



Cost. Confidence. Control.
The ERA Leadership Series

Beyond Resilience: A 2026 Supply Chain Playbook for Growth



value through **insight**™

Volatility isn't passing - it's structural. In 2025, senior leaders reported ongoing disruption risks, tariff-driven cost pressure, and longer lead times even after the "post-pandemic normal" arrived and many admit they still lack predictive visibility beyond their direct (Tier-1) suppliers into sub-tiers (Tier-2+), where most bottlenecks actually arise."

The winners of 2026 will be those who combine cost intelligence with designed optionality: multi-route sourcing, bimodal operations, and continuous risk sensing that converts shocks into margin-positive decisions.

(source: <https://www.deloitte.com/us/en/insights/industry/manufacturing-industrial-products/global-supply-chain-resilience-amid-disruptions.html>)



Why this paper and why now

Over the last five years, leaders have rebuilt around disruption. But “getting through it” isn’t the same as **designing for it**. This piece argues that supply chains are now a primary arena of competition - not a back-office function - and that **cost intelligence plus designed optionality** is the winning formula for 2026. If you’re accountable for P&L, customer promise, or operational continuity, this is written for you.

We frame the challenge in plain language: most organisations still see clearly to their **direct (Tier-1)** suppliers but remain blind to **Tier-2+** exposures where shortages, sanctions, climate and logistics shocks first appear. The result is avoidable margin leakage, emergency premiums, and strategy drift when volatility returns.

What follows is a practical playbook for shifting from reactive resilience to a **repeatable system**: diversify by design, run bimodal operations, embed continuous risk sensing, and govern with a named owner and cost-to-serve truth. Each section pairs a provocative idea with data points and concrete leader moves.

The aim isn’t perfection; it’s momentum. Build options before you need them - and turn the next shock into a source of Cost, Control and Confidence.



Volatility Is Structural, Not a Blip

Executive attention to supply-chain risk has actually slipped, even as exposures persist. McKinsey's 2024 survey found board-level discussion of supply-chain risk fell sharply year-on-year, while leaders still report vulnerabilities in planning and digitisation. That complacency is costly: PwC estimates disruptions cost businesses \$1.6T in missed revenue in 2024, with 76% of executives lacking a predictive view of supply and demand.

(Source: <https://www.mckinsey.com/capabilities/operations/our-insights/supply-chain-risk-survey?>)

Provocation: If risk is structural, treating it as an episodic agenda item is itself a risk.

Leader move: Set a quarterly board slot for supply-chain risk with a standing KPI pack (lead-time variance, expedite spend, single-thread exposure, on-time promise), and require one decision per meeting (e.g., approve a second path or a policy change).



Ask the Three Risk Questions-Every Time

1) Impact. 2) Exposure duration. 3) Cost to recover.

Deloitte notes a clear 2024-25 shift from “resilience at any cost” toward balancing resilience and efficiency as geopolitical pressures lengthen transit times and keep supply chain issues near the top of CEO risk lists.

Leaders who operationalise these three questions create a common language across finance, operations, and commercial teams-so premium freight, penalties, and pricing trade-offs are quantified before disruptions land.

(Source: <https://www.deloitte.com/us/en/insights/industry/manufacturing-industrial-products/global-supply-chain-resilience-amid-disruptions.html?>)

Leader move:

“Pre-approve triggers + budgets (e.g., ‘If delay >7 days or capacity loss >20%, auto-switch to Route B, pass a 3% surcharge, notify key accounts in 24h’).”



Measure the Real Economics (Not the Cheapest Line Item)

Margin lives in the mix-customer × SKU × service level-not the invoice line. PwC's 2025 survey of 610 ops leaders shows many still struggle to balance near-term cost with long-term reinvention; manual data wrangling consumes ~14 hours/week, masking real cost-to-serve. When the data is cleaned and classified, service policies (MOQs, cut-offs, lead-time promises) can be tuned without burning customer value.

(Source: <https://www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html?>)

Leader move:

Make cost-to-serve the governing lens for pricing and service targets-review quarterly across your top 20 customers/SKUs.

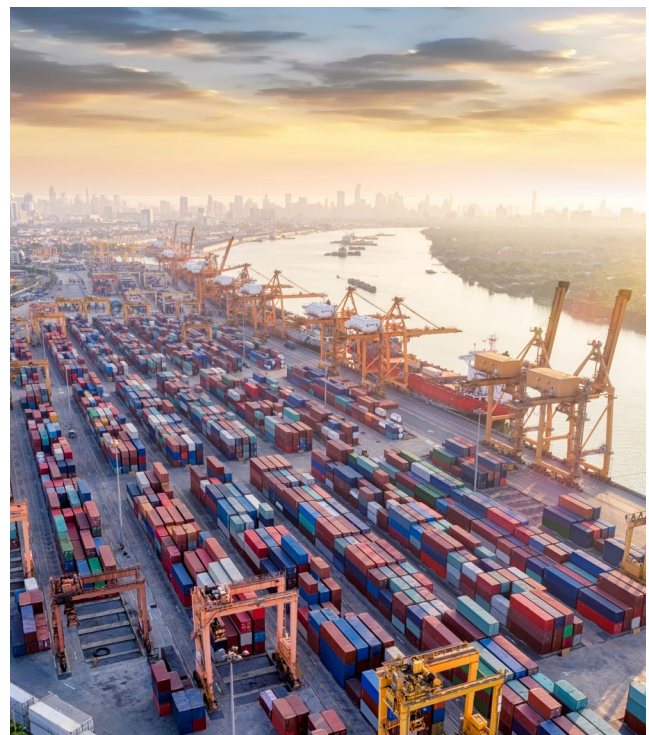
“Ops leaders still spend ~14 hours per week manually tracking supply-chain data—masking true cost-to-serve and slowing decisions.”

(Source: et-edge.com)

Diversify by Design (Multi-Shore, Multi-Route, Multi-Mode)

Optionality is a design decision, not a crisis response. McKinsey's 2024 risk pulse shows leaders still carry single-threaded exposures across suppliers and routes. At the macro level, the OECD warns that aggressive reshoring and tariff-driven localisation can reduce global trade by ~18% and cut GDP in affected economies by up to 12%, without improving resilience. Diversification across geographies and modes, not autarky, is correlated with robustness.

(Source: <https://www.mckinsey.com/capabilities/operations/our-insights/supply-chain-risk-survey?>)



Implication:

Set a policy minimum of ≥2 qualified supply paths for every critical subcomponent (supplier × route × mode) and rehearse the switch.

Run Bimodal Operations

Operate **Mode 1 (predictable/lean)** for the stable 70-80% of flows and **Mode 2 (exploratory/agile)** for the volatile tail (new suppliers, pop-up DCs, postponement experiments).

Deloitte's 2024 perspective highlights the pivot from pure resilience to balanced models; Gartner's Top 25 likewise rewards companies that institutionalise agility alongside reliability.

Embed Mode-2 governance (short cycles, fast capital gates) so innovation doesn't cannibalise the core.

(Source: <https://www.deloitte.com/us/en/insights/industry/manufacturing-industrial-products/global-supply-chain-resilience-amid-disruptions.html?>)

Leader move:

“Create a Mode-2 cell with a 60-day brief to pilot one postponement and one alternate routing; report ROI/service impact.”



Beyond Resilience → Antifragile

Resilience seeks to *return*; antifragility seeks to improve because of stress.

WTW's 2025 global risk report documents the shift toward pre-loss modelling, parametric covers, and proactive scenario playbooks-evidence that leaders are using each disruption to reduce time-to-recover and volatility in earnings. Codify after-action reviews with “keep/kill/scale” decisions within 30 days.

(Source: <https://www.wtwco.com/en-ng/insights/2025/05/wtw-global-supply-chain-risk-report-2025?>)

Leader move:

“Mandate a 30-day post-incident keep/kill/scale decision and one SOP change per quarter.”

Own the Strategy (and Name the Guardian)

Silo KPIs create network risk (e.g., cheapest transport vs OTIF).

Fortune/Deloitte CEO polling shows **geopolitics** has overtaken inflation as a top CEO risk-this is board-level and cross-functional.

Appoint a named Supply-Chain Strategy Guardian with cross-functional authority and a quarterly rebalance forum covering cost, service, risk, and sustainability.

(Source: <https://www.theaustralian.com.au/special-reports/australia-needs-to-accelerate-development-of-sovereign-supply-chains/news-story/f0338923e5c6da5b6aba40f5863cfcff?>)



Design Locks In (or Removes) Risk

Risk is often hard-wired: materials with single-source exposure; configuration done too early; lack of substitution rules.

McKinsey emphasises engineering choices (postponement, late-stage customisation, interchangeable parts) as foundational to resilience and agility.

Treat design reviews as risk controls, not just cost/quality gates.

(Source: <https://www.mckinsey.com/capabilities/operations/our-insights/future-proofing-the-supply-chain?>)

Leader move:

“Add a Resilience Gate to design reviews: substitution options, postponement step, second-source approval. No gate, no launch.”

Build Continuous Risk Intelligence

Three realities from 2024-25: most teams still lack **predictive** visibility; tariff policy is actively reshaping cost and lead-time; and many firms still monitor risk ad-hoc. Combine external signals (credit, sanctions, weather/ports, tariff trackers) with internal OTIF/expedite data to create lead time on risk. PwC and McKinsey both point to the visibility gap beyond Tier-1 as a critical blocker; the NFTC's 2025 survey shows tariffs pushing firms to delay launches and scale back operations.

(Source: <https://et-edge.com/conferences/supplychain/wp-content/uploads/2025/07/Report-Supplychain-2025-PwC.pdf?>)

Design principle:

Five-domain monitoring (Financial, ESG, Compliance, Network/flows, Environmental) with named owners, thresholds, and pre-approved switches.

Leader move:

“Stand up five-domain monitoring with owners, weekly thresholds/alerts, and a monthly switch list for the Guardian.”

What This Means for the P&L

“Across industries, companies can expect cumulative supply-chain shocks to cost **~42% of one year's EBITDA over a decade**, with **month-plus disruptions** occurring **every 3.7 years** on average.”

(Source: <https://www.mckinsey.com/-/media/mckinsey/business%20functions/operations/our%20insights/risk%20resilience%20and%20rebalancing%20in%20global%20value%20chains/risk-resilience-and-rebalancing-in-global-value-chains-full-report-vh.pdf?>)

Margin: When cost-to-serve governs price and promise, mix improves without blunt price hikes. PwC's data shows leaders who modernise ops sooner avoid the compounding “cost of delay.” (Source: PwC)

Cash & Continuity: Practised alternates (route/mode/supplier) collapse recovery time and reduce emergency premiums. McKinsey's risk survey highlights the cost of single-thread exposures that persist in 2024–25. (Source: McKinsey & Company)

Growth: Bimodal models let you pursue new channels and service levels without destabilising the core run-rate-consistent with Gartner's excellence patterns. (Source: Gartner)

A 90-Day Leadership Plan (Sequenced and Measurable)

Days 1–30: See the truth.

- Run a cost-to-serve cut on your top 20 customers/SKUs; make at least two policy changes (e.g., cut-off times, MOQs).
- Map single points of failure for A-items (supplier, route, mode) and quantify premium exposure.
- Name your “guardian” and set cross-functional cadence (Ops/Procurement/Logistics/Finance).

(Source: <https://www.pwc.com/us/en/services/consulting/business-transformation/digital-supply-chain-survey.html>)

Days 31–60: Create options.

- Qualify a second supply path for one critical subcomponent; rehearse the switch (table-top + pilot).
- Pilot two postponement moves (late-stage configuration; software/packaging at DC).
- Stand up a lightweight risk-intel dashboard across five domains with alert thresholds.

(Source: McKinsey & Company)

Days 61–90: Institutionalise learning.

- Run a disruption drill (e.g., port closure or 25% tariff shock) and measure time-to-switch and cost-to-recover.
- Launch a Mode-2 “agility cell” with a 60-day brief (one service-policy reset; one routing diversification).
- Close with a “Re-learn / Re-engineer / Re-launch” review and hard-code one improvement into SOPs.

(Source: <https://www.deloitte.com/us/en/insights/industry/manufacturing-industrial-products/global-supply-chain-resilience-amid-disruptions.html>)

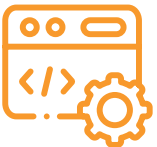




How ERA Group Turns This Into Results



Cost Intelligence & Opportunity Assessment: Cleans and classifies spend so leaders can govern by cost-to-serve (not anecdotes) and align price/promise to true economics.



Network & Risk Design: Multi-shore, multi-route playbooks, postponement blueprints, and pre-approved switching triggers-grounded in your flows.



Always-On Monitoring: Five-domain risk intelligence wired to thresholds and decision rights (your named “guardian”).



The outcome: shorter time-to-recover, fewer emergency premiums, higher mix-margin, and a leadership team confident under stress.



“Camira Fabrics unlocked **£2.8m** in savings after ERA’s diagnostic and implementation (including **£2.4m** in logistics and **£453k** in print), with board sign-off and stronger supplier transparency.”



Next steps

- Book a **30-minute Supply Chain Diagnostic**
- See a **SpendVue™ Opportunity Assessment**
- **Email your ERA Consultant**

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