

SUPPLY CHAIN VISIBILITY AND ADAPTIVE RESILIENCE FOR MSMEs: CONNECTING INFORMATION QUALITY, COLLABORATIVE SENSING, AND RESOURCE RECONFIGURATION

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Abstract

This conceptual and integrative review develops a framework for supply chain visibility and adaptive resilience in micro, small, and medium enterprises. It addresses the problem that MSMEs face disruption with thin inventories, concentrated suppliers, limited information, and little leverage, making early sensing and coordinated response strategically important. Drawing on the resource-based view, dynamic capabilities, organizational learning, absorptive capacity, social capital, and resilience, the paper explains how critical-flow mapping, information quality, collaborative sensing, contingency options, post-disruption learning can be organized as mutually reinforcing routines. The proposed pathway moves from problem diagnosis and capability mapping to bounded experimentation, evidence review, resource reconfiguration, and learning retention. No primary survey, interview, experimental, administrative, or statistical data are claimed. The framework links these mechanisms to faster response, continuity, lower dependency, recovery quality, adaptive supply networks and identifies managerial, institutional, and research implications suitable for resource-constrained enterprises.

Keywords: MSMEs; supply chain visibility; resilience; collaborative sensing; resource reconfiguration

INTRODUCTION

The strategic relevance of supply chain visibility and adaptive resilience follows from a practical mismatch: MSMEs face disruption with thin inventories, concentrated suppliers, limited information, and little leverage, making early sensing and coordinated response strategically important. This mismatch is not solved by acquiring technology or joining a program alone. It requires routines that connect information, judgment, resource commitments, and accountable review.

For small enterprises, the cost of a poor decision can be disproportionate because managerial attention and financial buffers are limited. A useful framework must therefore be selective, staged, and reversible. It should explain how critical-flow mapping, information quality, and collaborative sensing reinforce one another rather than presenting them as isolated practices.

This article asks how MSMEs can organize supply chain visibility and adaptive resilience as an evolving capability. The analysis integrates the resource-based view, dynamic capabilities, organizational learning, absorptive capacity, social capital, and resilience. These perspectives clarify why resources create value only when embedded in routines that enable sensing, interpretation, coordinated action, and renewal.

THEORETICAL FOUNDATION

The resource-based view directs attention to valuable resources, but supply chain visibility and adaptive resilience depends equally on how resources are combined. Knowledge, relationships,

credibility, technology, and routines may be individually available yet strategically weak when they are fragmented or poorly governed (Barney, 1991).

Dynamic-capabilities theory explains renewal through sensing, seizing, and reconfiguration. Sensing identifies relevant change; seizing converts an opportunity into a bounded commitment; reconfiguration reallocates resources when evidence challenges established assumptions (Teece et al., 1997; Teece, 2007).

Absorptive capacity adds an important qualification: external knowledge matters only when an enterprise can recognize its relevance, assimilate it, transform it, and apply it. In supply chain visibility and adaptive resilience, this implies that information access must be paired with interpretation, local adaptation, and decision ownership (Cohen & Levinthal, 1990).

Organizational learning distinguishes exploration from exploitation. Exploration tests alternatives; exploitation refines reliable routines. MSMEs need both, but scarce resources require explicit limits on experimentation and clear criteria for retaining what has been learned (March, 1991).

Social capital and ecosystem perspectives explain the relational dimension. Trusted ties lower coordination costs, while bridging ties provide non-redundant information and complementary capabilities. Resilience emerges when these relationships expand options without creating uncontrolled dependence (Adler & Kwon, 2002; Spigel, 2017).

A closer examination of critical-flow mapping shows that its value depends on operating discipline rather than formal adoption. In the context of supply chain visibility and adaptive resilience, managers need to specify the decision being improved, the information required, the person responsible, and the condition that would trigger corrective action. This specification turns an abstract principle into a reviewable routine and makes its contribution to faster response visible.

The relationship between information quality and collaborative sensing is complementary but not automatic. The first mechanism creates an option, while the second determines whether that option can be applied consistently under resource constraints. Their alignment should therefore be reviewed through observable changes in work quality, exception handling, stakeholder response, and lower dependency.

An important boundary condition concerns managerial attention. Even a technically sound approach to supply chain visibility and adaptive resilience can fail when responsibilities are dispersed, review dates are unclear, or employees lack authority to act on emerging information. Proportionate documentation and short feedback meetings reduce this risk by linking assumptions to outcomes without creating excessive administrative burden.

CONCEPTUAL ARCHITECTURE

The framework begins with a focal decision rather than a broad aspiration. Managers define the problem, affected stakeholders, available evidence, resource ceiling, and review date. This discipline prevents supply chain visibility and adaptive resilience from becoming a collection of disconnected activities.

A capability map then identifies existing strengths and gaps across critical-flow mapping, information quality, collaborative sensing, contingency options, and post-disruption learning.

Mapping should distinguish resources already controlled by the enterprise from capabilities that depend on partners, platforms, advisers, or public institutions.

The third component is a bounded experiment. A useful experiment specifies the expected mechanism, observable intermediate outcome, responsibility, time horizon, and stop condition. It is designed to generate decision-relevant learning, not merely to demonstrate activity.

Evidence review connects action to faster response, continuity, lower dependency. Managers compare the result with the baseline and ask whether improvement can plausibly be attributed to the changed routine. Weak evidence triggers redesign or discontinuation rather than automatic expansion.

Learning retention completes the architecture. Assumptions, actions, exceptions, outcomes, and lessons are recorded in a format proportionate to enterprise size. This record becomes an organizational asset when it changes future choices and reduces repeated error.

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Proposition 1. When critical-flow mapping is connected to explicit decision responsibility and a scheduled evidence review, improvements in faster response are more likely to be retained as an organizational routine than when the practice is introduced as a stand-alone activity.

Proposition 2. When information quality is connected to explicit decision responsibility and a scheduled evidence review, improvements in continuity are more likely to be retained as an organizational routine than when the practice is introduced as a stand-alone activity.

CAPABILITY DEVELOPMENT

Capability development should be anchored in recurring tasks associated with supply chain visibility and adaptive resilience. Training has limited value when it is detached from decisions that employees and owners actually perform. Practice, feedback, and reflection should occur around a real workflow.

The first capability cluster concerns interpretation: employees must recognize relevant signals, assess information quality, and explain uncertainty. The second concerns coordination:

responsibility for information quality and collaborative sensing must be visible across functional and organizational boundaries.

A third cluster concerns disciplined experimentation. Small tests protect scarce resources while exposing hidden operational constraints. A fourth concerns review: managers need simple indicators and predetermined decision rules for continuation, redesign, scaling, or exit.

Capability is cumulative when post-disruption learning changes later practice. Checklists, short decision notes, after-action reviews, and versioned procedures can preserve learning without imposing excessive bureaucracy.

Leadership behavior is central. Leaders must make uncertainty discussable, invite evidence that challenges preferred solutions, and protect employees who report emerging risks. Without psychological safety, formal controls may produce compliance signals while concealing operational weakness.

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IMPLEMENTATION PATHWAY

Implementation proceeds through four stages: diagnosis, pilot, controlled scaling, and institutionalization. Diagnosis establishes the focal constraint and baseline. The pilot tests one mechanism under limited exposure. Controlled scaling expands only after evidence and capability readiness are demonstrated.

During diagnosis, the enterprise maps stakeholders, decisions, dependencies, and information flows related to supply chain visibility and adaptive resilience. Particular attention is given to single points of failure and assumptions that have not been verified.

During the pilot, scope and resource limits are written in advance. Responsibility for operating the change is separated from responsibility for reviewing its consequences where feasible. This modest separation improves challenge and reduces escalation of commitment.

Controlled scaling considers whether benefits remain credible when volume, complexity, or partner involvement increases. Scaling must not undermine faster response, continuity, or core service continuity.

Institutionalization converts proven practices into routines, role expectations, records, and periodic review. Institutionalization is not permanence: routines remain subject to reassessment when the environment, technology, regulation, or stakeholder expectations change.

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GOVERNANCE AND RISK

Governance for supply chain visibility and adaptive resilience should be proportionate rather than elaborate. Its minimum components are decision rights, information ownership, resource limits, review frequency, escalation routes, and transparent documentation of material assumptions.

Risk assessment focuses on events capable of interrupting continuity or destroying initiative value. These include liquidity pressure, operational failure, inaccurate information, privacy or security incidents, partner dependence, legal exposure, and reputational harm.

Preventive controls reduce avoidable error, detective controls reveal deviations, and corrective controls restore performance. For MSMEs, practical examples include approval thresholds, reconciliations, access restrictions, backups, partner terms, exception logs, and scheduled review of collaborative sensing.

Governance also requires an exit logic. Stop conditions should be agreed before substantial commitment so that sunk costs and personal attachment do not override evidence. An initiative may be redesigned when the mechanism is plausible but implementation is weak; it should be discontinued when expected value no longer justifies exposure.

Accountability strengthens learning when decisions can be reconstructed. A brief record of who decided, what evidence was used, what uncertainty remained, and when the outcome would be reviewed supports both responsible oversight and adaptive supply networks.

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PERFORMANCE AND LEARNING

Performance measurement distinguishes inputs, activities, intermediate outcomes, and final outcomes. Expenditure, participation, adoption, or training completion are activities; they do not by themselves demonstrate improved capability or enterprise value.

Intermediate outcomes for supply chain visibility and adaptive resilience may include better information quality, faster exception recognition, stronger coordination, improved employee confidence, or reduced process error. These indicators are useful because they appear before final financial effects.

Final outcomes should match the focal problem and may include faster response, continuity, lower dependency, recovery quality, adaptive supply networks. Measures should be few enough to use consistently and sufficiently balanced to prevent one objective from being optimized at the expense of another.

Evaluation is strongest when baseline conditions, review intervals, and interpretation rules are specified before implementation. Where causal attribution is not possible, managers should state uncertainty rather than presenting association as proof.

Short feedback cycles make correction less costly. Learning becomes strategically meaningful only when evidence changes later behavior: successful routines are refined, weak routines are redesigned, and disproven assumptions are retired.

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MANAGERIAL AND POLICY IMPLICATIONS

Owner-managers should begin with one high-consequence decision related to supply chain visibility and adaptive resilience, establish a baseline, and test the smallest viable change. This approach concentrates limited attention and produces clearer evidence than broad transformation programs.

Support institutions should move beyond generic workshops toward problem-based assistance, follow-up coaching, and shared learning infrastructure. Universities can contribute diagnostic methods and evaluation capability; associations can aggregate experience; financial and public institutions can reduce access barriers.

Technology providers and ecosystem coordinators should make rules, risks, responsibilities, and exit options understandable to small enterprises. Design quality should be judged partly by whether it enables lower dependency and preserves user agency.

Policymakers should favor interoperable support, transparent eligibility, proportionate compliance, and mechanisms that allow small firms to learn without taking irreversible risk. Program evaluation should examine capability and business outcomes rather than registration or participation alone.

The framework also cautions against uniform prescriptions. Sector, enterprise maturity, regional infrastructure, owner capabilities, and stakeholder exposure affect feasibility. Adaptation should preserve the underlying mechanism while allowing the operating form to vary.

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RESEARCH AGENDA AND CONCLUSION

Future research should test the proposed mechanism chain in different sectors and regions. Longitudinal designs are especially valuable because supply chain visibility and adaptive resilience develops through repeated decisions, feedback, and resource reconfiguration rather than a single intervention.

Researchers should distinguish capability presence from capability use and examine boundary conditions such as enterprise size, digital maturity, environmental turbulence, owner concentration, and ecosystem quality. Mixed methods can clarify why apparently similar practices generate different outcomes.

Measurement development should prioritize transparent constructs and observable routines. Comparative case studies can identify configurations of mechanisms, while surveys and administrative evidence can later test associations without inventing causal certainty.

In conclusion, supply chain visibility and adaptive resilience is best understood as an organizational capability built through connected routines. The proposed framework links critical-flow mapping, information quality, collaborative sensing, contingency options, post-disruption

learning to faster response, continuity, lower dependency, recovery quality, adaptive supply networks through diagnosis, bounded action, evidence review, and retained learning.

The central implication is practical: resilience and responsible development do not require maximal complexity. They require clear problems, proportionate commitments, credible evidence, accountable relationships, and the discipline to change course when learning demands it.

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