

Research Paper / Оригинальная статья
<https://doi.org/10.51176/1997-9967-2026-1-39-50>
MPHTI 06.81.23
JEL: G21, M15, O32



Strategic Alignment and Consensus in Digital Innovation: Evidence from Retail Banking

GyuBae Kim^{a*}

^a*Daejeon University, 62 Daehak-ro, Dong-gu, Daejeon 34520, Republic of Korea*

For citation: Kim, G. (2026). Strategic Alignment and Consensus in Digital Innovation: Evidence from Retail Banking. *Economy: strategy and practice*, 21(1), 39-50. <https://doi.org/10.51176/1997-9967-2026-1-39-50>

ABSTRACT

This study investigates how integrated strategic communication influences the process of consensus building and organizational readiness during digital innovation in the retail banking industry. Although many institutions adopt digital technologies, innovation performance often remains limited due to weak employee alignment and ineffective communication systems that fail to bridge the gap between strategy and execution. A multiple case study design was employed, comparing a public retail banking organization (Company A) and a private retail banking organization (Company B) that both implemented large-scale digital innovation projects. Data was collected through document analysis, semi-structured interviews, and surveys structured around Lancefield's (2022) five principles of strategic communication: comprehensiveness, personalization, timeliness, transparency, and consistency. Findings indicate that although Company A recognized the importance of digital transformation, significant gaps were observed between the perceived importance and the actual implementation of strategic communication mechanisms. Employees rated the importance of communication dimensions highly (means ranging from 5.70 to 5.98 on a seven-point scale), while the current level of implementation was evaluated considerably lower (means between 4.08 and 4.38), revealing gaps of approximately 1.5-1.9 points. The largest gap was found in terms of timeliness and transparency, which indicates a lack of efficiency and openness of communication processes. Strategic communication functions as a critical mechanism linking technological innovation with cultural and psychological alignment within organizations. The study provides valuable theoretical and practical implications by presenting a communication-based framework for optimizing and successfully improving digital transformation outcomes in financial institutions.

KEYWORDS: Bank, Retail Banking, Banking Practice, Digital Innovation, Digital Strategy, Strategic Communication, Consensus Building, Organizational Change

CONFLICT OF INTEREST: the authors declare that there is no conflict of interest.

FINANCIAL SUPPORT: this research was supported by the Daejeon University Research Grants (2024).

Article history:

Received 13 December 2025

Accepted 15 February 2026

Published 30 March 2026

* **Corresponding author: Kim G.** – PhD, Professor, Business Administration, Daejeon University, 62 Daehak-ro, Dong-gu, Daejeon 34520, Republic of Korea, email: gbkim@dju.ac.kr

Стратегическое выравнивание и организационный консенсус в цифровых инновациях: опыт розничного банкинга

Ким Г.^{а*}

^аУниверситет Тэджон, 62 Daehak-ro, район Донгу, Тэджон 34520, Республика Корея

Для цитирования: Ким Г. (2026). Стратегическое выравнивание и организационный консенсус в цифровых инновациях: опыт розничного банкинга. Экономика: стратегия и практика, 21(1), 39-50. <https://doi.org/10.51176/1997-9967-2026-1-39-50>

АННОТАЦИЯ

В исследовании анализируется, как интегрированные стратегические коммуникации влияют на формирование организационного консенсуса и готовности персонала в условиях цифровых инноваций в сфере розничного банкинга. Несмотря на активное внедрение цифровых технологий финансовыми институтами, результативность инноваций часто остается ограниченной из-за недостаточной согласованности сотрудников и неэффективных коммуникационных механизмов, не обеспечивающих связку между стратегией и ее реализацией. В статье используется дизайн множественного кейс-исследования с сопоставлением государственной организации розничного банкинга (компания А) и частной организации розничного банкинга (компания В), реализовавших масштабные проекты цифровых преобразований. Сбор данных осуществлялся посредством анализа документов, полуструктурированных интервью и анкетирования, структурированного на основе пяти принципов стратегической коммуникации Лэнсфилда (2022): комплексность, персонализация, своевременность, прозрачность и последовательность. Результаты показали, что хотя компания А осознает значимость цифровой трансформации, выявлены существенные разрывы между декларируемой важностью и фактической реализацией механизмов стратегической коммуникации. Сотрудники высоко оценили значимость коммуникационных измерений (средние значения варьировались от 5,70 до 5,98 по семибальной шкале), тогда как текущий уровень их реализации был оценен значительно ниже (средние значения от 4,08 до 4,38), что свидетельствует о разрыве примерно в 1,5–1,9 балла. Наибольший разрыв зафиксирован по показателям своевременности и прозрачности, что указывает на недостаточную оперативность и открытость коммуникационных процессов. Стратегическая коммуникация выступает критически важным механизмом, связывающим технологические инновации с культурной и психологической согласованностью внутри организации. Исследование вносит теоретический и практический вклад, предлагая коммуникационно-ориентированную рамочную модель для повышения эффективности и успешности цифровой трансформации в финансовых институтах.

КЛЮЧЕВЫЕ СЛОВА: банк, розничный банкинг, банковская практика, цифровые инновации, цифровая стратегия, стратегическая коммуникация, формирование консенсуса, организационные изменения.

КОНФЛИКТ ИНТЕРЕСОВ: авторы заявляют об отсутствии конфликта интересов.

ФИНАНСИРОВАНИЕ: данное исследование было поддержано Исследовательскими Грантами Университета Тэджон (2024).

История статьи:

Получено 13 декабря 2025

Принято 15 февраля 2026

Опубликовано 30 марта 2026

* **Корреспондирующий автор:** Ким Г. – PhD, профессор, кафедра бизнес-администрирования, Университет Тэджон, 62 Daehak-ro, район Донгу, Тэджон 34520, Республика Корея, email: gbkim@dju.ac.kr

INTRODUCTION

The advancement of digital technologies has brought about a paradigm shift across all domains of modern business management. Technological innovations, represented by Artificial Intelligence (hereinafter – AI), Big Data, Blockchain, Cloud Computing, and the Internet of Things (hereinafter – IoT), have fundamentally reshaped not only firms' value chains but also their organizational culture, structure, leadership, and decision-making processes (Verhoef et al., 2021). Among industries, the financial sector is a representative example in which digital technology serves as the core infrastructure for service delivery. In this sector, the digitisation of customer interfaces and data-driven management practices has become essential sources of competitiveness. However, the establishment of technological infrastructure alone does not guarantee successful innovation. Matt et al. (2015) defined Digital Transformation (DT) not as the mere adoption of technology but as an integrated process of redesigning organizational strategy, processes, resources, and culture. They argued that technology-oriented approaches are insufficient to achieve genuine innovation outcomes.

The reason many organizations fail to achieve expected innovation performance lies less in “technological failure” and more in the lack of organizational consensus (Wessel et al., 2021). Without shared understanding and mutual trust among organizational members regarding the necessity and direction of change, even the most sophisticated strategies encounter resistance during implementation. Kotter (1996), in his eight-step model of change, emphasized that forming a sense of urgency and developing a shared vision are the first two essential stages without which subsequent changes become meaningless. In this context, consensus building is not merely an outcome of communication but a prerequisite for organizational survival and innovation.

In particular, the financial industry places a high premium on public trust and institutional stability. Consequently, employees in this sector tend to exhibit greater psychological resistance to change than those in other industries. The introduction of new technologies or reengineering of business processes is often closely tied to risk management, leading employees to experience anxiety rather than confidence about change (Schein, 2010). Therefore,

transparent and strategic communication about the rationale, goals, and concrete processes of change is essential to the successful implementation of digital innovation. However, existing research has largely examined digital transformation from a technological or managerial perspective, often overlooking the communicative processes through which organizations build shared understanding and commitment to change. This study addresses this gap by emphasizing strategic communication as a critical enabler of digital innovation in retail banking.

Against this backdrop, this study investigates how strategic communication affects consensus building and change receptivity during digital transformation in the retail banking industry. Forman and Argenti (2005) identified strategic communication as a critical mechanism for internalizing organizational vision, reputation, and brand identity among employees. Men and Bowen (2017) empirically demonstrated that the quality of internal communication enhances trust, commitment, and engagement, thereby improving strategic execution. Building on these insights, the present study analyzes the structural relationship between components of strategic communication and the driving forces of digital innovation.

The objectives of this study are threefold. First, it aims to identify the key components of strategic communication in the process of digital innovation. Second, it compares and analyzes the communication structures of public and private financial institutions to uncover differences arising from organizational characteristics. Third, it empirically examines the effects of communication quality on innovation performance, using Lancefield's (2022) five principles of strategic communication as the analytical framework.

By extending the discussion of innovation beyond technological aspects to include human and organizational communication structures, this study highlights the importance of psychological alignment and consensus building among organizational members. Ultimately, it provides practical insights for developing successful digital transformation strategies within the financial industry. Thus, this study investigates how integrated strategic communication influences the process of consensus building and organizational readiness during digital innovation in the retail banking industry.

THEORETICAL BACKGROUND

Digital innovation refers to the process of re-defining a firm's products, services, processes, and business models through the utilization of information technology (Yoo et al., 2010). Bharadwaj et al. (2013) defined a digital business strategy as "a strategic innovation based on the convergence of information, computing, communication, and connectivity," emphasizing that IT strategy should no longer function as a subordinate element but as the central driver of corporate strategy. This transformation requires organizations to shift from traditional function-oriented structures toward more integrated, platform-based configurations.

Verhoef et al. (2021) conceptualized digital transformation as "a complex process arising from the interplay of technological, organizational, and cultural factors," arguing that technological investment alone cannot ensure successful transformation. Warner and Wäger (2019) interpreted this process as a form of strategic renewal, emphasizing that the essence of change lies not in adopting new technologies but in transforming organizational mindsets and leadership behaviors. Furthermore, the integration of digital transformation into distribution functions allows organizations to improve operational efficiency through lower costs and enhanced resource management (John et al., 2025).

Schein (2010) distinguished three levels of organizational culture artifacts, shared values, and underlying assumptions. Digital innovation, which requires transformation at the level of underlying assumptions, demands communication mechanisms that directly influence employees' belief systems. Therefore, the success of technological innovation depends on concurrent changes in organizational culture and members' cognitive frameworks, and strategic communication serves as the mediating mechanism that facilitates this alignment.

The essence of organizational change lies in changing people. Consensus and psychological readiness are foundational conditions for any successful transformation (Burnes, 2017). Kotter's (1996) model explicitly emphasizes the creation of consensus in the early stages of change. The first step involves establishing a sense of urgency, while the second focuses on building a shared vision that enables members to internalize collective goals.

Similarly, Prosci (2018) ADKAR model con-

ceptualises change at the individual level, asserting that unless awareness and desire are first established, subsequent stages, knowledge, ability, and reinforcement cannot function effectively. Hence, consensus serves as both the starting point and the sustaining factor of change management.

Forman and Argenti (2005), through qualitative research on the role of internal communication in strategy execution, argue that the communication function should be redefined as a central organizational capability. Men and Stacks (2013) also demonstrate that leadership style and the quality of internal communication significantly influence employees' perceptions of organizational reputation and their commitment levels. Welch and Jackson (2007) position communication as the cornerstone of stakeholder relationship management, emphasizing that transparent information flow enhances organizational trust.

In this context, within the environment of digital transformation characterized by high uncertainty and complexity, organizations must establish strategic communication structures that enable members to clearly understand and emotionally accept the direction and rationale for change.

Clampitt et al. (2000) proposed five communication strategies effective under conditions of uncertainty and highlighted that a participative communication strategy exerts the most positive impact on organizational trust and innovation receptivity. They emphasize that leaders should not monopolize information during change processes but should instead design transparent systems that encourage open feedback and shared decision-making. Men and Bowen (2017), in their work *Excellence in Internal Communication Management*, identify four key elements of effective internal communication - transparency, consistency, participation, and fairness, which correspond directly with Lancefield's (2022) five principles of strategic communication. From Schein's (2010) cultural perspective, strategic communication is not merely the transmission of information but an embedding mechanism of organizational culture. It represents a deep learning process through which organizational values are internalized via repeated dialogue and feedback. Accordingly, strategic communication plays a pivotal role in transforming employees from passive receivers of change into active co-creators of organizational transformation.

Based on the above, it can be stated that modern research on digital transformation in the banking sector demonstrates a high level of theoretical and empirical elaboration of technological aspects of innovation. The focus is on the implementation of fintech solutions, digital platforms, process automation, data analytics, and omnichannel strategies. In this area, digital transformation is primarily interpreted as a technological and operational process aimed at improving efficiency, reducing costs and strengthening the competitive position of financial institutions.

At the same time, the concept of strategic alignment is actively developing in strategic management, which assumes consistency of digital strategy, business model, organizational structure and processes. However, strategic alignment is more often viewed through the prism of formal management mechanisms, performance indicators, and process architecture, while communication mechanisms that ensure employee consistency remain insufficiently disclosed. Research on organizational change highlights the importance of leadership, organizational culture, and staff resistance management in the context of transformation. At the same time, strategic communication is usually considered as a tool for accompanying changes, rather than as an independent system-forming factor that forms organizational consensus and psychological readiness for innovation. As a result, the behavioral and cognitive dimensions of strategic alignment often remain outside the scope of a comprehensive analysis.

Despite the considerable volume of publications, literature remains fragmented: technological, strategic, and behavioral levels of analysis are rarely integrated into a single model. Communication is not included in the structure of digital transformation as a key mechanism for connecting strategy and its practical implementation. There are no empirical sound models that allow quantifying the discrepancy between the perceived importance of strategic communication and the actual level of its implementation. Comparative research in the banking sector is particularly limited, comparing various organizational contexts, including public and private structures. Thus, there remains a theoretical and methodological gap in the scientific field related to the insufficient integration of strategic communication in the digital transformation model and a poorly developed analysis of organizational consensus as a

result of strategic alignment. The present study aims to bridge this gap by considering strategic communication as a connecting mechanism between technological innovation, cultural transformation, and employees' psychological readiness for change.

CONCEPTUAL FRAMEWORK AND RESEARCH DESIGN

Conceptual Framework

Lancefield (2022) observed that many organizations fail to execute their strategies successfully because employees neither fully understand nor remember the strategies that have been formulated. The same applies to the execution of digital innovation strategies. Effective strategic communication enhances organizational alignment, resource allocation, and behavioral change, thus increasing the likelihood of strategic success.

He proposed five fundamental principles of effective strategic communication such as comprehensiveness, personalisation, timeliness, transparency, and consistency.

Comprehensiveness refers to conveying the entire strategic narrative rather than communicating only selected parts. This includes articulating the vision, desired future state, expected impacts on customers and society, areas of strategic focus, key change elements during implementation, performance indicators, and the assumptions and rationale underlying the strategy.

Personalization involves linking the organization's strategy to individual roles, competencies, and performance, thereby creating personal meaning and ownership. If employees are left wondering, "What does this strategy have to do with my work?", the strategy's execution is unlikely to succeed. Timeliness emphasises delivering messages through appropriate formats and channels at the right time, tailored to each stakeholder group and situational context.

Transparency requires that strategic information not be monopolized by top management but be shared openly with all members. Recent studies have shown that transparency and openness in strategic communication significantly increase employees' strategic understanding and participation in implementation.

Consistence underscores that strategic commu-

nication must be continuous and repetitive. Regular communication sequences for each stakeholder group reinforce strategic messages and prevent regression to old behaviors once change initiatives have been launched. In the absence of follow-up communication, employees tend to revert quickly to existing practices.

IKEA actively employed visual communication tools to comprehensively convey its digital transformation strategy. The company aimed to ensure that all employees, including internal sceptics, clearly understood how digitalisation was linked to the existing business model and how it created opportunities for revenue and customer expansion. For instance, IKEA produced an animated video titled “Shop with Laura”, which vividly illustrated how online–offline integration would affect customer behavior and how digitalization would transform employee roles and workflows. This approach effectively fostered organizational consensus regarding the digital strategy.

Coca-Cola, before initiating its digital innovation program, conducted in-depth interviews with employees at various levels to assess their needs and concerns. Based on these insights, the company customized communication messages and training content by job grade. This case demonstrates how personalization in strategic communication can reduce anxiety and enhance employees’ readiness for change. Additionally, Coca-Cola implemented approximately 15 hours of e-learning for pre-transformation training. It provided key information about the upcoming changes approximately one month before the field application, thereby ensuring sufficient time for learning and preparation. Job-specific training programs further exemplified the company’s phased communication system centered on timeliness.

DBS Bank subdivided its operations into eight functional areas—from customer service to back-office processes and systematically identified opportunities for digital transformation within each domain. This granularity allowed the design of communication strategies tailored to each department’s characteristics while ensuring transparency in the process. The bank also expanded employee roles beyond traditional customer call handling to digital responsibilities, such as live chat and social media management, supported by ongoing training and communication. These ongoing communication efforts

fostered employee participation and led to measurable improvements in service quality.

Following Yin’s (2018) methodological guidelines, this study employs a multiple case study design to compare how the concept of strategic communication operates across different organizational types—specifically between a public and a private financial institution. The goal is to derive theoretical generalizations regarding the role of strategic communication in digital transformation.

Research Design

The research subjects are two retail banking organizations: Company A (a public financial institution) and Company B (a private financial institution). Both organizations have implemented large-scale digital innovation projects within the past three years. Company A is characterized by a regulation-oriented and stable organizational culture, whereas Company B emphasizes agility and experimentation, making their contrasting contexts ideal for comparative analysis.

Data collection proceeded in three stages. The first stage is document analysis. Internal strategy documents, training materials, disclosure reports, and media interviews were analyzed to understand each organization’s digital innovation context. The second stage is semi-structured Interviews. In-depth interviews were conducted with key stakeholders from both institutions. The interview questions were designed based on Lancefield’s five principles of strategic communication. The third stage is survey: A structured questionnaire was administered to employees, particularly in Company A, where consensus-building capacity was identified as weaker—to measure perceptions across the five dimensions of strategic communication. Company A is a public institution providing retail banking services centred on deposits and insurance. Like other financial institutions, it has pursued digital innovation by continuously introducing new technologies necessary for the provision of financial services. However, compared with private-sector institutions, Company A exhibits a slower rate of technological adoption and a narrower scope of application.

To ensure methodological validity and increase the reliability of the results, the principle of data triangulation was applied in the study. The use of several sources of information - document analysis, semi-structured interviews, and a questionnaire

survey - made it possible to compare qualitative and quantitative data and minimize the risk of one-sided interpretation. This combined approach has provided a deeper understanding of communication processes in the context of digital transformation. Additionally, a comparative case analysis was used to identify structural differences between a public and a private organization. This made it possible to strengthen the analytical validity of the study and formulate theoretically sound conclusions about the role of strategic communication in building organizational consensus.

EMPIRICAL FINDINGS

The communication process during Company A's digital innovation can be categorized into three stages: (1) the planning stage for system introduction, (2) the system development stage, and (3) the system operation stage.

At the planning stage, it was found that the headquarters often lacked sufficient procedures for collecting input from branch offices. In large-scale system projects, such as the next-generation financial system, however, partial participation by branch departments was occasionally incorporated into the planning process.

During the system development stage, branch

employees often found it difficult to grasp the concrete content of the new system or the changes to their work processes until the late phase of development, when detailed manuals were finally distributed. Typically, branch offices prepare for upcoming changes by reviewing the manuals provided toward the end of system implementation. In contrast, questions and feedback regarding the new system are communicated to headquarters or the IT department on an ad hoc basis. During system operation, when operational issues arose while using the new system, employees typically contacted headquarters or the IT department by phone to resolve them. In certain cases, issues and improvement needs identified at branch offices were systematically documented and reported to headquarters, and such structured communication was found to enhance overall communication effectiveness within the organization.

Based on Lancefield's five principles of effective strategic communication, a survey questionnaire was developed to assess employees' perceptions. To complement the qualitative observations, a quantitative assessment was conducted to evaluate employees' perceptions of communication practices. The survey items consisted of five dimensions comprehensiveness, personalization, timeliness, transparency, and consistency, each dimension containing two or three items, as shown in Table 1.

Table 1. Survey items on the strategic communication

Dimension	Survey item
Comprehensiveness	The organization provides sufficient explanation of the reasons for introducing the new system.
	The organization offers training or demonstrations to show how existing work processes will change with the introduction of the new system.
	Opinions from frontline departments are collected during the planning stage of the new system.
Personalization	User-friendly manuals or reference materials are provided to help employees easily understand the new system.
	Training programs are offered to help employees effectively apply the new system in their work.
Timeliness	Manuals and relevant information about the new system are provided at an appropriate time.
	Training on the new system is conducted at a suitable time before implementation.
	When problems occur while using the new system, employees can immediately receive assistance from headquarters or the IT department.
Transparency	Open communication channels are maintained so that employees can easily share ideas and ask questions.
	Progress updates and developments following the introduction of the new system are shared with employees.

Consistency	Procedures are in place to collect feedback and improvement suggestions related to the newly introduced system.
	The organization makes continuous efforts to reflect employees' feedback and improvement suggestions after the system has been introduced.

Note: compiled by the author

Branch employees of Company A were asked to rate the perceived importance of each communication dimension for future digital innovation projects and to evaluate the current level of communication

based on past experiences, using a seven-point Likert scale. Data was collected via an online survey, yielding 91 usable responses for the final analysis. The analysis results are presented in Table 2.

Table 2. Survey results on the strategic communication

Dimension	Survey Item	Importance (Mean)		Level (Mean)	
Comprehensiveness	Sufficient explanation of the reasons for introducing the new system	5.63	5.70	4.10	4.14
	Training or demonstrations showing how work processes will change	5.65		4.23	
	Collection of frontline opinions during the planning stage	5.82		4.10	
Personalization	Provision of user-friendly manuals and reference materials	5.78	5.80	4.32	4.33
	Training programs to help employees effectively use the new system	5.81		4.34	
Timeliness	Manuals provided at an appropriate time	6.05	5.98	4.18	4.19
	Timely training programs before implementation	5.82		4.13	
	Immediate assistance available when problems arise	6.05		4.26	
Transparency	Operation of open communication channels	5.80	5.87	4.10	4.08
	Sharing of progress updates following system implementation	5.95		4.05	
Consistency	Procedures for collecting feedback and improvement suggestions	5.88	5.90	4.36	4.38
	Continuous efforts to reflect employees' improvement suggestions	5.92		4.41	

Note: compiled by the author

The findings indicate that branch employees of Company A perceive all five dimensions of strategic communication as highly important in the digital innovation process-Comprehensiveness (M=5.70), Personalization (M=5.80), Timeliness (M=5.98), Transparency (M=5.87), and Consistency (M=5.90). However, the current implementation levels across all five dimensions were rated as only moderate: Comprehensiveness (M=4.14), Personal-

ization (M=4.33), Timeliness (M=4.19), Transparency (M=4.08), and Consistency (M=4.38). Compared with their perceived importance, these lower scores indicate a clear gap between the desired and actual states of strategic communication within Company A.

To better illustrate the magnitude of the discrepancy, Table 3 presents the calculated gap between perceived importance and actual implementation.

Table 3. Gap between perceived importance and implementation of strategic communication (Company A)

Dimension	Importance (Mean)	Implementation (Mean)	Gap
Comprehensiveness	5.70	4.14	1.56
Personalization	5.80	4.33	1.47
Timeliness	5.98	4.19	1.79
Transparency	5.87	4.08	1.79
Consistency	5.90	4.38	1.52

Note: compiled by the author

Company B established a highly integrated collaborative structure involving three major domains Digital Strategy, Information Technology (IT), and Business Operations - to drive digital innovation. The core axis of communication in digital transformation projects was the close interaction between the IT department and business units, supplemented by additional coordination among IT planning and development teams and between headquarters and branch offices.

For large-scale projects, Task Force Teams (TFTs) were organised to ensure the joint participation of IT departments, headquarters units, and branch offices from the early planning stage. This structural collaboration served as a critical foundation for aligning strategic intent and execution logic across the organization, thereby facilitating an integrated approach to digital innovation.

Company B emphasized comprehensiveness in its strategic communication throughout the digital innovation process. In large-scale system development projects, TFTs were formed to ensure that all relevant departments shared a common understanding of the strategic background, objectives, and expected outcomes of system implementation. This approach strengthened employees' strategic comprehension from the initial stage and helped minimize resistance during later implementation phases. Communication about process changes was carried out in a phased manner. First, IT and business members involved in the planning stage disseminated their clear understanding of the upcoming process changes internally. Second, upon completion of the planning stage, the overall direction of change was officially communicated to all employees through formal documentation. Third, during the development and testing stages, the organization utilized demonstrations, manuals, and training programs to convey more detailed and practical information about workflow changes. This progressive and comprehensive communication structure enabled em-

ployees to gradually assimilate the intended changes in an informed and structured manner.

In addition to standardized formal communication, Company B actively implemented personalized communication tailored to departmental characteristics. Formal communication included manuals and official documents, online video training, and scenario-based simulations, utilizing multiple channels such as the intranet bulletin board, document circulation system, and video conferencing tools. Some departments supplemented these efforts with customized educational videos, internal broadcasting, or YouTube-based content, allowing information to be delivered in a more familiar and engaging format. Such personalization enhanced employees' comprehension and emotional connection to the digital transformation agenda, contributing to smoother adoption across diverse functional areas.

From a timeliness perspective, Company B structured its strategic communication into sequential phases. During the planning and design stages, communication focused on articulating the strategic direction and purpose of system introduction. In the development and testing stages, attention shifted to explaining the operational details and practical impacts on employees' workflows. After implementation, various events and programs were organized to encourage the effective use of the new system. Moreover, informal communication between IT, headquarters, and branch departments was highly active, complementing formal channels. These real-time interactions accelerated problem-solving processes and fostered mutual trust among employees, reinforcing organizational agility during the transition.

Company B demonstrated a strong commitment to transparency by producing and sharing video content that documented both the system development process and post-implementation updates through the company's internal broadcasting channel. Additionally, initiatives such as system adoption events,

feedback collection programs, and employee reward schemes were implemented to encourage active participation and bidirectional feedback. Early-stage system issues and their corresponding solutions were promptly communicated to reduce uncertainty and maintain organizational confidence throughout the transition process.

The consistency of Company B's communication was maintained through a variety of mechanisms. Real-time communication channels, including phone consultations, quick memos, and internal Q&A boards, were established to facilitate continuous dialogue. An ongoing feedback collection system was operated to support continuous improvement of newly implemented systems. Furthermore, through on-site branch audits conducted every three to six months, system enhancement requirements were gathered and jointly reviewed by IT and business departments to determine feasible updates. This sustained communication framework substantially contributed to the stable institutionalization and long-term improvement of the digital systems, ensuring that digital innovation was embedded as a continuous organizational capability rather than a one-time initiative.

CONCLUSIONS

This study conducted a multiple case analysis of two retail banking organizations to explore how strategic communication can foster organizational consensus in digital innovation, particularly in organizations where transformation performance remains suboptimal. The analysis revealed a consistent pattern: while Company A exhibited a strong awareness of the future importance of strategic communication (average score above 5.8 on a seven-point Likert scale), its current communication practices were rated substantially lower (around 4.2 on average). This discrepancy indicates that although employees understood and valued the need for digital transformation, insufficient information flow and limited front-line participation hindered the formation of shared understanding and alignment within the organization.

First, with respect to comprehensiveness, employees at Company A perceived that operational feedback from field units was insufficiently reflected during the planning stage. This gap between policy design and practical needs has intensified

the misalignment between strategy and execution. Therefore, it is necessary to institutionalize the participation of field employees within standardized project planning processes. Embedding a systematic mechanism for field-level feedback from the planning phase would ensure stronger coherence between strategic direction and operational change during digital transformation.

Second, personalization emerged as a key determinant of consensus-building. Both surveys and interviews confirmed that employees sought a clearer understanding of how their individual roles and tasks would change. Hence, beyond generic organization-wide training, it is essential to establish differentiated and simulation-based training systems tailored to specific job functions and skill levels. Particularly in financial service roles characterized by frequent system updates, personalized learning materials and hands-on training can enhance employees' engagement, comprehension, and acceptance of change.

Third, timeliness was found to be a critical variable influencing the speed of digital transformation adoption. While the provision of manuals at an appropriate time (mean importance score of 6.05) was rated as the most significant item, its current implementation received a relatively low score (4.18). This suggests that last-minute, one-way communication before change implementation fails to enable employees' timely understanding. To address this, organizations should establish rapid-support communication systems—such as AI chatbots, information centers, and real-time training video platforms—to ensure timely and accessible knowledge transfer throughout the change process.

Fourth, in terms of transparency, insufficient sharing of project progress and information asymmetry between headquarters and field offices were identified as major barriers to consensus-building in Company A. To overcome this, organizations should move away from top-down communication and introduce open feedback channels (e.g., digital forums or real-time Q&A boards), encouraging employees to participate as co-creators in the innovation process rather than passive recipients.

Fifth, consistency was evaluated as a crucial foundation for sustaining digital transformation in the long term. A significant gap was observed between employees' perceived importance (5.9) and the current level of practice (4.4), suggesting a lack

of structured post-implementation feedback and improvement mechanisms. Therefore, organizations should institutionalize performance monitoring and iterative feedback loops even after project completion, establishing a cyclical communication structure that continuously reinforces learning, adaptation, and improvement.

In summary, the success of digital innovation extends beyond technological infrastructure—it fundamentally depends on psychological and organizational consensus among members. This study empirically demonstrates the necessity of a strategic communication model built upon five key dimensions: comprehensiveness, personalization, timeliness, transparency, and consistency. By articulating how these communicative elements mediate the alignment between technological and cultural transformation, the study provides both theoretical and practical implications for enhancing digital innovation outcomes in the financial sector. Future research should expand on these findings by designing a quantitative communication framework that measures consensus-building effectiveness across hierarchical levels and departments, thus contributing to a deeper understanding of communication-driven digital transformation in complex organizational systems.

This study contributes to both theory and practice by positioning strategic communication as a core mechanism of successful digital transformation. It extends existing digital innovation research by highlighting communication not merely as a supporting process but as a structural enabler of organizational alignment and cultural adaptation. For practitioners, the findings emphasize the importance of establishing transparent and continuous communication systems that integrate employee feedback throughout the transformation process. The proposed five-dimensional communication model can serve as a practical framework for financial institutions to assess, design, and improve their internal communication strategies, thereby enhancing consensus, trust, and engagement across all organizational levels.

Despite its contributions, this study has several limitations. First, as a qualitative multiple case study focusing on two financial institutions, the findings may not be generalizable to all industries or cultural contexts. Future research should employ quantitative or mixed-method approaches to statistically examine the relationships among communi-

cation quality, consensus formation, and innovation performance. Second, because digital innovation is an evolving process, longitudinal studies are recommended to track how communication practices change over time and impact the sustainability of transformation.

AUTHOR CONTRIBUTIONS

Conceptualization and theory: GK; research design: GK; data collection: YK; analysis and interpretation: GK; writing draft preparation: GK; supervision: GK; correction of article: GK; proofread and final approval of article: GK. All authors have read and agreed to the published version of the manuscript.

REFERENCES

- Argyris, C., & Schön, D. A. (1996). *Organizational learning II: Theory, method, and practice*. Reading, MA: Addison-Wesley.
- Bharadwaj, A., El Sawy, O. A., Pavlou, P. A., & Venkatraman, N. (2013). Digital business strategy: Toward a next generation of insights. *MIS Quarterly*, 37(2), 471–482. <https://doi.org/10.25300/MISQ/2013/37.2.3>
- Burnes, B. (2017). *Managing change* (7th ed.). Harlow, UK: Pearson Education.
- Clampitt, P., DeKoch, R., & Cashman, T. (2000). A strategy for communicating about uncertainty. *Academy of Management Executive*, 14(4), 41–57. <https://doi.org/10.5465/ame.2000.3979815>
- Foreman, J., & Argenti, P.A. (2005). How Corporate Communication Influences Strategy Implementation, Reputation and the Corporate Brand: An Exploratory Qualitative Study. *Corporate Reputation Review*, 8, 245–264. <https://doi.org/10.1057/PALGRAVE.CRR.1540253>
- Gillen, T. (2006). *The manager's guide to effective change management*. London, UK: CIPD Publishing.
- John, N., David, J. A., Ameh, E. B., Samson, I. P., & Osere, N. J. (2025). Leveraging Digital Transformation for Responsible Food Production and Distribution in an Emerging Economy's Manufacturing Sector. *Journal of Distribution Science*, 23(2), 1–11. <https://doi.org/10.15722/jds.23.02.202502.1>
- Kotter, J. P. (1996). *Leading change*. Boston, MA: Harvard Business School Press.
- Lancefield, D. (2022). How to communicate your company's strategy effectively. *Harvard Business Review*. Retrieved January 25 2026 from <https://hbr.org/2022/11/how-to-communicate-your-companys-strategy-effectively>
- Matt, C., Hess, T., & Benlian, A. (2015). Digital transformation strategies. *Business & Information Systems Engineering*, 57(5), 339–343. <https://doi.org/10.1007/s12599-015-0401-5>

Men, L. R., & Bowen, S. A. (2017). *Excellence in internal communication management*. New York: Business Expert Press.

Men, L. R., & Stacks, D. W. (2013). The impact of leadership style and employee empowerment on perceived organizational reputation. *Journal of Communication Management*, 17(2), 171–192. <https://doi.org/10.1108/13632541311318765>

Prosci. (2018). *ADKAR: A model for change in business, government and our community*. Fort Collins, CO: Prosci Learning Center.

Schein, E. H. (2010). *Organizational culture and leadership* (4th ed.). San Francisco: Jossey-Bass.

Verhoef, P. C., Broekhuizen, T., Bart, Y., Bhattacharya, A., Dong, J.Q., Fabian, N., & Haenlein, M. (2021). Digital transformation: A multidisciplinary reflection and research agenda. *Journal of Business Research*, 122, 889–901. <https://doi.org/10.1016/j.jbusres.2019.09.022>

Warner, K. S. R., & Wäger, M. (2019). Building dynamic capabilities for digital transformation: An ongoing process of strategic renewal. *Long Range Planning*, 52(3), 326–349. <https://doi.org/10.1016/j.lrp.2018.12.001>

Welch, M., & Jackson, P. R. (2007). Rethinking internal communication: A stakeholder approach. *Corporate Communications: An International Journal*, 12(2), 177–198. <https://doi.org/10.1108/13563280710744847>

Wessel, L., Baiyere, A., Ologeanu-Taddei, R., Cha, J., & Blegind Jensen, T. (2021). Unpacking the difference between digital transformation and IT-enabled organizational transformation. *Journal of the Association for Information Systems*, 22(1), 102–129. <https://doi.org/10.17705/1jais.00655>

Yin, R. K. (2018). *Case study research and applications: Design and methods*. Thousand Oaks, CA: Sage Publications.

Information about the author

***GyuBae Kim** – PhD, Professor, Business Administration, Daejeon University, Daejeon, Republic of Korea, email: gbkim@dju.ac.kr

Автор туралы мәліметтер

***Ким Г.** – PhD, профессор, бизнес-әкімшілендіру кафедрасы, Тэджон университеті, Тэджон, Корея Республикасы, email: gbkim@dju.ac.kr

Сведения об авторе

***Ким Г.** – PhD, профессор, кафедра бизнес-администрирования, Университет Тэджон, Тэджон, Республика Корея, email: gbkim@dju.ac.kr