

Analysis of the Impact of Digital Transformation on Corporate Financial Management Efficiency

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Abstract: Against the backdrop of digital transformation, this paper explores its impact mechanisms and pathways on corporate financial management efficiency. A comprehensive evaluation framework encompassing operational efficiency, decision-making efficiency, and risk management efficiency was developed, with Haier Group serving as a case study. Findings indicate that digital transformation significantly shortens financial accounting cycles, reduces labor costs, enhances data analysis and decision-making efficiency, and strengthens real-time financial risk monitoring capabilities. Concurrently, the study identifies potential challenges during transformation, including inadequate technology adaptation, talent shortages, and data security concerns, providing theoretical and practical guidance for enterprises advancing financial management digitalization.

Keyword: Digital Transformation; Financial Management Efficiency; Evaluation Indicator System; Case Study; Impact Mechanism

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1. Introduction

1.1 Research Background and Significance

In the digital economy era, technologies such as big data and artificial intelligence are profoundly reshaping corporate operations. As a core function, the efficiency of financial management directly impacts business operations and development. Traditional models, plagued by cumbersome processes, data silos, and delayed decision-making, struggle to meet evolving demands. Therefore, examining the impact of digital transformation on financial management efficiency, identifying its advantages and potential pitfalls, and proposing optimization strategies not only enriches theoretical research but also provides practical guidance for enterprises seeking to enhance financial management, reduce costs, and optimize decision-making through digitalization. This holds significant theoretical and practical significance.

1.2 Current State of Domestic and International Research

Overseas research on digital transformation and financial management began earlier, focusing on the application of digital technologies in optimizing financial processes and risk management. Empirical analyses have confirmed that digital tools can effectively streamline accounting processes, enhance data accuracy, and support enterprises in achieving refined financial management. Domestic research has rapidly developed in recent years, with scholars exploring how digital transformation reshapes financial management models and pathways to efficiency gains. Han Luyao et al. ^[1] analyzed the specific impacts of

digital transformation on various aspects of corporate financial management using Huayun Company as a case study, finding that digitalization significantly optimizes capital allocation efficiency. Chen Chen et al. [2] focused on the transformation direction of financial management enabled by new technologies, proposing that digital transformation must balance technology application with talent development. However, existing research has limitations. Some studies lack concrete case support and pay insufficient attention to the differentiated impacts on enterprises of varying scales during the transformation process. This paper combines specific cases and data to further deepen the analysis of how digital transformation affects financial management efficiency, thereby addressing gaps in existing research.

2. Definition of Related Concepts and Theoretical Foundation

2.1 Core Essence and Characteristics of Digital Transformation

Enterprise digital transformation refers to the comprehensive restructuring of internal business processes, management models, and organizational structures through digital technologies such as big data, artificial intelligence, cloud computing, and blockchain. This enables data-driven decision-making and efficient collaborative operations. Its core characteristics manifest in three aspects: First, datafication—converting diverse operational information into analyzable, actionable data resources to eliminate data silos. Second, intelligence—replacing manual labor with smart tools for repetitive, foundational financial tasks to enhance efficiency and accuracy. Third, collaboration—enabling seamless integration between finance departments and business units, supply chains, and other functions to shift financial management from “post-event accounting” to “pre-event forecasting and in-process control.” Digital transformation is not merely a technical upgrade but a fundamental shift in corporate financial management philosophy and models, serving as a core initiative for enterprises to adapt to the digital economy era.

2.2 Definition and Evaluation Metrics of Corporate Financial Management Efficiency

Corporate financial management efficiency refers to the degree to which a company’s finance department achieves financial management objectives with minimal investment of human, material, and financial resources while performing tasks such as capital management, cost accounting, financial analysis, and risk control. Its core evaluation dimensions encompass operational efficiency, decision-making efficiency, and risk control efficiency. To more clearly measure the impact of digital transformation on financial management efficiency, this paper integrates existing research and corporate practices to construct an evaluation indicator system for financial management efficiency, as detailed in Table 1:

Table 1: Evaluation Index System for Corporate Financial Management Efficiency

Evaluation Dimension	Specific Indicators	Measurement Criteria	Direction of Digital Transformation Impact
Operational Efficiency	Financial Accounting Cycle	Monthly/Annual Financial Closing Timeline	Reduced
	Labor Cost Ratio	Ratio of Financial Personnel Compensation to Total Financial Costs	Decreased
Decision-making efficiency	Financial analysis response time	Time required to complete a financial analysis	Shortened
	Decision accuracy rate	Success rate of decisions based on financial data	Improved
Risk management efficiency	Risk identification time	Average time to detect financial risks	Reduced
	Risk resolution costs	Funding required for financial risk resolution	Decrease

This indicator system covers the core aspects of financial management, enabling a comprehensive and objective assessment of the impact of digital transformation on corporate financial management efficiency. It provides a foundation for subsequent case analysis and conclusion summarization.

3. Mechanisms of Digital Transformation’s Impact on Corporate Financial Management Efficiency

3.1 Positive Impact Mechanism: Enhancing Efficiency and Optimizing Quality

Digital transformation enhances corporate financial management efficiency through technological empowerment across multiple dimensions. Its core positive impact mechanism manifests in two primary aspects. Firstly, it optimizes financial processes and reduces operational costs. In traditional financial management, tasks such as voucher entry, invoice verification, and accounting processing require manual execution, resulting in low efficiency and susceptibility to human error. Following digital transformation, tools like financial robots (RPA) and intelligent accounting systems automate these repetitive tasks. Statistics indicate that digital tools can boost financial accounting efficiency by over 80% and shorten accounting cycles by approximately 50%^[3], while simultaneously reducing labor input and lowering financial personnel costs. On the other hand, it breaks down data silos and enhances decision-making efficiency. Digital transformation integrates corporate financial, operational, and supply chain data. Through big data analytics tools, it mines and analyzes this data to rapidly generate financial reports, providing management with precise, timely data support. This drives a shift from “experience-driven” to “data-driven” decision-making, enhancing accuracy and timeliness. Zhang Yu’s research^[4] confirms that digital transformation effectively breaks down interdepartmental data barriers, boosting financial decision efficiency. Furthermore, digital tools enable real-time monitoring and early warning of financial risks, enhancing risk management efficiency and reducing corporate financial exposure.

3.2 Negative Impacts and Potential Risks: Factors Limiting Efficiency Gains

Although digital transformation can significantly enhance corporate financial management efficiency, some enterprises encounter challenges during the transition that negatively impact financial management efficiency. First, insufficient technological investment and poor system compatibility: Due to limited funds, some SMEs underinvest in digital technologies, resulting in incomplete financial system functionalities that fail to achieve seamless integration with business systems. This leads to inefficient data transmission, increasing the workload of financial personnel and reducing financial management efficiency. Second, inadequate digital literacy among financial personnel. Post-digital transformation, finance staff must not only master traditional financial expertise but also possess skills in operating digital tools and data analysis. Currently, the digital literacy of some finance personnel fails to meet transformation demands, resulting in a situation where they “understand finance but cannot operate the tools,” thereby limiting the effective application of digital solutions. Third, data security risks arise. Following digital transformation, all corporate financial data resides in networked systems. Inadequate cybersecurity protections can lead to data breaches or tampering, disrupting financial operations and potentially causing financial losses. Tong Baoli’s^[5] research indicates that insufficient digital capabilities among finance personnel and data security risks are the primary factors hindering the enhancement of financial management efficiency through digital transformation.

4. Case Analysis of Financial Management Efficiency in Digital Transformation

4.1 Case Selection and Data Sources

To further validate the impact of digital transformation on corporate financial management efficiency, this paper selects Haier Group as the case study subject. As a benchmark enterprise for digital transformation in China, Haier Group has invested heavily since initiating its financial management digital transformation in 2018. It has built an intelligent financial system, integrated financial and operational data, and implemented tools such as financial robots and big data analytics, achieving remarkable transformation outcomes. The data in this paper primarily originates from Haier Group’s annual reports, publicly disclosed information on its digital transformation, and industry research reports, ensuring data authenticity and reliability. Concurrently, by applying the financial management efficiency evaluation framework established earlier, this study compares Haier Group’s financial management efficiency before and after its digital transformation across three dimensions—operational efficiency, decision-making efficiency, and risk control efficiency—to validate the impact of digital transformation.

4.2 Case Analysis and Findings

Prior to digital transformation, Haier Group operated under a traditional financial management model, plagued by issues such as lengthy financial accounting cycles, severe data silos, and inefficient decision-making. Following the launch of its

digital transformation in 2018, the company established the “Intelligent Financial Cloud Platform,” achieving full-process digitization across financial accounting, fund management, risk control, and financial analysis. In terms of operational efficiency, Haier’s monthly financial accounting cycle before transformation lasted approximately 10 days, with labor costs accounting for 60% of total financial expenses. Post-transformation, leveraging financial robots reduced the monthly cycle to 4 days, while labor costs dropped to 35% of total expenses, significantly boosting operational efficiency. Regarding decision-making efficiency, pre-transformation required about 7 days to complete a financial analysis report, with decisions relying heavily on management experience. Post-transformation, big data analytics tools enable financial analysis within 2 days, providing management with precise data support and increasing decision accuracy by over 30%. Regarding risk management efficiency, pre-transformation financial risk identification took an average of 5 days with high resolution costs. Post-transformation, the intelligent financial system enables real-time financial data monitoring, reducing risk identification time to within 1 day and lowering risk resolution costs by 40%. The case analysis demonstrates that digital transformation effectively enhances operational efficiency, decision-making efficiency, and risk management efficiency in corporate financial management. It serves as an effective pathway for optimizing financial management, consistent with the theoretical analysis conclusions presented earlier.

Conclusion

Research indicates that digital transformation can significantly enhance corporate financial management efficiency by optimizing financial processes, strengthening data collaboration, and leveraging intelligent analysis, thereby achieving cost reduction, efficiency gains, and decision optimization. However, factors such as insufficient technological investment, lagging digital literacy among financial personnel, and data security risks constrain transformation outcomes. Enterprises should systematically plan transformation pathways, increase technological investment and talent development, and establish secure and reliable data governance systems to achieve sustainable development in financial management digitization and efficiency enhancement.

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Conflict of Interests

The authors declare that there is no conflict of interest regarding the publication of this paper.

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