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Promote or Inhibit: CEO Career Concerns and Enterprise Digital Transformation

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Abstract: The digital transformation of Chinese enterprises is imperative, and digital transformation is a typical long-cycle strategic decision, so it is necessary to analyze the motivation of digital transformation from the perspective of time, especially career. However, there is little research to discuss the impact of key role CEOs on digital transformation based on their career tradeoffs. Therefore, this paper chooses manufacturing enterprises as research samples to study the relationship between CEO career concerns and enterprise digital transformation. This paper finds that there is an inverted U-shaped nonlinear relationship between CEO's career concerns and enterprise digital transformation; Within a certain range, CEO career concerns positively promotes digital transformation, but after a certain threshold, it inhibits digital transformation. This inverted U-shaped relationship is weakened by the increasing power intensity of the CEO and the short-sightedness of management. This paper describes the role of CEO in the digital process from the perspective of career concern, expands the antecedents of digital transformation, and provides some implications for enterprises to promote digital transformation.

Keywords: CEO career concern; Enterprise digital transformation; CEO power intensity; Management myopia.

1. Introduction

Because digital transformation can bring many positive effects, it has been a consensus of enterprises to carry out digital transformation[1] .However, in the face of digital transformation, some enterprises choose to be cautious adopters and wait-and-see, but there are also brave enterprises to become leaders. So what factors contribute to this difference in corporate decision making?

Existing research is highly focused on the relationship between key managers and enterprise digitalization. In the process of transformation, key executive roles such as CEO often have greater influence, and they can exert an influence on the digital transformation of enterprises through their extremely high freedom of resource management and the arrangement of organizational resource conditions[2]. From the literature on digital transformation at the manager level, scholars have paid attention to the relationship between the gender of managers, technical background, institutional branding, decision logic, manager's attention, entrepreneur's social network and other factors and digital transformation[3].

Although these studies provide important academic insights for understanding the impact of managers on digital transformation, considering that digital transformation is a typical long-cycle strategic decision, and it is difficult to obtain obvious benefits in the short term[4]. it is necessary to analyze managers' decision-making motivation from the perspective of time, and few studies and analyses have been conducted from this perspective. In particular, the analysis from the perspective of managers' own career development is seriously insufficient.

Career concerns is a characteristic of CEOs based on the time dimension of their career, and it is the entry point to understand managers' decisions in the time dimension[5] . As an implicit incentive, career concerns causes CEOs to work hard in the present in order to improve their future earnings[6]. This vision of making decisions in the present based on the future has a similar relationship with the long-cycle decision-making characteristics of enterprises' digital transformation. But the relationship is not so obvious: CEO's career concerns themselves change over the life cycle of the individual, and their relationship with economic consequences is often non-linear and complex. Therefore, the relationship between CEO's career concerns and digital transformation needs to be further studied.

Whether the focus of a CEO career will promote digital transformation or inhibit it becomes a question. According to the "reputation model" of career concern theory, CEOs will make current decisions about the whole career based on reputation[7]. This may serve as a theoretical starting point to explain the relationship between CEO's career concerns and enterprise digital transformation[8]. In addition, the impact of CEO's career concerns on organizational decision-making is the result of the continuous interaction between individuals and the environment[6]. Therefore, we must consider the situational role of governance mechanisms and individual trait factors in influencing the strategic behavior of CEOs.

Along these lines, this article attempts to answer the following key questions: How does a CEO's career concerns relate to the extent of a company's digital transformation? What factors affect this relationship? What is the heterogeneity of this relationship? The research contribution of this paper is mainly related to the actual digital transformation of enterprises, focusing on the digital transformation behavior of CEOs based on the whole career utility, providing theoretical reference for enterprise managers to participate in digital transformation, making up for the defects of existing research, and improving the related research on the anthems of digital transformation.

2. Theoretical Analysis and Hypothesis Deduction

2.1. CEO's career concerns on digital transformation

Career concern theory is rooted in the reputation model[9].

According to the reputation model, there can be a "post-event mechanism" in the manager market, which enables the CEO to consider the impact of the behavior on his future career prospects when making a decision on a certain strategic behavior[8] .Specifically, if the CEO can implement a successful strategy, he can accumulate a good reputation, thus increase his future income[7]. However, the incentives and constraints of reputation effect on agents will be affected by the changes of individual life cycle[10]. Agents have different demands for reputation under different life cycles, so the role of professional concern at different levels may be non-linear. Previous studies have shown the nonlinear relationship between CEO career concerns in areas such as short-sighted investment and earnings management[11]. This conclusion may also hold true for digital transformation.To be specific:

2.1.1. CEO's career concerns on the positive effects of digital transformation

Previous studies have found that in order to make achievements and build a good reputation, CEOs with high career concerns are more likely to carry out strategic change behavior[5].As a special strategic activity, digital transformation is a process of comprehensive transformation of organizational participants, organizational structure, organizational practice and organizational culture by digital technology[4] . Digitalization can improve enterprise efficiency, accelerate the iteration of enterprise products and services, and bring economic benefits. These changes are bound to give managers a good reputation, too. As a result, CEOs with a high career concerns are more likely to engage in digital transformation. This is achieved in three main ways:

First, based on agency conflict mitigation. Reputation can provide incentive compatibility, thus alleviating the problem caused by agency costs[9] . This is because when the level of career attention of CEOs is high, CEOs have greater motivation to make long-term investment that is beneficial to the future of the enterprise[5] , while CEOs who are old or approaching retirement will pay more attention to their own interests and neglect the long-term development of the enterprise[12] . Successful digital transformation can reduce costs and increase efficiency, form new competitive advantages, benefit the long-term development of enterprises, and also benefit their own reputation. As a result, CEOs whose careers focus on high are more willing to undertake digital transformation.

Second, based on the improvement of risk bearing capacity. CEOs with a high level of career concerns are more adventurous[13]. CEOs are willing to take higher risks for the realization of long-term strategic goals and explore new paths for enterprise development[14] . As a result, CEOs with a high level of career concerns are better able to take on the high risks of digital transformation and focus on digital transformation in order to increase their value after successful transformation.

Third, based on the improvement of occupational total utility. The reason why CEOs are more inclined to increase the intensity of strategic change is that the improvement brought by the change is beneficial to themselves[15] . When the digital transformation of enterprises is successful, it can often improve the technical barriers of enterprises, reduce the operating costs of enterprises, and then improve the business performance of enterprises. On the one hand, this can lead to sustained pay increases for CEOs; On the other hand, it can also improve the authority of the CEO and improve its bargaining power in the manager market[12]. All of which greatly increased the total utility of his career. Therefore, when a CEO's career concerns is high, he or she will be motivated to undertake digital transformation.

2.1.2. CEO's career concerns have negative effects on digital transformation

However, it is important to note that too much professional focus can lead to too much of a good thing and have a negative impact on the digital transformation of the enterprise. In general, when a CEO is younger or at the beginning of his or her tenure, that is, early in the individual's life cycle, he or she will have an excessive professional focus. The need for reputation is extremely high for such CEOs, because they need to gain reputation quickly to secure their position. At this point, the effectiveness of reputational incentives and constraints will change, but will push the CEO's career concerns on inhibiting digital transformation, that is, too much of a good thing. This is achieved in three main ways:

First, the worsening of agency conflicts. First of all, new or young CEOs have excessive career concerns, but previous studies have shown that the board of directors will supervise and require these CEOs extremely strictly, because the ability of these CEOs has not been verified, so such supervision will lead to more severe punishment for poor performance of CEOs, and their career prospects are more likely to be seriously affected[16] . Therefore, these CEOs with excessive career concerns will prefer "quick-win" projects with short-term results, because such projects can meet the CEO's urgent purpose of establishing reputation and easing agency conflicts . Digital transformation often does not bring benefits in the short term, so it is difficult to bring reputation, which will push CEOs to reduce digital investment.

Second, risk taking has gone down, not up. Most young managers are particularly concerned about reputation, but digitization is itself a risky activity, and the twists and turns of the transformation process can lead to the risk of loss[11]. If the CEO is overly concerned about reputation at this time, the CEO may be more likely to avoid such projects with possible loss risk, because any loss risk during the first period of office will affect the purpose of quickly building reputation.

Third, based on the purpose of preserving occupational utility. For CEOs, being kicked out of the executive market competition by the board of directors is a great loss of career utility , and this loss is especially obvious for CEOs who focus too much on their careers, so their priority should be to preserve their positions[17]. However, digital transformation often requires a large amount of cash flow, which may crowd out the profit space in the short term and may bring short-term losses . Continued cash flow expenses increase the likelihood that the CEO will be questioned by the board and be eliminated from the managerial position, and once eliminated, the professional effectiveness of the CEO will be significantly reduced. Therefore, from the perspective of preserving their own future utility, new or young CEOs, whose career concerns is very high, will not rush into the digital transformation of the enterprise. So in summary, the high career concerns of CEOs may be too much of a good thing and inhibit the digital transformation of enterprises. Therefore, based on the above hypothesis:

H1: There is an inverted U-shaped relationship between CEO's career concerns and enterprise digital transformation.

2.2. The regulating effect

2.2.1. The moderating role of CEO power

Although the career concerns theory explains the

relationship between a CEO's career concerns and digital transformation, the CEO's final decision is still subject to the supervision and checks and balances of the board, and the decision made based on the career concerns may not be implemented: that is, "will" does not mean "can". Therefore, it is necessary for us to pay further attention to the size of CEO's right to speak, that is, the key role played by CEO power[18] .

CEO power strength refers to the level of CEO's ability to exert will in decision-making, and CEO power strength means that leaders have higher management discretion[19] . With the enhancement of the power intensity of CEOs, the ability of CEOs to control the strategic decisions of enterprises will be improved, which enables CEOs to better implement their own preferences based on their career concerns into their strategic behaviors, and has a more significant impact on the digital transformation of enterprises. First, through the mechanism of agency conflict, the power strength of CEO can influence the agenda of board meetings through the combination of the two powers of CEO, so as to reduce constraints and realize his/her decision-making preferences[18] . At this time, CEO can more comprehensively implement his/her career concerns and preferences into the digital transformation. Second, through the mechanism of risk taking, when the CEO obtains a large power intensity, his own discretion can amplify the CEO's own risk preference, and then affect the resource allocation of digital transformation[20] . Thirdly, through the mechanism of occupational utility, when the power intensity of the CEO increases, he is more likely to have residual claim on the enterprise[21] . At this time, the CEO is more motivated to promote or inhibit the digital transformation within the enterprise by integrating the interests of the enterprise and his own interests, because the occupational utility of the CEO at this time is partly derived from the performance of the enterprise itself.

Therefore, when the CEO has a large power intensity, on the one hand, it can better implement its own decisions, overcome the voice against enterprise digitalization, and promote digital transformation; But it also gives CEOs more power to abandon digital transformation for self-serving purposes and to avoid possible risks. In summary, the hypothesis is put forward:

H2: CEO power intensity enhances the inverse relationship between CEO’s career concerns and digital transformation.

2.2.2. The moderating role of myopia

Career concerns is a kind of time vision reflected in a CEO's career[6] . Some studies have pointed out that a CEO's career has shaped the CEO's time orientation[22] . The digital transformation decisions made by CEOs based on career utility are often influenced by their own time orientation, that is, by managers' subjective preferences for the past, present and future[23] . Among them, management myopia is a typical manifestation of short-term orientation. Instead of focusing on the future development of the enterprise, short-sighted managers are more inclined to focus on the interests that can be satisfied immediately[24] .

Management myopia will mitigate the inverse U-shaped relationship between CEO’s career concerns and enterprise digital transformation, that is, management myopia weakens both the positive and negative effects of CEO’s career concerns . First of all, because the decision logic of managing short-sighted immediate gratification and the decision logic of career concerns are in conflict, the positive effect of career concerns will be eliminated when the CEO's management short-sightedness is more prominent. Specifically, management myopia reduces the alternative set of decision makers and leads managers to have a narrow view of corporate strategy[25] . In terms of risk enhancement mechanism, these narrow views will weaken the exploration behavior of CEO's career concerns on enterprise digitalization and limit the possibility of enterprises to take risks for digitalization. In terms of career utility improvement mechanism, CEOs with short-sighted management are more inclined to activities that rapidly improve performance, because CEOs care more about immediate utility at this time, so CEOs will not incorporate digital transformation into their plans despite the greater long-term benefits of digital transformation in the future.

But management myopia can also blunt the negative effects of going too far. The reason why excessive career concerns has a restraining effect on digital transformation is that CEOs have excessive demand for reputation, and reputation works because reputation can seek greater career utility for CEOs in the future, while management myopia will weaken the role of reputation. When the motivation of excessive pursuit of reputation is weakened, the high career concerns on the CEO does not have to bear the consequences of the board's intervention on the future reputation, then the CEO's motivation to weaken the digital transformation will be reduced. In terms of risk mechanism, because the excessive pursuit of reputation is weakened, the risk aversion generated by it is also reduced, and the incentive for short-sighted CEOs to weaken digital transformation is also reduced. In summary, this paper proposes the following hypothesis:

H3: Management myopia moderates the relationship between CEO’s career concerns and digital transformation. This mitigates the inverted U-shaped relationship between CEO’s career concerns and digital transformation.

3. Research Design and Variable Definition

3.1. Sample Selection

This study takes A-share manufacturing listed companies from 2014 to 2019 as the research object to explore the impact of CEO’s career concerns on enterprise digital transformation. In accordance with relevant studies, the samples were processed as follows: The listed companies marked as ST, SST and *ST were excluded; Remove sample data missing key variables. Finally, the sample of 2382 enterprises was determined to be 9636 sets of unbalanced panel data. The data comes from CSMAR database, China Legal Resources Database, corporate annual reports, domestic input-output tables, China City Statistical Yearbook, etc. This paper uses a fixed effect model to control the annual effect and industry effect.

3.2. Variable definition and measurement

(1) Explanatory variables: CEO’s career concerns. Drawing on the studies of Demers, Wang, Xie and Li et al., this paper uses the length of time from retirement age as a proxy variable to measure the level of CEO career attention.

(2) Explained variables: Enterprise Digital Transformation (DT). Based on the research of scholars such as Wu Fei and Chen Qingjiang[3] , this study extracts key words related to digital transformation from the 14th Five-Year Plan and the Outline of the 2035 Vision Goals, the Implementation Plan

for the Digital Transformation of Manufacturing Industry in Guangdong Province (2021-2025), and other relevant national and local policy documents , the index reflecting the response of enterprises to digital transformation was obtained.

(3) Adjusting variables: CEO Power. With reference to Finkelstein's power model[20] , CEO power is specifically divided into organizational power, expert power, ownership power and prestige power. Each of the four powers consists of eight virtual variables. The index of CEO power intensity was obtained by dimensionality reduction of the above eight virtual variables.

Managerial myopia. Based on the processing method proposed by Hu Nan and Xue Fujing et al.[26], Based on the dictionary method, the ratio of the total word frequency of words representing shortsighted behavior to the total word frequency of the management discussion and analysis chapter in the annual financial report of enterprises is calculated, and the final indicator of managers' shortsighted behavior is obtained after multiplying by 100.

(4) Control variables:Select the Market index (Market), Herfindahl index (HHI) at the industry level; At the enterprise level, we choose sales revenue Growth (Growth), return on equity (ROE) and inventory ratio (INV). At the level of governance, the Board of directors (Board), the proportion of independent directors (Indep), the proportion of the largest shareholder (Top1), the proportion of institutional investors (INST), and the average monthly excess turnover rate (Dturn) were selected. At the management level, CEOdual and Overseas experience of senior executives were selected.

4. Regression Test and Analysis

4.1. Descriptive statistics

Descriptive statistics of variables are shown in Table 1. The mean of explanatory variable (career) was 9.871 and the median was 9. The minimum value of the explained variable enterprise digital transformation (Dt) is -0.295, and the maximum value is 7.0124, indicating that the digital transformation of different enterprises is very different. The minimum value of Power is -2.2761, the maximum value is 1.977244, and the standard deviation is 0.989, which indicates that there are significant differences in power among CEOs. The mean and standard deviation of the moderating variable, myopia, is 0.0812 and 0.0729, indicating a large difference in myopia among businesses.

Table 1. Descriptive statistics of variables

Variable	Obs	Mean	Std. Dev.	Min	Max
Career	9,636	9.871363	6.687449	-7	28
DT	9,636	.036469	.4378639	-.2951839	7.012449
Power	9,636	.155611	.988708	-2.2761	1.977244
Myopia	9,636	.0821021	.0729197	0	.855033
HHI	9,636	.0812756	.0643694	.018565	.39646
Market	9,636	8.371755	1.659864	.71	10
Board	9,636	2.10826	.1903646	1.386294	2.890372
Indep	9,636	.3763841	.0550909	.2	.8
INST	9,636	.3505853	.2396589	0	3.267273
Top1	9,636	3370288	.1408665	.030029	.899858
Dual	9,636	.3242828	.4681287	0	1
Overseas	9,636	.08861	.2841935	0	1
Growth	9,636	.2521401	4.419641	-.953288	429.0361
ROE	9,636	.0512797	.7150883	-60.15343	1.751119
INV	9,636	.1338659	.0855632	0	.6761407
Dturn	9,636	-.128795	.5896013	-4.319798	4.329079

Table 2. Correlation analysis of variables

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
(1) DT	1.00															
(2) career	0.01	1.00														
(3) Power	0.09*	0.01	1.00													
(4) myopia	-0.11*	-0.02*	-0.11*	1.00												
(5) Market	0.11*	0.01	0.23*	-0.10*	1.00											
(6) HHI	-0.02*	0.04*	-0.07*	0.07*	0.01	1.00										
(7) Board	-0.04*	-0.05*	-0.21*	0.03*	-0.11*	0.04*	1.00									
(8) Indep	0.04*	0.00	0.10*	-0.01	0.02*	0.00	-0.58*	1.00								
(9) INST	-0.02*	-0.09*	-0.62*	0.04*	-0.12*	0.04*	0.18*	-0.05*	1.00							
(10) Top1	-0.02	-0.02*	-0.12*	-0.01	-0.01	0.04*	-0.02*	0.06*	0.27*	1.00						
(11) Dual	0.04*	-0.21*	0.58*	-0.08*	0.16*	-0.05*	-0.16*	0.10*	-0.19*	0.02	1.00					
(12) Overseas	0.03*	0.06*	0.05*	-0.03*	0.09*	-0.01	-0.03*	0.03*	-0.02	-0.03*	0.04*	1.00				
(13) Growth	0.00	0.00	0.01	-0.02	0.00	-0.01	0.01	0.00	-0.02	0.00	0.00	0.00	1.00			
(14) ROE	0.01	-0.03*	0.02	-0.05*	0.03*	0.00	0.00	0.00	0.02	0.04*	0.02	0.01	0.01	1.00		
(15) INV	0.01	0.02	-0.03*	0.00	0.01	0.07*	0.03*	-0.01	0.03*	0.04*	-0.02	0.00	-0.02	0.00	1.00	
(16) Dturn	-0.02*	0.01	-0.12*	0.08*	-0.07*	0.03*	0.05*	-0.01	0.09*	-0.06*	-0.08*	0.00	-0.01	-0.03*	0.00	1.00

Standard errors are in parentheses *** p<.01, ** p<.05, * p<.1

4.2. Correlation statistics

Table 2 shows the correlation between the main variables. As can be seen from Table 2, the correlation coefficient between CEO's career concerns and enterprise digital transformation is 0.01, which is not significant, indicating that there is no obvious linear relationship between CEO's career concerns and digital transformation. The correlation coefficients of CEO power strength, management myopia and digital transformation are 0.09 and -0.11 respectively, and both are significant at 5% level, indicating that they promote and hinder enterprises' digital transformation respectively. In addition, the VIF test is also carried out on the variables, and the average VIF value is 1.23, and the VIF value of all variables is less than 10, and there is no multicollinearity.

4.3. Regression analysis and results

Table 3 lists the fixed model regressions. Column (1) of Table 3 shows the estimates when only the control variables are included. Column (2) shows the addition of explanatory variables to explain the relationship between primary and secondary CEO's career concerns and digital transformation. The results in column (2) show that the regression coefficient of the primary term of CEO's career concerns is significantly positive (.003, p<.1), while the secondary term is significantly negative (-.0001, p<.1), which conforms to the inverted U-shaped relationship.

Table 3. Basic regression results

	(1) DT	(2) DT	(4) DT	(3) DT
Career		.003*	.0004*	.006***
		(.002)	(.002)	(.002)
$Career^2$		-.0001*	-.0001*	-.0002***
		(0)	(0)	(0)
Career×Power			.004***	
			(.001)	
$Career^2$×Power			-.0001**	
			(0)	
Career×Myopia				-.049***
				(.013)
$Career^2$×Myopia				.002**
				(.001)
_cons	-.241**	-.249**	-.105*	-.233**
	(.101)	(.102)	(.113)	(.102)
Control	Yes	Yes	Yes	Yes
Industry	Yes	Yes	Yes	Yes
Year	Yes	Yes	Yes	Yes
Observations	9636	9636	9636	9636
R-squared	.13	.131	.136	.133

Standard errors are in parentheses *** p<.01, ** p<.05, * p<.1

At the same time, in order to avoid estimation errors caused by the significance of only the first and second terms in the model, this paper uses the Utest command developed by Lind and Mehlum to further test the inverse U-shaped relationship. The results show that the slope of the relationship between CEO's career concerns and digital transformation is first positive (0.006, P<0.05) and then negative (-0.009, P<0.05). The inflection point of CEO career attention is 13.93, which is within the value range (-7~28), and the P value of the overall test of the inverted U-shape relationship is 0.0746<0.1, so it is enough to reject the null hypothesis and consider that there is a significant inverted U-shape relationship between the independent variable and the dependent variable. So hypothesis H1 is true.

Subsequently, column 3 (3) (4) of Table 4 lists the relationship between management myopia, CEO power intensity, interaction terms of primary and secondary CEO's career concerns and digital transformation respectively. In column (3), the relationship between the interaction term of CEO's power intensity and CEO's career concerns and digital transformation is listed. At this time, the coefficient of the primary term is significantly positive, while the interaction term of the secondary term is significantly negative, and the relationship between power intensity and CEO's career concerns and digital transformation is significantly adjusted. In other words, when power intensity is high, it amplifies the impact of a CEO's career concerns on digital transformation. So let's say H2 is true.

In column (3), it can be seen that the interaction coefficient of management myopia and the primary term of CEO's career concerns is significantly negative, while the coefficient of the secondary term is significantly positive, which is opposite to the coefficient sign of the primary term and the secondary term of CEO's career focus, indicating that management myopia weakens the positive impact of CEO's career concerns on digital transformation. It also promotes CEO's career concerns on the negative impact of digital transformation. Thus, management myopia moderates the relationship between CEO's career concerns and digital transformation. So let's say that H3 is true.

4.4. Robustness test

Substitution variable method. Using Matta and Beamish, Krause and Semadeni's method, the CEO's career concerns was measured by 65 years minus the age of the CEO. The age of 65 was chosen as the end of a CEO's career because the

CEO left and retired later than the usual age of 60, so 65 was assumed to be the retirement age.

Table 4. Basic regression results after variable substitution

	(1) DT	(2) DT	(3) DT	(4) DT
Career65		.004*	.002*	.007***
		(.003)	(.003)	(.003)
$Career65^2$		-.01*	-0.0005*	-.0002***
		(0)	(0)	(0)
Career65×Power			.005***	
			(.001)	
$Career65^2$×Power			-0.0001***	
			(0)	
Career65×Myopia				-.039***
				(.01)
$Career65^2$×Myopia				.001**
				(0)
_cons	-.201**	-.236**	-.225**	-.214**
	(.092)	(.096)	(.096)	(.096)
Observations	9636	9636	9636	9636
R-squared	.13	.131	.134	.134

Standard errors are in parentheses *** p<.01, ** p<.05, * p<.1

(2) lag processing. There may be a reverse causation problem between CEO career focus and enterprise digital transformation. In order to solve the possible reverse causation problem, the explanatory variables are treated with a delay of 1 period, and the results show that there is no reverse causation problem. The specific regression results are shown in the table 5.

Table 5. Basic regression results after delayed treatment

	(1) DT	(2) DT	(3) DT	(4) DT
L.Career		.004**	.002*	.008***
		(.002)	(.003)	(.002)
$L.Career^2$		-.0002***	-0.0005*	-.00003***
		(0)	(0)	(0)
L.Career×Power			.049***	
			(.013)	
$L.Career^2$×Power			-.002**	
			(.001)	
L.Career×Myopia				-.05***
				(.015)
$L.Career^2$×Myopia				.002*
				(.001)
_cons	.03***	.042***	-.233**	-.178
	(.009)	(.01)	(.102)	(.113)
Observations	9636	9636	9636	9636
R-squared	.13	.135	.133	.139

Standard errors are in parentheses *** p<.01, ** p<.05, * p<.1

5. Conclusions and Suggestions

The conclusions are as follows: (1) There is an inverted U-shaped nonlinear relationship between CEO career concerns and enterprise digital transformation, which indicates that CEO career concerns can promote enterprise digital transformation through the mechanism of alleviating agency conflict, enhancing risk bearing ability and improving total career utility; However, when the CEO career concerns exceeds a certain threshold, the excessive reputation focus and the pursuit of rapid reputation building motivation inhibit the enterprise digital transformation. (2) The strength of CEO power enables ceos to have greater discretion over the company's strategic decisions, which amplifies the inverse relationship between CEOs' career concerns and digital transformation. (3) Management myopia promotes the preference of CEOs with high career concerns for short-term projects, moderating the inverse relationship between CEOs' career concerns and digital transformation

The theoretical contributions of this study are as follows: (1) This study discusses digital transformation from the perspective of professional concern. Digital transformation involves a long-term orientation, as opposed to change in general, so we must consider the impact of certain individual factors associated with intertemporal decisions on digital transformation. This study explores the internal logic of CEO career concerns affecting digital transformation, and effectively expands the anthems of enterprise digitalization.

(2) Previous studies have revealed the nonlinear relationship between CEO career concerns and some economic consequences, and this paper, relying on the reputation model of career concerns theory, extends such research to the study of digital transformation. This paper further takes into account the lack of governance mechanism and individual time-oriented preference in previous studies on career concern, and expands the boundaries of career concern research.

As the CEO of the strategic resources of the enterprise, his career focus becomes the key factor affecting the digital decision of the enterprise. Combined with management practice, this paper provides the following inspirations and suggestions for enterprises under the digital economy:

(1) Activate the recruitment mechanism of corporate executives. The career concern of senior executives has become a key factor affecting the digital strategy of enterprises. Therefore, enterprises must include the career concern in the selection of digital talents, and fully consider the influence of the career concern of senior executives in the selection of talents.

(2) Strengthen the supervision of the behavior of senior executives. A reasonable governance system can give the CEO more power to promote digital transformation while achieving incentive compatibility, therefore, improving corporate governance is a matter that must be paid attention to in the process of digital transformation. At the same time, the internal supervision mechanism of enterprises should also fully consider the adverse impact of managers' short-sightedness on decision-making, and should encourage executives to make reasonable strategic decisions in the process of digital transformation.

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