

Trends and Challenges in the Quality Management Landscape of the Swiss Food & Retail Industry

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The Critical Importance of the Swiss Food Industry

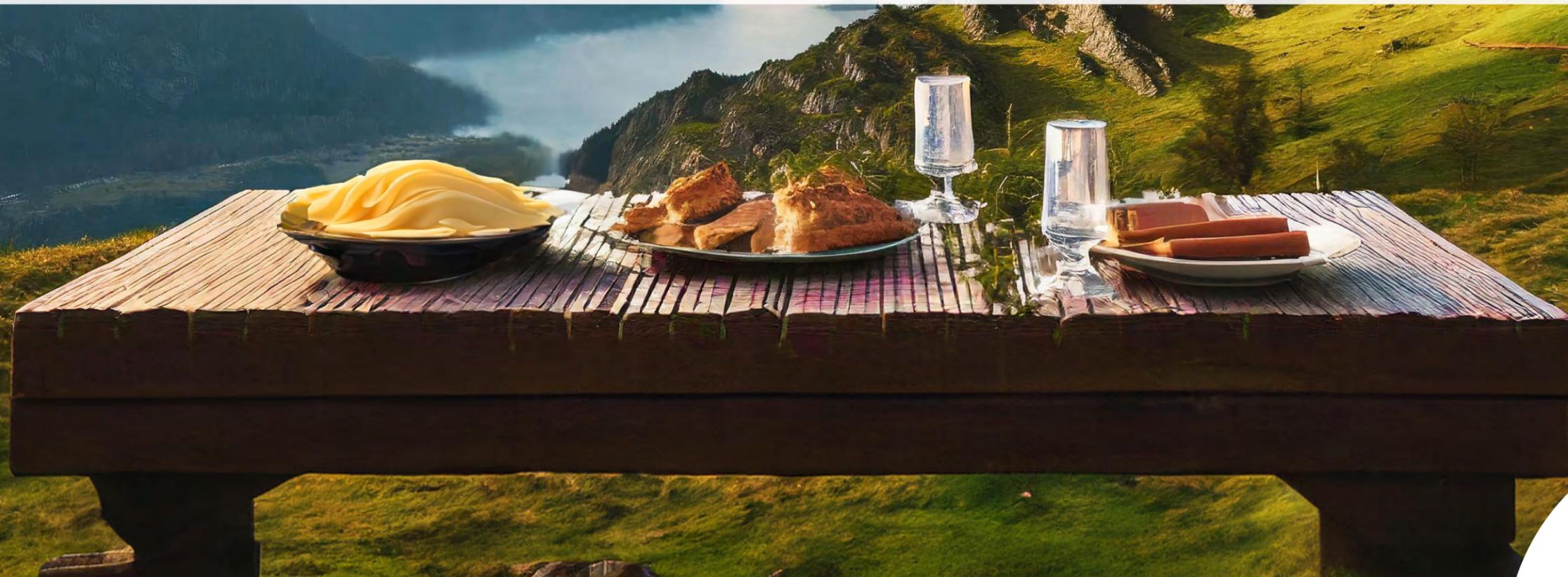


Precision, Quality, and Global Excellence

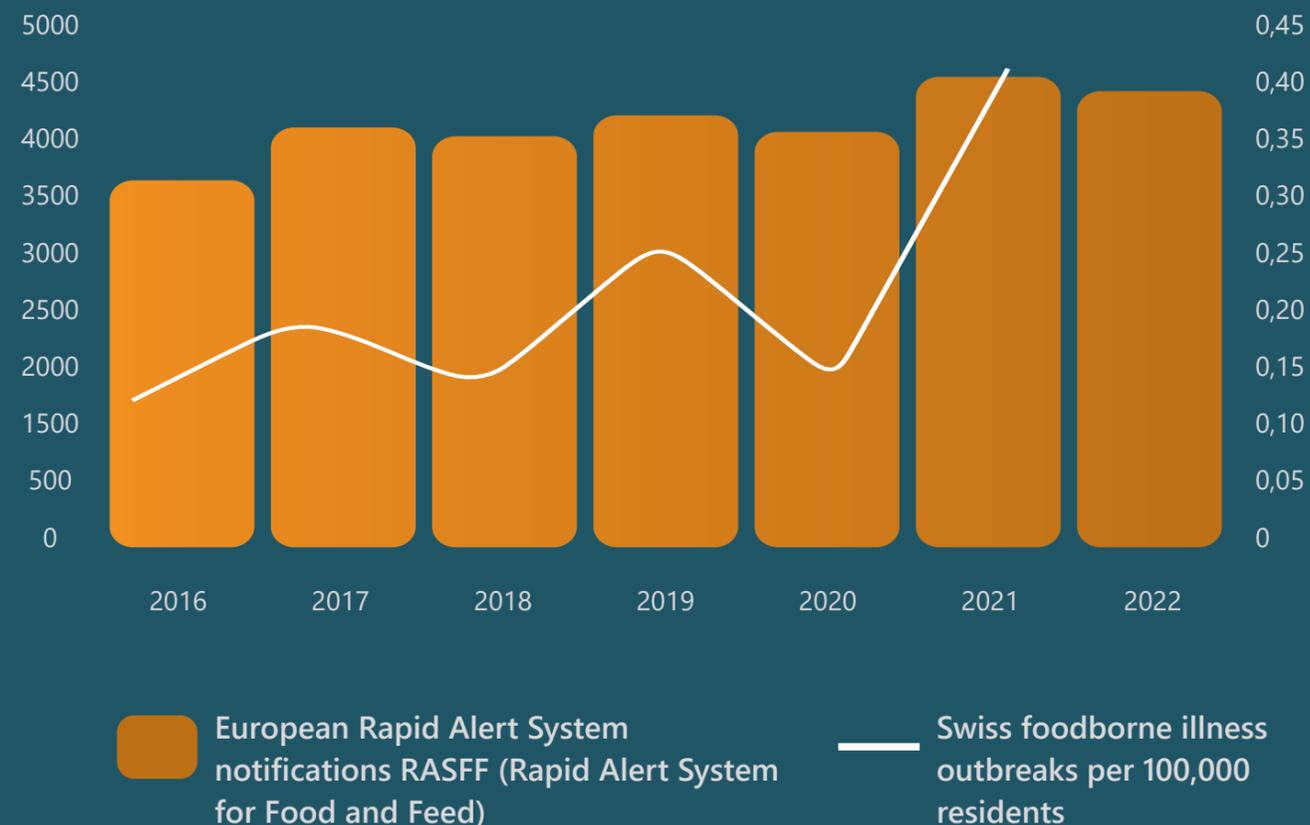
The food industry is a significant sector of the Swiss economy, with an estimated revenue of CHF 38 billion in 2024 and an expected compound annual growth rate of 4% through 2028. For consumers worldwide, Switzerland is a perceived quality leader in meat, milk, cheese, and chocolate production, renowned for its emphasis on quality and precision. It further boasts a range of internationally recognized brands and products. In 2021, coffee accounted for CHF 3.3 billion in exports, over four times that of chocolate and four and a half times that of cheese. The commitment to innovation, sustainability, and adherence to traditional methods are key drivers in maintaining Switzerland's reputation as a hub for high-quality food products.

Ensuring Quality Through Rigorous Management

In Switzerland, a nation celebrated for its dedication to precision and excellence, the importance of quality management in food production cannot be overstated. The Swiss food industry, known for adhering to the highest standards, employs strict quality control protocols to guarantee the safety and integrity of its offerings. This involves careful selection of agricultural inputs and close surveillance of the entire production and retail chain, ensuring every facet of the process meets rigorous standards. Such commitment to quality not only protects the health of consumers but also reinforces Switzerland's esteemed reputation for delivering superior and dependable food products. This approach to quality management is in harmony with the Swiss tradition of meticulousness and plays a pivotal role in maintaining the country's esteemed position as a reliable source of high-quality food on the global stage.



Quality inspections are poorly administered but are improving, driven by sharp increase in foodborne illnesses in Switzerland and Europe



Safety concerns are escalating, underscoring the necessity for a substantial enhancement in rigorous quality control and inspection measures. However, even more critical is the need for a comprehensive refinement of the overall approach or strategy.



As a case in point, the Swiss Association of Cantonal Chemists recently inspected 115 food companies, finding that 65 percent didn't meet Swiss food law requirements related to infrastructure, product hygiene, and control of the production environment for *Listeria monocytogenes*. Criminal charges were filed in three cases.

It gets worse. The Journal of Consumer Protection and Food Safety reported 200 foodborne-related outbreaks in Switzerland between 2007 and 2021. Over four thousand people reported illness, three hundred were hospitalized, and 18 died. The primary pathogens were *Salmonella*, *Campylobacter*, noroviruses, and coagulase-positive staphylococci.

The Swiss Federal Audit Office, based on an audit conducted in 2022, found that despite 40,000 inspections conducted annually, they were lagging significantly behind food safety requirements. For example, production and sales firms in the farm category were being inspected, on average, every 13 years, even though the requirement is every four years. Moreover, on further examination, the resulting inspection data were often found to be significantly inaccurate. Plus, data gathering and consolidation at the federal level is seriously deficient.





Increased demands on the food industry to deliver higher-quality products that meet rigorous safety standards

Switzerland's major food retailers are actively enhancing their quality management, signaling a significant industry shift. Beyond complying with regulations and increasing inspections, these retailers impose new, stringent demands on their suppliers. This move reflects a commitment to ensuring the highest safety and quality standards with the goal of achieving "zero harm for consumers".

Despite the retailers' increasing annual investments in quality management, the aforementioned food safety issues are on the

rise. Consequently, retailers are intensifying their measures.

Collaboration between retailers and suppliers aims to establish robust quality management systems, traceability measures, and sustainable practices. This proactive approach fosters a culture of continuous improvement within the Swiss food industry, prioritizing accountability and transparency. The focus is not only on meeting regulatory requirements but exceeding them, thereby instilling consumer confidence in the safety and quality of food products.

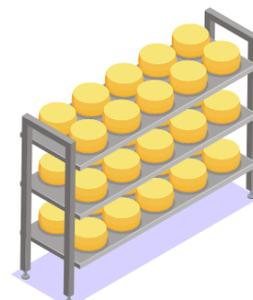
Concealing information within the entire supply chain poses a notable challenge, compounded by the frequent absence of a comprehensive quality management strategy among most ecosystem participants.

In summary, Switzerland's large food retailers are transforming the industry by prioritizing and elevating quality management and setting new benchmarks for safety and excellence throughout the food supply chain.

Production



Handling And Storage



Processing And Packaging



Logistics



Stores



Cause of the deviation

Influence

What Food Industry Suppliers Need to Consider

Given the ever-growing demands for quality and safety driven by consumers, retailers, and regulators, food industry suppliers must enhance every aspect of their businesses. Although this may seem a daunting challenge at first glance, there are two main drivers for the required improvements: stabilizing the organization's quality processes and improving the overall quality system within the food industry.

Stabilizing the organization's quality process begins with the development of a quality strategy, which starts by documenting current practices and mapping out essential improvements.

Key elements include rigorous process management, continuous quality monitoring, and adjustments as needed to maintain ongoing results. A significant part of this approach involves identifying the risks to quality and safety within the food supplier's operations. This encompasses those who provide raw produce and materials, as well as those who deliver the products to retailers and consumers — in other words, the entire food industry supply chain.

Once these risks have been identified, the next step is to improve quality procedures and processes to mitigate and eliminate them, setting the starting point. This is followed by a sustained, continuous effort to enhance the overall quality system of the food industry. However, a broader requirement

for this task is to develop systems and channels for open and transparent communication, facilitating subsequent cooperation with every element of the supply chain. This means supplier should embrace an ecosystem based approach towards meaningful collaboration.

That's followed by a sustained, continuous effort to improve the overall quality system of the food industry. However, a broader requirement for this task is to develop systems and channels for open and transparent communication and subsequent cooperation with every element of the supply chain. This includes working with retailers, suppliers, and consumers.



Develop a Quality Strategy

A highly visible quality strategy and supporting organizational principles are essential starting points for transforming the entire approach toward producing top-level food products.



Supply Chain Risk & Issue Assessment

Identifying the risks within the entire supply chain is needed to drive required process changes and inspection points to ensure high levels of quality and safety at every step.



Open, Transparent Communication and Cooperation

To reduce information concealment along the supply chain: quality and safety issues need to be shared with all levels of the supply chain, from farmers to suppliers and processors to retailers and, in some cases, consumers.

Quality Management System - DQM360

We understand that effective quality management requires more than just functional tools. That's why we've developed DQM360 – a comprehensive digital quality management solution that encompasses strategic planning, risk assessment, and transparent collaboration. Our approach integrates vision, mission, and values directly into quality management, supported by a thorough SWOT analysis and a robust Target Operating Model. DQM360 symbolizes our commitment to providing not just a tool, but a complete ecosystem based on transparency, strategic alignment, and digital maturity. This equips our customers for the challenges and opportunities of the modern business environment.

To achieve genuine effectiveness, ensuring the presence of all necessary elements of the quality management system is essential, without selectively choosing among them. However, prioritization may be considered after conducting a thorough assessment. A maturity assessment is provided for reference.



- Strategy and Governance
- Quality Process & Communication
- Training and Development
- Quality Planning
- Quality Assurance & Control
- Organization & People
- Culture & Leadership
- Supplier & Products
- Risk & Issue Management

How to Become a Leader in Quality Management

Top-level quality and safety management in the food industry has become indispensable. Organizations at every level of the supply chain must excel to sustain viability in a global market that accepts only the highest standards. Moreover, this is a market that imposes severe consequences on those failing to adhere to stringent safety protocols.

Bringing Quality and Safety Management to Your Organization

This is not a solo journey. Given the complexity and broad nature of the processes, from supplier to food processor to retailer to consumer, it is essential to rely on an organization with extensive expertise and experience in implementing quality management systems in the food industry.

Avance focuses on the strategy of quality management, where our Digital Quality Management Platform, DQM360, serves as the pivotal tool to leverage insights and provide access to all stakeholders and contributors. Designed from experts for experts, DQM360 empowers your organization with strategic capabilities to elevate quality management practices and connect every participant in the quality ecosystem.

DQM360: Implementing Quality and Safety Management Processes

As you'd expect from quality and safety management experts, Avance deploys a comprehensive approach at all levels of the organization and all the processes throughout the supply chain. That begins with the corporate culture and organization roles and extends through the processes from supplier management to safety inspections to communication. And, of course, it involves every aspect of information technology leveraging the DQM360 system to support each process and the overall improvement effort.

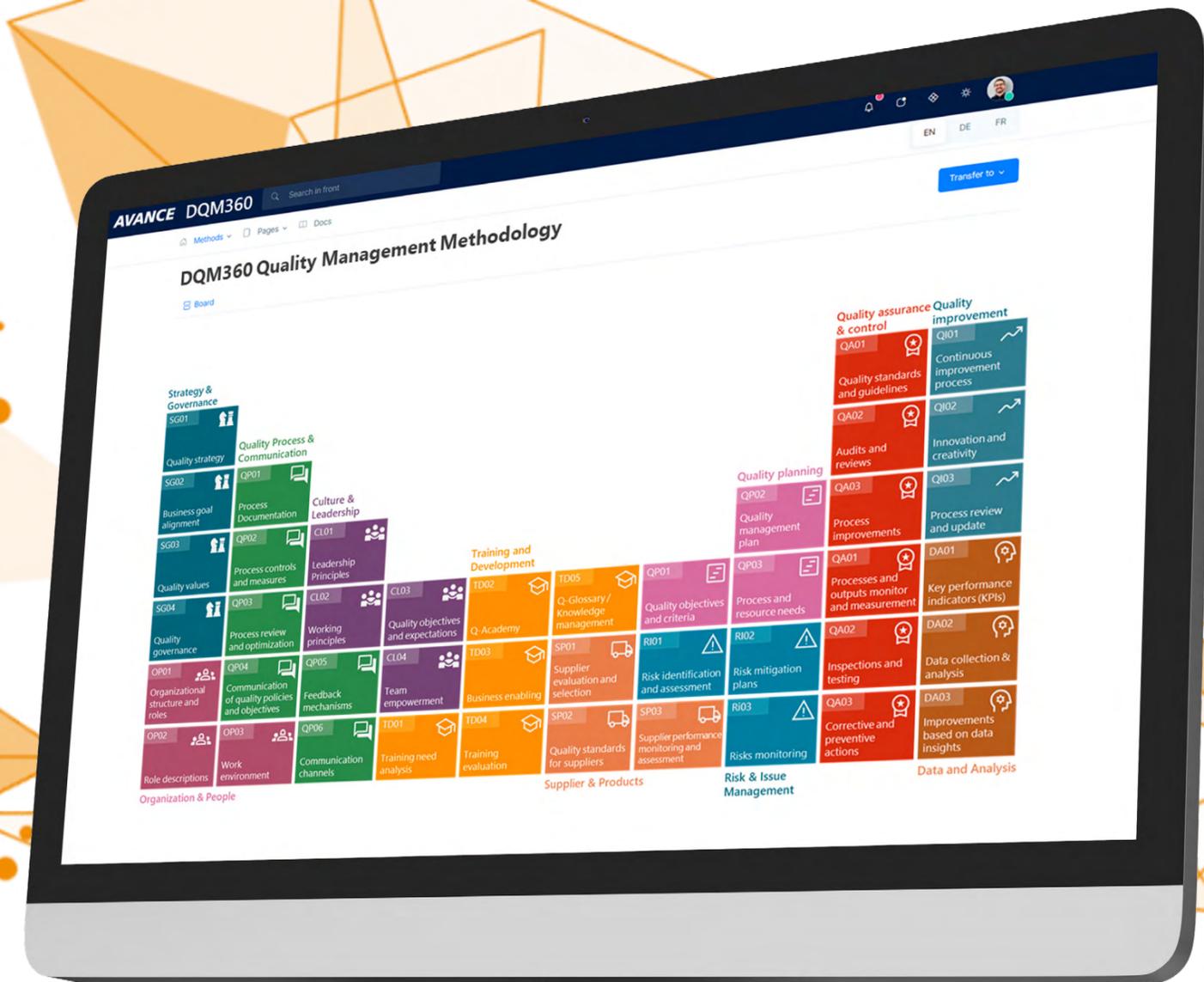


The First Step is Your Commitment to Improving Quality and Safety

As you can see, world-class quality and safety management is merely the price of admission at every level within the food industry. This requires the best systems to drive continuous and even relentless improvement in all organizational activities at every level. Moreover, it extends to all suppliers and further stages across the food production industry, down to the consumer. That comprehensive effort takes considerable expertise that Avance and the Digital Quality Management Platform DQM360 can cost-effectively provide. With broad experience across several industries, Avance helps transform organizations to become responsive, resilient, and creative, fully meeting and building their future success.

Avance offers a global marketplace for quality management assets, available as pay-per-use or as a subscription. It further provides a global community of quality management experts, enabling the broad exchange of knowledge leading to performance breakthroughs and organizational success.

All that starts with contacting us to discuss how we can help you succeed.



SIGN UP AS A BETA TESTER
FOR THE PLATFORM

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ABOUT AVANCE

Avance propels your business into an era of unmatched agility and innovation. We go beyond traditional consultancy to forge a true partnership, meticulously tailoring our strategies to meet the unique challenges and opportunities of your industry. Imagine harnessing the power of lean methodologies, resilience, agility, and digital innovation to not just respond to market changes, but to anticipate and shape them. With Avance, you're not adapting to the future; you're actively creating it, leading your sector with a culture that thrives on change and drives success. Let's embark on this transformative journey together, turning your vision of becoming an emergent leader into reality.

ABOUT AVANCE FOOD INDUSTRY PRACTICE

AVANCE IS YOUR PREMIER PARTNER FOR QUALITY management consulting in the food industry. We specialize in enhancing your operations' quality, safety, and efficiency. Our experienced team collaborates with you to navigate regulatory challenges, optimize processes, and elevate your brand's reputation. Choose [Company Name] for tailored solutions that ensure compliance and foster a culture of continuous improvement. Your success, our commitment.

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