

# **Challenges and Limitations of Using Artificial Intelligence (AI) In the Supply Chain**

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## **Abstract**

This paper aims to explore the challenges and limitations of using artificial intelligence (AI) in the supply chain and proposes strategies to address these issues. The dynamic nature of today's supply chains, which operate within a highly competitive environment, necessitates technology that can cope with their increasing complexity. While several functional supply chain applications based on AI have emerged, the implementation of AI is not without its challenges. The current study surveyed approximately 200 participants, including professors and project managers, and found that 65% of employees do not use AI adequately despite their supply chains being dependent on it. Some of the challenges mentioned in the survey included the complexity of using machine learning, the time-consuming implementation of Computer-aided engineering (CAE), the prevalence of human errors when entering data on the blockchain, and the need for large, inclusive, and high-quality data sets to train ML algorithms. To address these issues, this paper presents effective strategies for handling these challenges, which were developed through extensive investigation and research. Overall, the findings of this paper contribute to the growing body of knowledge on the use of AI in the supply chain and provide valuable insights for supply chain practitioners and researchers

**Keywords:** supply chain, artificial intelligence, Computer-aided engineering, machine learning, algorithms, blockchain, technology, environment