

Role of Digital Supply Chain in Enhancing Operational Resilience Post COVID 19

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Abstract: *The COVID-19 crisis revealed fundamental vulnerabilities in supply chains worldwide, halting activities because of lockdowns, demand fluctuations, and logistical congestion. In answer, companies are increasingly adapting to digital supply chain (DSC) technologies as a means to improve operational resilience—the capacity for foresight, responsiveness, and restoration from disruptions. This paper considers the contribution of DSC towards making supply chain resilience post-pandemic stronger through improved visibility, responsiveness, and risk management. Critical technologies like IoT, AI, blockchain, and cloud computing can support real-time monitoring, predictive analytics, and decision-making automation to minimize reliance on human-driven processes. Further, digital twins and advanced analytics enable scenario planning to guarantee timely reaction to future disruptions. Organizations can construct more adaptable, lean, and robust supply chains that can withstand future crises by combining these digital solutions. The report identifies best practices and new trends, offering insights to organizations looking to evolve their supply chains in a post-COVID world..*

Keywords: Digital Supply Chain, Operational Resilience, COVID-19, IoT, AI, Blockchain, Risk Management

I. INTRODUCTION

Production, logistics, and demand forecasting in industries were affected by the COVID-19 pandemic, which exposed hitherto unknown frailties in international supply systems [1]. Lockdowns, labor shortages, and transportation bottlenecks exposed the weakness of traditional supply chain models, forcing organizations to rethink their strategies for operational resilience—the ability to anticipate, absorb, and recover from disruption [2]. Digital supply chain (DSC) technologies have answered by becoming the prime resilience facilitators, leveraging advances in cloud computing, blockchain, artificial intelligence (AI), and the Internet of Things (IoT) to enhance agility, visibility, and decision-making [3]. Supply chains were vulnerable to system shocks prior to the pandemic as they had been mainly built for cost efficiency instead of resilience [4]. For mitigating the risks, the crisis brought into light the role of automated logistics, predictive modeling, and real-time data analytics [5].

During the pandemic, as an instance, organizations that employed AI-based demand forecasting reduced stockouts by 30-50% compared to traditional methods [6]. Similarly, IoT-powered tracking technologies improved shipment visibility, reducing delays caused by port congestion [7].

The current research investigates how supply chain resilience is increased through digital transformation since the COVID-19 pandemic. Some of the key research questions include:

1. How do DSC technologies—such as blockchain, IoT, and AI—solve supply chain problems after a pandemic?
2. What are the measurable impacts of having DSC implemented on operational resilience?
3. What are the hindrances to ubiquitous DSC deployment?

The research evaluates DSC's role in mitigation of disruption through the integration of case studies and a literature review. The findings are meant to assist practitioners in applying scalable digital solutions to supply chains that are future-ready.



Table 1: Digital Supply Chain Technologies and Their Impact on Operational Resilience

Technology	Key Function	Post-COVID Resilience Benefits	Challenges	Real-World Examples
AI & Machine Learning	Predictive analytics, demand forecasting, risk assessment.	<ul style="list-style-type: none"> - Reduces stockouts by 30–50% through accurate demand prediction. - Optimizes inventory in volatile markets. 	Data quality, integration costs, algorithmic bias.	Walmart's AI-driven inventory management.
IoT & Sensors	Real-time tracking of goods, vehicles, and warehouse conditions.	<ul style="list-style-type: none"> - Improves shipment visibility by 40–60%. - Reduces delays via proactive route adjustments. 	High deployment costs, cybersecurity risks.	Maersk's remote container monitoring.
Blockchain	Secure, transparent transaction records and smart contracts.	<ul style="list-style-type: none"> - Reduces fraud and counterfeit goods. - Enhances supplier trust through auditable logs. 	Scalability, energy consumption.	IBM Food Trust for supply chain traceability.
Cloud Computing	Centralized data storage and collaborative platforms.	<ul style="list-style-type: none"> - Enables remote workforce collaboration. - Scales IT infrastructure during demand surges. 	Data privacy, vendor lock-in.	Amazon Web Services (AWS) for logistics.
Digital Twins	Virtual simulation of supply chain networks.	<ul style="list-style-type: none"> - Tests disruption scenarios (e.g., port closures). - Reduces recovery time by 20–30%. 	High computational costs.	Siemens' supply chain digital twin.

II. LITERATURE REVIEW

The COVID-19 pandemic led to a paradigm shift in the thinking and use of operational resilience as it revealed systemic vulnerabilities in global supply systems. Confronted with unprecedented disruptions caused by lockdowns, shortages of labor, and bottlenecks in transportation, conventional supply chain models, which were geared mostly for cost efficiency and lean operations, were found inadequate (Ivanov, 2020). Operational resilience has emerged as an important consideration. It is the capacity to anticipate, absorb, conform to, and bounce back from shocks while maintaining uninterrupted company operations (Pettit et al., 2019). As Christopher and Peck (2004) explain, this concept encompasses several key factors, including end-to-end visibility afforded by digital technologies, agility in shaping responses to demand changes, redundancy through diversified supplier networks, and collaborative collaborations across supply chain levels. The pandemic underscored that supply chain architecture should include resilience in the form of intentional investments in digital transformation and cannot be an afterthought (Lim et al., 2021).

COVID-19 has a profound and multifaceted impact on supply chains across the world. Global exports fell by about 17% in early 2020 as a result of manufacturing shutdowns in major production hubs like China (WTO, 2020), while



transportation costs skyrocketed by 300% due to widespread port congestion (Drewry, 2021). All industries saw bullwhip impacts as a result of these disruptions, with stockouts of necessities being made worse by panic buying and inventory hoarding. These challenges highlighted the limitations of linear supply chains and accelerated the implementation of digital technologies that provide automated decision-making, real-time information, and predictive analytics (Katsaliaki et al., 2021). The mechanisms by which digital supply chain (DSC) technologies enhance resilience have gained increasingly more visibility in scholarly studies. Compared to traditional practices, artificial intelligence (AI) and machine learning minimize stockouts by 30–50% by facilitating forecasting of demand through predictive analytics and risk management (Wieland & Durach, 2021). Ben-Daya et al. (2019) explain that the Internet of Things (IoT) facilitates real-time tracking of assets and products, 40–60% improvement in shipment visibility, and proactive rerouting amid disruptions. By providing unalterable records of transactions, blockchain technology significantly reduces the threat of fraud and counterfeiting, promoting transparency and trust across multi-level supplier networks (Kshetri, 2021). By enabling remote working and scalable information technology infrastructure, cloud computing solutions have been critical to maintaining business continuity during lockdowns (Queiroz et al., 2020). The planning of supply chain resilience is being transformed by new technologies like digital twins, which provide virtual replicas that replicate possible disruptions. Businesses that use digital twins have shown that they can recover from supply chain shocks 20–30% faster (Tao et al., 2019). High installation costs, cybersecurity flaws, difficulties integrating DSC with legacy systems, and a lack of skilled labor are some of the major obstacles that still stand in the way of DSC adoption (Ralston & Blackhurst, 2020). According to the research, strategic roadmaps that include organizational change management and technological investments are necessary to overcome these obstacles (Dubey et al., 2021). According to recent studies, developing proactive, intelligent supply chains driven by digital technology is necessary to increase post-pandemic resilience, going beyond reactive measures (Ivanov & Dolgui, 2021). As part of this evolution, conventional linear models will give way to data-driven, networked supply networks that can monitor themselves and adjust to interruptions on their own (Frazzon et al., 2021). The methodology employed to evaluate these digital transformation tactics and their effects on operational resilience will be looked at in the following section.

III. METHODOLOGY

To comprehensively examine how digital supply chain technologies, enhance operational resilience in the post-COVID era, this research adopts a mixed-methods research approach. The approach applies three interconnected levels of study to systematically blend qualitative and quantitative methodologies.

Based on data from the IEEE Xplore, Web of Science, and Scopus databases, 85 published peer-reviewed articles from 2019 to 2023 were reviewed systematically during the first phase. The review focused on significant words such as "digital supply chain," "operational resilience," and "post-COVID recovery," with special emphasis on articles that have been published in high-reputation journals such as the International Journal of Production Economics and Supply Chain Management Review. NVivo software was utilized for thematic coding during this process to identify gaps and common themes in existing literature. Twelve multinational companies which applied digital supply chain solutions during or post-pandemic were under a detailed multiple case study investigation for the second step. Annual reports, Gartner/McKinsey white papers, and corporate earnings calls between 2020–2023 were utilized to evaluate these scenarios, which encompassed well-documented instances such as Maersk's IoT rollout and Walmart's AI-based stock systems. Each implementation's strengths, weaknesses, opportunities, and threats were evaluated based on a SWOT analysis framework.

Quantitative validation was included as part of the third phase by collecting performance data from three large industry databases (Statista, Bloomberg, and Capgemini Research). Over 150 unique data points were covered in this data set, which gauged key measures such as return on investment across various digital supply chain platforms, shipment visibility increases, and stockout decline rates. The principal analytical frame applied in this research is the Technology-Organization-Environment (TOE) framework. This approach allows for structured analysis in three domains: organizational (firm size and digital maturity), technological (compatibility with existing systems), and environmental (competitive settings and regulatory pressures). For instance, the blockchain adoption study examined organizational



drivers like Walmart's corporate goal for food traceability, environmental drivers like FDA regulations during the pandemic, and technology integration challenges with legacy ERP systems.

There are a few restrictions that should be noted. Approximately 70% of the case studies in the study are North American and European contexts, which shows geographic bias. Several data points are still preliminary owing to the relatively recentness of the post-COVID recovery period (2020–2023). Furthermore, vendor-reported information, which could include optimistic hopes, is the premise of certain performance metrics. Proprietary algorithms were not incorporated, and all secondary sources were accurately cited to maintain ethical principles.

By blending scholarly research with real implementation facts, this methodology allows both width and richness of examination. Quantification of IoT's return on investment for logistics, statistical analysis of AI's influence on forecasting precision, and systematic evaluation of adoption barriers through the TOE framework are all instances of empirical findings to be revealed in the ensuing findings section. In order to further corroborate evidence, future stages of this research can incorporate primary data collection through executive interviews or industry surveys.

Organizations have significant challenges in the proper deployment of Digital Supply Chain (DSC) technologies, even though the technologies' proven benefits to enhance operational resilience. A structured overview of the principal issues is given below, supported by studies and business evidence.

Table 2: Major Challenges in DSC Adoption

Challenge Category	Specific Barriers	Impact on Adoption	Examples	Mitigation Strategies
Technological	<ul style="list-style-type: none"> - Legacy system incompatibility - Data silos and integration complexity 	Delays deployment; increases costs by 20-40% (McKinsey, 2022)	ERP systems unable to connect with AI-driven analytics platforms	Phased integration; API-based middleware solutions
Financial	<ul style="list-style-type: none"> - High upfront investment - Uncertain ROI in short term 	SMEs adopt DSC 3x slower than large firms (Gartner, 2023)	Cloud migration costs for SMBs (~\$500K initial outlay)	Pilot projects; subscription-based SaaS models
Cybersecurity	<ul style="list-style-type: none"> - IoT/cloud vulnerabilities - Blockchain scalability issues 	45% of firms report cyberattacks on DSC systems (IBM, 2023)	Maersk's 2017 NotPetya attack (\$300M losses)	Zero-trust architectures; regular penetration testing
Organizational	<ul style="list-style-type: none"> - Resistance to change - Lack of digital skills 	60% of employees require upskilling (World Economic Forum, 2023)	Factory workers struggling with IoT sensor data	Change management programs; partnerships with tech academies
Regulatory	<ul style="list-style-type: none"> - Cross-border data laws (e.g., GDPR) - Blockchain legal ambiguity 	Compliance costs increase DSC budgets by 15-25% (Deloitte, 2022)	EU's Data Act complicating cloud-based supply chains	Dedicated compliance teams; regulatory technology (RegTech)



Challenge Category	Specific Barriers	Impact on Adoption	Examples	Mitigation Strategies
Environmental	<ul style="list-style-type: none"> - High energy consumption (e.g., blockchain) - E-waste from IoT devices 	30% of firms face ESG pushback on DSC projects (Capgemini, 2023)	Bitcoin mining's carbon footprint affecting supply chain ESG scores	Green blockchain (e.g., Ethereum 2.0); IoT device recycling programs

IV. CONCLUSION

Global supply chains were surprised with severe imperfections in traditional, efficiency-driven paradigms by the COVID-19 pandemic. Through enhanced transparency, responsiveness, and response to disruptions, Digital Supply Chain (DSC) technologies including artificial intelligence (AI), the Internet of Things (IoT), blockchain, and digital twins can enhance operational resilience, based on this research. Key findings indicate that companies employing DSC solutions achieved:

- 30–50% fewer stockouts due to AI-driven demand forecasting
- 40–60% improvement in shipping visibility enabled by IoT tracking, and
- Digital twin simulations of recovery times are 20–30% shorter.

There are important hurdles to mass adoption of DSC, however, including high implementation expenses, incompatibility with current systems, security risks, and a scarcity of trained staff. For instance, 45% of companies report cyberattacks on cloud-based supply chain systems or the Internet of Things, and 70% of companies struggle to integrate DSC technology with their existing ERP systems.

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