



Navigating Uncertainty: Post-Pandemic Issues on Digital Transformation

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ABSTRACT

This paper critically analyses the current state and future implications of digital transformation, with a specific focus on the challenges that organizations navigate in the post-pandemic era. By emphasizing the importance of strategic vision, adaptability, and a human-centric approach, this article underscores the potential of digital transformation to create value and drive sustainable growth. The reflections and conclusions presented in this work can provide valuable insights for researchers, practitioners, and policymakers alike.

KEYWORDS

Digital transformation; digitalization; digital economy; digital entrepreneurship; COVID-19 pandemic

Introduction

In the face of the recent global health crisis, the world is moving toward a new reality shaped by the challenges and consequences of the recovery from the COVID-19 pandemic, including rising inflation rates and the ongoing conflict in Ukraine. The disruption of global supply chains, increased government spending, and stimulus measures during the pandemic have resulted in inflationary pressures for many economies worldwide. Additionally, the war in Ukraine adds another layer of complexity to the economic landscape, with geopolitical tensions, trade disruptions, and additional inflationary pressures creating ripple effects on global markets, supply chains, and business operations.

To address inflation stemming from both the supply and demand sides, central banks have made the strategic decision to implement a monetary policy of raising interest rates. However, this approach carries significant repercussions for the global economy. Increasing interest rates can result in an economic slowdown or, in more severe cases, a recession, leading to a decline in the production of goods and services. Higher interest rates discourage households and businesses from spending, as the cost of borrowing becomes less favorable. This shift in consumer behavior and investment decisions can have a profound impact on the economic landscape, precipitating job losses and an undesirable surge in unemployment rates. These consequences highlight the delicate balance that central banks must strike to effectively manage inflation while mitigating adverse effects on employment and economic stability.

In this challenging economic environment, companies need to navigate these difficulties while continuing their

digital transformation efforts. Embracing digital transformation equips businesses to remain adaptable, agile, and resilient in the face of inflation and economic uncertainties. Digital solutions enable organizations to optimize operations, allocate resources strategically, and seize growth opportunities, mitigating the adverse effects of a complex economic landscape (Soto-Acosta, 2020).

With the pace and variability of change reaching unprecedented levels, the need for digital transformation has become more pronounced. Digital innovation is central to these changes, accelerating transformation and enabling disruption. The phenomena of uncertainty and digital transformation are interlinked, each fueling the other. Consequently, digital transformation is not merely a response to navigate change and uncertainty, but also a strategic approach with the potential to excel at deploying existing business models to provide new value propositions for existing markets and exploring entirely new business models to offer novel value propositions for emerging markets, thereby enabling a company to become a disruptor or avoid being disrupted (Soto-Acosta et al., 2016, 2018).

As a follow-up to my previous article, “Covid-19 pandemic: Shifting digital transformation to a high-speed gear,” published in 2020, this paper delves deeper into the enduring effects of digital transformation, particularly its impact on our current digital milieu and prospects. The wide-ranging impacts of this process permeate every facet of our global economy. While the pandemic indeed exposed significant and persistent disparities in digital readiness across various countries and industry sectors, it also served as a catalyst propelling the world toward a more digitalized future. Furthermore, although