

**DYNAMIC
LEADER OF
THE YEAR**



IN THE FAST LANE

Hallett: 'What You See is What You Get'



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By Charlee Beasor

A Sunday in April 2007 is when things changed at ADESA. That evening, Jim Hallett removed the reserved parking spaces at the auto auction headquarters building.

The next day, he parked his car in the furthest location from the door. When questioned about the removal of the spots in a company meeting, Hallett said, “There is no reserved parking where I grew up.”



Becca Polak, chief legal officer and secretary for KAR Auction Services and president of TradeRev, recalls the impact at that town hall gathering.

“He said, ‘If you get here first, you deserve to get that spot.’ The place went up (in cheers). It was very symbolic,” she says.

As CEO and chairman of Carmel-based KAR Auction Services (ADESA is a business unit of the company), Hallett has led the organization to become the 12th largest public company in Indiana. KAR sold 5.5 million vehicles in 2017, to the tune of \$3.5 billion. There are over 17,500 employees

worldwide, with 1,600 in Indiana.

Numerous company and technology acquisitions have propelled KAR to No. 702 on the Fortune 1000 list. A new \$80 million headquarters will open in Carmel in 2019.

“This is a progressive company. This is a company that’s on the move. This is a company that’s growing. It’s expanding,” he contends. “That’s what excites people. It’s not only good for your existing employees, but very critical for attracting talent. There’s a small war going on for talent here in Indiana.”

It’s a war he wants to win. The immediate goal is big: adding another 400

jobs by 2020. But Hallett knows his team is capable and ready to move to accomplish that mission.

Humble beginnings

A painting in Hallett’s office depicts a simple home nestled behind a tree and along a country road. He asks what’s missing from the picture. There’s no mailbox. At second glance, there’s no driveway.

“That’s it,” he says, when the driveway is mentioned. “We never, ever owned a family car.”

The man who has made a career of selling vehicles never had a car growing up.



“You need to be visible,” Jim Hallett says of keeping such a large organization on the same page. “I never go to the field without having an employee meeting.” His photo is on every email he sends and he often brings company leaders together via video conference.

Energy and enthusiasm came from his mother, who was a “very energetic, very passionate, very driven woman.”

The hallmark of Hallett’s career, however, is vision.

“When I think about vision, I think about being able to identify things before they become real. I’m a dreamer. I’ve been taught to dream, and I’ve been taught to dream big,” he notes. “But it’s scary. Many of the things I’ve dreamed about, I’ve brought to reality. A lot of people dream about things and have never been able to bring them to reality. I’ve dreamed about things and gone and made them happen. I find that almost eerie at times.”

Scary? Eerie? That’s not what you’d expect to hear when someone describes their ability to turn vision into action. Insert that humility again.

“What gives me the right to think I can go and raise billions of dollars and put businesses together? What gives me the right to think I can put a professional hockey team in this city with six months’ notice? What gives me the right to think I can create a mobility program in the city? What gives me the right to think I can do a lot of the crazy stuff I’ve done?” he questions.

And yet, Hallett has done or is in the process of doing all those things. He was let go from ADESA in 2005 in a management sweep. Just two years later, he’d raised the

money to buy the company and turn it into what it is today.

He started the Indy Fuel hockey team, which is now entering its fifth season in Indianapolis (more on that later).

On the side, he hopes to create a personal mobility program in the city.

“I’m probably the most different CEO you’re ever going to run into. I’m just a guy. I put my pants on one leg at a time,” he says. “What you see is what you get with me.

“I have great people. I’m surrounded with talent. All my direct reports are smarter than me,” he maintains. “But I’m the visionary. I create the vision and then I need people to execute (that vision).”

Career in action

Hallett graduated with a degree in recreation management, but jobs in the field weren’t plentiful. He needed a car, so he started selling them.

“(I thought) I’ll sell cars until I can find a real job. The fact of the matter is, I found a real job. I fell in love with the car business,” he reminisces.

Hallett moved up the ranks and was responsible for buying and disposing of inventory. He would attend vehicle auctions all over Canada. He decided Ottawa should have an auction, so he started one.

“That car auction was successful from

The irony isn’t lost on him, or anyone else that hears about Hallett’s modest childhood in a Canadian village south of Ottawa.

“You grow up with small town values in a village of 300 people and everybody knows everybody, and you darn well better behave because people are going to know,” he shares.

The humility that he carries with him today was influenced by that upbringing and the kindness of friends and neighbors.

“My dad died when I was eight months old and my mother never remarried. We were raised on welfare. So, I understand humility,” he asserts.



Hallett is passionate about hockey and the Indianapolis community. As owner and chairman of the Indy Fuel, he's helped bring attention to the sport.

day one. And then – entrepreneurs can't stand success – I went and opened a second one on the east coast of Halifax, Nova Scotia," he says.

His businesses grew and expanded all over Canada. Hallett attended an industry convention in 1993 and was paired at a golf outing with Mike Hockett, the founder and CEO of ADESA Corporation in Indianapolis. Hockett wanted to expand into Canada and offered Hallett the spot of CEO of the new ADESA Canada.

The company was sold in 1995. Hockett moved on and Hallett came to Indianapolis to be president of ADESA US.

He fell in love with the city. And despite knowing only about the "big race" in Indianapolis, it didn't take him long to find other things that made it feel like home, including being around like-minded business leaders.

"This was a community that really took care of each other. It seemed the business leaders were really committed to making it better, not only for your own employees, but for all communities," he insists.

Not on cruise control

Hallett focuses on buying new technologies and companies and bringing them into KAR.

"I'm not savvy with technology. But I have a lot of people around me that are very instrumental in helping me understand the technology where not only can I see the value of it, but I can articulate the value proposition to our customers and our employees," he maintains.

KAR now sells half of its vehicles in an online space.

"We're doing it digitally on the mobile phone. Who would have ever thought, right?" he suggests. "We're the largest online seller of automobiles in the world. That's a hell of a statement."

"With the brain trust around here, we've made a lot of really, really good bets. And we made bets on technology and for the most part, those bets always work out."

Being ahead of the curve is the approach.

"Our strategy is to continue to identify technologies and see

where they fit our strategy and see where they fit our value proposition and buy them as early as we can. I'll credit Jeff Bezos (founder of Amazon) with this quote. Jeff Bezos said you should make decisions with 70% of the information. If you wait to get 90% of the information or facts, you've probably missed your opportunity."

Polak can attest to that speed.

"When we learned about the TradeRev technology in December of 2013, we were sitting in a leadership meeting and somebody in the room brought up this company out of Toronto, talked about what it does, the digital mobile auction in the dealer-to-dealer space," she reflects. "Jim said, 'Oh, that sounds like a company we need to buy.' Everyone sat and nodded their heads. And he said, 'No, right now, go leave the room, go call the co-founders and go buy the company!'"

As KAR's chief legal officer, Polak could be the natural antithesis to Hallett's speed. But that isn't the case.

"He knows he moves fast," she affirms. "He is very thoughtful about who else do I need to have in on this conversation. It's rare that he'll come in and say, 'I've made this decision and this is what it's going to be.'"

Servant's heart

Hallett calls his management style "servant leadership." He mimes an inverted triangle with his fingers, saying he's the point at the very bottom, there to support the rest of the company and its people.

"My job is to lift other people up and make sure that I pay it forward and give everybody the opportunity to succeed," he asserts. "There's no greater reward for me than watching people grow and watching them do more than they ever thought they were capable of. I think that's servant leadership."

Hallett says he often gets accused of having too many people in his meetings.

"No. 1, I want them to learn more and understand more. The other thing is, I want their ideas. Some of the best ideas in this



"I definitely know I'm not the smartest person in the room. I have no desire to be the smartest person in the room, but I do have the desire to be the best listener," Hallett stresses. "I want people to come to me with almost wacky ideas."

company have come from very unlikely people. And I take a lot of pride in knowing that if people know they have a good idea, they can phone me, email me, walk through that door and say, 'I've been thinking about something that would be good for this company.' Good! Tell me. I love ideas."

Polak names innovation and positivity as some of Hallett's best qualities as a CEO.

"For Jim, culture eats strategy for breakfast. He is a true believer in that. He talks about it; it's a topic in our CEO report for our board of directors. He's constantly evaluating it," she offers. "The culture for him is No. 1. Every time we meet as a senior leadership team, we're doing pulse points on how our employees are doing. It makes it a great place to work."

Marian University President Dan Elsener says of his good friend Hallett, "When you talk to him about leadership, stewardship is the key word. He references everything around him as a gift.

"Any time before he does a CEO call on earnings, he says, 'I go alone somewhere and just get on my knees and pray that I represent the people well, represent the business well.' I've never heard him talk about what 'I did.' He's blessed with these opportunities and the people around him."

Personal passions

Elsener has interacted with Hallett through the years and speaks to Hallett's influence at the university, including the Klipsch Educators College.

"He's had a big impact here at Marian. ... He also believes in education, like we do, that it's important to teach math, reading and writing. But the bigger project, ultimately, is to form someone's heart and character," Elsener emphasizes.

One day, he offers, Hallett was speaking to the principal's academy at the school and a leader there spoke about the need for more diversity, specifically black teachers.

"He already is generous with us. But he said, 'How much would it take to get some money for scholarships to direct more African

American teachers? I'll do that,'" Elsener remembers Hallett saying.

"It's deep in his veins. He listens carefully, responds generously, but he knows why and what he wants to help with. He puts his resources where his heart is."

Hallett's leadership at KAR includes a focus on philanthropic endeavors. There's always something going on to give back to the local community, Elsener notes. (A company blood drive was underway during the interview for this story.)

Hockey and home

Hallett is a husband, father and grandfather. In what little spare time he does have, he enjoys family time and bicycling.

But he's got another active business endeavor in Indianapolis, as owner of the Indy Fuel.

"I wanted a way to deepen my roots in the community that went beyond writing checks. Anybody can write a check," he offers. "I wanted to find a way I could give back to the community in a way that could create something that would outlive me."

He desired to give young people an alternative sport.

"There's no shortage of kids that want to play hockey; there's a shortage of facilities. And, in fact, lacrosse and hockey are the fastest growing youth sports in America," Hallett describes.

To that end, he purchased an existing facility in Fishers and rebranded it as the Fuel Tank, which is two arenas, a fitness center and a school for children who have demonstrated hockey talent.

Hallett would love to see someone make it to the big leagues from Indiana.

"A highlight for me will be when an Indiana kid, a junior Fuel, makes the NHL (National Hockey League). Some kid is going to come out of that school and play in the NHL. That will be a great day for me," he contends.

It comes back to supporting the city that has given him so much.

"I didn't do the Fuel because I like hockey. I did the Fuel because I love my community. And I want to find that way to get rooted in the community. At the very core, it's all about my love for Indianapolis."