

10 Reasons Food Processors Need Qualification Competency Management

Guide



Intro

Qualification competency management is the process of (1) identifying the specific skills and competencies required for each employee's job role, (2) evaluating their current proficiency levels against these requirements, and (3) strategically developing the workforce to meet these standards.

For food processing facilities, there is room for improvement.

In the first quarter of 2024, the FDA reported a <u>28% increase in product recalls</u> compared to the previous quarter. Notably, more than one-third (38%) of these recalls were attributed to undeclared allergens—a startling combination of cross-contamination and labeling errors.

To ensure employees are continuously trained, upskilled, and matched to the right jobs, qualification competency management must be automated. Here are 10 reasons why this is crucial for your organization's survival and growth.





COMPLIANCE

Ensuring regulatory compliance is crucial for food processors to meet the stringent requirements set by agencies like the FDA, USDA, and other regulatory bodies. These regulations mandate that all personnel involved in food handling and processing are properly trained and qualified to ensure the safety and quality of food products. By maintaining up-to-date qualifications and competencies, food processors can demonstrate adherence to these regulations, which helps avoid significant penalties, fines, or even facility shutdowns due to non-compliance.

Key regulations include the FDA's <u>Food Safety Modernization Act</u> (FSMA), which emphasizes preventive controls to reduce the risk of contamination, and <u>Hazard Analysis Critical Control Point</u> (HACCP) guidelines, which require food processors to identify and manage potential hazards in the production process.

Automated competency management solutions ensure that employees are consistently trained and prepared for these evaluations, reducing the risk of non-compliance that could lead to costly legal actions or loss of market access. Ultimately, staying compliant not only safeguards the company's operations and reputation but also ensures that they continue to meet the highest standards of food safety and quality required by law.







REDUCE FOOD ## 0 2

Ensuring food is safe to consume is a fundamental priority for food processors to protect public health and maintain a trustworthy reputation. Proper training and competency management are vital in minimizing these risks by ensuring that all employees are qualified to handle and process food safely. Employees who are well-trained in hygiene practices, contamination prevention, allergen management, and temperature control are crucial for preventing foodborne illnesses and ensuring that food products meet safety standards.

Competency management also helps in maintaining strict adherence to food safety protocols, such as proper cleaning and sanitation practices, which are essential in preventing microbial contamination. Regular training and assessments ensure that employees are aware of potential food safety hazards and understand the steps needed to mitigate them. This proactive approach not only reduces the risk of contamination and foodborne illnesses but also supports a strong food safety culture within the organization, where employees are vigilant and committed to maintaining high safety standards at all times.





HO3IMPROVE PRODUCT QUALITY

Improving product quality is a key priority for food processors, as it directly impacts customer satisfaction and brand reputation. Qualified and competent staff play a vital role in maintaining high product quality standards. Employees who are well-trained and knowledgeable about their roles are more adept at following best practices and adhering to established quality protocols, which are crucial in the food processing environment.

Competency management ensures that employees understand the importance of consistency in product quality and are skilled in executing tasks that contribute to it. This includes everything from selecting and inspecting raw materials to overseeing precise measurements and proper equipment handling during production. When employees are well-trained, they can identify potential quality issues early in the process, allowing for timely corrective actions that prevent defects or deviations from set quality standards.

This proactive approach not only minimizes the risk of product recalls due to quality issues but also ensures that products meet or exceed customer expectations consistently. Plus, employees who are well-trained are more likely to take pride in their work and adhere to quality standards, resulting in fewer errors and a more reliable production process.





MINIMIZE OPERATIONAL DISRUPTIONS

Even small mistakes can lead to significant disruptions, financial losses, and damage to a company's reputation. Competency management plays a crucial role in reducing human errors by ensuring that employees are not only well-trained but also fully understand their specific roles and responsibilities. When employees possess the right skills and knowledge, they are more capable of performing their tasks accurately and consistently, which leads to a smoother and more efficient operation.

Operational errors can occur at various stages of the food processing workflow, from raw material handling to production and packaging. These errors may include incorrect ingredient measurements, improper equipment usage, or failing to adhere to specific operational protocols. Through automated qualification competency management, employees receive targeted training and continuous evaluation to ensure they are proficient in their tasks and understand the impact of their actions on the overall production process. This focus on skill development and assessment reduces the likelihood of mistakes that could compromise product quality or cause costly production delays.

Automated skills management allows food processing facilities to quickly identify qualified replacements during short-notice absenteeism, minimizing downtime and preventing costly production disruptions. By ensuring that the right employees are available to step in, companies avoid shutdowns, maintain operational efficiency, and prevent the negative impacts of delayed shipments or compromised product quality. This agility not only reduces costs but also enhances customer satisfaction and strengthens the company's competitive advantage by demonstrating reliability and commitment to excellence.



OPTIMIZE WORKFORCE PRODUCTIVITY

All facilities want to maximize efficiency and maintain competitiveness. A well-managed competency framework ensures that employees possess the right skills for their specific roles and are strategically placed where they can be most effective. By aligning employee skills with operational needs, businesses can significantly enhance productivity and streamline operations.

When the workforce is optimized, employees are assigned to tasks that best match their skills and qualifications. This strategic placement minimizes the learning curve and reduces the time spent on training for roles that employees are not adequately prepared for. It also ensures that tasks are performed by individuals who are most capable, leading to faster, more accurate execution and less downtime. For example, placing a highly skilled operator on a complex piece of machinery not only reduces the risk of operational errors but also enhances the machine's throughput, contributing to a more efficient production line.

By allowing for better planning and allocation of resources, you can ensure that all shifts are covered with the right mix of skills. This approach prevents bottlenecks and interruptions that can occur when skilled personnel are unavailable, which could otherwise disrupt the workflow. By maintaining a well-rounded and skilled workforce, food processors can adapt quickly to changes in production schedules or unexpected demands, keeping operations running smoothly without sacrificing quality or safety. This agility in workforce management enables the business to scale effectively and respond dynamically to market demands.



ENHANCE EMPLOYEE DEVELOPMENT AND CROSSTRAINING

Enhancing employee development and cross-training through competency management is essential for fostering a culture of continuous improvement and innovation in the food processing industry. By providing opportunities for skills development and career advancement, companies can retain top talent and increase employee engagement and satisfaction. A focus on continuous learning ensures that employees are not only competent in their current roles but also prepared to take on new challenges, driving operational efficiency and encouraging innovative solutions. This approach helps create a motivated workforce that actively contributes to process refinement and organizational growth.

Cross-training further boosts workforce flexibility and resilience by equipping employees with the skills to perform multiple roles. This versatility allows companies to quickly adapt to unexpected absences, changes in demand, or peak production periods, minimizing downtime and disruptions. Cross-trained employees also enhance collaboration and understanding across different functions, leading to more effective teamwork and problem-solving. By cultivating a versatile and dynamic workforce, food processors can maintain high productivity levels and respond more efficiently to the evolving demands of the industry.





Maintaining a competitive edge in the food processing industry requires a workforce that can swiftly adapt to market changes, uphold high standards, and drive innovation. A well-managed and competent workforce is key to achieving these objectives. Through effective competency management, employees are not only equipped with the skills needed for their current roles but are also continually developed to meet future challenges. This readiness enables the company to respond proactively to shifting consumer preferences, new regulations, and emerging market trends, staying ahead of competitors who may be slower to adapt.

Investing in automated qualification competency management fosters a culture of agility and innovation. Skilled employees are better prepared to adopt new technologies, enhance processes, and develop innovative products, which are crucial for maintaining a competitive position. A workforce proficient in the latest food safety protocols or advanced production techniques can integrate new methodologies more quickly, reducing time to market for new products and improving operational efficiency. This capability to innovate and adapt rapidly meets consumer demands and positions the company as a leader in the industry.

When employees are well-trained and understand the importance of quality, they produce products that meet or exceed customer expectations, leading to higher customer satisfaction and loyalty. This reliability becomes a powerful differentiator in a competitive marketplace, helping secure long-term contracts and build trust with consumers and partners. By leveraging a skilled workforce to uphold standards and encourage innovation, food processors can maintain their competitive edge, ensuring sustained success and growth.



REDUCE LABOR COSTS

Effective competency management plays a crucial role in optimizing labor costs by ensuring that employees are matched with roles that align with their skills and qualifications. By assessing the competencies of each employee, companies can identify those who are overqualified or underqualified for their current positions. This allows for better workforce planning, ensuring that each role is filled by someone with the appropriate skill level, thereby maximizing productivity and minimizing wasteful spending on labor.

By maintaining a well-balanced and skilled workforce, companies can reduce turnover rates. According to the <u>Society for Human Resource Management</u> (SHRM) over three-quarters (76%) of workers said they are more likely to stay with a company that offers continuous learning and development. Investing in a qualification management solution can help lower the costs associated with recruiting and training new employees long-term. <u>Gallup</u> found that turnover costs U.S. businesses an estimated \$1 trillion annually, with the cost of replacing an individual employee ranging from one-half to two times that employee's annual salary.

The financial implications of non-compliance are also significant. Regulatory bodies have the authority to impose fines, enforce product recalls, and even shut down facilities that fail to meet safety standards. For instance, the FDA can issue warning letters, seize products, or mandate recalls if a company is found to be in violation of the FSMA. In extreme cases, non-compliance can lead to criminal charges against company executives. Avoiding recalls with a fully trained workforce can save your company millions—not only in lost sales and the expense of retrieving and disposing of contaminated products but also in legal fees and settlements related to consumer lawsuits.



BOOST CUSTOMER TRUST AND REPUTATION

A Harris Interactive poll found that <u>55% of consumers would temporarily switch</u> <u>brands</u> after a recall. And nearly a quarter (21%) would avoid purchasing any brand made by the manufacturer of that recalled product altogether.

Boosting customer trust and enhancing brand reputation are essential for long-term success in the food processing industry, and these can be significantly strengthened through effective competency management. By ensuring employees are well-trained and qualified, food processors can maintain high standards of quality and safety, consistently delivering products that meet or exceed consumer expectations. This consistency not only helps prevent costly recalls and safety incidents but also reinforces a positive brand image, fostering customer confidence and loyalty.

Competency management ensures that every employee understands and adheres to strict quality control measures, reducing the likelihood of defects, cross-contamination, labeling errors, or other issues that could damage customer trust. In today's market, where consumers are increasingly concerned about food safety and ethical practices, a demonstrated commitment to quality through robust workforce management is a powerful differentiator. Brands that invest in their employees' continuous skill development are better positioned to communicate reliability and responsibility.





FACILITATE #10

When employee records are well-maintained and easily accessible in one location, the audit process becomes more streamlined and less disruptive. Auditors require clear and comprehensive documentation to verify that all employees are properly trained and qualified for their roles. By having up-to-date records readily available, food processors can quickly demonstrate their compliance with safety and quality standards, reducing the time and effort involved in audits.

Integrating Learning Management Systems (LMS), Training Management Systems (TMS), or Human Resources Information Systems (HRIS) with automated scheduling solutions provides clear proof that only qualified employees were assigned to each task, further reinforcing adherence to safety and quality protocols. This is especially critical to showcase in the event of contamination, equipment failure, or other event that may trigger an audit—either internally or with a regulatory body.

By ensuring that competency data is linked to employee scheduling, food processors can show auditors that their workforce planning aligns with regulatory requirements. This integration demonstrates a proactive approach to compliance, where only employees with the necessary certifications and training are scheduled for specific tasks, reducing the risk of errors or safety breaches. Such thorough documentation and preparedness not only facilitate smoother audits but also help minimize the risk of non-compliance findings, allowing food processors to focus on their operations while building trust with regulatory bodies and customers.





Conclusion -

#01	 Ensure regulatory compliance to avoid costly fines and maintain uninterrupted operations
#02	 Reduce food safety risks to protect public health and prevent recalls
#03	 Improve product quality to meet customer expectations and enhance brand loyalty
#04	 Minimize operational disruptions to increase efficiency and reduce waste
#05	 Optimize workforce productivity to achieve streamlined operations and maximize output
#06	Enhance employee development and cross-training to build a versatile and resilient workforce
#07	Maintain a competitive edge to adapt swiftly to market changes and drive innovation
#08	 Reduce labor costs to improve financial performance and allocate resources more effectively
#09	 Boost customer trust and reputation to secure long-term loyalty and market growth
#10	 Facilitate smooth audits to demonstrate compliance and minimize business

disruptions



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