

Revvin' Up Training at Harley-Davidson

By Jeanne Krien

Manager,
Manufacturing Improvement & Team Development

Not much of an introduction is needed when you are talking about Harley-Davidson Motor Company. The famous motorcycle manufacturer has made a name for itself with its one-of-a-kind bikes that inspire a passionate following. Many are also familiar with their one-of-a-kind manufacturing turnaround in the early 1980's, when they launched their legendary quality initiative. So it is no wonder that when it comes to dealer training, Harley-Davidson is also one of a kind.

Training is nothing new to Harley-Davidson. Fifteen years after the first Harley-Davidson motorcycle rolled out the door in 1903, the company was asked to make motorcycles for troops fighting in WWI. The U.S. Army ordered 20,000 motorcycles, and required Harley-Davidson to provide training for the military mechanics. And so was born technical training at Harley-Davidson. Then in 1987, when the company's quality philosophy had Harley-Davidson back in the saddle, training took on new emphasis, and both technical and business skills (management) training for the dealers were brought under the umbrella of Harley-Davidson University. MRA had the delightful opportunity to discuss the Harley-Davidson approach to dealer training with Ed Schmitt, Director of Harley-Davidson University.

The numbers alone are impressive. According to Schmitt, Harley-Davidson University's 25 full-time staff, 20 contract workers and various partner schools host instructor-led seminars attended by 8000 people annually for both technical and business skills courses at their six U.S. locations alone—Wisconsin, North Carolina, Pennsylvania, Florida, Arizona, and Washington. That does not include the 250,000 courses taken online since 2001, or the hours of training abroad. To get a feel for the amount of training abroad, consider that courses are offered in French, German, Italian, Spanish, Dutch, Chinese, Korean and soon, in Portuguese.

At their Milwaukee location alone, Harley-Davidson University occupies two floors of the former distribution center on Juneau Avenue. The physical space consists of four classrooms for technical training, with eight to 12 working bikes in each, a dynamometer lab, a state-of-the-art classroom, and mock retail store. The mock retail store is so convincingly real, that people have approached the "store" wondering about its hours of operation, according to Schmitt. The technical training labs are equipped with everything the service personnel could possibly need, and then some: lifts, tools, and roller wheels to "run" the bikes for performance assessment.

Harley-Davidson dealers are independently owned dealerships, not unlike a distributorship, authorized to sell a

particular manufacturer's products. Only in this case, Harley-Davidson dealers are solely selling Harley-Davidson bikes and merchandise. As independent dealers, and not employees, attendance at Harley-Davidson University training is not required, with the exception of training on new product launches. According to Schmitt, this is a driving component for Harley-Davidson University's program development philosophy. "We don't force the training on the dealers," says Schmitt. "It is not part of their contract. [The dealer] can use someone else [for training]. So it's not a stick approach; it's a carrot approach. We offer a service—so we have to be attractive." This is especially true because the training is not open to the general public; only employees of Harley-Davidson, or Buell (American sport motorcycle manufacturer in which Harley-Davidson owns a majority interest), can take the courses.

Business skills training began a new era of demand when Harley-Davidson quadrupled its motorcycle production between 1990 and 2005. As dealer sales also increased markedly, "Dealers were screaming 'Help me! Train me!'" shares Schmitt. "We started asking 'What's everything they need?'" But Schmitt doesn't want to try and guess the answer to that question. Schmitt describes the approach as a "pull" rather than a "push." "Tell me what you want; I'm not going to give you what I think you want." A dealer advisory council has been

started just for that purpose.

It also helps that there is no disconnect between Harley, their dealers, and, perhaps most importantly, their customers. Harley offers daily tours at four of their facilities across the nation. Harley corporate employees are encouraged to attend Harley events, which range from factory open houses, to their famous motorcycle rallies held across the country. Understanding and knowing the customer is key to providing dealer training that is fresh and relevant. Or, as Schmitt so eloquently states, “We really are a family. And if we are a family, we have to talk to each other.”

So, why all this emphasis on dealer training? A look at Harley’s mission statement is one place to start: We fulfill dreams through the experience of motorcycling, by providing to motorcyclists and to the general public an expanding line of motorcycles and branded products and services in selected market segments. Schmitt explains, “A motorcycle is a dream, a lifestyle. It’s not like a phone, or a car, or a house. Dealers are providing the ability to fulfill a dream. If I can’t fix your bike, you can’t ride it; if I don’t give you groups to ride with, don’t have merchandise for you, then I am not fulfilling your dream.” And then, there is the competition. It is not likely who, or more accurately, what you think. Harley’s biggest competitor is not another motorcycle manufacturer—their biggest competitors are other luxury items like boats and summer homes. Harley competes for customer’s discretionary income. It’s all about “fulfilling the dream”, remember? Focusing dealer training on how to “fulfill the dream” helps

keep Harley a top competitor in its market of dreams.

Harley-Davidson shows no signs of slowing the pace in their quest to “fulfill dreams.” Third quarter 2006 brought the most extensive new product launch in Harley’s history, which included four new motorcycle models. This can only mean continued expansion for Harley-Davidson University, which will, no doubt, continue to grow and change to meet the needs of both dealers and customers.