

# Keynote Speech

## Changing Paradigms of Supply Chains

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### Abstract

There has been a paradigm shift in the functioning of global supply chains, particularly in the post-pandemic era. This shift is characterized by the convergence of technology, deployment, geopolitical dynamics, and an increased awareness of environmental and social responsibilities. These transformative changes compel businesses to navigate a complex web of challenges while simultaneously creating many opportunities for global supply chains. This includes delegating responsibilities to the supplier side, empowering suppliers, and promoting digital supply chain networks.

Ongoing trade tensions between major economies, such as the United States and China, have resulted in fluctuations in global logistics patterns. Alterations in tariffs and trade agreements impact shipping routes, transportation costs, and the overall flow of goods. Consequently, supply chains must focus on end-to-end supply chains originating from low-cost sources to withstand unforeseen events like black swan occurrences and geopolitical and trade wars.

The pandemic has underscored the critical importance of building resilient supply chains. Many firms reevaluate their supply chain strategies, emphasizing diversification to mitigate risk. This involves reassessing suppliers, exploring alternative sourcing options, and increasing safety stock levels. Geopolitical uncertainties and disruptions have prompted reconsidering global sourcing strategies, with reshoring and nearshoring gaining prominence. Companies seek to mitigate risks associated with distant and complex supply chains by bringing production closer to target markets, enhancing responsiveness, reducing lead times, and fortifying supply chain resilience amid uncertain business conditions.

From the traditional supply chain model, there is a continuous effort to integrate information technology to transform value streams and increase processes' transparency. Blockchain is playing a significant role, from tracking the provenance of raw materials to reducing transaction fraud. This technology fosters a new level of trust among supply chain partners, safeguarding against potential disruptions and reinforcing the integrity of the entire supply chain ecosystem. These rapid transformations amid uncertain conditions have prompted a reevaluation of supply chain resiliency with a greater focus on risk mitigation strategies.

In global logistics, owning ships and manufacturing/leasing containers for extended periods have become the guiding principles. The recent Brexit has also impacted global transport's European and UK legs. The European industry is grappling with significant shortages of resources, including drivers and trained supply chain manpower, affecting last-mile delivery and land transportation in numerous geographies. The growth of e-commerce has significantly influenced supply chains, leading to innovations in last-mile delivery solutions. Companies are investing in warehouse automation, drone deliveries, and other technologies to meet the demands of the rapidly expanding e-commerce market.

Furthermore, a seismic shift toward sustainability reshapes the global supply chain landscape. Businesses recognize the imperative to address environmental, social, and governance (ESG) concerns. Initiatives to reduce carbon footprints, optimize transportation routes, and embrace ethical sourcing practices are becoming integral components of supply chain strategies. Sustainability is no longer merely a corporate buzzword but a critical factor in ensuring long-term viability and meeting the expectations of socially conscious consumers.

Overall, global supply chains are undergoing significant transformation driven by technological innovation, environmental consciousness, and a commitment to building resilient networks. Businesses that embrace these trends are not only adapting to the challenges of today but are also positioning themselves to thrive in the dynamic landscape of tomorrow. The key to success is navigating change, leveraging technology, and building sustainable businesses.