La-Z-Boy Never Relaxes in Quest for Continuous Improvement

For two consecutive years, the La-Z-Boy plant in Dayton, Tennessee, has been lauded by *Industry Week* magazine as one of the 20 best manufacturing plants in North America. But the company has no time to rest on its laurels—tempting though it may be, considering that the 1.2-million-square-foot facility is filled with the world’s most famous recliners!

Built in 1973, the La-Z-Boy Tennessee plant, owned by Monroe, Michigan-based La-Z-Boy, Inc. (NYSE: LZB), specializes in manufacturing residential furniture, such as recliners, sleep sofas, loveseats, and stationary and reclining sofas. With over 1,300 employees, the facility is the largest employer in a three-county area.

Needless to say, La-Z-Boy Tennessee is quite popular in its home state, but the plant also has made a name for itself nationwide by receiving several high-profile *Industry Week* honors and setting a couple of precedents in the process. In 2009, La-Z-Boy Tennessee made *Industry Week*’s Top 20 list of Best Plants; this marked the first time that any North American manufacturer of upholstered furniture made the list. (The Best Plants award program recognizes North American manufacturing facilities that are on the leading edge of efforts to increase competitiveness, enhance customer satisfaction, and create stimulating and rewarding work environments.) La-Z-Boy Tennessee made the list a second time in 2010, making it the only Tennessee manufacturer to make the Top 20 list twice!

La-Z-Boy Tennessee Vice President Darrell Edwards credits the plant’s “excellent, dedicated work force” for the accolades, praising them for “always searching for ways to improve.” Edwards also gives a nod to the University of Tennessee College of Business Administration and its Center for Executive Education (CEE). “Our partnership with CEE certainly is an enabler of those honors. What our staff has learned and applied in the Dayton plant has, without a doubt, allowed us to make the advances in quality, safety, and effectiveness that have put us on the Top 20 list.”

Edwards, who received his Professional MBA from the University of Tennessee (UT) in 2003, has been with La-Z-Boy since 2004 and has served as the senior executive at the Dayton facility for five years.

“I have a tremendous love for UT and have experienced first-hand the quality of education that it offers,” Edwards says. “In my opinion, no other educational institution in our region even remotely comes close to UT’s caliber, particularly with respect to its expertise in manufacturing and supply chain management. We are extremely fortunate to be so accessible to the
university and to be able to partner with its Center for Executive Education in a variety of ways.”

Dozens of La-Z-Boy Tennessee managers have participated in CEE programs. “Some of our managers have attended executive-level MBA and leadership programs; others have attended lean and six sigma courses; and others have attended a variety of operational courses,” Edwards says. “Whenever we send our associates to CEE, the result is the same: either through their increased effectiveness as leaders or through the impact they make by applying new tools and expertise on the job, the payback they provide to the company exceeds the educational investment.”

Edwards can readily point to specific examples of how CEE programs have equipped La-Z-Boy Tennessee leaders with knowledge and tools to make an immediate impact. For example, he cites the “degrees of freedom” methodology that La-Z-Boy managers learn in CEE’s leadership courses. “This methodology enables our leaders to empower their teams without micro-managing them. As a result, we can tackle more improvement projects than before and complete them more rapidly.”

Because of the learning in CEE’s operational excellence courses, La-Z-Boy Tennessee restructured its maintenance scheduling process. “Both our preventive maintenance and our repair programs are much more efficient now,” Edwards says.

La-Z-Boy Tennessee is proud to showcase its best practices and, in fact, has become a part of the CEE instructional team, so to speak. As a major partner with CEE in the Air Force Smart Operations for the 21st Century (AFSO21) Executive Leadership Course, La-Z-Boy Tennessee openly welcomes Air Force personnel to tour its plant.

Recently, Under Secretary of the Air Force Erin Conaton presented La-Z-Boy Tennessee and five other participating plants with an award thanking them for supporting the Air Force program. “I applaud these corporations who have freely given their time to educate Air Force leadership by showcasing the quality levels of their manufacturing facilities,” Conaton said. Since 2006, over 1,200 Air Force senior leaders have been given plant tours by senior and mid-level management teams at one of these six participating plants.

Chuck Parke, executive director of the Center for Executive Education, says La-Z-Boy Tennessee is a true partner and an excellent example of best practices at work. “La-Z-Boy Tennessee provides an outstanding model of
how teams can apply continuous process improvement tools and techniques to make their companies more effective and competitive.”

“We definitely consider our partnership with UT to be a key to increasing our competitiveness,” Edwards says. “Investing in the education of our people has delivered enormous benefits to La-Z-Boy Tennessee, and arming our employees with knowledge will continue to be a part of our core business strategy.”