Sustainable closed-loop supply chain network under uncertainty: a response to the COVID-19 pandemic

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Abstract
This study proposes a sustainable closed-loop supply chain under uncertainty to create a response to the COVID-19 pandemic. In this paper, a novel stochastic optimization model integrating strategic and tactical decision-making is presented for the sustainable closed-loop supply chain network design problem. This paper for the first time implements the concept of sustainable closed-loop supply chain for the application of ventilators using a stochastic optimization model. To make the problem more realistic, most of the parameters are considered to be uncertain along with the normal probability distribution. Since the proposed model is more complex than majority of previous studies, a hybrid whale optimization algorithm as an enhanced metaheuristic is proposed to solve the proposed model. The efficiency of the proposed model is tested in an Iranian medical ventilator production and distribution network in the case of the COVID-19 pandemic. The results confirm the performance of the proposed algorithm in comparison with two other similar algorithms based on different multi-objective criteria. To show the impact of sustainability dimensions and COVID-19 pandemic for our proposed model, some sensitivity analyses are done. Generally, the findings confirm the performance of the proposed sustainable closed-loop supply chain for the pandemic cases like COVID-19.

Keywords Sustainable supply chain · Stochastic programming · Multi-objective optimization · Whale optimization algorithm · COVID-19 pandemic

Introduction
The consensus has been built up to focus on business sustainability in recent years. Sustainable supply chain network design (SSCND) is defined as simultaneous considerations of economic, environmental, and social impacts for the operations of supply chains and logistics with regard to information management (Ghadami et al. 2021), facility location planning, flow of products, and inventory management (Seuring and Müller 2008). Together with all dimensions of sustainability, establishing a return flow for the reproduction of waste products is an issue that needs to be addressed (Huge-Brodin et al. 2020). So, an interesting and valuable research that has hardly been addressed in the recent studies is the modeling of sustainability dimensions in an integrated forward and reverse logistic.

So far, the boundaries between green and sustainable designs have not been clearly defined (Quan et al. 2021). According to one of the latest studies, 89% of the sustainable network design studies have only considered the trade-off between environmental and economic goals (Sahebjamnia et al. 2018; Fathollahi-Fard et al. 2021b). Meanwhile, one of the effective ways to increase profitability and competitiveness is to enhance social impacts of networks. Social dimension modeling expands the vision of supply chain designers into globalized sustainable development (Hosseini et al. 2021). A sustainable supply chain also indirectly affects the profitability of companies by reducing risks (Eskandarpour...
et al. 2015), improving public images (Ivanov 2020), persuading non-governmental groups and media, satisfying activists’ requirements (Pishvae et al. 2012), and maintaining customer loyalty (Mehrotra et al. 2020). Although there are many studies in the area of SSCND, the ventilator production which has a key factor in the case of the COVID-19 pandemic has not been studied by the concept of triple bottom line to cover the economic, environmental, and social sustainability impacts, simultaneously (Jaja et al. 2020; Xie et al. 2020). This paper creates a response to the COVID-19 pandemic for the SSCND for the ventilator production.

Additionally, the supply chain network design (SCND) is a decision-making process which involves three decisions: strategic, tactical, and operational decisions (Devika et al. 2014; Safaeian et al., 2019). It is worth noting that there are many uncertain parameters in these decisions that compromise the flexibility of facility performance (Kaplan 2020; Moosavi et al. 2021). To tackle such uncertainties, many studies select different modeling methods given the presence or absence of historical data (Ivanov and Dolgui 2020; Zhang et al. 2021). However, Turken et al. (2020) argue that the various sources of uncertainties is a serious issue, which significantly reduces the flexibility of decisions, and there are only few studies selecting modeling methods with a consideration of the complexity of uncertainty sources (Costa et al. 2020; Xu et al. 2020).

This study contributes to the Iranian medical ventilator supply chain for the COVID-19 pandemic while a SSCND is designed. This pandemic has a high impact on the supply chain activities like transportation and delivery of the products, the demand of customers, and reverse logistics. This study considers both forward and reverse flows as a closed-loop supply chain (CLSC) in the case of a pandemic. It goes without saying that these are significant on the sustainability dimensions to evaluate the economic, environmental, and social goals. This study develops a novel stochastic programming approach to evaluate the sustainability and COVID-19 for a closed-loop Iranian medical ventilator supply chain for the first time.

One difficulty for solving the proposed multi-objective optimization model is that it is more complex than majority of existing studies in the area of closed-loop supply chains (Krug et al. 2020). Therefore, an efficient solution algorithm is needed to solve the proposed problem (Zhang et al. 2020). One theory so-called as no free lunch in optimization algorithms says that no metaheuristic is efficient for all optimization problems (Sahebjamnia et al. 2018). Therefore, modifications and hybridizations are needed to enhance the performance of existing algorithms. This study innovates a hybrid metaheuristic as a combination of simulated annealing and whale optimization algorithm. This algorithm is compared with its individual methods, and some multi-objective assessment metrics are applied to evaluate the optimization problem.

The framework of this paper is as follows: Section 2 is the literature review with a survey on the recent and relevant studies finding the research gaps. Section 3 addresses the proposed problem and its model formulation. Section 4 is the solution algorithm as a hybrid whale optimization algorithm to solve the proposed problem. Section 5 illustrates the case study with details and our analyses to achieve sustainability in the case of the COVID-19 pandemic. Finally, the conclusion, managerial insights, and findings, as well as the future research directions, are summarized in Section 6.

**Literature review**

The area of sustainable supply chain network design (SSCND) has been an active research topic with a growing concern of business social and environmental responsibility. Pishvae et al. (2012) developed a novel robust possibilistic programming approach to formulate the SCND with social considerations. Devika et al. (2014) applied the case of the glass industry for the first time in the sustainable closed-loop SCND in Iran. Alshamsi and Diabat (2015) developed a joint optimization model for integrating economic, environmental, and social goals in a reverse logistics network. Keyvanshokooh et al. (2016) developed a Benders reformulation for the SSCND based on the robust and possibilistic method. Sahebjamnia et al. (2018) employed SSCND for the Iranian tire industry and contributed to new hybrid metaheuristic algorithms. Fathollahi-Fard et al. (2018) developed a two-stage stochastic programming model for a closed-loop SCND with a consideration of social impacts and proposed four metaheuristic algorithms to solve the problem. Aiming at water supply chain network, Fathollahi-Fard et al. (2020a) developed an adaptive Lagrangian heuristic by considering wastewater collection and recycling and further proposed a SSCND with a multi-objective, two-stage stochastic model (Fathollahi-Fard et al. 2020b).

More recently, Mojahed et al. (2021) considered a reverse logistics network to propose coordinated solid waste management and applied an adaptive memory search algorithm. Fathollahi-Fard et al. (2021a) developed a bi-level programming approach based on a location-allocation-inventory strategy to formulate a forward supply chain network in a healthcare system. Theophilus et al. (2021) studied a distribution network to optimize the truck arrivals and pickups for a case study in the Walmart company. Fallahpour et al. (2021a) proposed a hybrid fuzzy programming approach for the modeling of a sustainable-resilient supply chain network. A case study of the palm oil industry in Malaysia was proposed. Pasha et al. (2021) developed integrated tactical planning for offshore logistics to study economic and environmental factors. They proposed a heuristic based on decomposition reformulation to solve this model. Salehi-Amiri et al. (2021) proposed a
SSCND based on both forward and reverse supply chains in the application of the walnut industry. The literature of SSCND is summarized in Table 1, and the model of this study is listed in the last row for comparison. The literature is selected from Scopus 1 by citation and publication year (after 2006) and summarized by product flow (forward and/or reverse), decision variables (location and allocation, production technology, and different transportation system), sustainability dimensions (economic, environmental, and social), and modeling methodology (robust programming, robust-stochastic programming, fuzzy programming, simulation and optimization, and hybrid chance constraint and cost function method).

Further insights can be drawn from the literature summary (Table 1):

1) The decision of location and allocation (L&A) is very common in the literature of SSCND that all the studies consider the optimization of location and allocation.

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1 Scopus is Elsevier’s abstract and citation database launched in 2004, which allows users to search, sort, and filter publications by desired criteria, e.g., author, publication date, citation, relevance, etc.
2) To the best of our knowledge, there is not any other model in the literature jointly considering the decisions of location and allocation (L&A), production technology (PT), and multiple transportation systems (MTS).

3) There is only nearly half of the literature (10 out of 21 studies, including this study) jointly considering the impacts of economical profitability, environment, and social welfare.

4) We are the first study to propose an innovative hybrid model of chance constraint and cost function to address supply chain uncertainties.

This study designs an integrated closed-loop supply chain network by using stochastic programming under chance constraints while considering economic, environmental, and social goals simultaneously. To tackle uncertainties pertaining to the supply chain system, a wide range of parameters is adopted and tested for fixed and variable costs, market demand, the emission limits of CO2, and the minimum requirement of product recycling. Aside from facility location and resource allocation, this study further incorporates the factors of production technology and transportation modes. A hybrid whale optimization model is developed to solve the multi-objective problem. Next, a sensitivity analysis is conducted by goal-attainment approach, and numerical experiments are performed by the case of the COVID-19 ventilator supply chain in Iran.

The literature contributions of this study are summarized as follows:

1) An uncertain sustainable closed-loop supply chain (CLSC) is formulated by a chance-constrained programming approach.

2) Three major sustainable goals (i.e., economic, environmental, and social goals) are captured collectively by a stochastic bi-objective and deterministic tri-objective model.

3) In addition to the common problem setting of facility location and resource allocation, this study further factors in production technology and transportation modes.

4) The complexity of supply chain uncertainties is recognized and tackled by employing a wide range of parameters to ensure model robustness.

5) An innovative approach (i.e., a hybrid model of chance constraint and cost function) is introduced to consider the environmental and social dimensions of sustainability.

6) To examine the applicability of the proposed model of chance-constrained stochastic programming, the data from the COVID-19 ventilator production and the reproduction supply chain in Iran is tested in numerical experiments.

### Proposed problem

The demand for medical ventilators has been growing significantly in the presence of COVID-19. Prior to the pandemic, the market size of ventilators was 77,000 globally in 2019 (Kaplan 2020); however, in April 2020, New York City alone forecasted a need for 30,000 more plants for ventilator production. Besides, the demand for artificial respiration devices in Iran also skyrocketed after the outbreak of SARS-COV-2 (Ivanov and Dolgui 2020). In response to the challenge of volatile market, a wide range of parameters, especially market demand, is adopted in the integrated sustainable network, which is composed of plants, maintenance units, customers (i.e., medical science universities), and disposal centers (DCs). Given that some units require different treatments in the multi-echelon system, products are divided into three groups: new product, product to be disposed, and product to be dismantled. Additionally, factories usually have options of a variety of production technologies and transportation modes (e.g., truck, train, airplane, ship) in the business practices. The proposed mixed-integer nonlinear programming (MINLP) model follows the following assumptions:

1) The model is single-period with a fixed time interval of 3 months.

2) Shortage is not allowed for all customer demands. The main reason is related to the emergency case of COVID-19 and we must satisfy the demand for ventilator products to the customers at the earliest convenience.

3) According to the ISO 26000, the social impacts on stockholders are quantified as follows:

4) Job opportunities: Job opportunities are classified into two types: variable opportunity, which is dependent on the facility capacity (e.g., production workers), and fixed opportunity, which is independent of facility capacity (e.g., managerial positions).

5) Health and safety of workers: Work injury is measured by workday lost and can be classified into two types: workday lost during the construction of facility and workday lost during the reopening of processes, damages, and average annual road accidents (Fathollahi-Fard et al. 2020b).

6) Health and safety of consumers: Consumer injury is measured by the fraction of potentially harmful products.

7) The following parameters are assumed stochastic: fixed costs of facility construction, variable costs of product flow between facilities, transportation and storage costs, customer demands, the limit of greenhouse gas emission, the

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2 https://www.hamiltonmedical.com/en_US/Products.html?gclid=Cj0KCQCiAyiJ0BhDCAR1sAJG2h5f7C9gmbe5j5EigjgJisV2FoUOP0L5jMnzda2t0ldzC7lb-YFdl2IsApLKEALw_wcB
proportion of product units to be collected from customers, and the proportion to be dismantled and shipped from DCs.

(8) The stochastic parameters are assumed to bear a normal distribution with pre-determined means and variances.

(9) Two technologies as two ventilator products including portable and ICU (intensive care unit) medical ventilator production are considered based on a real case study in Iran.

(10) There are several transportation options available, including land (truck), rail (train), sea (ship), and air (airplane).

Notations of this study are summarized in Appendix A1. In order to enhance supply chain resilience under an uncertain environment, we develop a stochastic programming model with a hybrid form of the cost objective function and chance constraints. The objective function of cost minimization is provided in Eq. (1) as follows, which incorporates construction, production, inventory handling, product collecting, dissembling, and reproduction, and transportation costs incurred in between manufacturing facilities, warehouses, and DCs.

\[
\begin{align*}
\text{min } L &= \sum_{i=1}^{I} \sum_{j=1}^{J} c_{pj,i} F_{pj,i} + \sum_{j=1}^{J} c_{rw,j} W_{C,j} + \sum_{j=1}^{J} c_{cd,l} F_{d,l} + \sum_{j=1}^{J} c_{pw,n} \sum_{k=1}^{K} p_{w,n,k} \\
&+ \sum_{j=1}^{J} c_{c} \sum_{k=1}^{K} c_{c} C_{r,j,k} + \sum_{j=1}^{J} c_{di} \sum_{k=1}^{K} C_{d,j,k} \\
&+ \sum_{j=1}^{J} c_{r} \sum_{k=1}^{K} r_{r,t,j,k} + \sum_{j=1}^{J} c_{r} \sum_{k=1}^{K} C_{r,j,k} \\
&+ \sum_{n=1}^{N} r_{wn} \sum_{j=1}^{J} \sum_{k=1}^{K} \gamma_{wn,j,k} \sum_{j=1}^{J} \sum_{k=1}^{K} c_{wn,j,k} C_{r,j,k} \\
&+ \sum_{n=1}^{N} r_{cd} \sum_{j=1}^{J} \sum_{k=1}^{K} \sum_{l=1}^{L} d_{f,i} d_{d} C_{d,j,k} \\
&\leq \sum_{i=1}^{I} \sum_{j=1}^{J} d_{f,i} d_{d} C_{d,j,k} \leq \text{UBr} \geq 1-\alpha
\end{align*}
\]

(1)

Given that the emission amount of greenhouse gas is assumed uncertain to better reflect the reality, the greenhouse gas emission constraints (i.e., from production, reproduction, strong, disassembling, and transportation) are modeled as chance constraints in Eq. (2) indicating the probability of violation of the regulated emission limit must be kept under (see Gonela et al. 2019 for more details).

\[
\begin{align*}
\text{Min } Q_1 &= \sum_{i=1}^{I} \sum_{j=1}^{J} \gamma_{pi,j,k} F_{pi,j,k} + \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} \gamma_{pi,j,k} P_{w,j} \sum_{k=1}^{K} p_{w,n,k} \\
&+ \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} r_{pi,j,k} + \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} C_{r,j,k} \\
&+ \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} \gamma_{pi,j,k} \sum_{k=1}^{K} \gamma_{pi,j,k} C_{r,j,k} \\
&+ \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} \sum_{l=1}^{L} d_{f,i} d_{d} C_{d,j,k} \\
&\leq \sum_{i=1}^{I} \sum_{j=1}^{J} d_{f,i} d_{d} C_{d,j,k} \leq \text{UBr} \geq 1-\alpha
\end{align*}
\]

(2)

Demand is also assumed to be stochastic, and demand constraint is modeled as follows in Eqs. (3) and (4), to have \(1-\beta\) of chance to fulfill the demand.

\[
P\left\{ \sum_{j=1}^{J} w_{1,j} \geq \text{dem}_{1,j} \right\} \geq 1-\beta \quad (3)
\]

\[
P\left\{ \sum_{j=1}^{J} C_{1,j} \geq \text{dem}_{1,j} \right\} \geq 1-\beta \quad (4)
\]

Similarly, the amount of products recycled, collected, and dismantled through the reverse supply chain network is also assumed uncertain and formulated as chance constraints shown in Eq. (5) and Eq. (6) to have \((1-\gamma)\%\) of chance to meet the minimum requirements of collection and dismantling.

\[
P\left\{ \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} C_{1,j} \geq \theta, \text{dem}_{k} \right\} \geq 1-\gamma \quad (5)
\]

\[
P\left\{ \sum_{i=1}^{I} \sum_{j=1}^{J} \sum_{k=1}^{K} I_{1,j} \geq \theta, \sum_{k=1}^{K} C_{1,j} \right\} \geq 1-\gamma \quad (6)
\]

The deterministic form of the random cost function and chance constraints and the new formulation of the social impacts are modeled in the form of a tri-objective mixed integer nonlinear programming model and provided from Eqs. (7) to (23).
Equation (7) and Equation (8) present the deterministic form of the random cost function, which incorporates construction, production, inventory handling, product collecting, disassembling, reproduction, and transportation costs incurred in between manufacturing facilities, warehouses, and DCs. Equation (9) is the objective function to optimize social impact, including creation of job opportunities, and health and safety of workers and consumers designed based on ISO 26000. To summarize, the tri-objective model takes the supply chain uncertainty and business sustainability jointly into consideration of optimization.

The environmental dimension of the sustainable supply chain network is modeled as a constraint in Eq. (10) to control the emission of greenhouse gas under the regulated limit throughout the business process (i.e., forward and reverse) and supply chain network (i.e., manufacturing facility, warehouse, and DC). Equation (10) is converted from the stochastic form of Eq. (2) by employing the Z score of desired α, and the given mean and variance of greenhouse emission. Equation (11) is a constraint of disposal to comply with the regulated disposal limit. Equations (12), (13), and (14) are capacity constraints of production and reproduction of manufacturing facilities, strong warehouses, and disassembly of DCs respectively. Equation (16) is respecting the demand satisfaction for customers. The constraint of Eq. (17) states that demand is always satisfied by supply, and Eq. (18) reveals that total recycled products exceed customer demand. Both Eq. (17) and Eq. (18) employ the stochastic conversion technique similarly to Eq. (10) based on the Z score of the desired β, and the given mean and variance of demand to convert Eqs. (3) and (4) to deterministic form. Equations (19) and (20), on the other hand, convert the chance constraints of recycling collection and dismantling Eqs. (5) and (6) to deterministic forms. Equation (21) ensures that each manufacturing facility must produce at most one product type. Equation (22) is a binary constraint for the decision variables of manufacturing facility, warehouse, and DC. Equation (23) is a non-negative constraint for the decision variables of product flow along the supply chain network.

Solution method

To solve the mixed-integer nonlinear programming model (MINLP), this study proposes an innovative hybrid metaheuristic algorithm: the whale optimization algorithm (WOA), which is relatively new, as an optimizer, and the simulated annealing (SA), which has been widely adopted, as an algorithm, and we name the hybrid, innovative algorithm HWS (hybrid of WOA and SA). Furthermore, this study conducts a comparative study to compare the HWS with the stand-alone algorithms of WOA and SA respectively. Given that the proposed problem is a multi-objective model, the Pareto optimal frontier is employed to evaluate solution performance. That is, a solution is considered superior if it delivers a better result for at least one of the objective functions (Seuring and Müller 2008; Sahebjamnia et al. 2018), and the set of optimal solutions is considered as the Pareto optimal
frontier (Wang et al. 2021). Interested readers for optimization of the multi-objective model may refer to the works of Fathollahi-Fard et al. (2020b) and Safaeian et al. (2019).

Next, a transformation from a continuous to a discrete search space is required to solve the NP-hard problem, and the encoding scheme of metaheuristics is described in the next section.

**Encoding scheme of metaheuristics**

The encoding scheme is referred to the work of Devika et al. (2014). Figure 1, Figure 2, and Figure 3 demonstrate an example of an encoding scheme for manufacturing facility selection, product type, and product flow between sites respectively. The number of manufacturing facilities and demand are randomly generated, followed by a normalization procedure to allocate demand among facilities (see Figure 3). All the inputs are generated using random functions. For example, the inputs for location facility selection are created as follows:

\[ P_i = \text{rand}(); \]

where \( \text{rand}() \) creates random continuous numbers between zero and one.

**Simulated annealing**

Simulated annealing (SA) is one of the well-established metaheuristics, and it is originally proposed by Kirkpatrick et al. (1983) thanks to the inspiration by an annealing process of heavy metals. To begin with, an initial solution is randomly generated, based on which local search strategies are employed to find a new neighbor solution. If the new solution outperforms the initial one, the initial solution will then be replaced with the new solution. It is worth noting that a rule must be devised to evaluate solution performance, and readers may refer to the works of Sahebjamnia et al. (2018), Fathollahi-Fard et al. (2020b), Safaeian et al. (2019), Buddala and Mahapatra (2019), Hapsari et al. (2019) for solution evaluation of SA algorithm. However, the model in this study is a tri-objective problem, which makes the solution evaluation complicated. We thus adopt Pareto optimal frontier to examine solutions; a solution will be added to the optimal frontier if it outperforms the existing frontier solutions. The pseudo-code of the tri-objective model with SA algorithm is illustrated in Appendix A2.

**Whale optimization algorithm**

There have been several bioinspired algorithms developed to solve various NP-hard problems in recent years (Buddala and Mahapatra 2019; Hapsari et al. 2019), and the shared feature of those algorithms lies in the solution search phase. By balancing the search of solutions (i.e., intensification and diversification), the bioinspired algorithms tend to find the global solutions efficiently, rather than several local solutions. One of the successful examples is inspired by whale behaviors and proposed by Mirjalili and Lewis (2016), namely the whale optimization algorithm (WOA). WOA develops a metaheuristic algorithm by simulating the behaviors of humpback whales, including imagery of prey, encircling prey, and bubble-net foraging; imagery of prey enriches the search diversification, and bubble-net foraging enhances the search phase of exploitation and exploration. Inspired by WOA, several studies propose variants of algorithms (e.g., Seuring and Müller 2008; Safaeian et al. 2019). The salient benefit of WOA is that it only uses two input parameters, which makes the metaheuristic easy to operate. The detailed operation of WOA can be referred to Mirjalili and Lewis (2016). Since the proposed model is a multi-objective problem, similarly to other population-based techniques, the algorithm selection of population generation becomes challenging. We thus follow the work of Fathollahi-Fard et al. (2020b) to employ WOA enriched with a non-dominated sorting algorithm, and description of the enhanced WOA is given in Appendix A3.

**Hybrid of WOA and SA**

As detailed earlier, one of the main improvements of this proposal is to propose a new hybrid metaheuristic based on WOA and SA called HWS. The innovation of this study gleams the marriage between the well-established SA and the revolutionary WOA, for which we refer the proposed algorithm as the hybrid of WOA and SA (HWS). To be specific, HWS tackles the main loop of metaheuristics with WOA and the local loop with SA. Indeed, the feature of SA has motivated several related researchers to integrate such algorithm in their proposed hybrid methods for the sake of improving a
local search. On the other side, in our HWS, instead of spiral updating positions of each search agent, a local search based on SA is introduced for each agent. It is worth noting that this developed optimizer is also extended for a multi-objective version. To implement the considered algorithm, a pseudo-code is illustrated in Figure 4.

### Computational results

Once solutions are obtained by following the proposed HWS metaheuristic algorithm in the last section, an extensive tuning of algorithms is performed, and comparison and sensitivity analysis is conducted to justify the effectiveness and efficiency of HWS on a multi-objective SC network model in this section.

#### Algorithm tuning and comparison

To evaluate the proposed model comprehensively, 15 problems with various model scales (i.e., small, medium, and large) are tested, and their results are presented in Table 2. It is worth noting that the fixed and variable emissions of algorithms is performed, and comparison and sensitivity analysis is conducted to justify the effectiveness and efficiency of HWS on a multi-objective SC network model in this section.

### Figure 3

Example of the transportation matrix-based solution representation method for the product flow

|   | $d_1$ | $d_2$ | $d_3$ | $d_4$ |
|---|---|---|---|---|
| $P_2$ | 0.65 | 0.12 | 0.45 | 0.33 |
| $P_4$ | 0.49 | 0.08 | 0.38 | 0.17 |
| $P_5$ | 0.68 | 0.38 | 0.52 | 0.82 |

### Figure 4

The pseudo-code of proposed HWS for multi-objective problems

```
Data set for parameters;
Initialize the whale’s population.
Calculate the fitness of each search agents by considering the proposed encoding schemes.
Set the Pareto optimal solutions.

while (t< maximum number of iteration)
    for each search agent
        Update A, a, C, l, and p; */they are some random parameters of WOA/*
        if 1 (p<0.5)
            if 2 (|A|< l)
                Update the position of current search agent by Encircle prey.
            else if 2 (|A|> l)
                Select a random search agent;
                Update the position of current search agent by search for prey.
        end if
        else if 1 (p≥ 0.5)
            Do the spiral updating procedures and generate $x_{new}$ for each search agent.
            if $Δf_1 ≤ 0$ & & $Δf_2 ≤ 0$
                Update this search agent
            else if $Δf_1 > 0$ & & $Δf_2 ≤ 0$ || $Δf_1 ≤ 0$ & & $Δf_2 > 0$
                Put this solution in Pareto set
            else
                $Δf_1 ≥ 0$ & & $Δf_2 ≥ 0$
                $P_1 = \exp\left(-\frac{Δf_1}{T}\right)$, $P_2 = \exp\left(-\frac{Δf_2}{T}\right)$, $h=\text{rand}$
                if $h<P_1$ & & $h<P_2$
                    Update this search agent
                end if
            end if
        end if
    end for
    Check if any search agents go beyond the search space and amend it.
    Update T and its reduction rate.
    Update the Pareto optimal frontiers.
    $t=t+1$;
endwhile
return the non-dominated solutions;
```
Since there are many parameters in the optimization model, those parameters must be set extensively and tuned to improve the model performance (Devika et al. 2014; Kaplan 2020; Fallahpour et al. 2021b) and the Taguchi method (Taguchi 1986) is employed in this study to tune the algorithms. As previously discussed, a number of evaluation metrics are required to effectively assess the metaheuristics for a multi-objective model; this study thus adopts four widely accepted evaluation metrics, including a number of Pareto solutions (NPS) (Fathollahi-Fard et al. 2020b; Mirjalili and Lewis 2016), mean ideal distance (MID) (Gonela et al. 2019), Fathollahi-Fard et al. (2020a), Fathollahi-Fard et al. 2020a; Mohammadi et al. 2020), spread of non-dominance solution (SNS) (Seuring and Müller 2008; Sahebjamnia et al. 2018), and maximum spread (MS) (Safaeian et al. 2019). These metrics are well-established and employed in many studies, such as Gonela et al. (2019), Fathollahi-Fard et al. (2020a), Fathollahi-Fard et al. (2020b), Mohammadi et al. (2020), and Safaeian et al. (2019).

Regarding the collaboration of optimizers, the Taguchi method (a.k.a. robust design method) divides the properties of collaboration into two categories, i.e., noise and control factors. Based on the noise factors, Taguchi employs signal-to-noise (S/N) to quantify the response variation values of optimizers, cf., e.g., Hapsari et al. (2019), Mirjalili and Lewis (2016), Fathollahi-Fard et al. (2020c). Considering the model under this study is a minimization, the lower value of S/N, the more preferable. The S/N measure can be calculated based on the following formula:

$$S/N = -10 \times \log_{10}\left(\frac{\sum_{i=1}^{n} Y_i^2}{n}\right)$$

where \(n\) is the total number of orthogonal arrays and \(Y_i\) refers to the response value of the \(i\)th orthogonal array. Likewise, for the control factors, Eq. (25) represents a selected response value based on the characteristics of bi-objective optimization model. With the results of MID and MS metrics as the convergence and diversity metrics respectively, a new metric so-called MCOV to control the performance of optimizers is given as follows (Fathollahi-Fard et al. 2020b):

$$MCOV = \frac{MID}{MS}$$

As mentioned before, our study shall examine the three metaheuristics SA, WOA, and HWS. For each of the three optimizers, its parameter is set with different levels of candidate values. Based on the previous studies and our numerical experiences, Table 3 exhibits these selected values for each algorithm. This allows us to locate the better (if not the best) level for each factor. Particularly, the SA has five factors along with three levels for each of them. In this regard, its total number of experiments is \(3^5 = 243\). The WOA has two factors with five levels. Accordingly, the total number of experiments is \(5^2 = 25\). The HWS has four factors and levels. Hence, it has \(4^4 = 256\) treatments in total. Since metaheuristics are a variation of stochastic optimization in nature, we keep each optimizer running for 30 replication and the averages are considered as the performance for each treatment of tuning.

One of the computational challenges is the big number of experiment as deliberated above. To reduce the computational complexity, we resort to the Taguchi method. One of the main benefits of the Taguchi method is to save the time of users by proposing some orthogonal arrays to reduce the number of experiments (Taguchi 1986). For SA, the Taguchi method can reduce its total experiments significantly from 243 to 27 treatments. In addition, the orthogonal array of \(L_{25}\) is considered for WOA. Since its total number of 25 experiments is not rather tractable, we do not leverage any other method. For HWS, the Taguchi method suggests \(L_{16}\) to decrease its total from 256 to 16.

Among the selected values for each parameter, the best candidate values are selected based on the extensive numerical experiments and the tuned parameters of each optimizer are summarized in Table 4. We shall note that due to space restriction, the results of the S/N ratio and MCOV are not report- ed and but those are available upon request.

After tuning, a comprehensive comparison has been performed to assess the effectiveness and efficiency of optimizers applied. This comparative section is based on the evaluation with four assessment metrics of Pareto optimal frontier, viz,
NPS, MID, SNS, and MS. All results are provided for each metric, separately, as seen in Table 5.

Table 5 reports the results of evolution metrics for each test. It shows that the proposed HWS in majority of tests achieved the best output.

The computational time for each optimizer is reported in Figure 5. It is shown that there is a set of similarities between the behaviors of algorithms. From the minimum computational time, the SA is the best optimizer. Its efficiency especially in large-scale instances is highly differentiated from the other algorithms. Both WOA and HWS have a set of similarities for small and medium test problems. Except for a few test problems, the average time of HWS is clearly longer than that of WOA in most cases.

Finally, to reach the best optimizer, decisively, some statistical analyses in terms of LSD intervals have been conducted for Pareto optimal frontiers. Table 5 reports the statistical results with the relative deviation index (RDI) which is computed by the following formula:

\[
RDI = \frac{|\text{Alg}_{sol} - \text{Best}_{sol}|}{\text{Max}_{sol} - \text{Min}_{sol}} \tag{27}
\]

where \(\text{Alg}_{sol}\) has been considered as the value of objective function employed by an assessment metric for each algorithm. As such, \(\text{Max}_{sol}\) and \(\text{Min}_{sol}\) are the maximum and the minimum values obtained by optimizers, respectively. Similarly, \(\text{Best}_{sol}\) can be considered as one of \(\text{Max}_{sol}\) and \(\text{Min}_{sol}\) due to metrics’ nature. In this sense, the lower value of \(RDI\), the more preferable the algorithm. Under this measurement, Figure 6 is composed of four cascades showing the LSD interval regarding each assessment metric. Regarding the NPS in (Figure 6a), there is a clear disparity between the performance of SA and the other two algorithms. Among those three, SA is the worst optimizer. However, WOA is slightly better than WHS in this item. Based on the MID (Figure 6b), it can be concluded that the proposed HWS clearly outperformed both WOA and SA. As such, SA brings the worst capability in this analysis. Similar to the MID, as can be seen from the MS (Figure 6c), the HWS is better in general than the other metaheuristics. At the last, as can be revealed from the Figure. 6d, the results of SA in the issue of SNS are the worst. In addition, there is a set of similarities between WOA and HWS. However, WOA performs better than HWS in this case.

Case study and sensitivity analyses

In this section, we resort to the real case to testify our proposed solution approach and evaluate its efficiency and performance. In particular, the data of medical ventilators are collected from a coherent network of production and distribution. Our client is an Iranian medical equipment manufacturing company who intends to urgently fulfill the demand of respiratory patients for medical ventilators through its supply chain network. Like many other countries worldwide, Iran encounters a severe shortage of ventilators amid the pandemic. Its network is composed of facilities in some designated zones in Iran. To this end, the company can build a maximum of 3 manufacturing plants, 3 warehouses, and 3 disassembling centers. Each manufacturing plant can select only one of the ICU and portable technologies for the production of the medical ventilator. In addition, 8 major areas of COVID-19 outbreaks have been identified by its team of experts. To fulfill the demand from each customer zone more swiftly, three forms of

Table 3 Factors of optimizers and their levels

| Optimizer | Factor | Levels |
|-----------|--------|--------|
| SA        | A: Maximum iteration (Maxit) | 1000 1500 2000 - - |
|           | B: Sub-iteration (Subit)     | 20 30 50 - - |
|           | C: Used methodology of local search (Tm) | Swap Reversion Insertion - - |
|           | D: Initial temperature (T0)  | 1000 1500 2000 - - |
|           | E: Rate of reduction (R)     | 0.85 0.9 0.99 - - |
| WOA       | A: Maximum iteration (Maxit) | 200 400 600 1000 1500 |
|           | B: Population size (nPop)    | 50 100 150 200 300 |
| HWS       | A: Maximum iteration (Maxit) | 300 600 800 1200 - |
|           | B: Population size (nPop)    | 50 100 150 200 - |
|           | C: Initial temperature (T0)  | 1000 1200 1500 2000 - |
|           | D: Rate of reduction (R)     | 0.85 0.88 0.9 0.99 - |

Table 4 Tuned parameters

| Algorithm | Parameters |
|-----------|------------|
| SA        | Maxit=2000; Subit=30; Tm=Reversion; T0=2000; R=0.99 |
| WOA       | Maxit=1000; nPop=200 |
| HWS       | Maxit=1200; nPop=200; T0=2000; R=0.99 |
transportation methods (i.e., truck, train, and air) between each facility, especially air transport, are considered. It should be noted, the simulated data are generated regarding the recent benchmarks (Gonela et al. 2019; Fathollahi-Fard et al. 2020a; Mohammadi et al. 2020).

To address the multiple objectives pertaining to the developed model, the goal-attainment (GA) approach is implemented. For the GA method, the maximum diversion of objectives from their goals is minimized by leveraging the developed model, as shown below:

$$\min \ Z_{\text{free}}$$

s.t. 

$$W_j Z \geq b_j - Q_j$$

$$Q_j \in S$$

(28)

where $$Q_j$$ is the value of the $$j$$th objective function, $$b_j$$ is the goal of the $$j$$th objective function, and $$W_j$$ refers to the weight of the $$j$$th objective function that has an inverse relationship with the priority of the objectives. To solve the tri-objective model by the GA method, we set the aforementioned parameters as follows: the goal of the expected value of cost is 770,177.629 million Rial, the goal of the variance of cost is 2,500,000 (million Rial)^2 and the goal of social responsibility is 277. The decision maker also considers the same priority for each goal. Computational process is conducted through BARON, version 18.5.8, Solver for GAMS 25.1.2.

The production technology in each production plant, the way each of the facilities is allocated to each other, and various transportation modes are considered (Safaeian et al. 2019). To design a sustainable network for the medical ventilator, the...
optimal value of the mean of the total cost is 931,859.945 million Rial, the optimal value of the standard deviation of the total costs is 25,646.730 million Rial, and the optimal score of the social responsibility is 125,924.

For sensitivity analyses, we examine the effect of changing the amount of some effective and critical parameters, including the customer demand, the upper bound of greenhouse gas emissions, and the upper bound of the waste products. As depicted in Figure 7, with increasing the expected value of demands, the mean and variance of the costs were increased to cover the demand growth. In addition, the value of the third objective function in the face of the increasing customer demand showed an interesting behavior. The graph of the function of social impacts had a decreasing trend in short periods. However, the increasing demand in some points mutated the amount of social responsibility. Hence, the overall trend of the third objective function is increasing. This suggested that changes in some critical points of the increased demand could lead to a jump in some of the parameters of the social responsibility index, e.g., some fixed and variable job opportunities.

In view of Figure 8, enforcing the stricter rules for carbon emissions could potentially alter the trend of each objective function. Reducing the value of the upper bound of the released carbon would further affect the function of the mean of the costs, as compared to the function of the cost variance. For the upper bound of carbon emission, its lowest value is set as 328,503 kg. Adding such a limit to adopt the strictest policy for environmental issues, it could increase the average cost of the company by 343,854.116 million Rial.

As depicted in Figure 9, varying the upper bound of the waste products poses a similar effect on the value of all three objective functions. Although increasing UBw slightly reduces the average values and variance in costs, it could exclude the production of waste products from the controlled situation.

Finally, the comparison of the mean and variance of costs between the settings with and without modeling the social impact is presented in Figures 10 and 11. When the number of COVID-19 outbreaks centers is 8, the mean and variance of costs in both modeling with or without SI are identical. As the centers of outbreaks get bigger, uncertainty in decisions
**Figure 7.** Sensitivity analysis on the growth of the demand in the objective functions

**Figure 8.** Sensitivity analysis on the released CO2
appears. Therefore, the expected value of costs decreases, but its variance increases dramatically.

**Conclusion, managerial insights, and future research directions**

In this research, we developed a novel multi-objective stochastic model for the design of a closed-loop supply chain network with modeling all three sustainability dimensions including economic, environmental, and social goals. Then, the resulting model was transformed into a deterministic tri-objective model. The main features of the model include the simultaneous and holistic treatment of the produced greenhouse gases and waste products for the environmental dimension, consideration of the simultaneous job opportunities, lost days and the harmful products for the social dimension, consideration of different production technologies and methods of transportation, and the control of uncertainty in effective parameters. To the best of our knowledge, this is the first study to develop a chance-constrained programming approach to design such a sustainable network. The performance and application of the proposed model are examined through an integrated network of medical ventilators. To address the
complexity and tractability of the proposed model, an enhanced hybrid version of the whale optimization algorithm was developed via tuning and comparison with two other metaheuristics.

To obtain the managerial implications, sensitivity analyses were conducted. It is showed that adopting strict policies for environmental issues could greatly increase the mean and variance of the costs. The effect of modeling social effects on the values of the target functions with increasing the number of disease outbreaks was also investigated.

A novel issue that could affect the structure of the proposed model is the consideration of restrictions for each form of transportation between facilities. Since the proposed model covers a variety of hypotheses, future studies could focus on medium- and large-scale solution methods such as heuristic and meta-metaheruristic algorithms, and exact decomposition methods. Methodologically, our developed solution framework can also be investigated for other optimization problems.

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Declarations

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Figure 11. Comparison of the variance of cost value with the SI index
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