aBR

Research Note

The Importance of Change Management in Digital Transformation: A Case Study of Schneider Electric's Global Supply Chain Finance Division

Lee, Jungho [1],*

Received: 08 January 2025
Revised: 20 May 2025
Accepted: 30 December 2025
Published: 30 March 2026

[1] Schneider Electric Korea; clent@naver.com
* Correspondence: clent@naver.com

Abstract: This study analyzes the digital transformation case of Schneider Electric's Global Supply Chain Finance division to identify the impact of digitalization on management accounting, and to propose strategic recommendations for successful digital transformation through the identification of problems and solutions. Schneider Electric, a multinational corporation headquartered in Paris, France, has pursued digital transformation in management accounting since 2016, implementing various projects aimed at standardizing and centralizing financial and accounting data. The study reveals that insufficient change management—including inadequate employee training and communication, misaligned organizational structures, and unclear role definitions—led to inefficiencies, resistance, and project delays. Based on established change management models including Lewin's Change Management Model, ADKAR, and Kotter's 8-Steps, this study provides actionable recommendations to strengthen organizational readiness, improve cross-functional communication, and enhance employee capability-building for successful digital transformation.

Keywords: Digital Transformation; Change Management; Management Accounting; Schneider Electric; ERP

1. Introduction

Schneider Electric, headquartered in Paris (Rueil-Malmaison), France, is a multinational corporation providing power management and automation solutions. Since 2016, the company has pursued digital transformation in management accounting, establishing goals of standardizing and centralizing financial and accounting data through various projects.

In the early stages of digital transformation, the company utilized BI tools and RPA technology to develop financial dashboards for internal reporting purposes, aiming to enhance data visualization and analytical efficiency. Subsequently, in 2022, projects were undertaken to integrate and standardize ERP data from individual subsidiaries across different countries, and to digitalize financial analysis and reporting procedures.

In 2023, the company introduced a new internal reporting platform integrated with a cloud server that aggregates data from various financial and non-financial systems. The company planned to enable integrated management of financial and non-financial data, supporting complex analysis and reporting capabilities. Additionally, the company announced plans to consolidate the various on-premise ERP systems used by subsidiaries worldwide into a single cloud-based ERP. All these projects focus on simplifying management accounting processes, supporting rapid and accurate data-driven decision-making, and enhancing corporate efficiency and transparency.

2. Analysis: Problems in Digital Transformation

However, various problems arose due to deficiencies in change management during the digital transformation process. In the early stages of projects, insufficient education and communication with employees resulted in

low understanding of project goals and methodologies, leading to employee resistance and low participation. In particular, the inadequate execution of initial stages emphasized in Lewin's Change Management Model, Jeffrey M. Hiatt's ADKAR Model, and Kotter's 8-Steps Change Model—specifically the unfreezing, awareness, and urgency creation phases—caused project inefficiencies.

Within the organization, communication difficulties arose from the use of abbreviations and unfamiliar terminology without clear explanations, and communication confusion was exacerbated by misalignment in organizational structures and roles across regions and departments.

Project inefficiencies, including plan changes, duplicate work, and schedule delays, appeared throughout the projects. Regional characteristics and requirements were not sufficiently reflected, and insufficient information sharing and internal cooperation within the central organization delayed project progress. In particular, the lack of systematic education and training to strengthen employees' capabilities in effectively using new technologies and systems acted as one of the factors hindering effective project implementation.

3. Strategic Recommendations

To address these issues, the company must strengthen its change management strategy.

3.1 Establishing an Appropriate Organizational Structure for Change

Schneider Electric has a distributed organizational structure with both central planning organizations and regional implementation organizations. This distributed and complex organizational composition resulted in conflicting plans between interconnected projects and became the primary cause of establishing infeasible plans. Furthermore, when plan modifications were needed during the execution phase, the complex multilateral communication required extended decision-making time and caused project execution delays. To resolve these issues, the distributed central planning organizations should be consolidated into a single organization, regional implementation organizations should be integrated by region, and communication channels between central and regional organizations should be unified to improve information sharing and decision-making efficiency while minimizing confusion between organizations.

3.2 Establishing Correct Initial Strategies and Project Plans

Communication between the integrated central planning organization and the regionally integrated implementation organizations must be strengthened, and the opinions of implementation organizations should be actively reflected from the initial stages of strategy formulation and individual project planning. This ensures that the digital transformation strategies established by the company lead to substantive and valid changes that operational employees can empathize with, and helps prevent potential conflicts between individual projects. For this purpose, the company should prefer bidirectional communication methods such as workshops over one-way communication, and carefully examine whether plans are feasible by listening to practitioners at each stage of planning.

3.3 Clear and Accessible Communication for Change Management

The projects planned and executed for digital transformation involve introducing new digital technologies unfamiliar to existing financial and accounting employees. Many unfamiliar concepts and terms are inevitably used in communication, which lowers employees' understanding and participation rates and increases resistance. Therefore, when delivering information about digital transformation projects to employees who are subject to change, the company should have financial and accounting personnel with digital knowledge take charge of explanations and communication, rather than digital specialists, or provide preliminary training for digital specialists to deliver information in language that financial and accounting employees can understand.

3.4 Strengthening Employee Education and Training

Before project execution, the company should provide educational programs related to the relevant technology domains to ensure that organizational members can acquire sufficient background knowledge of the technologies and tools. Furthermore, during both the project execution and actual application phases, comprehensive training covering not just usage of new tools but also how data flows work in the background

should be provided. This helps employees adapt more easily to the changed roles required by digital transformation—not limited to utilizing output accounting and financial data for analysis and reporting, but also managing data accuracy and preventing errors.

4. Conclusion

This study analyzed the management accounting digital transformation case of Schneider Electric's Global Supply Chain division to confirm the impact of digitalization on management accounting, and through problems identified in the case analysis and recommendations for their resolution, emphasized the importance of strategic approaches and change management for successful digital transformation. The various project cases demonstrated that for the adoption of digital technology to have positive effects on an organization, appropriate change management and systematic strategy formulation are essential. The company's various projects for digital transformation showed that digital transformation is not simply a system upgrade but requires structural changes across the entire organization and redesign of work processes. While the integration of existing ERP systems and data standardization can contribute to integrating and automating management accounting processes and improving data reliability and accessibility, these changes appear achievable only by fundamentally restructuring the organization's existing work procedures.