



FALSE SECURITY: THE ILLUSION OF CONTROL IN MODERN DAY VALUE CHAINS

Demystifying control and systemic risk at the latest edition of the Exiger Executive Forum

At the most recent Exiger Executive Forum, we had the opportunity to listen to the experts discuss risk and resilience, control (or lack thereof), and how supply chains can shore up in chaotic times

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WRITTEN BY
NELL WALKER

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ost often than not, the control you have over your value chain is an illusion.

That's the bold statement November's Exiger Executive Forum picked to examine and dissect. The event, entitled False Security: The Illusion of Control in Modern

Day Value Chains, was chosen carefully to reflect what procurement and supply and value chain leaders are concerned about today.

On the 18th of November, we joined Exiger and its distinguished guests at the beautiful Great Scotland Yard Hotel in London to dig into this topic and hear directly from the best of the best in an expert panel. The guest list reached from defence leadership, supply chain experts, world-leading analysts and senior politicians.

The aim? To challenge that illusion of control, and frame the conversation as a tough love wake-up call. Without open dialogue like this, risks can quietly accumulate in the background, leading to systemic failures.

That's why the Exiger Executive Forum is so important. By giving the most pressing matters – especially the uncomfortable ones – a platform, issues are demystified and disempowered and real solutions to be put into place – both with deep values

and credible pragmatism. This allows leaders in procurement and supply chain to resolve modern day challenges with confidence, regain lost control and determine their future and not merely react.

Tim Fowler, Client Engagement Director at Exiger, acted as moderator for the evening's discussions. He opened the discussion with a sobering reality: that organisations all over the world are facing systemic risks. "Global supply chains are more data-driven, more regulated, more digitised than ever," he explained. "But, paradoxically, they've never been more fragile with the convergence of geopolitical fragmentation, resource scarcity, technology threats, and regulatory volatility."

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– Scott LaFoy, Vice President, Nuclear and Technology Security Programs, Exiger



Tim Fowler, Client Engagement Director, Exiger



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Koray Köse, CEO & Chief Analyst, Köse Advisory; Senior Fellow, GlobSEC GeoTech Centre; and Board Member, Slave-Free Alliance



Faysal Rahman, Director, Corporate Coverage – Global Defence Coordinator, Deutsche Bank



Sven Markert, Head of Supply Chain & Logistics, Siemens Smart Infrastructure



Angela Qu, Advisor, Strategist, and former Chief Supply Chain Officer

The risk caused, Fowler said, is one that "hides in plain sight". Many enterprises operate under the assumption that they have full visibility of their suppliers, and that as a result, they're in control. However, dig a little deeper and there are many unseen dependencies, regional concentrations, and of course, human risk. With a more hopeful lilt, Fowler then reminded attendees that the goal of the Executive Forum is to explore what real control and resilience means in a chaotic and ever-changing world, with the help of the expert panel:

- Koray Köse, CEO & Chief Analyst, Köse Advisory; Senior Fellow, GlobSEC GeoTech Centre; and Board Member, Slave-Free Alliance
- Scott LaFoy, Vice President, Nuclear and Technology Security Programs, Exiger
- Sven Markert, Head of Supply Chain & Logistics, Siemens Smart Infrastructure
- Angela Qu, Advisor, Strategist, and former Chief Supply Chain Officer
- Faysal Rahman, Director, Corporate Coverage – Global Defence Coordinator, Deutsche Bank

The illusion of control

In the first segment of the evening's strategic expert exchange, Fowler dug into the concept of this illusion of control with the panel. For Köse, the illusion of control is one of the greatest blind spots in modern business. But why? "It's all based on our systemic understanding or how we actually created value in the past," he explained. "Not 50 years ago, but even just 10 or 15 years ago, the world looked very different from what we are facing today. Changing the rules of the game is something many companies still do not examine seriously. It requires a deep review of how their value chains are

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designed, the governance and compliance structures that guide them, and the intelligence embedded into their processes. Ultimately, it is about building resolve and the capability and capacity to not only survive the challenges of today, but to shape and compete in the markets of tomorrow."



Following this, Qu was asked whether she has also witnessed a false sense of security within governance models in organisations she's worked with. She pointed out that many companies now have risk mapping, risk monitoring, and risk mitigation as a top agenda since COVID-19, but shortages and disruptions continue. What's key, for Qu, is "awareness, visibility, and overview. I think we've made big steps in the last 2-3 years," she explained. "There are a lot of conflicts in the classical KPIs, which are still siloed even after the COVID crisis. That's why you need good visibility of the whole value chain setup – not only tier one."

For Markert, maintaining agility when managing various political, technological, and economic challenges has been a major undertaking. "The truth is, I don't know if we really maintain the agility or just manage the chaos," he admitted. "We're focusing on adaptability over perfection, so we accept

that full control is impossible. Then, we're coming back to basics. This starts with processes, then technology. Lastly, people are the most important and most valuable assets you have. You have to build up cross-functional teams. We don't want to predict the future; we want to be prepared for the future."

From a financial standpoint, Rahman stated he believes it's important to take a step back and contextualise the challenge we're living in. The last few years have seen a pandemic, wars, and geopolitical tensions the likes of which have never been seen, impacting supply chains. With this in mind, Rahman believes that there "couldn't be more of an emphasis" on supply chain resilience. "How do you make sure your operational resilience is robust so you can withstand black swan

events that are becoming more and more common?" he asks. "Diversification of risk is really important."

Sometimes, failure is simply not an option. For LaFoy, who works with national security-grade supply chains, having all of the information in front of you is great, but it means nothing if you don't use it to take action. "Often people think they can see everything, and that's only step one of the problem – it doesn't fully address it," he said. "You have to be willing to take action within the organisation, to mitigate the problem, fix it, and try to rebuild. People like to say that they're going to fix their supply chain, but the supply chain is likely supporting a programme that has existed for so long it's entrenched within the organisation. So it's almost always too late."



Five principles for procurement's future

Fowler: "Where do you see the biggest unseen vulnerabilities accumulating today?"

Köse: "It's in the KPIs. Companies are measuring themselves against metrics that no longer drive sustainable or resilient value creation in today's world. They still prioritise short term shareholder returns that evaporate with every risk event. KPIs shift from quarter to quarter, yet value chains take decades to build and mature, just as supplier partnerships and political relationships take decades to cultivate. Both can erode rapidly when interdependent opportunistic and negative actions and disruptions occur."

Fowler: "How do you encourage best practice and good behaviour with your clients?"

Rahman: "The number one ingredient is confidence. Having transparency across the value chain, the supply chain, the governance procedures, is super important too. It can take 50 years to build trust and one second to lose it, so it's important to take a very risk-averse approach while being very commercial and pragmatic."

Fowler: "What have you seen work in terms of breaking down siloes to drive agility?"

Qu: "I usually go with strategy, organisation, technology. Technology encompasses risk mitigation, as well as ESG and compliance. We need dedicated projects, working with suppliers and engineers to reduce waste and create internal excellence. Personal resilience is also very important."

Fowler: "How do you balance all the elements of regional concentration and supplier dependency?"

Markert: "Efficiency is still key if you want to stay competitive. We cannot optimise purely on costs anymore – that's gone. We have to take into consideration, as Angela said, the transparency insights beyond tier one. For me, it's all about continuity and compliance."

Fowler: "What lessons can the private sector draw from defense-grade risk management?"

LaFoy: "The defence-grade supply chain has this draconian adherence to certain processes, and that inflexibility doesn't always translate in a positive way. But in this case, it's necessary to examine what key things you're prioritising as a company."



Technology, intelligence, and the myth of visibility

It's clear, in spite of the warnings about vulnerabilities and control, that the overall feelings for supply chain professionals are hope and determination. Fowler introduced the next segment of the conversation by mentioning that investors and PE companies are now focusing on supply chain risk and resilience as key measures. This bodes well for those in supply chain when they inevitably come to justifying proposed improvements. The fact that supply chain risk ties directly into financial risk proves once again that supply chain is a business-wide concern, if there was any remaining doubt.

For Rahman, from a financial perspective, there are a couple of areas clients are focusing on when it comes to their investments. "One is financial risk," he told

Fowler. "What we mean by that is leverage – how much debt and cash they've got on the balance sheet. The other is business risk, which is quite broad. It's about how much the product is needed in the market, whether it's a diversified product, and so on."

When it comes to questions of compliance and ESG in supply chain, balancing those areas of focus with what investors want can be a challenge. Those investors may have a clear idea of their areas of interest when thinking about risk and resilience, and Qu's solution for making sure those vital areas don't get overlooked is to always see things from the customers' perspective.

"That customer, if you want them to choose your product versus a product from competitors, they want to know you're compliant to all regulations," she explained.

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Exiger Executive Forum: A closer look

The Exiger Executive Forum (EEF) in London is a global think tank that brings together elite independent voices from strategy, policy, technology and business to equip leaders with the frameworks and foresight needed to navigate the multipolar era. The EEF is exclusively curated for industry experts, analysts, policy makers, and senior procurement and supply chain decision-makers through Exiger, a market-leading supply chain AI company.

The next Exiger Executive Forum ‘The 2026 Rules of Resilience’ will take place in March 2026. Stay tuned for the launch date at www.exiger.com



“That results in collaboration among different departments to focus on a common goal and how we achieve it. Also, you need an overview of potential risks and have solutions in place for those focus areas, supported by technology. Things can go wrong, but if that happens when you’re prepared, it’s not the end of the world. There are still activities where humans can take over.”

The conversation again turned to leadership, and how that affects organisations in a way that incentivises them to focus on protection and resilience, while not stifling innovation and agility. The key, for Köse, lies in communication and constant messaging, so vital areas don’t get forgotten. “The important factor is drawing the journey very clearly to everyone who



is a stakeholder in this process, and make sure that every part of their contribution will become part of the overall value creation process. When we talk about resilience, you always need to think about the next step. We’re not necessarily predicting anything, but we’re preparing for everything.”

The conversation shifted to summarising comments, where the panellists highlighted resilience across all functions, with a heavy emphasis on supply chain, utilising AI to help navigate decisions, and simply showing up as being some of the most important aspects to getting the modern supply chain right. “We need to be able to understand, from A to Z, geopolitical interdependencies, financial impact, innovation impact, industrial history, and the most valuable assets – your people and your culture,” Köse concluded. “Showing up in that context, and driving that as leaders, is ultimately really critical.”

During the course of the evening, the expert panelists exposed the glaring issues and shattered illusions across the modern value chain, while leaving attendees hopeful that they can achieve operational resilience through a proactive commitment to preparedness. Thank you to Exiger for inviting us to join in this vital conversation; we look forward to the next one. ■