



## CASE STUDY:

How Hendrick Automotive  
Group Went From in the Race  
to First Place

# HENDRICK AUTOMOTIVE GROUP

*At only 25 years old, Rick Hendrick became the youngest Chevrolet dealer in the country. His energy and love for cars ran through the dealership, where he increased annual sales from 200 to 1,200 vehicles a year, making it the most profitable dealership of its size in the zone. Shortly after in 1976, Hendrick Automotive Group was born. Today, Hendrick's persona pulses through the entire company, encouraging teamwork, problem solving, and winning.*



***We're in the people business. And if you get the right leaders, it makes it a lot easier.***

**Rick Hendrick**  
Chairman



Hendrick Automotive Group’s mission “is to be the premier quality vehicle retailer in the world, providing the best opportunities for the team members, customers, communities, and manufacturers the company represents.”<sup>1</sup> The group achieves its mission and remains an industry leader by following a set of core values:

- Servant leadership
- Teamwork through trust and respect
- Integrity
- Commitment to customer enthusiasm
- Passion for winning
- Accountability at all levels
- Commitment to continuous improvement

Four years ago, Hendrick Automotive Group management realized that to continue fulfilling the group’s mission and goals, they needed to make some operational changes. The group recognized three levers to pull: people, processes, and tools. They had the right people in place, but every individual dealership faced challenges with its processes and tools. Some dealerships weren’t investing in the latest technology or weren’t fully utilizing the technology they had. Others had sloppy practices that prevented them from closing the month on time, meeting compliance requirements, and bringing back customers.

Hendrick Automotive Group recognized the need to work with an industry technology leader that had its best interests in mind. After years of research and trying other providers, the answer became clear. The company chose Reynolds as its partner.

After making the change, the organization increased efficiency, improved customer experience, enabled employee success, and enhanced training and support.



***We’re aligned with a common purpose. Yes, Reynolds is selling products and we’re buying products. But it’s much deeper than that. We have issues. We have needs. Reynolds has solutions.***

– Ed Brown  
President and CEO



Source: Hendrick Automotive Group

# EFFICIENCY

*Efficiency is top priority for the Hendrick Automotive Group. But when the leadership team took a step back and looked at the company's tools and processes, it became clear that its dealerships were operating in a stop-and-start fashion due to data reentry and duplicate information, costing them time, money, and business. For example, dealerships were snail mailing hundreds of deals to separate accounting offices, stores were not communicating with one another, and departments were drowning in paper.*



***Tremendous efficiencies have been created from the Reynolds processes.***

– Johnny McKeller  
Senior Vice President  
Hendrick Autoguard

Before working to improve efficiency, the Hendrick Automotive Group leadership team stopped and asked themselves “What do we want to try and accomplish out of this effort?” The answer: standardize.

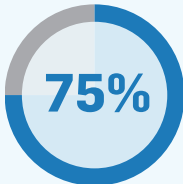
By implementing Reynolds technology, the company introduced a single way of doing business. Information, deals, and repair orders are expedited so the accounting offices can recognize revenue — without drowning in paper. Deals are completed and funded faster, reducing interest expense. Dealerships can close a month on the third day, allowing

them to know their financial situation faster. Each dealership's service drive is no longer lined with repair order files.

Hendrick Automotive Group's new processes make it easier for associates to care for customers and deliver on promises. Before, the dealerships were losing invaluable profit opportunities and time with customers. Now, they refocus their energy on the right things because every process is standardized.



**faster F&I process with the docuPAD® system.¹**



**reduction in contracts in transit time.²**

¹ Response to Reynolds Voice of the Customer Survey, ² Hendrick Automotive Group

# CUSTOMER EXPERIENCE

*With the customer experience being a main part of the company's mission, Hendrick Automotive Group made it a top priority to understand what customers want and need, and focused on simplifying processes, putting the customer in control, and selling to them instead of pushing them to buy.*

With dramatic shifts in customer behavior, Hendrick Automotive Group dealerships were not treating their customers like people who had spent hours researching and had two or three vehicles in mind. When customers entered a store, they had to start from the beginning. Once they arrived, the salesperson didn't know who they were, what they viewed online, what vehicle they were currently driving, or what they were looking for.

Recognizing that customers drive change in the industry, Hendrick Automotive Group chose to work with Reynolds to improve customer experience and increase customer satisfaction. "Services through Reynolds and Reynolds are helping us promote our customer experience and our vision of the future," explained Robert Taylor, chief information officer.

Now when a customer comes to a dealership, employees know who they are and the reason for their visit. The sales team greets them by name, knows the vehicle they're driving, understands what they're looking for, and immediately meets their needs. When the customer enters F&I, the manager shows interactive videos and presentations that engage the customer in the financing process. Hendrick Automotive Group's dealerships are now selling more products because customers' needs are met and they experience efficient, dynamic processes.

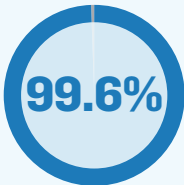
In the service department, advisors previously didn't know what service customers needed or what was declined. Now, advisors know exactly what service a customer needs as soon as they arrive. Advisors meet them in the drive, know what to recommend,

and send them status updates throughout their appointment. The group is doing more service work because customers are informed.

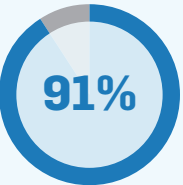


**Centralizing all of these tools and using one provider has enabled us to give a much better experience to our customers.**

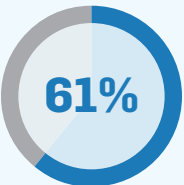
– Wayne Simpson  
Vice President, Fixed Operations



**99.6%** of customers don't like how dealerships conduct business.<sup>1</sup>



**91%** of Reynolds customers increase customer satisfaction in F&I.<sup>2</sup>



**61%** higher average total gross per repair order with Reynolds systems.<sup>3</sup>

# EMPLOYEE EMPOWERMENT

*As stated in Hendrick Automotive Group's mission, a top priority is providing the best opportunities for team members. It's incredibly important for leadership to drive employee satisfaction because they understand a happy employee is going to lead to a happy customer. With that in mind, the team relied on Reynolds to assist in improving employee satisfaction and success.*



***We check our CSI scores internally. We look at what our employees think about our company, what they're saying about how they're treated, what they're saying about the environment they work in.***

Rick Hendrick

Before utilizing Reynolds' solutions, Hendrick Automotive Group team members were often waiting on other people to finish their jobs before they could start their own. Employees were bogged down in manual, paper-based tasks, causing stress and errors every day.

Now, employees can work without manual processes. The company is running, on average, two fewer people per store because employees can switch from one job to another. Teammates' days are more productive, more engaging, and less stressful.

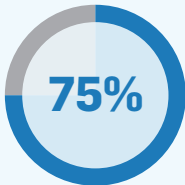
"Our teammates are now able to grow and try different things and be promoted because everyone is more successful in their daily role,"

said Taylor. Hendrick Automotive Group is able to take advantage of team members' talent and experience to maximize resources and achieve a successful future.

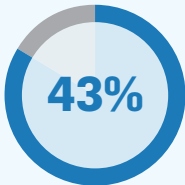


***By investing in our tools and company, we allow our teammates to do a better job.***

– Brian Porta  
Vice President, Education and Training



**75%** of Reynolds customers see a reduction in errors.<sup>1</sup>



**43%** A National average turnover dealership-wide.<sup>2</sup>

# TRAINING AND SUPPORT

*When Hendrick Automotive Group chose to implement Reynolds across its dealerships, its number one concern was having the right training in place to ensure teammates used the tools effectively. Dealerships across the company were previously using different technology in different ways, causing inefficiencies and inaccuracy. Leadership knew without the proper training and support, whatever processes and technology they implemented would not be successful.*



**You can trust Reynolds to be there when you ask and to train your team when you can't train them.**

Denise Marenga  
Vice President, Dealership Accounting

By choosing to partner with Reynolds, Hendrick Automotive Group was confident in the training and support its dealerships would receive. Every location now relies on the same Reynolds support team, regardless of whether a store has 25 teammates or over 300. “[Reynolds] understands the roadmap for success, and in those different environments they’re able to help with unique situations,” said Brian Porta, vice president of education and training. “They can apply what they know to fit the dealership regardless of size.”

dealership. They coach them, answer questions, and assist with troubleshooting to ensure success. “When you work with Reynolds, you become part of the Reynolds team,” explained Chuck Colson, market area vice president. “They not only train you, they coach you.”

By working with Hendrick Automotive Group team members throughout all stores, the Reynolds support teams better understand operations in each individual



Reynolds Technical Assistance Center averages 90 percent or higher customer satisfaction.<sup>1</sup>



Reynolds offers more than 600 training opportunities and 1,100 help videos for customers.<sup>2</sup>



93 percent of employees would stay at a company longer if it invested in their careers.<sup>3</sup>

# THE REYNOLDS DIFFERENCE: PARTNERSHIP

*Ultimately, Hendrick Automotive Group leadership chose to work with Reynolds because they believed in the partnership. The two teams aligned on similar goals, values, and leadership styles, giving the Hendrick Automotive Group confidence business would improve. "You know in the way you interact with people the relationship is different and the experience is different," explained Taylor.*



***The relationship is built on the work of a lot of dedicated teammates both at Reynolds and Hendrick Automotive Group.***

– Robert Taylor

Reynolds supports the Hendrick Automotive Group as the industry changes, technology evolves, and pressures rise. "If you want a partner to pull up next to you and roll their sleeves up, help you remove obstacles, make things easier, and give you better information on what's happening in your business, then you need to give them a shot," explained Wayne Simpson, vice president of fixed operations.

With Reynolds' partnership, Hendrick Automotive Group is able to provide each store with the resources it needs to run a successful, profitable business. "At the end of the day, we're a service provider to our dealers and the partnership we have allows us to deliver a 100 percent solution to 100 percent of our dealerships 100 percent of the time." said Taylor.



***We can't accomplish anything we're setting ourselves out to accomplish without Reynolds.***

– Robert Taylor

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