

3 Persistent Problems Furniture Makers are Solving with New Technology

by Brad Mikes, Managing Partner IPE



- » **Shortening delivery times**
- » **Boosting productivity**
- » **Optimizing the workforce**

These objectives are front and center for furniture and home furnishings producers, as they have been for years. The difference today is that manufacturers face the triple threat of rising material costs, shipping challenges and a competitive labor market.

Newly advanced production management technology provides furniture and home furnishings makers with a clear view to every process and production resource on their production floors. Shop Floor Control (SFC) technology, such as IP-Realtime™ SFC, uses wireless and standard tablet technology to collect and report all production activities immediately as they occur throughout the shift. This always-on data collection and reporting provides immediate feedback to production workers and managers on individual, team and overall plant performance.

SFC also improves workforce productivity and retention. It is an important tool that helps you seize more sales and grow your business. Here are three ways to put this technology to work for your organization.

#1 Lead Time Reduction

“When can I get it?” is the burning question on many furniture dealers’ and consumers’ minds. Manufacturers can’t afford to waste precious minutes of productivity. Some makers are starting up near-shore operations in Mexico and other locations and need those factories to gain efficiencies and reach output targets as quickly as possible. Regardless of your production location or strategy, all furniture and home furnishings businesses benefit from being able to confidently make — and keep— delivery promises. The shorter the lead time, the better.

SFC helps by exposing downtime, off-standard time, and excess costs that otherwise might go unrecognized. Once illuminated, the sources of this non-productive time can be addressed, reduced or eliminated. For example, are you experiencing bottlenecks on your upholstery lines? By collecting and analyzing real-time manufacturing data at each production workstation or cell, SFC helps businesses pinpoint issues causing problems. Maybe a sewing operator is having an above-average rate of thread breaks, and their machine settings or operating procedures need adjustment? Perhaps absenteeism or turnover is throwing off the line, and you need a data-driven approach to get it back in balance under a variety of staffing scenarios?

Production management technology also provides early visibility to quality issues so that problems can be nipped in the bud as quickly as possible, reducing rework-related delays.



About the Author

Brad Mikes has spent the last 25 years solving manufacturing challenges through improved business processes and information technology. He focuses this expertise on sewn products, consumer goods, technical textiles, and other discrete manufacturers.

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Well-managed incentive payroll programs boost productivity, speeding order turnaround time. With IP-Realtime SFC, individual production associates get a real-time view into their productivity, earnings and progress toward incentive goals. They also see how their manufacturing cell or line is performing. This motivates individuals and teams to achieve optimal output for themselves, their team and their employer. With the large number of workers and operations needed to make a sofa, you have far more data to capture and track than any one supervisor or plant manager can do manually. Rather than rely on tracking by manually updated clipboards, chalkboards or gum sheets, with SFC, you can count on reliable, secure, wireless real-time data collection and management.

Productivity enhancements can be a game-changer for both mass-produced and custom furniture pieces. SFC supports digital documentation of all sewing diagrams and assembly instructions for thousands of unique furniture manufacturing operations. It stores all information in a single, shared location that ensures everyone is always kept up-to-date and working from the same page. For custom styles, IP Realtime can run complex user formulas to structure payroll incentives, reveal costs and provide WIP status, regardless of order quantity.

Carolina Custom Leather (CCL) is [implementing IP-Realtime SFC](#) to stay continuously informed about productivity and flow for its custom furniture business, which saw sales double in 2020. Most CCL production runs are special orders configured from more than 500 leather and fabric cover options. Customers also choose from a wide variety of furniture sizes, trims, wood finishes, pillow and cushion styles, and other custom features.

“Our growth made it extremely difficult to keep up with production details and order status using traditional manual production management methods,” said Tanner Stroud, CCL vice president. “Seeing everything about our operation in real-time will free up considerable time that we currently spend manually walking the floor to determine the status of customer orders.”

#2 Process Visibility

“Where is my order?” is another question that buyers commonly ask. To deliver strong customer service, furniture manufacturers need to know, with precision, the status of every product and order. Supply chain visibility is essential to keep customers apprised of order status. Decision-makers need this information at their fingertips, without requesting reports or asking production managers to shift their focus away from core manufacturing activities.



SFC offers a real-time window into key performance indicators (KPI) and workflow metrics, answering questions such as:

- » What percentage of the order is completed?
- » At what manufacturing stage is a product or order?
- » How many pieces have passed quality inspection?
- » When is the order expected to be wrapped, packed and ready to ship?

SFC also empowers managers to know the actual labor cost of every individual order and determine if labor cost estimates and engineering standards are valid.

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Some furniture manufacturers are taking advantage of the opportunity to link their production management solutions with their enterprise resource planning (ERP) and customer relationship management (CRM) platforms so that internal and external stakeholders have insight into manufacturing information.

Whether your business operates one plant or multiple factories, your production managers and executives need data visualization. SFC data dashboards offer an easy-to-digest view, accessible anytime-anywhere on mobile devices or PCs. This reduces the need for managers to walk the factory floor searching for products and expediting orders.



Visibility to key manufacturing milestones also is valuable for sales representatives. Through a sales portal linked to SFC-generated milestones, sales reps can independently check order status without phone calls, emails or texts to factory personnel. In some cases, furniture manufacturers might want to provide the end customer with direct visibility to order status. After all, whether they are dealers, interior designers or end consumers, everyone has come to expect greater transparency to orders. This “Amazon effect,” as some call it, has increased customer service expectations across industries.

Production associates value data visualization, too. For example, manufacturing team members and the

business benefit when associates can see at a glance how their production cell or line is doing to meet hourly or daily productivity targets. This information can feed straight from the production management solution to large-screen TVs on the factory floor.

#3 Workforce Incentives, Retention and Efficiency

Many manufacturers ask, “How can we increase productivity in this environment?”

Reliable, skilled workers are essential for furniture manufacturers to meet demand and deliver high-quality home furnishings. By putting the latest digital SFC solutions in employees’ hands, businesses empower associates, build morale and improve retention. Advanced production management solutions support manufacturers in managing incentive pay programs, which reward strong performers and motivate teams to work together toward group incentive goals.

To keep up with growth and enable production teams to produce and earn more, home goods manufacturer Little Birdie recently [launched an incentive pay program](#). It automated and streamlined the program’s data collection and administration with IP-Realtime. The company specializes in on-demand production of customizable home goods such as pillows, tea towels and tote bags at a Mississippi facility. “We realized that the traditional paper-based gum sheet method of managing incentives was like a hammer and chisel compared to IPE,” said Little Birdie co-founder Tony Hardin. Now the company expects to increase productivity and efficiency by 50 percent or more, without adding staff, he said. “The fact that the system provides us with real-time production information will help us avoid bottlenecks and better balance production lines and flow.”

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SFC technology encourages associates to self-manage and fosters teamwork, a spirit of continuous improvement and open communication. For example, if certain framers or upholsterers consistently achieve above-average productivity, even by a small margin, a real-time SFC solution will highlight this performance. This gives businesses an opportunity to reward top performers and study their techniques to see how they might be adopted across other cells, lines or plants.

Production management solutions such as IP-Realtime SFC:

- » Automate data collection, tracking how long it takes to make each product, down to the individual operation, by operator or manufacturing cell.

- » Provide personal pacing tools, giving workers visibility to their progress and improving employee engagement. These tools can be tailored to more quickly onboard new hires while they build their skills.
- » Enable managers to plan and balance production cells and lines to account for absenteeism, turnover and training.

CCL's IP-Realtime rollout leverages off-the-shelf Android tablets that production associates use to scan work as it progresses through cutting, upholstery, inspection and other production steps. "We look forward to using the new system to monitor time spent on each piece, which will allow us to more accurately price our products, balance production flow and avoid production bottlenecks," Stroud said.

“IP-Realtime SFC is an important tool that helps you seize more sales and grow your business.”



Discover how IPE can help your furniture or home furnishings manufacturing business increase productivity, shorten lead times and retain and reward your production teams. Contact us today by visiting www.incentivepayroll.com, calling 864-498-1310 or emailing info@incentivepayroll.com.