITH You know the objective is to be the category king. And, and you're exactly right. With each um additional company um, you take what worked in the previous one. You discard the stuff that didn't work. And it's cumulative. It almost may be even multiplicative. It might be even exponential. And, you know, always when I re-pot myself in that new adventure, I go, "Oh, my gosh. I can't believe how much I learned in that last adventure." And, you know, that applies to, um ... I was Chairman of the Board of Trustees at, at Purdue for six years. We c- we transformed Purdue. We brought in Mitch Daniels. Uh we had frozen tuition for the last seven years. W- uh we bought Kaplan. We created Purdue University Global, all

online learning. And all of those principles apply. Um and, and um, you know the uh, so it, it goes across sectors.

WHITNEY All right. So, so let's uh, let's take that question. You said you, you learned something and you think it's um, multiplicative, per- possible even exponential. So what's something you learned either from Ariba or from being Chairman of the Board of Trustees at Purdue that you brought to DocuSign.

KEITH Yeah, so, if you think about what we did at uh Ariba, we created a two-sided network. You have buyers and suppliers. What we did at DocuSign is we created two- uh two-sided network, businesses and consumers.

So for example, now DocuSign has 400,000 companies that have standardized uh DocuSign. And we have probably around 400 million consumers and putting two million on a week. And so you get that viral effect. And how you get that viral effect is a series of sequential chess moves that um, uh, you know that we've used in terms of creating a category, creating a platform. Uh, you know, which side of the network you after first. It's the golden rule, the person with the gold rules. So you go after the businesses before you go after the buyers. Then you turbocharge it with partners. And then you begin to create a network. And the objective of creating a network is maximize the number of nodes, or me- you know, members, reduce the friction between the nodes, and then add value. Uh, continue to add value to each one of those nodes.

So, for example, at DocuSign, it was like, uh it was Ariba on steroids.

WHITNEY Okay, so, for you, you don't create a product, you create a category and this is your template for doing that now. That's how you think about it.

So you talk about creating the product, going to the category. How have you created a category for yourself? Keith Krach. If I go to personal disruption, what is creating a category for you look like?

KEITH Yeah, I think the category for me is around transformational leadership. Because uh, a transformational leader challenges the status quo. Uh it, it, it mobilizes and energizes and unifies uh, a team of people to, uh, to achieve, a, a noble mission that will leave a profound and far- reaching impact. And uh, you know, for me, that is uh, there's, there's nothing more that, that I love than do- than, than doing that. And, you know, it, it's ... You've got to have a pretty uh wide range of uh, air- you know, kind of arrows in your quiver, all the way from um the innovation side to the visionary side to the resilience side, to the perseverance side, um, to the uh unifying side.

And, you know, you need to understand key formulas like people with different temperaments, talents and convictions, and that diversity of thought, is the catalyst for genius. And it's the secret sauce for building a high performance team. Um, and I, you know, always the most important step is building a great, uh, a great team.

WHITNEY Well I'm all about teams. So here is my question for you, Keith. You've been the Chairman of DocuSign, you're now going to be the CEO. In your brain, what's the calculus that you do when you say, "Okay. What are the first three things I have to do as a newly appointed CEO?"

KEITH Well, um, the first one is building a high performance team. And, and so the three steps in that is number one, make sure you ... The company with the best people wins. And A's attract A+'s, B's attract C's. So you gotta spend a lot of time um, recruiting, interviewing, indoctrinating, talent.

The second thing is, in order to get the maximum amount out of these A+ players, um you've, you've gotta get that um team ... Uh, you, you gotta, you, you, you gotta team build. You've gotta bring everybody tight. And the way the way to do it is um, to make sure that you have a very, uh noble mission. And, you know, you create, you create a competitor if you don't have one.

And the third is create a crystal clear direction and, and in all of the companies that I've built, and, when I was Chairman of the Board of Purdue, when I was running the Sigma Chi, um, fraternity, uh an international fraternity, uh we would always do it with a play book. So that's the vision, the mission, the values, the team rules, the long term goals, the strategy, all boiled down to execution. And uh, if you look at those play books, um, they're all very, very quite similar. So here again, it's kind of that pattern recognition.

WHITNEY So number one, you look at, you get that, you look for the A+ type players, with the idea of, "We've got to find the best talent." 'Cause as you said, the company with the best people wins.

KEITH Yup.

WHITNEY Number two is you look at, "How are we going to rally all of these individuals around a vision or purpose of what we want to be?"

KEITH Yup.

WHITNEY And then number three ... What was number three?

KEITH Well number three, it was the crystal clear play book. So it's all-

WHITNEY Okay.

KEITH In that vision.

WHITNEY Your execution piece.

KEITH Operationalizing it down to execution.

WHITNEY Yup. Okay. This it, uh, back to the systems piece.

KEITH Yeah.

WHITNEY Okay, so, interesting to me, here you've sold um Ariba for 4.3 billion dollars. Um you're now in semi-retirement, but not very old, semi-retirement. And you go to DocuSign. It's 2011. It's a much, much, much smaller entity at this point in time. Why did you go back? And actually, what was the revenue at that point in time? Do you remember? Yeah, of course you do.

KEITH Oh, it was tiny. We had, you know, 50 people in the company.

WHITNEY Okay.

KEITH You know, maybe a couple million.

WHITNEY All right. All right. So you've sold a company for 4.3 billion and now you're the chairman of a company with a few million dollars. Why did you go back to work for a tiny, little company? What, what was, what was going on in your head?

KEITH (laughs). You know it's funny, because one of the executive recruiters go, "Krach, you could, you know why, you could never outdo Ariba. You know why are you, you know why are you going to little DocuSign?"

And I said, "Mmm. You know I never really thought about that. Oh, okay. Let me think about it. I don't care." Um, I- you know, I could see the potential in it. Um and, it's like one of those things where you go, "If you had to do it lo- over again, would you do anything differently? Take everything that you've learned. And uh, wouldn't that be fun?" And, and that's what I did. It's, and you know, when you do that out here in Silicon Valley, you're, you go back to the bottom of the pecking order. You know, I mean, I, I mean uh, Ariba invented B to B commerce, right? I mean it was-

WHITNEY Mm-hmm (affirmative).

KEITH It was like Uber, you know, I guess famous, you might say. But um, you know then you're starting a company and, you know, you're, you're, you're, you're going back to uh, uh these companies that were your peers and you're putting pitches on, "Will you be a partner with me?" You know, all that kind of stuff. And it's kind of that um, up and down thing, I think is a fun thing when you, when you restart um-

WHITNEY Oh, okay.

KEITH Upending your life.

WHITNEY So it was kind of a ... It sounds like it was like the challenge. 'Cause you've learned-

KEITH It was.

WHITNEY A lot. And now you've got this opportunity. It's small. And you can really experiment and kind of test yourself, take yourself out for a test, an- a- another test drive and see what you've got.

KEITH Yeah. Because all the other companies, you know I was there right at the beginning. Right? And started. So what would it be like going in where there's like, you know already 50 people and things are going ... So that was a, y- the, I was a little bit curious on that. That was a, you know that was a challenge. Almost like kind of going from General Motors and like, "I don't know anything about Silicon Valley. Um, you know, everybody told me I was good at General Motors." I really, a big reason why I wanted to come out is uh I really needed to see if I was as good as everybody said that I was. And I realized that I actually wasn't. I got smacked in the face with uh ...

You know, what I didn't tell you is I got smacked in the face when I came out um to Silicon Valley with a company called Kronos, which is, uh, which is bankrupt now. But I learned a lot from that.

WHITNEY What do you mean you got smacked in the face? What happened?

KEITH Well, here's what happened. That ... Um, I came out as the number two person in a software company. Look at it as a early enterprise software company for the process industries, probably ahead of its time. IBM was a big investor uh in it. And the CEO, I'll

never forget, the second day on the job, she said um, "Hey, this is what I, this is what I want you to say at our board meeting coming up next week."

And I, and I remember I go, "Hey, I'm not going to say that. That would be lying."

And I got a big pit in my stomach going, "I just made the mistake of my life." People thought I was crazy to leave General Motors, 'cause back then everybody stayed, you know, forever. And uh, and there was really no going back. Probably if nothing else out of sheer, sheer pride. And um, uh, and it's like, "Oh, my gosh." It was kind of the worst nine months of my life because on the one hand, I never quit anything without kind of mission accomplished. And on the other hand I wasn't living my values every day. So it was torturous. And it wa- it was, it was the biggest miss of my life. Because I had always grown up with great values. Rocky River through um, you know General Motors, and, and, and I just kind of took it for granted everybody was that way. And I found out that's not the case. So that lesson taught me that is number one when you're building a company, a family, a university, a fraternity, it's all about um the core values.

WHITNEY So it's nine months. Um, you felt terrible. You've, you're, you're struggling 'cause you've, you've left GM, kind of the hero. You're now in this place kind of wandering in the desert. And what did you do?

KEITH Well, um, I thought I could fix it. But finally there was uh, a major inflection point. Um my, uh my second uh child was, was uh, um, being born a- and uh, CEO kept saying that, "Hey, IBM's in. You got to come back. You know, we need you here."

And I go, "I'm not missing this."

And it went back and forth a few times. And finally I, I told her something. And I said, "I quit."

So here I am in Silicon Valley and, you know, two kids, and no job. Hardly know anybody. And so it was um, it, you know, I had to put together a game plan. And so what I did is, I created the Keith Krach Business Plan. And I just used all the stuff I learned at HBS. I brought out the six P's: the product, the packaging, the promotion, the pricing, you know the place, all that. And um, I still have that little binder. And I, and I um was going out meeting people. I mean, uh, and back then you sent letters out, reg- you know by regular mail. I mean it was like a system for six months.

WHITNEY What year, what year is this, Keith? Is this the 90's?

KEITH 1988, '89, around that ...

WHITNEY So that was your beginning of learning how to create a category. You started with creating your own category before you started creating categories for these companies.

KEITH Yes. That's exactly right. And what I learned was that that time between adventures-

WHITNEY (laughs).

KEITH Is an ideal time to sharpen your saw.

WHITNEY Uh-huh (affirmative).

KEITH Uh and, and, and um, to uh, I guess to recreate yourself. So for example, after ... And, and, and Rasna was a seven year run. After we sold it to uh PTC, it was for a half a billion

dollars. And back then, you know, it was like, that was more money than I ever thought I'd make in my whole life. Um I, uh, uh right after that I was like, "Well, okay. What am I going to do next?" And what I did is, I set 100 goals that I wanted to accomplish in six months. I still have that notebook, too. And uh, you know, I broke them out by um, family, uh, uh physical goals, intellectual goals, spiritual goals, um friend, I mean, all kinds of stuff. Pretty granular. Um and that was a, that was really a great uh period of time.

WHITNEY So what was one of the hardest of those 100 goals? Do you remember the, the goal that was the hardest to achieve?

KEITH (laughs). Um, you know, I'll give you one which actually seems a little crazy. Learn how to type.

WHITNEY For real?

KEITH For real. Because uh-

WHITNEY You should've been a girl in high school. You would know how to type.

KEITH Ahh, well, you know, uh, I kinda had, be honest with you I kinda had a girlfriend.

WHITNEY (laughs).

KEITH And, and, you know, it, I got a C in typing. My fingers got ... I was a football player. I couldn't do it all that well. You go off to General Motors, you have a secretary. So, and nobody really used email that much. I go like, "Man, I got to do it." And I'll never forget. I rented an office in Los Gatos, close to my home for that six month period of time. And I shared it with some advertising guys. And I'm kind of, embarrassingly, like learning how to use the PC, even though we had just sold a software company. And I'm doing Mavis Beacon Teaches Typing, you know. G H G H. And these advertising guys would come in and they, and they were all, and I kind of put my uh laptop down. They go, "What are you working on? The golden plan? Another big business plan?"

I go, "Yeah, the golden plan." And I'm teaching myself how to type.

WHITNEY That is fantastic. So that was uh, that really required a bit of humility, to be willing to do that.

KEITH Yes, a lot.

And you know another one, too, is I never played a musical instrument. So my goal was to have my uh 12 year old daughter teach me two songs on the piano. So, you know, it was kind of, it was a lot of fun stuff like that.

WHITNEY So now that you're not the day to day CEO of DocuSign, and you're, like you, you know how to be a CEO. Like you've done it four times. You've been in the groove. Is there any part when you let go of those reins, and you're not the CEO day to day, what's hard about that?

KEITH Um, you know, it's not that hard at all. Because I never looked at myself ... my, uh, my identity as just being a CEO. I mean I think that's a big part of it, uh, of course. But you know the time that I spent um in higher education um, that was a whole different thing um in itself. I was a full time um soccer dad for seven years two weeks of the month. I, I had gotten a divorce. I've since remarried, but um, two weeks on, two weeks off. So there was seven years um, when I did the Purdue and Sigma Chi. That two weeks of that, I mean I was packing lunches, hot breakfasts, saying prayers at night. All that kinda stuff. Um, and,

and then you know the other two weeks, sitting on boards and doing all that other stuff. Um, so, uh, you know I, you know I probably think I'm a father first. So, yeah, it, it-

WHITNEY So you've had lots of other roles that are very robust and so-

KEITH Yeah.

WHITNEY Interesting. So that leads me to a, a question I wanted to ask you, which I think is really important and it goes back to your thing that you do when you become a new CEO. Number two which is, you know, what's our grand vision? So how do you ground yourself um each day? Like are there certain things that you do at the beginning of each day to just remind you of what it is you're trying to get done and what your purpose and your values are that you mentioned earlier on?

KEITH Yeah, I, you, you know, I think it's uh, a lot of it comes down to faith and family. Um we've got uh seven year old boy/girl twins.

WHITNEY Awww.

KEITH So that gets me going. You know they are just an absolute um riot. My fai- my faith is strong. I work out uh early in the morning. I'm an early riser. Um so, you know it's, I think it's really um ... And I have a great, I mean just an incredible wife. Um, so it's really, it's really those things that, that uh, that ground-

WHITNEY Faith. Faith, family and fitness.

KEITH What's that?

WHITNEY Faith, family and fitness. The three F's.

KEITH Yeah, that's good. I like that. That's true.

WHITNEY So-

KEITH And, and, but I would throw friends in there too, 'cause I'm-

WHITNEY Oh. Okay.

KEITH I'm a peop- I'm a people collector. Um, you know, we've got like 300 um, DocuSign advisory board members, you know, all the way from, you know the guy who's former CEO of General Motors, the guy who was former CEO of McDonald's. The, and uh, uh-

WHITNEY 300 advisory board members at DocuSign?

KEITH Yup. You got it. Audi Ignatius. Right? From-

WHITNEY Oh I know Audi. Yeah.

KEITH H, you know, uh, HBR. Uh Jim Snabe, Chairman of Siemens. Uh, Tom Siebel. Uh, from all different countries, um all kinds of different uh companies. Uh, General Stanley McChrystal. Um Dan Golden, who was the longest serving director of NASA. So um, that is, that's a big part of-

WHITNEY Why do you have ... Okay, I've got to digress for a second. Why do you have such a large advisory board? I think that's fascinating. Can you say a little bit more about that?

KEITH Yeah. Because uh, first of all, why not?

WHITNEY (laughs).

KEITH Um, second all, second of all is people support what they help create. And also people um love to skate to where the puck's going to go. So that was one of the first things I did at DocuSign and at Ariba, is form an advisory board. And instead of saying, "Hey, will you buy my product?" How about, "Hey, will you give me some advice?" And they help invent it and come up with the strategies. And then, boy you, now you've got champions. And-

WHITNEY And these are unpaid, right? They're just on your advisory board.

KEITH That's exactly right. And, and I always go, I go, "Look, there's no fiduciary responsibility, no legal responsibility, um no time requirements. We'll do the meetings once a quarter. If you can come, great. If you can't ... " And you just grow it. And now what has happened is by sheer definition, those people on the advisory board are also people collectors. So the big value add is they get a chance to network with their peers in other, other disciplines, um other industries, other countries. And that's when you get, um, uh, you know the different types of mixed talents and convictions and diversity of thought. And, and you, you create genius. But, you know, it's, it's management 101. People support what they help create.

WHITNEY I love that. I, I think your nick name is going to be People Collector for me.

So, very last question for you today is when your children talk about you, what do they say about Dad?

KEITH Well, the twins said, uh the twins say, if you asked em that question they, the, the first thing pop in their mind, they go, "My dad never says, 'No'."

WHITNEY (laughs).

KEITH And then the little boy would go, "Well, sometimes he says, 'Por que no?'"

WHITNEY (laughs).

KEITH Because um, you know af- after uh, raising the older ones, I, I was a pretty tough dad. I needed to be. Um, and my wife said uh when, went ... And, and by the way, they're 32, 29 and 26. They're amazing uh, uh, successes in their own right. And uh, my wife said to me, she said, "This time around you get to be the fun dad." I go, "You mean it?"

She goes, "Yeah."

This is when uh we found out she was pregnant. Put my hand across the table. "Shake my hand." I got her handshake I said, "Okay. Thank you very much." Now the only time I, I won't be the fun dad is if they don't behave well, but, um, so far they're doing pretty good.

WHITNEY So, "Por que no?" That's your, your question. Okay so that's what your kids would say, "He's fun. Dad's fun."

KEITH Yeah. And I think my older kids would say, um, uh, well they of course would say, "He's a people collector." But he would, they would say, "He's a father first." Um and, "He loves to reinvent himself and different challenges." And I think they would also talk about me in terms of um my endless quest to pay it forward. And um, you know to give back and to mentor um and to uh, you know take these uh business skills and resources and apply em

uh to noble causes. Whether it's microloans around the world, uh, whether it's building homes around the world, whether it's um, educating children with special needs or underprivileged. Um that, I think that part um, I think really uh resonates um with them.

WHITNEY What is the thing you're going to do next week that you're most excited about? You talked about paying it forward. So what's something that you're going to do in the coming week that's going to allow you to pay it forward?

KEITH Well, you know I think one of my next adventures is ... I mean, at this point, um I don't have any desire to go back and build a, a, another company. I'm stepping, yeah after a great 10 year run, I, I'm stepping off of the DocuSign board and chairmanship in January. So one of the things um that I'm doing is creating uh, e- e-, you know, it's a non-profit organization, but the Virtual Mentor Network. And it is focused on the development of the next generation of transformational leaders. And you know I, I think this stuff is, it is not written um in a book. And I think the fastest way to develop uh the next generation of transformational leaders is multiple mentors, because I believe in the hybrid model of, of uh mentorship, take the best from column A, the best from column B, and the best from column C. Um and the only way it can scale is by making it virtual. So um, uh, I've come out with the ... soon come out with a pilot series. We're interviewing guys like General Stanley McChrystal, you know, Dan Golden uh, uh Michael Brown from CityYear. Um, and uh, uh, and really, and really get that out there. So it's not for me to you know give back. I've been able to do it um, for my university and my family and all that. You know maybe the only thing I haven't ... Uh, you know maybe a, a thing would be great is to give back to my uh country so, uh, yeah.

WHITNEY That's great. Well that's exciting. Good luck with the, with the series that you're developing and, and the network, or the mentoring network. Um it sounds like it will benefit many, many, many, many people. So, Keith Krach, thank you again for being our guest today. It's been a pleasure. It's been fun. It's been interesting. Uh, thank you again.

KEITH Whitney, thank you, it's been a, a great honor. I appreciate it.

What a testament to the power of frameworks and pattern recognition. Keith is trained as an engineer - he looks for patterns and repeats them. His entire career and the immense success he's achieved are all built with his pattern: Find the best people, give them a vision to aim for, create a crystal clear playbook to execute. Even when he was a bit blindsided at Kronos and ended up leaving, he still went back to a pattern he learned at HBS and treated himself like a business plan.

Keith is brilliant at creating categories for companies. But he also took the time to think of himself as a category. To look at what he had to offer in terms of product, packaging, promotion, pricing and place. And then later, after selling Rasna, he further polished that category, by setting 100 goals to accomplish in 6 months.

And such an important tip buried in my amazement at his 300 person advisory board - people support what they help create. Instead of asking people to buy his product, he invited them to be part of the creation process and asked for feedback, thereby creating built-in champions for it.

Practical tip:

It's almost the end of a year. Take a moment to think through how you show up as a category? Where you are and where you want to go, and identify 1-2 goals that will help you move the needle of what you want to be. They don't need to be big

goals. They can be something you are going to do for 5 minutes a day. Because 5 minutes a day over 365 days is 30 hours. It adds up.

If you'd like to learn more about my book *Build an A Team* with Harvard Business Press, download the first chapter at whitneyjohnson.com/ateam. And, if you are trying to build a great team, and would like our help, reach out to us at wj@whitneyjohnson.com.

Thank you again to Keith Krach for being our guest, thank you to sound engineer Whitney Jobe, manager / editor Macy Robison, content contributors Emilie Davis and Libby Newman, and art director Brandon Jameson.

I'm Whitney Johnson
And this is *Disrupt Yourself*.