



# Building Back Better: Corporate Strategies for Sustainable Growth in the Post-Pandemic Era

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**Abstract:** *This paper explores the critical factors influencing corporate restructuring strategies in the post-pandemic global economy. The COVID-19 pandemic presented unprecedented challenges, forcing businesses worldwide to reevaluate their structures and strategies. In its aftermath, corporations face a landscape marked by economic uncertainty, shifting consumer behaviors, and volatile market dynamics. As a result, corporate restructuring has emerged as an essential strategy for organizations aiming to adapt, sustain operations, and achieve success in this transformed environment. The study identifies key drivers of post-pandemic era, emphasizing the need for digitalization, sustainability, operational agility, and strategic realignment. Among these, digitalization has proven to be a transformative force, fundamentally reshaping industries, economies, and societies on a global scale. Drawing on insights from both academic research and industry practices, this paper provides a comprehensive analysis of corporate restructuring strategies in the post-pandemic era. It offers actionable implications for executives, policymakers, and scholars, equipping them to navigate and leverage the complexities of the evolving global economy effectively.*

## 1. INTRODUCTION

The COVID-19 pandemic brought unprecedented disruptions to global economies, industries, and corporate ecosystems, exposing vulnerabilities and inefficiencies in traditional business models. The crisis underscored the need for agility, resilience, and innovation in corporate strategies to navigate an uncertain and rapidly evolving environment. As the world transitions to a post-pandemic era, businesses face critical imperatives to adapt and thrive while addressing challenges posed by shifts in consumer behavior, technological acceleration, and geopolitical complexities.

One of the most significant transformations in the post-pandemic landscape has been the accelerated pace of digitalization. Companies across sectors have been compelled to integrate advanced digital tools and technologies, enabling remote work, enhancing customer engagement, and optimizing operations. Digital transformation is no longer a choice but a necessity for sustaining competitive advantage and fostering long-term growth.

Concurrently, the pandemic highlighted the fragility of global supply chains, with disruptions causing delays, shortages, and increased costs. This has prompted organizations to reevaluate their supply chain strategies, emphasizing shorter, more localized, and diversified networks. Such changes aim to mitigate risks, enhance resilience, and ensure sustainability in the face of future uncertainties.

Sustainability has also emerged as a central tenet of corporate strategy, driven by increasing stakeholder expectations and the imperative to address climate change. Companies are now striving to embed sustainability into their core operations, aligning growth objectives with environmental,

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social, and governance (ESG) principles. This approach not only mitigates risks but also creates value by enhancing brand reputation, fostering customer loyalty, and meeting regulatory requirements.

This paper explores the corporate strategies that companies have adopted in the post-pandemic era to achieve sustainable growth, leverage digitalization, and build resilient supply chains. By examining case studies, industry trends, and theoretical frameworks, this study aims to provide insights into how businesses can navigate the complexities of the current environment while positioning themselves for future success.

## 2. LITERATURE REVIEW

The integration of digitalisation into supply chain management and sustainable corporate governance has emerged as a critical area of focus for contemporary businesses. Digitalisation, characterized by the adoption of advanced technologies such as artificial intelligence, blockchain, and the Internet of Things (IoT), has transformed traditional supply chain processes, enhancing efficiency, visibility, and responsiveness. Simultaneously, global sustainability challenges and regulatory pressures have pushed corporations to align their governance practices with environmental, social, and governance (ESG) principles. As these dynamics intersect, the synergy between digital innovation and sustainable practices presents unique opportunities and challenges for organizations striving to remain competitive in an increasingly complex and dynamic business environment.

### 2.1. Digitalisation of Business

Some scholars contend that COVID-19 is “the great accelerator” in fast-tracking the existing global trend towards embracing modern emerging technologies, ushering in transformations in lifestyle, work patterns, and business strategies (Amankwah-Amoah et al., 2021). They argue that the pandemic was a kind of “catalyst” for the adoption and accelerated use of digitalization in work organization and the office. However, the opportunities offered by digital technologies and the pandemic for companies to reinvent their business models have been constrained by hindering forces such as organizational inflexibility, the digital divide and the uneven impact on employee wellbeing. Key forces driving digitalization include the availability of user-friendly digital technologies, the lower cost of storing digital data and the potential efficiencies this brings, and the savings and more efficient use of time and potentially flexibility that come with working from home; these benefits can be self-reinforcing in a positive feedback loop (Amankwah-Amoah et al., 2021). Hamburg (2021) emphasizes that small and medium enterprises, more than bigger companies, have experienced difficulties during Covid-19 due to less customer demand for goods and services, limited resources and problems with digitalization. All these facts require a rapid change in small and medium enterprises’ strategies.

Scholars have examined how the relationship approach in business-to-business is changing due to the digital acceleration caused by the COVID-19 pandemic. Corsaro and D’Amico (2022) develop the framework, which is constituted by three dimensions: efficiency of the interaction, coordination and digital trust, and seven subdimensions.

Digitalisation is crucial during global crises because it enables business continuity, adaptability, and resilience. When physical operations are disrupted, such as during the COVID-19 pandemic digital tools allow companies to shift to remote work, maintain customer engagement, and manage supply chains virtually. It enhances data-driven decision-making, streamlines communication, and opens new digital revenue channels. Moreover, digitalisation supports cost-efficiency and innovation,

helping firms quickly adapt to changing environments and consumer needs. In uncertain times, businesses that embrace digital transformation are better positioned to survive, recover, and grow.

**Abidi et al. (2023)** found that digitally-enabled firms faced a lower decline in sales by about 4 percentage points during the pandemic compared to digitally-constrained firms, suggesting that digitalization acted as a hedge during the pandemic. Therefore, these results suggest that policymakers need to close the digital gap and accelerate firms' digital transformation. This will be crucial for economies to bounce back from the pandemic and build stronger foundations for future resilience to similar external shocks.

The complexity of the corporate transformation process brings with it certain challenges and problems that must be overcome on the way to creating innovative business models that enable the full potential of the company to be exploited. Digital restructuring activities require a new way of mindset by individuals as well as the organizations and bring with them challenges, issues, barriers and problems. **Kutnjak (2021)** in a research paper identifies challenges, issues, barriers, and problems that organizations are facing when they try to digitally transform their business under normal market conditions, but also in the current market conditions caused by the COVID-19 pandemic.

## 2.2. Reconfiguration of the Global Supply Chains

The COVID-19 pandemic is expected to trigger a reconfiguration of the global value chains according to four alternative trajectories: reshoring, regionalization, replication and diversification (**Elia et al., 2021**). These authors argue that reshoring policies need to be supported by and combined with industrial policies enforcing the competitiveness and sustainability of production systems. Global capitalism is at the brink of another round of restructuring and transformation based on a much more advanced digitalisation of the entire global economy and society, and the application of fourth industrial revolution technologies (**Robinson, 2020**).

The COVID-19 crisis strongly determined the global supply chain management of multinational companies. In the aftermath of the COVID-19 pandemic, further research is needed to understand how the impact of global events differs across alternative network structures, considering supply chain risks. Research study by **Gurbuz et al. (2023)** confirms that working with a larger number of smaller suppliers/buyers in geographically dispersed locations (a dispersed supply chain) significantly reduces the risk of demand and supply disruptions and contributes to a noticeable increase in utilisation rates (and thus revenue). The results suggest that certain network configuration strategies (collaboration, multi-sourcing) are more beneficial than others during disaster events.

COVID-19 will usher in a new era and revolution in global supply chains, and the time is ripe to review the performance and assessment of global supply chains (**Magableh, 2021**). One of the key outcomes of this crisis is the increased focus on local and regional supply chains. Investing in local supply chains has multiple benefits, but no company can operate alone. Therefore, global supply chains are still necessary. In light of the COVID-19 pandemic, organisations must promote information sharing, communication and supply chain transparency. Technology and corresponding plans and procedures will help to rebuild the supply chain system and improve its resilience in the future. Technology, digital supply chains and value chain transparency, as well as blockchain, should be a priority for future supply chains.

The energy crisis in 2022 significantly disrupted supply chains by increasing production and transportation costs, causing delays and reducing reliability. High energy prices led to factory shutdowns, especially in energy-intensive industries, limiting the availability of raw materials

and components. Transportation sectors, heavily reliant on fuel, faced rising costs and logistical bottlenecks. These challenges triggered global ripple effects, including shortages, inflation, and increased lead times. The crisis also forced businesses to reassess supplier networks, prioritise energy efficiency, and seek more resilient, localised supply chains to mitigate future disruptions.

The energy crisis and Houthi attacks in Yemen have profound theoretical implications for global supply chains, challenging traditional models built around cost-efficiency, lean operations, and global integration. These disruptions highlight the vulnerabilities of just-in-time (JIT) systems, which lack the flexibility to absorb sudden shocks in energy supply and logistics. The energy crisis, by sharply increasing costs and causing factory slowdowns, and the Houthi attacks, by threatening key maritime trade routes like the Red Sea, expose the critical need for supply chains to be resilient rather than just efficient. Resilience theory becomes increasingly important, emphasizing adaptability, redundancy, and the ability to respond to unexpected disruptions. Risk management theory also gains prominence, urging firms to integrate geopolitical, environmental, and energy risks into strategic planning. Additionally, resource dependence theory is reinforced as firms seek to diversify both their energy sources and supplier bases to reduce exposure to unstable regions. These developments suggest a theoretical shift from optimizing for low cost to optimizing for continuity, flexibility, and long-term sustainability in supply chain design and operations.

Scholars argue that business organizations need to formulate their strategies from a comprehensive and holistic viewpoint (Mansour & Al-Ajmi, 2020). Formulating strategies from a comprehensive and holistic viewpoint means that business organizations must consider the full spectrum of internal and external factors that influence performance—especially in supply chain strategic management. Rather than focusing solely on cost reduction or operational efficiency, a holistic approach integrates sustainability, resilience, technology, stakeholder collaboration, and global market dynamics into strategic decisions. This perspective emphasizes long-term value creation, adaptability to disruptions (like pandemics or geopolitical risks), and alignment with corporate goals. It requires cross-functional coordination across procurement, logistics, production, and distribution, and extends beyond the firm's boundaries to include suppliers, customers, regulators, and communities. A holistic supply chain strategy also factors in ESG (Environmental, Social, and Governance) concerns, digital innovation (like AI and blockchain), and risk management frameworks. Ultimately, this approach enables organizations to build agile, sustainable, and competitive supply chains that are better equipped to respond to complexity and uncertainty in today's global business environment.

### 2.3. Sustainable Corporate Governance

Environmental, social and governance (ESG) scores are becoming increasingly relevant in academic literature and the corporate world. However, there is little consensus among academics about the definition of ESG scores and their measures (Clement et al., 2023). Many scholars have used ESG scores to represent various issues. Scholars argue that ESG and all of its dimensions (environmental, social, and governance) have a significant positive association with ROA. ESG and its environmental and social dimensions also exert a significant positive effect on Tobin's Q (Rahman et al., 2023). A study made by Saini et al. (2023) indicates that stakeholder, legitimacy and signaling theories are the foundation for ESG and financial performance. Social firms have a lower capital cost because of their low-risk potential.

ESG (Environmental, Social, and Governance) studies are crucial for strategic management theory because they expand the understanding of what constitutes long-term value and sustainable competitive advantage. Integrating ESG into strategic management theory acknowledges that firms

operate within broader societal and ecological systems. ESG factors influence regulatory pressures, investor behavior, consumer preferences, and talent acquisition. Companies that proactively manage ESG issues are better positioned to anticipate and adapt to external changes, avoid reputational damage, and innovate responsibly. Thus, ESG studies help redefine strategic success, not just in terms of profits, but through sustainable value creation, resilience, and long-term stakeholder trust, key components of modern strategic management thinking.

In contrast with research from management and related disciplines as well as findings purported by industry reports, some other scholars did not find an outsized financial return for ESG strategies (Atz et al., 2023). The bulk of studies concluded that there was either no statistical difference compared to a conventional benchmark or that results were positive and negative (i.e. mixed) within a study. These four scholars argue that the academic literature in finance is more challenged by the many dimensions of sustainability, by the shortcomings of ESG data, and by pooling different investment strategies compared to the more mature corporate and management literature.

Some other scholars (Isik et al., 2024) argue that the concept of traditional ESG factors lacks the economic dimension (denotes ECON). They introduced ECON-ESG as a composite sustainability concept. While ESG represents firm and microeconomics-based sustainability based only on environmental, social, and governance factors, ECON-ESG also incorporates the economy and represents sustainability, including macroeconomics affecting the firm's performance. Delgado-Ceballos et al. (2023) connect the United Nations' Sustainable Development Goals (SDGs), an extensive collection of society-level goals and targets aimed at addressing grand challenges and achieving global sustainability by 2030 to firm-level sustainability and Environmental, Social, and Governance (ESG) factors. They emphasise the importance of connecting the SDGs with the concept of double materiality, stakeholder materiality and financial materiality.

Despite a lot of clear findings on why investors and firms conduct ESG and how ESG affects investor returns and firm performance, many questions related to ESG/CSR still have inconclusive answers (Rau & Yu, 2024). Therefore, some directions for future research include how other stakeholders, such as customers and employees, act as drivers behind firms conducting ESG/CSR and how ESG/CSR affects firms' investing and payout policies.

### 3. MANAGERIAL IMPLICATIONS

The post-pandemic era has underscored the critical role of digitalisation, resilient supply chain management, and sustainable corporate governance in navigating uncertainties and driving long-term organizational success. Managers must adapt to a rapidly evolving business environment where technological integration, sustainability, and governance are no longer optional but essential pillars for competitiveness and resilience. The following managerial implications determine the corporate restructuring in the post pandemic era:

#### 1. Accelerating Digital Transformation

Managers must prioritize digital transformation to enhance agility and adaptability. The pandemic revealed vulnerabilities in traditional operations, driving the need for real-time data access, predictive analytics, and automation. Digital tools such as blockchain for supply chain transparency, artificial intelligence for demand forecasting, and IoT for real-time monitoring are indispensable. Leaders should invest in upskilling employees to bridge digital skills gaps and foster a culture of innovation. Moreover, leveraging digital platforms to enhance collaboration across dispersed teams and partners ensures continuity and responsiveness in dynamic market conditions.

2. **Building Resilient and Sustainable Supply Chains**  
Supply chain disruptions during the pandemic highlighted the need for resilience and sustainability. Managers must adopt strategies such as nearshoring, diversification of suppliers, and building redundancy in critical operations. Emphasizing sustainability within supply chains involves integrating green logistics, ethical sourcing, and waste reduction practices. For example, employing digital twin technology can simulate supply chain scenarios to optimize resources and minimize environmental impact. Furthermore, fostering partnerships with suppliers and other stakeholders to ensure compliance with environmental, social, and governance (ESG) criteria enhances long-term value creation.
3. **Strengthening Governance for Sustainability and Technology Integration**  
Sustainable corporate governance frameworks are essential for aligning digitalisation and supply chain practices with ESG objectives. Managers should establish governance structures that prioritize accountability, transparency, and stakeholder engagement. This includes embedding ESG metrics into performance evaluations, adopting robust risk management systems, and ensuring compliance with emerging sustainability regulations. Digital tools like dashboards and reporting platforms enable real-time monitoring and reporting of sustainability initiatives, enhancing decision-making and stakeholder trust.
4. **Leveraging Technology to Foster Stakeholder Collaboration**  
Digitalisation offers innovative ways to engage stakeholders in sustainability initiatives. Managers can use technology to communicate sustainability goals, track progress, and foster collaboration with employees, investors, and communities. Blockchain, for instance, can ensure transparency in ethical sourcing, while AI-driven analytics can highlight areas for improvement in meeting ESG commitments. This collaborative approach not only improves reputation but also strengthens partnerships and market positioning.
5. **Balancing Profitability with Purpose**  
The post-pandemic has reshaped the way businesses operate and has underscored the importance of adaptability, resilience, and empathy in effective managerial practices. The EU leads global sustainability initiatives, especially on climate change. At the beginning of the year 2022, the European Commission presented the long-awaited proposal for a Corporate Sustainability Due Diligence Directive (CSRD), which imposes new obligations on large companies and their subsidiaries to identify, prevent and manage negative impacts on human rights and the environment. Corporate Sustainability Reporting Directive (CSRD) as well as the new European Sustainability Reporting Standards (ESRS) establish a new EU institutional framework with basic principles for sustainable corporate governance, pointing to comprehensive due diligence obligations for companies, CEOs and corporate boards (see Figure 1).



**Figure 1.** New institutional framework toward sustainable corporate governance

**Source:** Author's illustration

Post post-pandemic era has underscored more than ever before the importance of integrating sustainability into business strategies. Crafting a sustainable business strategy post-pandemic era requires a holistic approach that considers environmental, social, and economic factors. Post-pandemic era presents an opportunity for managers to redefine corporate strategies by leveraging digitalisation, strengthening supply chain resilience, and institutionalizing sustainable governance practices. By embracing these imperatives, organizations can achieve not only operational efficiency and risk mitigation but also sustainable growth and enhanced stakeholder value.

On the other hand, higher costs related to ESG European Directives can negatively impact the global competitiveness of EU companies by increasing operational and compliance expenses. Firms must invest in sustainable technologies, supply chain audits, and extensive ESG reporting, which raises their cost base. These added costs can reduce price competitiveness, especially against non-EU rivals from regions with less stringent or no ESG regulations. As a result, EU firms may struggle in price-sensitive global markets. Additionally, the administrative burden can divert resources from innovation and growth. Smaller companies are particularly vulnerable due to limited capacity to absorb these costs. This regulatory imbalance creates an uneven playing field, potentially encouraging firms to relocate operations outside the EU. While ESG aims to promote responsible business, without global alignment, it risks weakening the international position of EU companies striving to comply with higher standards.

#### 4. CONCLUSION

The COVID-19 pandemic exposed deep vulnerabilities in global business systems, forcing companies across all sectors to re-evaluate their strategic priorities and operational models. As firms emerge from the crisis, the imperative to "build back better" has taken center stage, not only as a moral obligation but as a strategic necessity. This paper has explored how companies can develop and implement corporate strategies that promote sustainable growth, resilience, and long-term value creation in the post-pandemic era. At the heart of this transformation lies the strategic realignment of business activities to incorporate environmental, social, and governance (ESG) principles, digital innovation, and adaptive organizational structures.

The findings emphasize that sustainability is no longer a peripheral or optional element of business strategy; it is central to competitive advantage. Firms that align their strategies with global sustainability goals, such as reducing carbon emissions, enhancing social equity, and strengthening governance frameworks are more likely to thrive in an era marked by climate risks, social accountability, and stakeholder activism. Moreover, companies that fail to embrace these changes risk falling behind due to regulatory pressures, reputational damage, and a loss of investor and consumer trust.

Strategic realignment, therefore, becomes essential. Businesses must shift from traditional growth models based solely on efficiency and short-term profits to strategies focused on resilience, adaptability, and stakeholder engagement. This involves reconfiguring supply chains, investing in digital transformation, embracing remote and hybrid work models, and building more inclusive, transparent corporate cultures. Such realignment requires visionary leadership, a willingness to rethink legacy practices, and a commitment to long-term strategic planning that integrates ESG objectives into core decision-making.

Importantly, the paper argues that strategic management theory must evolve to reflect this new reality. Traditional frameworks must be expanded to incorporate sustainability metrics, stakeholder

perspectives, and systemic risk management. The crisis has shown that businesses do not operate in isolation from societal or environmental systems. As a result, strategic decisions must be informed by broader ecological and social considerations, requiring a more holistic and integrated approach to business strategy.

In conclusion, building back better is not merely about recovering from crisis, it is about reimagining the role of business in society and repositioning corporate strategy for sustainable growth. Companies that embrace this shift and strategically realign their operations to support long-term sustainability will not only enhance their resilience but also unlock new opportunities for innovation, competitiveness, and societal impact. The post-pandemic era presents a rare window for transformative change, one in which strategy, sustainability, and responsible business practices converge to shape a more equitable and resilient future. Future research should continue to examine innovative approaches that balance economic, environmental, and technological imperatives, ensuring sustainable growth in an increasingly complex global economy.

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