

# Six furniture manufacturers reveal how Empower Software has improved factory productivity

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## SARAJANE FURNITURE, COWRA, NSW

**“Empower software is designed for and well suited to furniture and joinery manufacturing. We have had a quick return on investment. Our factory productivity has increased by 45%”**

*Glen Scott, MD, Sarajane Furniture, Cowra, NSW*

### Key Points

- Easy to put in, set-up and learn.
- Quick to install – we were using it well within two weeks.
- Affordable at \$16k – including set-up and training.
- Quick return on investment.
- The software is designed for and well suited to furniture and joinery manufacturing as well as any manufacturing or any industry that requires tracking of work-in-progress and tracking costs.
- We have recommended the tool to other manufacturers, who have installed it and are also happy with it.
- You don't need to do it all at once – you just start to track the areas you think are the issues – it may not be that area at all. Implement it slowly in one area at a time;
- You can see at a glance where everything is up to at the click of the mouse;
- It is invaluable when things get out of sequence as you can slow down or speed up various areas with extra staff without causing major issues because the office knows where everyone is;
- You have accurate time information for planning.



SARAJANE FURNITURE, COWRA, NSW	
Core products manufactured (Core business)	Furniture
Any key background information	
Number of factory floor staff	102
Total number of staff	118
Annual revenue (approx)	\$30 million
Factory and office size m2	55,000 m2
Number of CNCs	3
Geographical area serviced	Australia wide
Staff times on jobs recording prior to Empower	Time sheets filled out at start and finish of jobs, collated at end of day and entered onto spread sheet, so we had times on jobs but had to wait until next day for update of progress
Years in business	35
Associations and any positions held	
Staff groups tracked on Empower	Everything is tracked as it is all linked to getting the work out, from planning to cutting to machining to assembly to polishing to wrapping to loading to invoicing to loading to truck dispatch.
Years using Empower	2010
Number of PCs on the factory floor with Empower	10
Number of managers using Empower	All managers use Empower
<b>Estimated productivity gains using Empower</b>	<b>45% gain in factory productivity</b>





## SILVER LYNX FURNITURE, MELBOURNE, VICTORIA

Simon Bowler, General Manager, Silverlynx Furniture

### Key Points

- Managing the relationship between budgeted labour times per product and process and what actually happens in the factory, operation by operation, batch by batch, range by range is essential. Actual labour times must match budgeted labour times or a business could run the risk of underperforming and/or failing.
- Time cards and time management systems are not new, what PCs on our factory floor and Empower Software allows us to do is record times on jobs in a cost effective and accurate manner. Empower does report times on jobs and work in progress live from the factory floor to management in our offices.
- Every time our actual labour times exceed our budgeted labour times on jobs the issue is either people, process or cost. These are the three critical components of our production that Empower tracks and reports live.
- Our factory staff really enjoy using Empower and look forward to the challenge of improving their individual productivity pie chart results each week.
- Empower Software is an essential production and productivity tool to our business.

SILVER LYNX FURNITURE, MELBOURNE, VICTORIA	
Core products manufactured (Core business)	Bedroom furniture
Any key background information	
Number of factory floor staff	
Total number of staff	
Annual revenue (approx)	
Factory and office size m2	
Number of CNCs	
Geographical area serviced	National distribution
Staff times on jobs recording prior to Empower	
Years in business	52
Associations and any positions held	Australian Furniture Association
Staff groups tracked on Empower	
Years using Empower	2
Number of PCs on the factory floor with Empower	5
Number of managers using Empower	3
<b>Estimated productivity gains using Empower</b>	



## PFITZNER FURNITURE, ADELAIDE, SOUTH AUSTRALIA

Andrew Pfitzner, Director, Pfitzner Furniture

### Key Points

- Minimum 25% increase in factory productivity in first year.
- Efficient, accurate and live time recording on jobs and reporting of work in progress.
- Hours worked for wages. A lot more accurate than staff completed time books.
- Assessing efficiencies of tradesmen and apprentices and, where need, advising them where to better manage their times on jobs.
- Management of machine operators.

PFITZNER FURNITURE, ADELAIDE, SOUTH AUSTRALIA	
Core products manufactured (Core business)	Timber dining tables, chairs and cabinets; bedroom furniture and bespoke custom made pieces
Any key background information	Pfitzner operated retail outlets in Adelaide and Sydney as well as the factory
Number of factory floor staff	12
Total number of staff	20 full time equivalent
Annual revenue (approx)	
Factory and office size m2	1700
Number of CNCs	1
Geographical area serviced	Australia wide
Staff times on jobs recording prior to Empower	Manual job cards / PC recording by re-entering times
Years in business	42
Associations and any positions held	Furniture Industry Association of Australia
Staff groups tracked on Empower	All factory staff in all work centres
Years using Empower	6
Number of PCs on the factory floor with Empower	5
Number of managers using Empower	3
<b>Estimated productivity gains using Empower</b>	Minimum 25% in the first year. Resulted in no overtime required at any time including Christmas



## FOREST FURNITURE, HAMILTON, NZ

**“Forest Furniture won the 2005 Waikato Times Retail Excellence and the Deloitte Best Small Business Awards, which was, in part, due to the Empower factory tracking and reporting system. We can say with confidence that using Empower has enabled us to increase our weekly output by 20% on the same staff numbers. Empower is an invaluable business tool that we would not be without.”**



Paul Entwisle, Owner/Operator, Forest Furniture, Hamilton, New Zealand.

### Key Points

- There has been a paradigm shift in my business. Prior to Empower factory staff had ‘absolutely no idea’ of the times I had budgeted in which to complete processes, products and orders. Now, using Empower, all my factory staff are patently aware of both the budgeted times and their personal achieved times for completing processes and products. Using Empower, for the first time, management and factory staff are “in the same boat and rowing in the same direction” – that is, management and staff work together on productivity improvement initiatives and everyone continuously meeting all budgeted times.
- Now that we have Empower the PCs in the factory accurately track all times taken on all processes, all products, all orders, and the output of each factory staff member
- The budgeted and achieved times reported in Empower are highly accurate, which all staff fully accept. This enables me to talk to staff about ‘their times’ and have constructive discussions about productivity improvements required.
- Empower provides us with invaluable information to accurately set the pricing of all our products.
- Forest Furniture won the 2005 Waikato Times Retail Excellence and the Deloitte Best Small Business Awards, which was certainly in part due to the Empower factory tracking and reporting system. Empower is an invaluable business tool, which we would not be without.

## FOREST FURNITURE, HAMILTON, NZ

Core products manufactured (Core business)	Traditional hand made furniture, mainly in solid rimu and solid kauri. Over 400 different standard furniture designs covering chairs, tables, desks, cabinets and drawers as well as one-off custom furniture to client or architects designs.
Any key background information	
Number of factory floor staff	Market and sell through own three retail stores
Total number of staff	9
Annual revenue (approx)	11
Factory and office size m2	
Number of CNCs	1
Geographical area serviced	Company owned retail stores in Hamilton, North Shore Auckland and East Auckland
Staff times on jobs recording prior to Empower	Prior to Empower we used job sheets which factory staff filled in to try and track times taken on processes and products. This manual system was inaccurate time-keeping by factory staff and consequently inaccurate recording and reporting by management. This made it impossible to get accurate costing on our processes and products and it made it impossible to talk to staff about times taken on processes and products.
Years in business	
Associations and any positions held	
Staff groups tracked on Empower	All our factory staff
Years using Empower	10 years
Number of PCs on the factory floor with Empower	1
Number of managers using Empower	1
<b>Estimated productivity gains using Empower</b>	We can say with confidence that using Empower has enabled us to increase our weekly output by a 20% on the same staff number. This is the equivalent wage cost saving of approximately \$60,000 a year.



## ROSE AND HEATHER FURNITURE, AUCKLAND, NZ

Core products manufactured (Core business)	Solid kauri furniture manufactured to traditional joinery methods. Range includes all household furniture
Any key background information	Retail through own stores in Sydney, Melbourne and Auckland
Number of factory floor staff	12
Total number of staff	20
Annual revenue (approx)	\$2.5 to \$3.0 million
Factory and office size m2	1900 m2
Number of CNCs	1 SMC router
Geographical area serviced	Australia and New Zealand
Staff times on jobs recording prior to Empower	Staff completing their job cards at day end, which recorded nonsense times and did not motivate staff to work to meet any budgeted times.
Years in business	30
Staff groups tracked on Empower	Factory staff
Years using Empower	8
Number of PCs on the factory floor with Empower	3
Number of managers using Empower	5
<b>Estimated productivity gains using Empower</b>	120% factory productivity gain. Over two years of using Empower production doubled whilst staff numbers reduced by 20%.

## ROSE AND HEATHER FURNITURE, AUCKLAND, NZ

**“120% factory productivity gain over two years. Using Empower we doubled our production whilst at the same time reduced our factory staff by 20%.”** Willy McGregor, General Manager – Factory, Rose and Heather Furniture



### Key points

- 120% factory productivity gain over two years. Using Empower we doubled our production whilst at the same time reduced our factory staff by 20%
- Empower was quick and simple to put in and we got full pay back within the first few months.
- Empower is a very powerful labour management tool that transformed our factory productivity, business and profitability.



**PEPPERTREE FURNITURE, ADELAIDE, SOUTH AUSTRALIA**

**“At 26 weeks of using Empower Software we had a 46% increase in factory productivity; at 26 weeks we had an 86% increase in factory productivity and at three years we had a 100% increase in factory productivity. On factory productivity increases alone, generated by Empower Software ,our annual profit has increased by approximately \$200,000.”**

*Mark Tozer, MD, Peppertree Furniture*



**Key Points**

- Empower is the tool that our factory staff use to bring their jobs in on budgeted time.
- Our factory staff culture is far better as a result of being time and job focused.
- Each factory staff gets paid a bonus for meeting their personal productivity goals. This comprises capping their downtime and meeting times on jobs.
- From day one Empower simply reported area by area, in small bite size pieces, each issues that I could address, precisely where I needed to start focusing to get things in order and up to scratch, which I simply followed through on.  
The reality of seeing the numbers, sometimes massive slippage and financial cost associated with not meeting production times, forced my hand to address the issues. And when there had to be discussions and difficult decisions about work centres not meeting budgeted times, the management and staff were able to view the numbers and openly and positively discuss them, which resulted in process improvement and productivity gains.
- We have used Empower accurate actual times on products to go back and accurately cost our labour and set consistent margins across our products and quoting. This has enabled us to significantly increase our profit margin across our sales.

**PEPPERTREE FURNITURE, ADELAIDE, SOUTH AUSTRALIA**

Core products manufactured (Core business)	Panel and steel tube framed furniture at a panel machining and assembly division as well as a steel works divisions. Empower works equally well in both divisions.
Any key background information	A second manufacturing business in Adelaide manufactures whiteboard. Empower Software is used there as well. Peppertree Furniture also owns a large retail business to sell its products through.
Number of factory floor staff	20
Total number of staff	25
Annual revenue (approx)	\$4 million
Factory and office size m2	4100 m2
Number of CNCs	Two Sleco beam saws, two Biesse borers, one SCM edgebander and a Stefani edgebander.
Geographical area serviced	All states Australia wide
Staff times on jobs recording prior to Empower	Factory staff manually filled in their 'lie sheets' at day end
Years in business	35
Staff groups tracked on Empower	All factory staff
Years using Empower	2009
Number of PCs on the factory floor with Empower	8 secondhand PCs plus Empower software on the CNC machines
Number of managers using Empower	3
<b>Estimated productivity gains using Empower</b>	<p>After 26 weeks of using Empower Software we got 46% increase in factory productivity as well as 86% increase in factory productivity. At three years we had a 100% increase in factory productivity.</p> <p>On factory productivity increases alone generated by Empower our annual profit has increased by approximately \$200,000. I thought that my factory was productive before putting in Empower but really had no way of knowing whether I was productive or not at the time. Looking back on it I no know that my factory was terribly unproductive prior to Empower</p> <p>I recently engaged 'Manufacturing Focus', one of Australia's prominent productivity experts to audit my manufacturing business. Their auditor spent four days in my business and then presented me with a 16 page report from which I summarise the key points as follows: "Empower is a fantastic tool, but Peppertree management and staff have got a bit lazy and dropped back in their use of the tool. If Peppertree commits to using Empower fully including focussing on efficiencies, downtime and rework it will help deliver what we calculate is an additional \$1.3 million in annual production".</p>

Phone, e mail or go to our web site - and we will send you a FREE information package including a proposal to implement Empower Software in your business.  
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