

Introduction

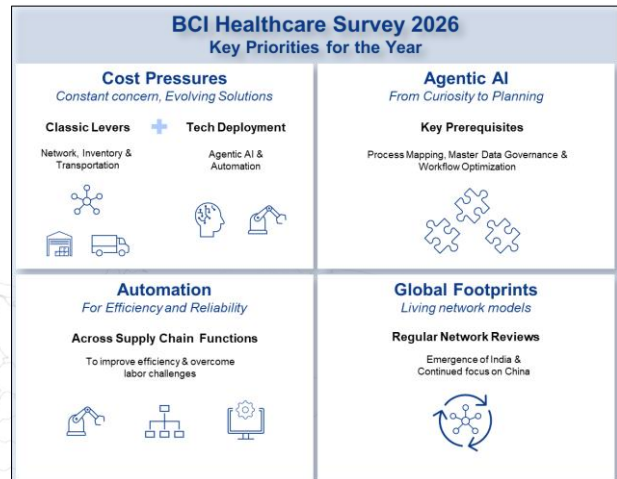
Healthcare supply chains enter 2026 with the same pain point of cost pressure, and with a different reality: the traditional optimization playbook is no longer enough. With more than 90% of leaders reporting cost pressure, the focus is shifting toward technology-led capability building: agentic AI moving from interest to implementation planning, automation expanding across supply chain functions and visibility evolving from track-and-trace to decision enablement. In parallel, footprint thinking is broadening, driving living network models that can flex with disruptions, tariffs, demand swings and regulatory change. India's rise continues as the clearest multi-year trend while China remains strategically relevant.

Started in 2024, this is the 3rd edition of BCI Annual Healthcare Survey. It aims to capture key trends over the years, current topics of interest, challenges being faced by Healthcare Supply Chain leaders and their strategies to overcome those challenges.

Key Survey Findings

Cost remains the #1 concern and the “fix” is shifting.

- **Cost remains #1 concern:** More than 90% of respondents experience cost pressure. While classic levers (network/transport/inventory) for cost reduction remain, technology deployment (agentic AI + automation) gains stronger emphasis.
- **Agentic AI moves from curiosity to planning:** Many companies are planning to implement agentic AI solutions, including examples as strong as replacing junior support work. However, success depends on prerequisites: process mapping, master data governance and workflow optimization.
- **Automation is not only a productivity strategy but also increasingly a labor strategy:** Respondents indicate that companies are investing in automation across supply chain functions to improve efficiency, reduce costs and overcome labor challenges
- **Footprints conversations are expanding:** India continues to gain attention year-over-year and China continues to stay in focus. Distribution redesign is used to prepare and quickly adjust for disruptions, demand changes and regulatory needs.
- **Visibility is mid-flight and the finish line is full orchestration:** Companies push towards end-to-end orchestration often via 4PL/LLP and digital twin ambitions, shifting the narrative from “where is it?” to “what should we do now?”



What companies should do in the next 6-18 months

Wars, tariffs and geopolitical volatility may complicate decision-making, but standing still is the riskiest strategy of all.

- **Don't pause network decisions due to uncertainty:** Strengthen resilience through scenario planning, flexible network design and digital twin use cases.
- **Prepare now for agentic AI:** Invest first in process mapping, master data discipline and workflow standardization to avoid scaling failures later.
- **Continue visibility investments:** Keep investing until visibility reliably drives decisions, using orchestration platforms, digital twin initiatives and selective 4PL/LLP models.
- **Accelerate automation across functions:** Treat labor shortages as structural. Scale automation across warehousing, planning, and logistics.
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What BCI Global can offer

BCI Global helps healthcare companies turn these priorities into an executable roadmap by combining footprint and network scenario design, orchestration operating model development (incl. 4PL/LLP governance), and AI/automation readiness (process, data, workflows). A practical next step is a focused readiness-and-scenario sprint delivering a prioritized roadmap and quantified business cases which is bridging strategy to compliant execution.

To receive a complimentary copy of the full 2026 Healthcare Supply Chain Survey Report or explore how BCI can support, contact:



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Case: Master Data Management

Modern enterprises are increasingly constrained by fragmented data ecosystems. Siloed systems, inaccurate master data, and scope-paralyzed MDM projects prevent organizations from achieving the operational clarity needed to compete. This case outlines a pragmatic, impact-first approach to master data management that bridges those silos and drives measurable outcomes.

The Situation

- ⇒ Fragmented and siloed systems inhibit data access and optimization across the enterprise
- ⇒ Inaccurate data yields fundamentally inaccurate plans i.e., garbage in, garbage out at enterprise scale
- ⇒ Master data projects typically carry overwhelming, unattainable scopes that stall before delivering value

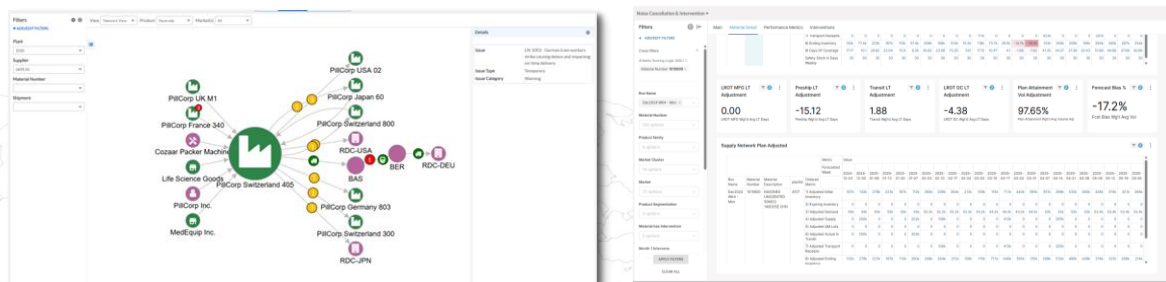
The Solution Architecture

The solution centers on a system, carrier, and device agnostic platform that enables rapid integrations and accelerates time-to-value.

At the core is a network topology model that maps the full web of relationships between business entities: Master Data parameters cascade through SKUs, Product Groups, Systems, and Projects.

This relational visibility is what makes impact-focused prioritization possible. This approach deploys intelligent recipes that monitor operational events in real-time and take targeted actions directly in systems of record

The Solution in Action



Network Topology View

Visual mapping of relationships between suppliers, plants, carriers, and business entities enabling real-time traversal of the master data graph to surface hidden dependencies and misalignments.

Noise Cancellation & Intervention Dashboard

Real-time KPIs surface planning parameter deviations - from lead time adjustments to forecast bias - quantified by their operational impact so teams act on what matters, not just what's missing.

Differentiator: Data disconnects are highlighted by their **operational impact** and not merely by the presence of missing data. This fundamentally reorients MDM efforts toward business outcomes rather than data hygiene for its own sake

Capability Pillars

Network Topology Mapping

Defines and maintains the relationships between Master Data parameters, SKUs, Product Groups, Systems, and Projects and thus creating a living map of the enterprise data fabric.

Planning Parameter Alignment

Tunes planning parameters to real-world operations continuously using historical data patterns, eliminating the drift between system assumptions and ground-level reality.

Ongoing Monitoring

Continuous surveillance of master data integrity ensures decision-making data reflects current operations

Impact-Focused Alerting

Disconnects are surfaced by their operational consequence - forecast bias, lead time variance, inventory excursions - directing attention and resources where they generate the most value.

Key Outcomes

Impact-Focused Resource Direction

Recommendations are ranked and delivered based on operational consequence, ensuring that limited data governance resources are deployed to where they move the needle most, which is reducing excursions, improving service levels, and tightening forecast accuracy.

100% System Agnostic

Integrates with any ERP, WMS, TMS or planning system without replacement

Truth-Aligned Planning Assumptions

Aligning system assumptions to operational reality reduces excursions of all natures, such as inventory, delivery, compliance and drives continuous improvement in internal processes by closing the loop between what systems believe and what operations experience.

∞ Entity Relationships

Unlimited depth mapping from parameters to SKUs to product groups to projects

End-to-End Network Visibility

Siloes are bridged as the platform integrates across systems, carriers, and devices. For the first time, enterprise architects and supply chain leaders gain a E2E unified, real-time view of the entire network and without requiring a monolithic system overhaul.

Real-time Event Monitoring

Recipes detect and respond to operational events as they occur across the network

Case: Digital Planning Improvement

Independent Advisor — Turning around a stalled APS implementation for a global jewelry leader through strategic alignment, process redesign, and technology evaluation.

Client Profile

A leading global jewelry company operating production plants that supply a worldwide network of retail stores. The production environment is classified as high-mix, high-volume - an uncommon and particularly demanding configuration that requires sophisticated planning capabilities.

- Demand and Supply Planning was shared between HQ and factory planning teams — with misaligned assumptions and insufficient coordination
- Large budget and schedule overruns had accumulated during the APS implementation
- Lack of a unified plan

BCI's Role as Independent Advisor

BCI was engaged as a neutral third-party advisor, working directly with the client's HQ team, factory planning team, and the incumbent software vendor to resolve the situation and chart a path forward.

- Returned to fundamentals: defining what a high-quality planning process looks like and how it must align with supply chain strategy
- Qualified which APS modules to retain and which to replace with a new solution
- Facilitated a structured technology evaluation process, resulting in the selection of a new APS vendor

Key Workstreams

BCI structured the engagement around four interconnected workstreams, each designed to address a root cause of the planning breakdown and build a more resilient, strategically aligned capability.

1 SC Strategy Alignment

Mapped supply chain strategy parameters — including segmentation, service levers, and inventory strategy — to planning process parameters such as governance, review cycles, and KPI frameworks. Bridged the gap between HQ's responsiveness objectives and the plant's efficiency focus.

2 Planning Hierarchy Design

Designed a structured planning hierarchy spanning strategic, tactical, and operational horizons. Defined clear ownership, decision rights, and planning cadences at each level to eliminate duplication and conflicting assumptions.

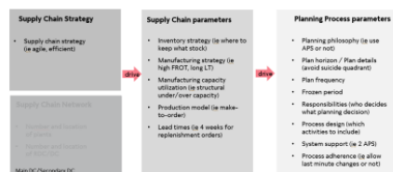
3 KPI Realignment

Diagnosed that existing KPIs were heavily skewed toward efficiency metrics, limiting supply chain agility. Redesigned the KPI framework to balance responsiveness and efficiency in line with the client's go-to-market strategy and customer service commitments.

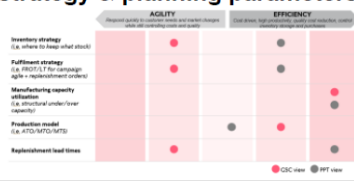
4 APS Architecture Redesign

Evaluated each APS module against business requirements and performance data. Recommended retaining the scheduling module and replacing the tactical planning layer with a new, fit-for-purpose solution — selected through a rigorous vendor evaluation process.

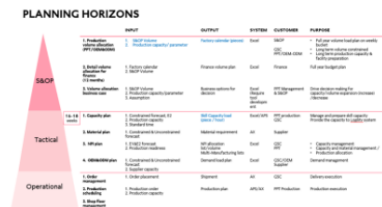
Factors to align SC strategy with Planning



Align Client teams views on SC strategy & planning parameters



Designing Planning Hierarchy



Aligning KPIs

CURRENT PPT KPIS HAVE A STRONG EFFICIENCY FOCUS; THIS WILL MAKE FOCUSING ON AGILITY VERY DIFFICULT

Supply chain performance	Current PPT (Efficiency Focus)	Recommended PPT (Agility Focus)
Reliability	Fill rate on time (FROT)	Demote FROT to level 2 KR
Responsiveness	Order fulfillment Lead time	Order fulfillment lead time
Agility	Production time ratio (**)	Upside supply chain adaptability (***)
Cost	Setup/network ratio	Supply chain response time (***)
Asset efficiency	Cost/unit	Cost/unit
		Inventory days of supply

Achievements

The engagement delivered a meaningful turnaround — transforming a failing planning program into a solid, strategically grounded capability that supports both HQ and plant objectives.

Strategic Alignment

Strengthened the shared understanding of supply chain strategy and planning principles across HQ and plant teams — reconciling responsiveness and efficiency objectives into a unified framework.

Redesigned APS Architecture

Delivered a hybrid APS architecture — retaining the high-performing scheduling module while introducing a new tactical planning solution — purpose-built for the high-mix, high-volume environment.

Improved Planning Performance

Turned around a poorly performing end-to-end planning process, improving planning capability, cross-functional alignment on parameters and governance, and overall supply planning performance.

Case: Living Network Model: End-to-End Supply Chain Optimization

Implement a Supply Chain Center of Excellence (SC COE) to standardize data infrastructure and develop a **Digital Twin** for comprehensive, end-to-end network optimization across a global distribution footprint of **10+ plants and 25 distribution centers**. This engagement covers both Capital Equipment and Disposables across all operating regions.

Client Profile

Global End-to-End Supply Chain encompassing more than 10 manufacturing plants and 25 distribution centers spanning all major regions, from North America, Latin America, APAC, and EMEA. Both Capital Equipment and Disposables product lines are in scope, each requiring differentiated supply chain configurations to address unique handling, regulatory, and service requirements.

Core Strategic Question

What is the **optimum number, location, role, and capacity** of distribution centers and what capabilities should each node possess? The network must balance cost efficiency with qualitative factors including ease of doing business, customs complexity, labor availability, and business continuity requirements.

Regional Key Questions

APAC Region

- Is it feasible to establish a Regional Distribution Center (RDC)? If yes, in which location?
- Which markets should be served from the RDC vs. direct from plant?
- Which Value-Added Services (VAS) activities should be executed in the RDC vs. in-country?

North America Region

- Scalability: How should the network be structured to facilitate future volume growth?
- Business Continuity Planning (BCP): How can the network configuration mitigate key supply and distribution risks?

New Location Criteria

- If one or more new locations are required, what are the recommended sites?
- Evaluation dimensions: security, labor availability, customs and ease of doing business, and total landed cost

Methodology: Design Assumptions & Sensitivities

The optimization framework accounts for the reality that **different product types require fundamentally different supply chain configurations**. Beyond pure cost modeling, qualitative factors related to ease of doing business which is including customs regimes, local regulatory requirements, and labor market conditions *and* are explicitly weighted in the decision framework. Sensitivity analyses are run across four key dimensions to stress-test recommended network designs.

Manufacturing Strategy

Plant-to-DC assignment logic and sourcing flexibility across the manufacturing footprint.

Customs & Duty Impacts

Tariff regime modeling for cross-border flows, especially for APAC and Latam corridors.

Labor Costs

Warehousing and VAS labor rate benchmarking across candidate DC geographies.

Volume Growth

Scenario planning for demand growth trajectories to ensure scalability of recommended configurations.

Deliverables & Results

The engagement produces three interconnected categories of output, each building toward a sustainable, self-reinforcing optimization capability within the organization. Regional studies provide immediate, actionable network recommendations. The COE organizational build creates the institutional infrastructure to maintain and evolve those recommendations over time. The Digital Twin establishes the long-term technological foundation for ongoing, data-driven network decisions.

- ⇒ **Trained Staff & COE Org Structure**
Playbook for standardized processes, governance frameworks, and capability building across the supply chain organization.
- ⇒ **Location Analysis & Regional Studies**
Executed dedicated regional studies for North America, Latin America, and APAC, delivering site-specific recommendations with supporting financial and qualitative justification.
- ⇒ **Co-Developed Data Lake & Digital Twin**
A unified data infrastructure enabling real-time network visibility and scenario modeling i.e., the foundation of the Living Network Model.

