



**SYNDICATE RESEARCH SYNOPSIS**

**OF**

**EFFECTIVE CHANGE MANAGEMENT STRATEGIES FOR SUPPLY**

**CHAIN**

**COMPANIES DURING COVID - 19**

**SYNDICATE GROUP - '13'**

**FACULTY OF DEFENCE AND STRATEGIC STUDIES**

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DURING COVID - 19
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**DEDICATION**

We dedicate our research work to our batch mates. A special feeling of gratefulness to our parents, who encouraged us throughout. We are always thankful for all the Squadron Commanders and Troop Commanders who were behind us giving advice. We dedicate this work and give special thanks to Capt. TD Ranasinghe and Mr. ASP Ilangasekara for being there with us throughout the entire program.

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### **ABSTRACT**

This syndicate is mainly directed towards Management strategies using for supply chain companies in a pandemic situation. First, we need to get oriented on this concept of the supply chain we talk about the supply chain management definitions and get a deep idea about what is the management, what is the supply chain management in Sri Lanka. In this presentation, we have tried to enlighten what is the management strategies, how to use these strategies for supply chain companies under covid-19. And also further giving evidence and we can show what will happen to these company by using strategies. We have brought forward the concept impact of the effective change management strategies for supply chain companies during covid-19. In this concept, we try to give the necessary knowledge about management strategies. We hope to understand through the study the concept management strategies, an idea about supply chain companies, about the pandemic situation and how to face management strategies and identify the most practical solution for supply chain companies.



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## **CHAPTER 01**

### **INTRODUCTION**

#### **1.1 WHAT IS SUPPLY CHAIN MANAGEMENT**

1. Supply chain management is the management of the overall product flow of a product or service to maximize quality, delivery, customer experience, and profitability from raw material to delivery of the finished product to the customer.
2. A company creates a network of suppliers ("link" chains) that move products from raw material suppliers to organizations that deal directly with users. The key elements of the supply chain are planning, sourcing, manufacturing, sourcing, delivery, and logistics, and returns.
3. Efficient supply chain management systems minimize costs, waste, and production cycle time. The industry standard has become a timely supply chain where retailers automatically pass refill orders to manufacturers.
4. Supply chain processes are evolving into smart workflows to achieve new levels of responsiveness and innovation. Challenge the use of emerging technologies such as AI and Blockchain to discover, activate and deliver efficiencies and create opportunities at every step of the value chain, from demand planning to order. (Wailgum, 2017)

#### **1.2 CHANGE MANAGEMENT**

5. Change management is a systematic approach to achieving or changing an organization's objectives, process, or technology. The goal of change management is to influence change, manage change, and implement strategies to help people adapt to change. These strategies include a structured process for requesting a change, as well as mechanisms for responding to requests and implementing them.

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6. To be effective, the change management process must consider how processes, systems, and adaptations affect and replace individuals within the organization. There should be a process of planning and validating changes, a process of communicating changes, a process of planning and implementing changes, and a process of documenting changes and assessing their impact.

7. An important part of the change management documents is that the reversal is only necessary to maintain an audit path and ensure compliance with internal and external controls, including regulatory compliance. Change management as a conceptual business structure for people, processes, and organizations increases the success of critical projects and initiatives and increases the company's ability to adapt quickly.

8. Business change is constant and unavoidable, and poor management can lead to corporate stress and unnecessary and expensive work. By standardizing the consistency and efficiency of the assigned task, change management ensures that the resources of the people in the organization are not wasted. As they change jobs, change management helps employees understand their new roles and create a more process-based culture. Change management stimulates the growth of future companies and allows them to remain dynamic in the market. (Pratt, July 2019)

### 1.3 7RS

9. The most important points to consider in the overall change management process are the well-known 7Rs of change management. Essentially, these issues can be discussed under Change management strategies. These points are important because they help standardize the change management process for people on the project, or for organizations that are skeptical and want things to stay the same. They are,

a. **The "REASON" for the change**

One thing you need to make sure of is to align the proposed changes with the organization's IT strategy and business objectives. This will help you not to waste valuable resources on unnecessary changes.

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b. **“RISKS” involved in the requested change**

the question is what risk you are going to take to ensure that the difference can be managed with that level of risk and that all of Shebang will not be fatally damaged.

c. **“RESOURCES” required to deliver the change**

To measure the resource pool, make sure you first know all the resources needed for the change management process. When you make it small you can check the resource pool for those resources and if they are there you will be the winner.

d. **Who RAISED the change request?**

This person is very valuable to you because the change request should be accepted and submitted to the Commission as soon as possible as there is evidence to support the request process.

e. **RETURN required from the change**

That’s why you need to make a list of the pros and cons of each change you want to implement, so you can test the benefits of every change you make.

f. **Who is RESPONSIBLE for creating, testing, and implementing changes?**

This is where long-term management or project management comes into play because the trainee has the authority and the spirit of hiring and can carry on the change management process.

g. **RELATIONSHIP between suggested change and other changes?**

This is why it is your responsibility to figure out how all of the jobs are related so that you can finish all of the dependencies and get your change accounted for. (nTask, 2020)

**1.4 COVID 19 AND THE GLOBAL SITUATION**

10. The World Health Organization (WHO) officially announced this on March 11, 2020. The spread of COVID-19 as a pandemic. The current outbreak of the coronavirus (COVID 19 / SARS-CoV-2) originated in Wuhan, China. This had direct consequences for exports. Soon, the availability of supply in the global supply chain declined dramatically. COVID-19 has spread all around the world. According to reports, nearly 29 million Americans have been diagnosed with Covid - 19, with 522,000 deaths. The pandemic has also impacted negatively on Europe (especially Italy) (FESOBI, 2021)The first case was reported in Sri Lanka in January 2020 and the number of patients was increasing rapidly. (Currently over 13000 deaths) Due to this the government repeatedly imposes travel restrictions in the country. Currently, the economy is in a deep slump and the country is facing a huge foreign exchange deficit.

11. Thus, solutions were being worked out by various parties locally and internationally. This requires effective strategies and techniques. This query explores how effectively, change management strategies should be used for supply chain management and how to decide the pathway to a good accomplishment.

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**CHAPTER 02**

**BACKGROUND**

**CHANGE MANAGEMENT STRATEGIES**

12. Organizational change is necessary for firms to evolve and remain competitive, but without a plan to lead transformative initiatives, it may be extremely disruptive. Focusing on the human behavior part of change management is the most effective strategy.

**2.2 IMPORTANCE OF CHANGE MANAGEMENT STRATEGIES**

**2.21 EXTERNAL INFLUENCES**

13. Organizational transformation is mostly influenced by external variables. Globalization and the quick growth of new digital technologies are forcing businesses to respond. Ignoring such external elements could jeopardize your company's success.

**2.22 MAKING IDEA SUCCESS**

14. For idea success, many firms employ a variety of management techniques. Working with project managers, change managers, and change agents provide new capabilities to a company guarantees that employees can fully utilize the new capabilities.

**2.23 RESISTANCE TO A CHANGE INITIATIVE IS LESSENERED**

15. Any change attempt will inevitably face opposition, as it annoys individuals to ask for new and different ways of working. As a result, different managers can anticipate employee rejection regularly. It takes time to get over a negative reaction. Different managers faceless pushback when they are open from the start.

**2.24 ENHANCING PRODUCTIVITY AND PERFORMANCE**

16. An organization's productivity tends to rise when it implements better working procedures. It also stimulates innovation at the same time. As a result, it ensures that an organization's performance improves and that it continues to thrive in a healthy atmosphere.

**2.3 FACTORS NEED TO BE CONSIDERED TO IMPLEMENT CHANGE IN THE SUPPLY CHAIN**

**2.31 CHANGING THE PRODUCTION FACILITIES AT THE PLANT TAKES A LOT OF TIME AND MONEY**

17. It is difficult to believe that companies should always choose this choice to respond to changing business conditions. Companies prefer to concentrate on issues that influence demand for natural resources. Act to efficiently control demand. Today's emphasis is on producing more and more. A more customer-focused strategy is required. Sales, finance, and products are among the stakeholders. Product descriptions, rivals, and market circumstances are discussed with the development and supply chain.

**2.32 GLOBALIZATION HAS INFILTRATED ALMOST EVERY COUNTRY AND ECONOMIC SECTOR**

18. No single entrepreneur or country can escape the global economy's influence. The rate of growth in international trade is extremely rapid. Because the world is so visible these days, consumers have a lot of options. The spending capacity of India's central government has increased rapidly. The group in charge of revenue the squad is unwilling to make any concessions in the name of patriotism, which dictates that only Indian items be consumed. It only wants the very best of everything. He's prepared to pay for the production. For the supply chain, this is a major challenge. The company's product meets the needs of the customer.

**2.33 INCREASED INTERNATIONAL TRADE**

19. there has been a significant increase in demand for this specialty. More ports, internal affairs and freight equipment are all needed. More and more are being done. The port will be built because existing ports are unable to handle most of the goods. Various dry ports are being built to improve the efficiency of international trade.

**2.4 CHALLENGES IN MANAGING SUPPLY CHAIN**

20. Companies have a variety of choices for obtaining one from outside sources or other parts of their supply chain. These distinctions may appear minor, yet they are far from being resolved. The structure and efficiency of networks are influenced by supply chains. People frequently find and solve Wrong things in modern supply networks since they are so complex. Upgrades to supply chains, on the other hand, are frequently substantial and overpriced. It will be impossible to control if supply chain executives do not see it in person. Putting processes into action. From start to finish, they should discuss the problem and the recommended solutions in depth. In addition, senior supply chain executives must form a strong bond with the field crew. (GJMBS, 2013)

- a. To ensure superior products are offered.
- b. Improvement of the working capital requirements.

21. All these are major economic advantages, aspects. However, a lot of effort is needed. And time to count those advantages. In the absence of sufficient management, A single proposal cannot provide a cost-benefit ratio. This is a major problem to offer chain managers a balance to resolve this problem. To ensure superior products are offered Improvement of the working capital requirements. Reduction of costs. The supply chain can be disruptive as the lifeblood of all companies. It has a severe impact on institutional health. There's every change the delivery route is properly constructed but poses considerable dangers. Joint mistake with Many firms makes insufficient management and mitigation provisions Associated hazards. Whatever the success of the change is planned, A handful of people in a supply chain can sabotage it. Some sort of human behavior can swiftly distort the attempt to change if it is not foreseen from the beginning and addressed.



**2.5 EFFECTS OF COVID 19 TO SUPPLY CHAIN MANAGEMENT**

22. The COVID-19 pandemic presented global supply networks with a considerable issue. Multinational locks slow down the movement of raw and finished goods or temporarily stop them, so impeding production. But new difficulties to the supply chains should not arise from the pandemic. In some areas, it showed unprecedented weaknesses and, in reality, numerous organizations were affected by the COVID-19 personnel shortages and losses. But overall, the difficulties in the supply chain have intensified and increased. Some of the results from a survey carried out by Ernest & Young LLP (EIUS) at the end of 2020 are as follows. Senior supply chain managers from 200 companies, encompassing consumer, retail, biological and industrial products, were the respondents. They included U.S. car and high-tech businesses' sales of more than US\$ 1 trillion

23. The investigation showed that US businesses seek to strengthen their supply chain strategies in a more stabilized, cooperative, and interlinked way with customers, suppliers and other stakeholders following serious interruptions of the COVID-19 outbreak. To do this, investments in supply chain technology such as IA and robot process automation will be increased as employees are retraining.

**2.6 RULES AND REGULATIONS ON SUPPLY CHAIN DURING COVID 19**

**2.6.1 EXPORT PROHIBITIONS AND RESTRICTIONS**

a. The facts thus far suggest that 80 countries exist and that the customs system is separate. The COVID-19 outbreak, including 46 members of the World Trade Organization (72 when individual members of the EU is counted) or 8 non-WTO members, has resulted in exports or restrictions. Many were described as temporary measures. Those limitations have already been removed by at least two members. (Timothy, 2020)

b. Big exporters can in the short run minimize export bans and restrictions. Increased local prices and access to relevant products at local levels. However, if the strategy is not economically efficient: These actions reduce the worldwide supply and imports of products Countries which cannot manufacture such things suffer. These countries suffer. Long-term losses are also in danger. (Timothy, 2020)

c. There are higher degrees of insecurity among economic activists and members What he'll do after quitting the role is unknown currently. Adequate information prevents them from processing effectively This can particularly damage your buying judgments and search new providers Efforts to acquire the necessary material for the COVID-19 pandemic (Timothy, 2020)

d. Director-General of the World Reserve, Roberto Azevedo, calls for maximum restraint. The application of export restrictions and other actions that may interfere with supply networks. He also called on WTO members to make any new measures about trade more transparent. The pandemic COVID-19 is introduced. (Timothy, 2020)

**2.7 NEGATIVE IMPACT ON SUPPLY CHAIN DUE TO COVID PANDEMIC**

a. Over the last 100 years, the COVID-19 epidemic has produced a series of other worldwide changes, including trade, banking, health, education, business, and society. It's not surprising that only 2% of the companies who replied to the poll reported being ready for the outbreak. Severe disruptions had a negative impact of 57 % and 72 % (17 % reported a significant negative effect and 55 % were mostly negative)

b. In an uncertain economic situation, companies often slow down their investments in technology. But the COVID-19 outbreak did not halt 92% of technology spending. This talk about the advantages of a digital supply chain to assist businesses to navigate disruptive forces and quickly adjust to uncertain demand and supply. Clear industry winners throughout the outbreak showed 11 % positive benefits, including increasing consumer demand (71%) and marketing new items (57 %). They were mostly in the field of biology, and the good benefits can largely be related to the fact that their products are required. Some biological corporations have required the outbreak to double the production of vital new items like diagnostics or vaccines, for example, the COVID-19.

c. Some biological enterprises needed to double the epidemic in developing vital new items such as vaccinations or COVID-19 diagnostics. In the early phases of the epidemic, demand for toilet paper, canned items, flour, and other staples could not be maintained on product racks for other sectors, particularly consumer products. However, several sectors were affected. Almost all cars and industrial producers (97 %) reported detrimental effects of the outbreak, among those responding to the poll. 47 % of every firm reported an outbreak disturbing their workers.

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d. Many people were required to be working from home and others – especially in the production environment – had to adapt to new physical space, contact detection and personal protective equipment regulations (PPE).

**2.8 HOW TO ADOPT THE CHANGES IN SUPPLY CHAIN DUE TO COVID-19**

24. It can be assumed that corporations pause their sustainability objectives to contain the COVID-19 outbreak. The poll showed the opposite: 85% focused on the environmental and sustainable goals (ESG). Investors look for information about the performance of ESG in a company and for the need of staff to work for companies that are consistent with their mission statements, increase customers' sustainability expectations and increase regulation in different countries; there is certainly room for sustainable supply chain practices.

25. 61% of respondents said they will train and retrain personnel next year to help employees use digital technologies and adjust their business strategies as well as boost virtual communication.

a. Modern products often contain critical or complex materials requiring technical expertise. It is very difficult for a company to maintain the breadth of capability to do it all alone. Consider today's growing electronics content. Entertainment and browsing systems do not include touchscreens or automated microprocessors that control activities such as engines, steering systems, windows, and lighting.

b. There may be a lot of digging needed to figure out where the risks lie to make your business safe. It goes beyond both first and second levels and maps your whole supply chain, including distribution facilities and transport centres. This is time-consuming and expensive, and numerous major companies show that they only target direct strategic suppliers who spend most of their costs. But an incredible impediment that can stop your business can be much more costly than looking deeper into your supply chain.

**2.9 POSSIBLE ECONOMIC EFFECTS AND RESTRICTIONS OF NEW EXPORT PROHIBITIONS**

26. In case of crisis or emergency, the Member may decide to impose export restrictions. Sufficient local supplies are available for key products or these products locally. Lower prices than world prices. However, export restrictions could have a significant negative impact. This is especially true when the country is a major exporter of exports of goods. If a large exporter is prohibited or otherwise limited. The export of a product reduces world supply and increases the world price. Importers are suffering, especially in low-producing countries.

27. It is also worth remembering that this strategy does not mean that the exporter has not cost. Exportation restrictions reduce the product's domestic price and increase its relative foreign price. The decline in domestic prices reduces producers' incentives for local goods. On the other hand, higher foreign prices offer incentives to buy them. Attempts to smuggle local products and their local economy products. The foreign market. Therefore, the risk of boomerang effects and effective export restrictions is present. Reduction of availability of products in the implementing countries.

28. Moreover, export restrictions can have a domino effect and cause other exporters to introduce similar restrictions to maintain low local prices. These dominos affect the expansion of the crisis globally. In one country prohibitions and restrictions may lead authorities to other exports. Countries are forced to adopt similar measures. In the end, prices increased and the reasons for their initial introduction were lost.

29. Input from the trade partner, which presents a risk of substantial disruption to its production chain, can be retaliatory limits in the first place. Second, because importers can lose a part of their market in the long run. You can invest in self-sufficiency as a supply disorder insurance in crisis times.

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30. The third factor that can complicate the third adverse effect that goes beyond shocks of supply and demand Services of distribution, distribution and international transport is severely affected by such restrictions in the COVID-19 epidemic. For instance, air compression Passenger traffic around the globe has led to a significant decrease in the air freight capacity. This may be problematic if countries are considered Medical emergencies and other products are generally dependent on-air freight for transportation worldwide. When healthcare is excessive in a country, it is critically received and depleted. In other countries and medical personnel, supplies can soon be the only way to resolve the crisis Effective and efficient.

31. Trade can be subject to further tariffs and non-tariff barriers. Possible export reactions Boundaries are now set as countries may want to build their own homes Essential industries for protecting themselves against international competition

**2.10 IMPROVE INTERNATIONAL TRADE TO COOPERATE WITH COVID-19**

32. It is clear from these factors that international cooperation in the region is necessary to strike a balance between exports and deficits. The COVID-19 epidemic has affected some countries exporting essential medical products and the potential negative effects of these measures on imported public health. Members who depend to obtain such products on international commerce.

a. There are also significant risk supply chains that can be irreversibly modified leakage to other areas outside of those products or health supplies by extensive measures in place.

b. Following the G20 Meeting in March 2020, the trade ministers of the G20 emphasized that measures designed to address COVID-19, "emergency law," should be targeted in proportion as necessary. These are transparent and transient and do not impede trade or obstruction unnecessarily. Comply with worldwide supply chains and WTO rules. 19 The G20 Ministers for Agriculture reaffirmed this engagement on 21 April 2020 Acknowledging the Trade and Commitment of the G20 Ministers to inform the WHO of any trade action, including in the field of agriculture and food products.

c. Although only a few notices were issued in March 2020 when new exports were made, the number of notifications has significantly increased since early April. 13 (or 39 EU) individually counted members to date) QR decision establishing new export prohibitions. COVID-19 epidemic, restrictions include Albania, Australia, North Macedonia, Bangladesh, Costa Rica, Egypt, European Union, Georgia, Korea, Kyrgyz Republic, Thailand, and Ukraine. Current epidemic, restrictions: 8 The World Trade Organization states that the majority of these members are referred to in Sections XI: 2 and/or XX (b), GATT 1994.



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### **CHAPTER 03**

#### **POSITIVE ASPECTS OF COVID-19 ON BUSINESS**

33. Amongst the catastrophe and devastation that the global economy faced, grew a surge of creativity, innovation and adaptability by many businesses in a variety of sectors. Food outlets diversified, digital art erupted and offices became virtual and streamlined. It didn't take long to identify those who weren't going to let Covid bring them down!

34. At the start of the pandemic, many businesses largely stopped their operations due to extremely low demand. This led to laying off many employees, dropping a significant market share, and going bankrupt. However, some businesses profited from the situation and scaled up their services and market share. For instance, the USA's year over year revenue for online businesses rose 68%. Similarly, a 129% revenue growth was seen in online businesses in the USA and Canada. Companies like Facebook and Amazon have revolutionized e-commerce services. Likewise, Door Dash, UberEATS, Zoom (online conferencing platform), and Netflix gained a tremendous number of customers and their share prices skyrocketed. Conclusively, the businesses that provide products and services to customers through electronic platforms gained popularity and got an amazing response from the public. However, businesses depending on physical means faced significant challenges. In addition, the pandemic pushed businesses to cut operating costs through work-from-home possibilities. Furthermore, companies adopted electronic meetings and collaboration systems to gain the best services from geographically dispersed teams in other time zones.

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35. Furthermore, we can point out six ways that COVID 19 has had a positive impact on business.

- a. It pushed the fast forward button on digital access.
- b. It provided companies with the perfect opportunity to innovate.
- c. It highlighted the importance of training and upskilling.
- d. It's seen a rise in productivity levels.
- e. It's allowed businesses to save money.
- f. It encouraged a stronger sense of community

### **3.1 IT PUSHED THE FAST FORWARD BUTTON ON DIGITAL ACCESS**

36. The 2020 global pandemic side swiped businesses with no pre-warning that the physical workplace would have to cease operations as they were. This left many organizations faced with a difficult predicament to navigate through and no option but to come up with a new plan to resume trading overnight. From internal communications, connecting to customers to managing supplies, organizations had digitalized rapidly. For most businesses, the shock impact of the pandemic sent them into fight or flight mode...if decisions weren't made to implement a new way of working based upon an increase in technology usage, the chances are that business wouldn't survive. In many instances, things that would have traditionally taken months to negotiate or finalize through the old way of working, now take just hours.

**3.2 IT PROVIDED COMPANIES WITH THE PERFECT OPPORTUNITY TO INNOVATE**

37. The pandemic presented a unique opportunity for businesses to prototype their adapted ways of working in a relatively safe space. There appeared to be a period of global understanding and empathy with the challenges that businesses were facing. Customers were patient, understanding why things had to change and suppliers were seemingly more flexible. Businesses had an opportunity to diversify, introduce new products and explore new markets, with little risk of resistance. This period of instantaneous innovation helped to build confidence among businesses, to introduce change boldly and fearlessly. With evidence of positive results, this should encourage change and diversification to become a constant within company business models.

**3.3 IT HIGHLIGHTED THE IMPORTANCE OF TRAINING AND UPSKILLING**

38. Remote working in varying degrees, will be here to stay for the foreseeable future. During the initial adjustments resulting from the impact of the pandemic, employees had to adapt quickly to new systems and software. But the most significant change which affected most was communication in general. Some people settled well into a virtual communication space, where others have struggled to get on board with the concept. Employers must support their staff through such changes and allow time to allocate for personal development. Essentially for a business to survive and thrive in a post covid world, everyone within the organization has to continually improve upon their digital communications skills. Many businesses are now updating their training packages to reflect the needs of today's business operations to protect the growth of the company, alongside the wellbeing of staff.

**3.4 IT'S SEEN A RISE IN PRODUCTIVITY LEVELS**

39. Before the pandemic, the idea of offering a 'working from home option to employees was often viewed as unfavorable and if granted, would come with strict conditions. The idea that employees would be too relaxed, become lazy and be distracted by things around the home as opposed to fulfilling work obligations was overlooked by; the time saved travelling commuting, reduced distractions and the effectiveness of virtual meetings. Although faced with challenges, working from home, and communicating digitally have produced better productivity results than anyone could have expected.

**3.5 IT'S ALLOWED BUSINESSES TO SAVE MONEY**

40. Due to the unprecedented nature of the pandemic and the lingering uncertainty around the lasting effects, leaders and leadership teams took a hard look at their books, reevaluated spending and made adjustments to their cash flows, to prepare for any potential financial impacts from COVID. In the short term, it was safe to predict that at the very least consumer spending patterns and purchasing activities would alter significantly. For the long term...well, it was near impossible to call! For many businesses, this triggered a 'spring clean' of the company accounts and a pullback on spending. Although installing new ways of working hasn't come without a cost, including investment into new digital systems, communication platforms and home set up for staff. Many businesses experienced vast savings from not having to pay daily operating costs of offices or travel expenses.

**3.6 IT ENCOURAGED A STRONGER SENSE OF COMMUNITY**

41. In some instances, working remotely and being situated away from the traditional office has been a positive experience. Socializing virtually with colleagues has become more accessible to those who may have commitments outside of work or live in a remote area. Many employees feel their work-life balance is healthier and their general well-being has noticeably improved. Being more present at home has encouraged people to establish or enhance relationships with neighbors and others within the local vicinity. Being part of a community is essential for good all-around mental health.

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**CHAPTER 04**

**IMPACT OF SUPPLY CHAIN COMPANIES DURING COVID-19**

42. The COVID-19 pandemic has altered the economic landscape for many businesses throughout the world, emphasizing the need of being able to respond, adapt, and build up to crisis management procedures to weather unpredictable conditions. Because the severe restrictions and lockdowns generated numerous critical issues that required immediate response in the early days of the epidemic, many businesses have begun to shift into "recovery mode" and begin long-term planning. The need for supply chain resilience and risk management is more obvious than ever as organizations attempt to enhance operations and company resilience. Global supply chains have faced major problems as a result of the COVID-19 epidemic. Multiple countrywide lockdowns continue to stifle, if not completely halt, the movement of raw materials and completed goods, causing production to suffer. The epidemic, on the other hand, hasn't necessarily posed any new problems to supply chains. COVID-19 revealed previously unknown weaknesses in several sectors, and many organizations have experienced personnel shortages and losses as a result of it. However, it has exacerbated and hastened issues that previously existed in the supply chain.

43. Many firms all around the world rely heavily on production and supplies from China, Southeast Asia, and other low-cost countries. Broad worldwide trends in recent years have prompted major firms to reassess their supply networks, as well as their stability and reliability, in preparation for an uncertain future. This is true not only about COVID-19, but also concerning many other externalities and government actions that have begun to have an impact on supply chains around the world, such as the increased risk of trade wars, nationalism and protectionism trends, sustainability concerns, and human rights concerns.

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44. The total impact of the epidemic and the subsequent emergency measures on international trade as a result of COVID-19 is yet unknown. However, businesses have experienced significant business and operational disruptions, which have included everything from mitigating the effects of reduced supply to managing logistics supplier disruptions, as well as difficulties meeting their contractual obligations to customers. Baker McKenzie just released a podcast on shock-proofing supply chains, which goes into great detail on many of these issues. The future of supply chain systems will be influenced by trade conflicts, global politics, and national policy.

45. The global supply chain has already begun to respond to US-China tensions, and we may anticipate COVID-19's disruption to hasten this response. According to trade data, China lost market share in global exports at a faster rate in 2019, as businesses relocated to other nations. Low-cost manufacturing has shifted mostly to Mexico and Vietnam. By 2019, the two nations had expanded their combined market share in the consumer goods and technology, media, and telecommunications (TMT) sectors to 12% and 9%, respectively, primarily at the cost of China. Clothing and smartphone exports from Vietnam, as well as car components and computer exports from Mexico, all increased.

46. While many businesses have been nimble and ready to adapt to change, companies that have not already done so should prioritize analyzing their supply chains now, to understand where they might need to make changes or take action to mitigate against future disruptions. Considerations should include reviewing contractual obligations, assessing force majeure clauses, tax and employment implications of changes, relocation costs, entry and visa issues for staff, exit possibilities, as well as the option of swiftly reversing changes if the situation stabilizes or if new developments require the supply chain to adapt quickly.

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47. COVID-19 has provided a unique opportunity to study how these diverse systems and processes respond to extreme stress and change. It has also brought attention to the necessity of investing in supply chain resilience to develop more stable long-term operations. As we move forward, it is critical to apply what we have learned from previous events to prepare for the future. Some biosciences businesses had to ramp up their efforts to develop critical new goods, such as COVID-19 testing or vaccinations, as a result of the pandemic. Other industries, notably consumer goods, struggled to keep products on the shelves in the early days of the epidemic due to strong demand for toilet paper, canned foods, wheat, and other essentials. While many employees were requested to work from home, others, particularly in factories, had to adjust to new standards for physical space, contact tracing, and the use of additional personal protection equipment (PPE). In more labor-intensive industries, industrial goods and high-tech manufacturing businesses are spending heavily on technologies to limit employee exposure to COVID-19. These are only a few instances of supply chain developments affecting many industries.

48. Many previous trends have intensified as a result of the epidemic, and supply chain professionals agree that digital transformation will accelerate as a result of the pandemic. The competition for digital enablement and automation is heating up. Robots in warehouses and stores, driverless forklifts and vehicles, delivery drones, and completely automated planning are either present or will be by 2025. However, merely implementing digital technologies is insufficient to create a digitized, self-contained supply chain; it also requires linked supply chain technologies that span planning, procurement, production, and logistics and operate outside of the organization's four walls. It's the distinction between "doing" and "being" digital. Technology advancements and sustainability should be taken into account while reviewing supply networks. The COVID-19 epidemic has demonstrated the many various methods that businesses may continue to interact and operate successfully in a distant working environment, which many businesses are expected to use in the future. Indeed, organizations with superior digital infrastructure performed better than those without during the COVID-19 epidemic.



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49. Over the last few decades, the focus on supply chain optimization has largely been on cost efficiency and commercial best practices. Future supply chains, however, will need to start integrating resilience and adaptability into their calculations, as recent experience has shown. Changing a current supply network drastically is not as simple as it may appear, since a robust and safe supply chain must nevertheless meet cost-cutting needs. New logistical concerns, on the other hand, may have an influence on supply networks and the changes they undergo. Companies are anticipated to seek a more diverse supplier base soon, while also attempting to build a flexible yet cost-effective supply chain.

50. Companies will need to conduct a more comprehensive review in the long run, which may result in more radical adjustments such as relocating supply chains closer together or to different countries, as well as expanding supply chain digitalization, to create a more sustainable operation for the future. A comprehensive study should be grounded on facts and involve the modelling and testing of many scenarios. Change scenarios should also contain a contingency plan for the possibility of needing to swiftly reverse and alter supply chain aspects.

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### **CONCLUSION**

51. The uncertainty that COVID-19 is causing has been extraordinary. One certain thing, however, is that supply chains have never been more visible and mission critical. The traditional ways of managing the supply chain may have changed forever as COVID-19 brings a heightened awareness of its fragility. Every shipper, carrier, and logistics manager appreciate there could be a significant paradigm shift for future sourcing and inventory management. Hence, we have examined effective change management strategies in various aspects for supply chain companies during COVID 19 pandemic.

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