Deloitte.

Together makes progress



Permacrisis

Why procurement must be built for permanent disruption

BEYOND THE STRAIT: MASTERING PERMACRISIS
THE PROCUREMENT LEADER'S STRATEGIC PLAYBOOK

2020 to 2026: Not one disruption has been the last.

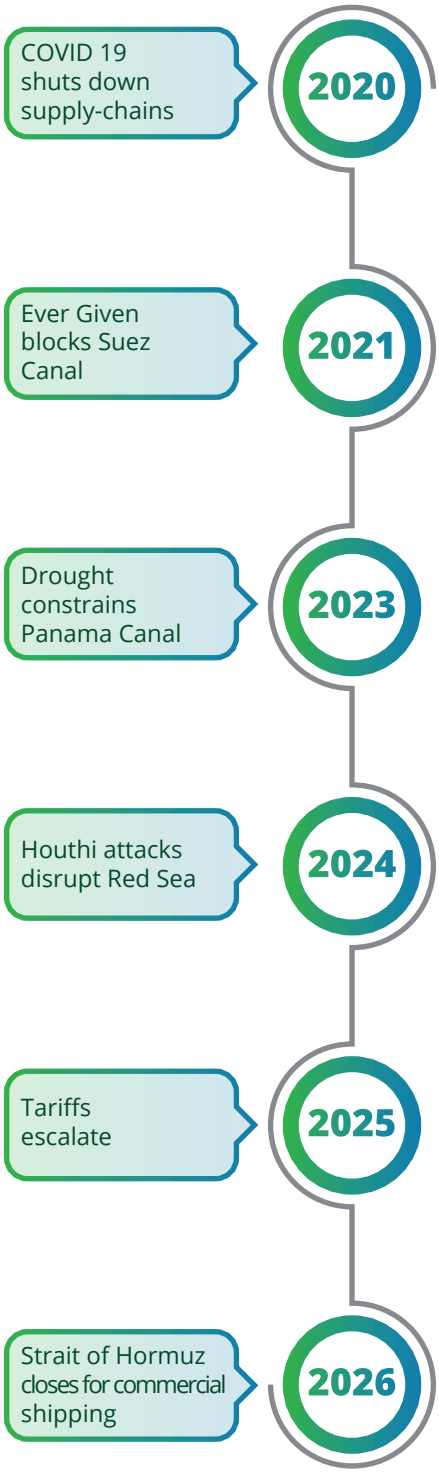
After a brief reopening in mid-June 2026 following a U.S.-Iran framework agreement, commercial traffic through the Strait of Hormuz remained far below normal and renewed attacks again pushed maritime risk higher. As of today, the strait is effectively closed to commercial shipping.

For procurement and supply chain leaders, this is no longer a one-off event; it is part of a recurring cycle of disruption layered on top of tariffs, geopolitical fragmentation, and climate volatility.

Since 2020, leaders have navigated COVID-19 shutdowns, the Ever Given blockage, Houthi disruptions, constrained Panama Canal capacity, escalating tariffs, and repeated Hormuz interruptions.

THE MESSAGE IS CLEAR:

Disruption is no longer the exception. It is the operating environment.



DISCRETE CRISES

Supply chain shocks were once treated as discrete crises.

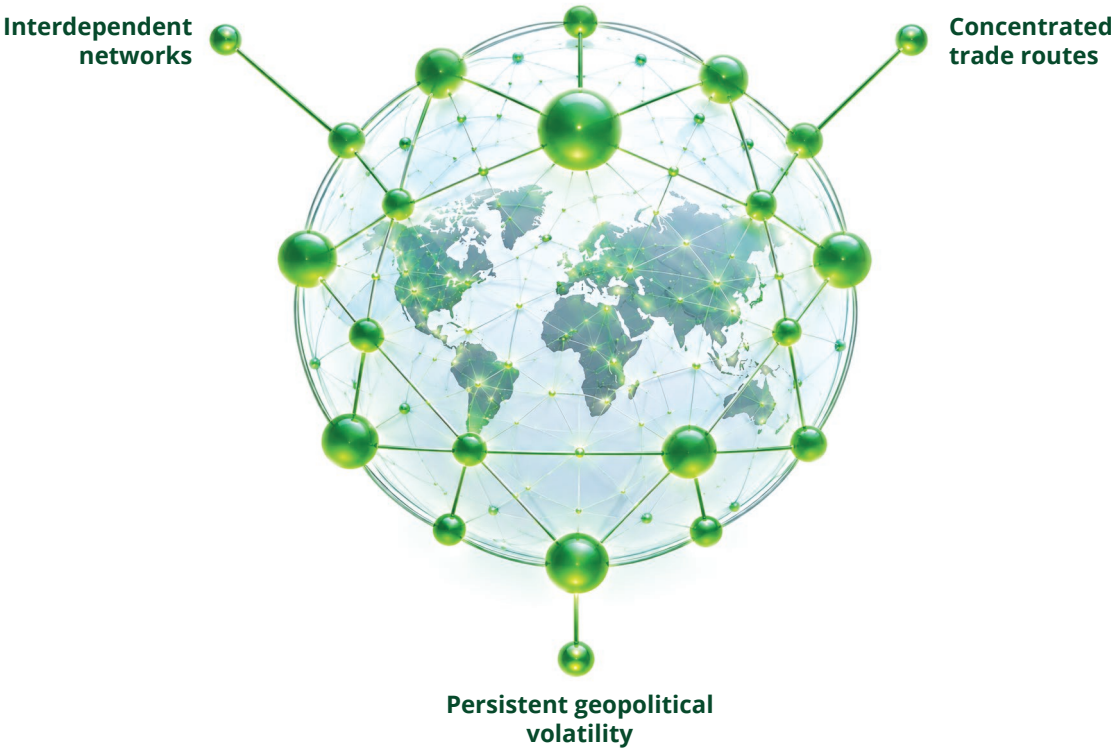
- A port was disrupted by a hurricane.
- A supplier failed.
- A border was closed by geopolitical conflict.

Each event was managed as an isolated incident until normalcy returned.

THAT REALITY HAS ENDED: THE NEW REALITY

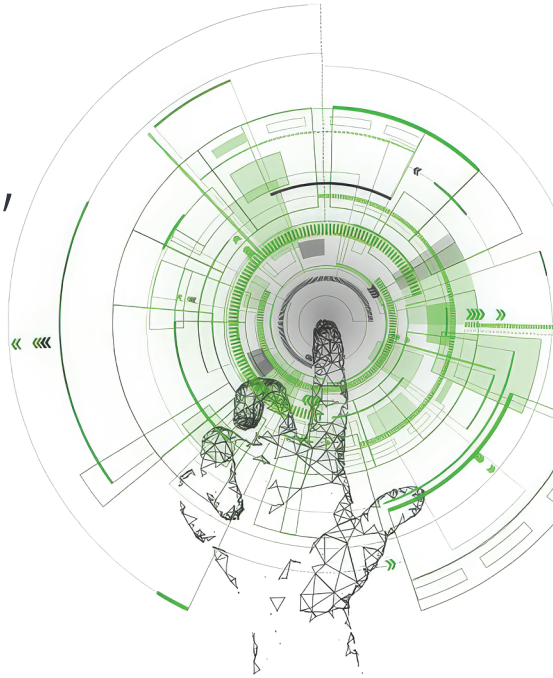
Today's exposure comes from *structural fragility.*

Concentrated trade routes, interdependent networks optimized for efficiency, and persistent geopolitical volatility.



Procurement leaders are therefore asking a different question: how do we build organisations that can perform when disruption is permanent?

CRITICAL ACTIONS FOR PROCUREMENT LEADERS



In a permacrisis environment, optionality is not a luxury. *It is a strategic capability.*

Organizations that rely on long-term fixed commitments without escape routes reduce their own ability to adapt. Those that preserve flexibility are better positioned to protect continuity, cost, and service levels at the same time. Each measure serves one purpose, preserving the right to pivot without penalty. The practical response is straightforward:



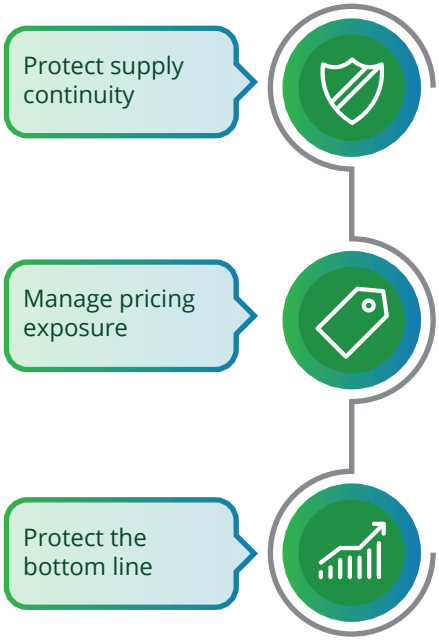
WHY THE CFO SHOULD CARE

Procurement leaders who design this flexibility create value for the CFO by protecting supply continuity while managing pricing exposure.

The cost of maintaining optionality is often modest compared with the cost of reacting to the next disruption after it has already hit.

Optionality only works, however, if suppliers are genuine partners, transparent about capacity constraints, collaborative on demand forecasting, and aligned on mutual resilience.

That is one of procurement's clearest paths to the CFO agenda: Turning resilience into a source of competitive advantage and protecting the bottom line when it matters most.



THREE ACTIONS. ONE RESILIENCE SYSTEM.



Scale *diversification* strategically.

Many organisations already have secondary suppliers for critical materials, but dual sourcing often exists only on paper. The real challenge is scaling redundancy fast enough, while still managing the premium that comes with it.

Move from annual planning to *continuous reassessment.*



Permacrisis requires more frequent scenario reviews and a planning cadence that can react to multiple futures rather than forecast a single outcome.



Understand *supplier cost structures* in depth.

Teams that rely only on supplier quotes cannot negotiate effectively or anticipate price changes before they arrive. Bottom-up cost discipline is now a prerequisite, not a nice-to-have.

These actions reinforce one another: diversification reduces single-source risk, scenario planning helps determine when to activate backup supply, and cost-structure mastery strengthens negotiations without sacrificing quality or service.

BUILDING CAPACITY FOR PERMACRISIS

Procurement's operating model *must evolve.*

Traditional procurement models are optimized for cost reduction and vendor management. They are not built to operate with this level of strategic complexity.

But simply adding headcount is rarely the answer in today's constrained environment.

The required capabilities include collaboration with **supply chain strategists** who can design diversification approaches and assess risk, **scenario planners** who can build financial models and facilitate decisions, **cost analysts** who can develop should-cost models, and **supplier relationship managers** who can engage suppliers in a constructive way.

Procurement must combine new capabilities with AI-enabled platforms to scale impact without scaling bureaucracy.

> **"Doing more with less remains a constant expectation for CPOs, but it must be done with intent, not by simply stretching teams thinner."**

A human + AI operating model built for permacrisis

Four **judgement-heavy** activities that still require a human touch combined with AI-enabled platforms **in one system**



IS THIS AGILE PROCUREMENT IN A NEW FORM?

Permacrisis procurement is a *strategic transformation.*



Agile is typically a methodology for faster execution within a relatively stable system. Permacrisis procurement is different: it is a strategic transformation.

It reshapes **supplier relationships, decision-making cadence**, and **organisational capability** so that procurement can defend competitive advantage even when the operating environment itself has become unstable.

WHAT THIS MEANS FOR PROCUREMENT LEADERS



Quality and precision come under pressure when suppliers raise prices, forcing procurement teams to choose between margin compression and material substitution.

Lead times can stretch from 30 to 50 days, force majeure clauses can complicate delivery commitments

Premium positioning can become harder to defend if price increases are passed through too aggressively

Customers will not wait indefinitely; they will switch to alternatives.

Procurement-led optionality helps decouple cost resilience from quality sacrifice and delivery unreliability. For Swiss organisations, that is especially important: the procurement function must help preserve both the premium proposition and the service promise at the same time.

A PRACTICAL TIMELINE FOR ACTION

3 actions. *One resilience system.*

1 Start by assessing critical SKUs and suppliers, activating diversification planning, and strengthening cross-functional steering to create a stable foundation for the next steps.



2 Then move to quarterly scenario planning, renegotiate critical contracts toward more flexible terms, recruit or redeploy specialized talent such as strategists, planners, and analysts, and deploy AI-enabled platforms for risk monitoring and cost analysis.



3 Finally, scale dual sourcing for the most critical materials and build capability through scenario planning, governance, and cross-functional collaboration.

Organisations that act now will emerge from permacrisis with their competitive advantage intact. Those that delay will find themselves perpetually reactive, slowly eroding competitiveness over time. Crisis by crisis.



GET IN TOUCH

If your organisation is reassessing **supply risk**, **contract flexibility**, or **resilience priorities**, the authors of this article would be pleased to exchange views.



Marcus Kutzner
Partner
Supply Chain & Network Operations
Deloitte Switzerland
mkutzner@deloitte.ch



Alexander Götte
Director
Supply Chain & Network Operations
Deloitte Switzerland
agoette@deloitte.ch



Dominik Hauk
Senior Manager
Supply Chain & Network Operations
Deloitte Switzerland
dmhauk@deloitte.ch



Federico Sasso
Senior Manager
Supply Chain & Network Operations
Deloitte Switzerland
fsasso@deloitte.ch



Deloitte.

Deloitte AG is a shareholder in Deloitte EMEA BV (EMEA), which is a member firm of Deloitte Touche Tohmatsu Limited (DTTL). Deloitte EMEA and DTTL do not provide services to clients. Services may be provided by the EMEA shareholders or their affiliates, which are separate and independent legal entities. Please see www.deloitte.com/ch/about to learn more about our global network of member firms.
This communication contains general information only, and none of Deloitte EMEA (EMEA), its shareholders and affiliates is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.
No representations, warranties, or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of EMEA, the EMEA shareholders, their respective affiliates, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. EMEA, the EMEA shareholders and their respective affiliates are legally separate and independent entities.
Deloitte AG is an audit firm recognised and supervised by the Federal Audit Oversight Authority (FAOA) and the Swiss Financial Market Supervisory Authority (FINMA).
© 2026. For information, contact Deloitte AG. All rights reserved.