Journal of Innovation and Development
ISSN: 2958-4752 | Vol. 15, No. 1, 2026

The Impact of Top Management Team Digital Attention on Enterprise Digital Capability in the Context of Digital Transformation

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Abstract: With the extensive application of digital technologies, the digital economy has become a crucial driving force for China's economic development, and the status and role of users in the market have been gradually enhanced. Under the user value-oriented business logic, digital technologies provide strong impetus for enterprise development, and digital empowerment is of great significance to enterprises. In addition, the concept of enterprise organizational design is increasingly becoming boundaryless, and more enterprises are conducting cross-border operations, leading to increasingly fierce market competition. Therefore, digital transformation is an inevitable choice for enterprise survival and development. It not only conforms to the current user value-oriented business logic, but also innovates traditional driving forces and strengthens core competitiveness. Digital transformation is an important cutting-edge theoretical issue that urgently requires attention in the digital era. However, surveys show that enterprises hold an ambivalent attitude toward digital transformation, and many are trapped in dilemmas such as "unable to transform, unsupported to transform, and unwilling to transform". As the foundation of digital transformation, digital capability is a key factor affecting transformation performance, and insufficient digital capability has become a major practical problem. According to the Attention-Based View, the attention allocation of the top management team exerts a significant impact on firm behavior. The results indicate that TMT digital attention positively affects enterprise digital capability, which facilitates digital transformation and promotes the development of China's digital economy.

Keywords: Digital Transformation; Top Management Team Digital Attention; Digital Investment; Digital Capability.

1. Introduction

In recent years, with the explosive growth of the digital economy and the deep integration of the digital economy and the real economy, digital transformation has emerged as a key approach to renovating traditional growth drivers and cultivating new ones amid technological advancements and intense market competition[1][2]. It has become an inevitable choice for enterprises to survive and develop. In recent years, numerous enterprises have invested substantial human, financial, and material resources in digital transformation, making such strategies a critical pillar for them to address crises and challenges, build core competencies, and enhance competitive advantages.

Currently, there is no unified consensus on the definition of enterprise digital transformation within the industry. The enterprise digital transformation examined in this paper focuses on the micro level: it refers to the process by which enterprises leverage digital technologies to improve business operations, enhance efficiency, and reshape value creation models. It involves upgrading business operations through next-generation digital technologies to achieve deep integration between the real economy and digital technologies, thereby boosting production efficiency. Essentially, it is a process through which the entire production and operation ecosystem gradually becomes data-driven and ultimately digitalized[3][4]. Furthermore, enterprise digital transformation is not merely the superficial application of digital technologies to daily operations; rather, it constitutes a comprehensive transformation process encompassing all facets of the organization[5]. This paper defines digital transformation as a series of processes wherein enterprises transition from traditional industrialized management models to digitalized management models.

Nevertheless, the practice of digital transformation has proven challenging. Against the backdrop of the rapid expansion of the digital economy, many enterprises face uncertainty regarding the implementation of digital transformation strategies. Some even find themselves trapped in the dilemma of "no transformation leads to demise, while transformation risks failure"[6]. The pain points of enterprise digital transformation are summarized as follows: enterprises lacking prior digital investment are confused about whether to embark on the journey due to insufficient digital awareness; some enterprises are "unwilling to transform" due to the scarcity of resources such as talent, funds, and materials; despite having access to certain resources, others are stranded in the "unable to transform" predicament due to ambiguity regarding transformation pathways and guidelines; and some enterprises are "reluctant to transform" owing to the long-term nature of transformation investments and the protracted "pains" associated with the transition.

Digital transformation is a complex and arduous endeavor, with no precedents to guide individual enterprises. According to the China Enterprise Digital Transformation Index Report (2020), only 11% of enterprises derive tangible economic benefits from their digital transformation efforts. This paper argues that, regardless of whether enterprises face resource shortages or inadequate transformation awareness, the fundamental barrier to successful digital transformation lies in weak digital capabilities. These weaknesses manifest on the hardware side as insufficient basic network infrastructure and imperfect digital systems, and on the software side as low levels of digital application and weak data collection capabilities. As the core capability driving digital transformation, it is imperative to study digital capacity-

building to facilitate the implementation of digital transformation strategies.

Digital capability is a multi-dimensional, systematic construct encompassing digital perception capability, digital operation capability, and digital resource collaboration capability[7]. Enterprise digital capability refers to the ability to present data and information in an appropriate format by leveraging digital technologies and assets, thereby reducing the complexity and uncertainty of organizational information[8]. This enables the full integration of marketing, research and development (R&D), and production, ultimately creating greater commercial value[9]. However, existing research offers limited insights into the mechanisms through which enterprises sustainably develop digital capabilities. Strengthening digital capabilities helps minimize error rates, improve operational efficiency, enable enterprises to identify latent user demands, accelerate product or service innovation, and align enterprise value propositions with user needs, thereby facilitating the effective implementation of digital transformation strategies[10][11].

Based on the preceding analysis, the success of enterprise digital transformation largely hinges on whether managers can effectively utilize digital technologies to enhance enterprise digital capabilities. As the primary micro-level decision-making body in enterprise governance, the Top Management Team (TMT) plays a pivotal role in the formulation and execution of strategic decisions[12]. The Attention-Based View (ABV) posits that the TMT, as the enterprise's strategic decision-maker, directs its attention toward specific issues and solutions, which in turn shapes organizational behaviors and performance.

In the context of the current digital economy, this paper introduces the concept of TMT digital attention—referring to the TMT's high level of focus on digital technologies and their intentional inclination to adopt digital decision-making. Adopting the ABV as the theoretical lens, this study takes TMT digital attention as the cognitive entry point to empirically examine the mechanism through which TMT digital attention influences enterprise digital capability. Furthermore, it incorporates digital investment, a key practice in enterprise digital transformation, as the mediating variable. Recognizing that enterprises operate in diverse contextual environments and that digital capability improvement depends not only on the TMT's internal cognitive focus but also on external contextual factors, this paper selects government subsidies as the external contingency variable to explore their moderating role in the relationship between TMT digital attention and enterprise digital capability.

2. Theoretical Analysis and Research Hypotheses

2.1. TMT Digital Attention and Enterprise Digital Capability

Simon argued that due to constraints on decision-makers' cognitive capacity, time, funding, and information sources, decisions can only be "satisfactory" rather than "optimal"[13]. Based on bounded rationality theory and research on organizational cognition, Ocasio proposed the Attention-Based View of the firm[14]. The core proposition of the Attention-Based View is that how the top management team allocates its attention shapes firm behavior.

Integrating the Attention-Based View and drawing on Wu Jianzu's definition of top management team environmental attention, this paper defines TMT digital attention as the extent to which TMT members direct their attention toward digital-related issues and solutions (such as data privacy and security, digital transformation strategies, etc.)[15]. Attention is an important capability for identifying and seizing opportunities. Digital-related issues and solutions represent not only technological changes of disruptive innovation but also new approaches to market expansion[16]. As the strategic decision-makers of the firm, the TMT's focus on digital issues and solutions influences the firm's digital activities and plays a critical role in promoting the improvement of enterprise digital capability.

Enterprise digital capability refers to the ability to use new-generation digital and intelligent technologies, take digital technologies as the core, mobilize internal and external resources, and drive digital transformation in R&D and design, production and manufacturing, logistics and procurement, management decision-making, and other processes, thereby improving firm performance[17]. In short, enterprise digital capability reflects the firm's mastery and application of digital technologies and resources to achieve the integration of digital and real economies. It penetrates deeply into all links including corporate decision-making, facilitates digital empowerment, enhances core competitiveness, and promotes digital transformation.

The effect of TMT digital attention on enterprise digital capability follows a three-step information processing process: attention, interpretation, and action. First, when TMT members focusing on digital issues face complex information, they selectively allocate attention to the digital issues and solutions they regard as important. Second, the TMT interprets these focused digital issues and solutions in depth based on subjective experience, assigns meaning to them, and judges whether they benefit firm development. Third, the TMT promotes digital activities conducive to enhancing digital capability, such as digital investment. In other words, the TMT's concentrated attention on digital issues affects its subsequent interpretation and future decision-making behavior. That is, TMT digital attention influences the firm's digital decisions and improves enterprise digital capability through digital practices.

Nowadays, when the TMT focuses its attention on digital issues and solutions, the firm will inevitably accelerate its entry into the digital market based on digital technologies and resources, explore and create digital practice opportunities, and strive to improve enterprise digital capability Specifically, by focusing on digital issues and solutions, the TMT can perceive market opportunities implied by digital practices and recognize that digital activities are more conducive to enhancing core competitiveness than traditional industrial practices. On this basis, the TMT will take an optimistic view of the opportunities and challenges brought by digitalization, interpret digital issues positively, and seize digital practice opportunities.

As the firm invests more time and effort in the digital field, the TMT will also more proactively promote digital practices within the organization. Through more exploration of digital activities than before, the firm continuously learns from repeated practices, improves its digital capability in both hardware and software, and formulates forward-looking digital transformation strategies. According to the attention focus principle and attention situation principle in the Attention-Based View, when the TMT raises its strategic position and focuses on digital issues and solutions, the firm

tends to adopt digital strategies—different from traditional industrial management models—which is conducive to the improvement of enterprise digital capability[18]..

In summary, the more attention the TMT allocates to digital issues, the greater the improvement in enterprise digital capability. Therefore, this paper proposes the following hypothesis:

H1: TMT digital attention has a positive impact on enterprise digital capability.

2.2. The Mediating Role of Digital Investment

Digital investment emerges in the era of the digital economy, along with the development of new-generation information technologies such as cloud computing, Internet of Things, big data, and artificial intelligence, representing an upgrade of informatization. Digital investment refers to the direct capital input by firms in digital software and hardware to achieve digital transformation goals. It involves investing funds in digital technologies to realize digital objectives, and improving management level, operational efficiency, and competitiveness through the development and application of digital technologies. This investment process covers software and hardware investment for digital transformation, management, and business development, as well as digital training costs for employees[19].

Research shows that there is a nonlinear relationship between corporate digital input and efficiency (first decreasing, then accelerating until the inflection point, after which it rises, showing an inverted U-shaped relationship after the inflection point), with the investment threshold ranging from 1 million to 2 million yuan. After passing the "pain period" of dynamic fluctuations in implementing digital management, the first-mover advantage of corporate digital management is significantly enhanced. From the perspective of digital transformation paths, to realize digitalization and implement digital transformation, firms must invest in digital resources. Simply put, digital investment lays the foundation for enterprises to achieve digitalization.

TMT managers with high digital attention are more forward-looking about the market opportunities contained in digitalization, and thus are more willing to invest resources in the digital field to support the improvement of enterprise digital capability and implement digital transformation. Therefore, combined with H1, this paper proposes the following hypothesis:

H2: TMT digital attention positively affects enterprise digital capability through digital investment.

2.3. The Moderating Role of Government Subsidies

For firms to improve digital capability and achieve digital transformation goals, they need not only the TMT's high attention to digital issues but also support from external potential resources. Government subsidies refer to the free financial support provided by local governments to stimulate creative activities of local enterprises according to economic or policy guidelines at different stages[20]. As a substantive incentive policy, government subsidies play an important role in promoting the TMT's attention allocation to digital issues.

On the one hand, government subsidies alleviate financial shortages in digital transformation, enrich the firm's resources, increase the TMT's attention to digital transformation to a certain extent, enhance the firm's willingness to transform, and promote digital transformation. On the other hand, receiving government subsidies encourages firms to attach importance to digital issues, boosts confidence in digital investment, promotes firms to strengthen digital investment more firmly, thereby improving digital investment efficiency and accelerating digital empowerment.

In addition, government subsidies reduce the trial-and-error cost of digital investment to a certain extent, share the risks of digital transformation, and accelerate the transformation process. In fact, from any perspective, government subsidies motivate firms to carry out digital practices, enable TMT digital attention to be transformed into digital investment more quickly, and speed up the firm's digital progress. Therefore, combined with H1 and H2, this paper proposes the following hypothesis:

H3: Government subsidies positively moderate the relationship between TMT digital attention and digital investment.

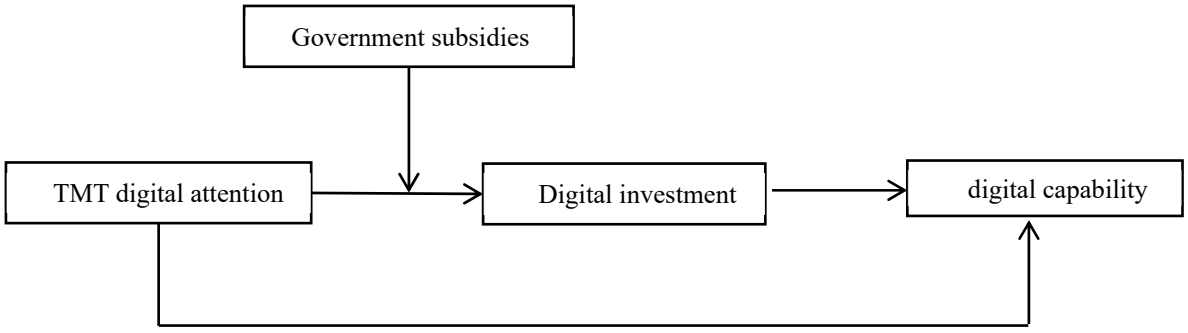

Figure 1. Research Framework

Corporate investment behavior is generally affected by internal and external organizational factors, not only by the TMT itself but also by external contextual factors. That is to say, the mediating effect of digital investment is also influenced by external organizational factors. Specifically, when firms receive government subsidies, the indirect impact of TMT digital attention on enterprise digital capability through the mediating role of digital investment is stronger. Therefore, this paper proposes the following hypothesis:

H4: Government subsidies positively moderate the mediating effect of digital investment on the relationship between TMT digital attention and enterprise digital capability.

In summary, the research framework of this paper is shown in Figure 1.

3. Research Design

3.1. Sample and Data Collection

The research sample of this paper consists of

manufacturing enterprises in three provinces: Jiangsu, Zhejiang, and Shanghai. On the one hand, driven by the digital economy, China's manufacturing industry is undergoing transformation and upgrading through platformization, ecologization, softwareization, sharing, and decentralization. Compared with enterprises in other industries, manufacturing enterprises exert a greater impact on the environment and show stronger enthusiasm for digital transformation. On the other hand, Jiangsu, Zhejiang, and Shanghai are economically developed and dynamic, known as the cradle of manufacturing, which provides good representativeness for this study. The questionnaire respondents were members of the top management teams of the enterprises. A total of 300 questionnaires were distributed, and 291 questionnaires were recovered. After eliminating questionnaires with obvious random answers, missing answers, and inconsistent responses, 284 valid questionnaires were finally obtained. Among them, 55 were food manufacturing enterprises, accounting for 19.37%; 70 were home appliance manufacturing enterprises, accounting for 24.65%; 60 were automobile manufacturing enterprises, accounting for 21.13%; 48 were machinery manufacturing enterprises, accounting for 16.90%; 35 were clothing manufacturing enterprises, accounting for 12.32%; and 16 were from other industries, accounting for 5.63%.

3.2. Research Variables and Measurement

Dependent variable: Enterprise digital capability, including digital technology application capability and digital resource integration capability. Ji Feng et al. classified enterprise digital capability into digital basic capability, digital analysis capability, digital application capability, and digital development capability[17]. Based on the research of Ji Feng, this paper measures enterprise digital technology application capability using digital basic capability, digital analysis capability, and digital application capability, and measures enterprise digital resource integration capability using enterprise digital development capability.

Independent variable: TMT digital attention. Combined with the studies of Lü Rongjie[21] and Wang Miao et al.[22], this paper measures TMT digital attention with four items: TMT's attention to enterprise digital foundation, TMT's attention to enterprise digital analysis, TMT's attention to enterprise digital application, and TMT's attention to enterprise digital development.

Mediating variable: Enterprise digital investment. Referring to the literature on enterprise investment behavior by Fang Hongxing et al.[23], this paper measures enterprise digital investment using digital investment in fixed assets, digital investment in long-term equity, and digital investment in intangible assets.

Moderating variable: This paper classifies the sample enterprises into those with government subsidies and those without government subsidies for measurement.

Control variables: Previous studies have shown that firm size, age, ownership, industry type, etc., affect the operation and development of enterprise management. Therefore, this paper selects situational variables such as firm size, firm age, enterprise ownership, and industry type as control variables.

All scales in this paper adopt the Likert 5-point scale (1 = strongly disagree, 5 = strongly agree).

4. Data Analysis and Test Results

4.1. Common Method Bias Test

This paper adopts the questionnaire survey method for data collection, which may lead to the problem of common method bias. Therefore, this paper uses the Harman one-factor test with SPSS to conduct a common method bias test. The results show that the variance explanation percentage of the first common factor is 38.969%, which is less than 40%. Thus, it can be concluded that there is no serious common method bias in this study.

4.2. Descriptive Statistics and Correlation Analysis

The mean values, standard deviations, and correlation coefficients of the main variables are shown in Table 1. It can be seen from Table 1 that TMT digital attention is significantly positively correlated with enterprise digital investment ($r = 0.32$, $p < 0.01$) and enterprise digital capability ($r = 0.30$, $p < 0.01$). Meanwhile, enterprise digital investment is significantly positively correlated with enterprise digital capability ($r = 0.38$, $p < 0.01$). The above results provide preliminary support for the research hypotheses proposed in this paper.

Table 1. Means, Standard Deviations and Correlations of Main Variables

Variables	Mean	S.D.	1	2	3	4	5	6	7	8
1. Firm Size	2.81	1.21	1							
2. Firm Age	2.43	1.03	0.28**	1						
3. Firm Ownership	1.89	0.72	-0.12*	-0.11	1					
4. Industry Type	2.95	1.49	0.03	0.00	0.06	1				
5. TMT Digital Attention	3.82	0.94	-0.03	-0.03	-0.04	0.01	1			
6.Digital Investment	3.69	0.93	0.36**	0.18**	-0.04	-0.06	0.32**	1		
7. Digital Capability	3.60	0.83	0.34**	0.26**	-0.08	-0.01	0.30**	0.38**	1	
8. Government Subsidies	0.86	0.35	0.11	-0.00	-0.01	-0.08	0.09	0.14*	0.12	1

Notes: n = 284; ***, **, and * indicate significance at the 0.1%, 1%, and 5% levels (two-tailed), respectively

4.3. Reliability and Validity Tests

Reliability mainly indicates the reliability of the measurement scale, while validity mainly indicates the validity of the measurement scale. A total of 11 items in this questionnaire were measured using the Likert 5-point scale.

(1) Reliability Test

This paper used SPSS to conduct the reliability test, and adopted Cronbach's α coefficient as the criterion for judging reliability. Reliability is acceptable when the α coefficient is greater than 0.7. The analysis results are shown in Table 2. The reliability value of the overall scale is 0.796, which is greater than 0.7, indicating that the reliability of the scale in this study is acceptable.

Table 2. Reliability Analysis

Cronbach's Alpha	Number of Items
0.796	16

(2) Validity Test

This study employs the Kaiser-Meyer-Olkin (KMO) test and Bartlett's Test of Sphericity in the SPSS statistical software to assess the validity of the research scale, with the results presented in Table 3.

The KMO measure of sampling adequacy quantifies the suitability of data for factor analysis, ranging from 0 to 1. A higher value indicates stronger correlations among items, signifying greater appropriateness for factor analysis. The KMO statistic for this questionnaire is 0.858, demonstrating a high degree of correlation among variables and confirming that the data is highly suitable for factor analysis.

Table 3. Validity Analysis

KMO and Bartlett's Test		
KMO Measure of Sampling Adequacy		0.858
Bartlett's Test of Sphericity	Approx. Chi-Square	1853.877
	df	120
	Sig.	0.000

In addition, Bartlett's Test of Sphericity examines whether the correlation matrix of variables is an identity matrix. The significance level (p-value) of this test for the questionnaire is 0.000, which is less than 0.05. This result leads to the rejection of the null hypothesis, indicating that there are sufficient correlations among the variables and that the data is appropriate for factor analysis.

This study used AMOS software to conduct confirmatory factor analysis to test the convergent validity of the scale. The results are shown in Table 4. The fit indices of the measurement model to the data are as follows: $\chi^2/df = 0.929$, GFI = 0.976, CFI = 1.000, AGFI = 0.962, RMR = 0.032, RMSEA = 0.000,indicating that the model fits the data well. The factor loadings of all items are all greater than 0.5 and significant, showing that the scale has good convergent validity.

Table 4. Fit Indices

	χ2/df	TLI	CFI	RMSEA
Actual Value	0.929	1.002	1.000	0.000

4.4. Main Effect Test

This study mainly used hierarchical regression analysis to test the main effects. The regression results of top management team digital attention and enterprise digital capability are shown in Model M2 in Table 5. It can be seen that the regression coefficient of top management team digital attention on enterprise digital capability is 0.339, which is greater than 0, and the p-value is less than 0.001, indicating a significant effect. Therefore, top management team digital attention has a positive impact on enterprise digital capability, and Hypothesis H1 is supported.

Table 5. Hierarchical Regression Analysis Results

Variables	Dependent Variable: Enterprise Digital Capability			Mediator: Digital Investment	
	M1	M2	M3	M4	M5
Firm Size	0.337	0.349	0.295	0.294	0.194
Firm Age	0.082	0.091	0.058	0.182	0.166
Firm Ownership	0.016	0.034	0.036	-0.011	-0.009
Industry Type	-0.067	-0.071	-0.068	-0.016	0.007
TMT Digital Attention		0.339***	0.281	0.316	0.299
Digital Investment			0.183		
Government Subsidies					0.228
TMT Digital Attention × Government Subsidies					0.515***
R^2	0.138	0.252	0.278	0.241	0.292
F	11.149	18.753	17.740***	17.666***	16.284

Notes:(1) Model 1 – Results of the effects of control variables on the dependent variable.(2) Model 2 – Results of the combined effects of control variables and independent variable on the dependent variable.(3) Model 3 – Results of the effects of including both independent variable and mediator variable in the regression model on the dependent variable.(4) Model 4 – Results of the effect of independent variable on the mediator variable.(5) Model 5 – Results of the effects on the mediator variable after adding the interaction term of independent variable and moderator variable.(6)***, **, and * indicate significance levels of 1%, 5%, and 10%, respectively.

4.5. Mediating Effect Test

This study holds that top management team (TMT) digital attention not only directly affects enterprise digital capability, but also exerts an influence on enterprise digital capability through enterprise digital investment. Therefore, it is necessary to test the mediating effect of digital investment.

Table 6. Analysis of the Mediating Effect of Enterprise Digital Investment

	Effect Value	S.E.	Bootstrap 95% CI		Ratio of Total Effect
			Lower	Upper	
Total Effect	0.337	0.052	0.236	0.439	
Direct Effect	0.280	0.054	0.173	0.387	
Indirect Effect	0.057	0.020	0.023	0.102	16.91%

This study adopts the Bootstrap method to analyze the mediating effect with a 95% confidence interval. The analysis results are shown in M2, M3 and M4 in Table 5. As can be seen from Table 6, the direct effect of TMT digital attention on enterprise digital capability is significant, with a direct

effect value of 0.337 and a Bootstrap 95% CI of [0.236, 0.439], which does not contain 0. The indirect effect value is 0.057, with a Bootstrap 95% CI of [0.023, 0.102], which does not contain 0, accounting for 16.91% of the total effect.

Therefore, the mediating effect of enterprise digital investment is significant, and it plays a partial mediating role between TMT digital attention and enterprise digital capability. Hypothesis H2 is supported.

4.6. Test of Moderating Effect

To verify Hypothesis H3, enterprise digital investment was set as the dependent variable. Control variables, the independent variable (top management team digital attention), and the moderating variable (government subsidy) were entered sequentially, followed by the interaction term between the independent variable and the moderating variable. To mitigate multicollinearity, the independent variable and moderating variable were centered before constructing the interaction term.

As shown in Model M5 in Table 5, the interaction term between top management team digital attention and government subsidy has a significantly positive effect on enterprise digital investment ($\beta = 0.515$, $p < 0.01$). This indicates that government subsidy positively moderates the relationship between top management team digital attention and enterprise digital investment. Hypothesis H3 is thus supported.

To further clarify how government subsidy moderates the relationship between top management team digital attention and enterprise digital investment, a simple slope test was conducted by dividing sample firms into two groups: firms with government subsidies and firms without government subsidies. As shown in Figure 2, top management team digital attention has a significant effect on enterprise digital investment for firms without government subsidies, and this effect is stronger for firms with government subsidies.

These results reveal that government subsidy plays a moderating role between top management team digital attention and enterprise digital investment. Specifically, the positive impact of top management team digital attention on enterprise digital investment is stronger in firms with government subsidies than in those without, providing further support for Hypothesis H3.

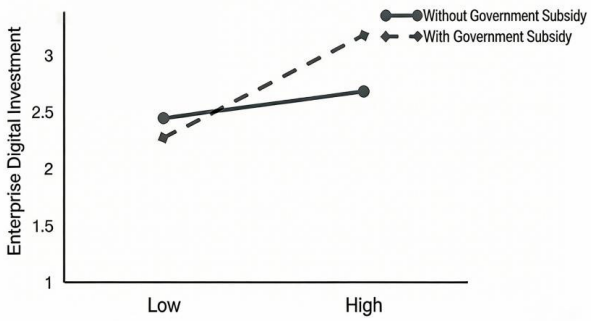

Figure 2. The moderating effect of government subsidy on the relationship between top management team digital attention and enterprise digital investment

4.7. Test of the Moderated Mediation Model

This study adopted Model 7 in the Process V4.1 macro to conduct the moderated mediation analysis. In the model, top management team digital attention was used as the independent variable, enterprise digital investment as the mediating variable, and government subsidies as the moderating variable.

As shown in Table 7, the coefficient of the interaction term between top management team digital attention and government subsidy was 0.1527 (t = 3.6618), with a 95% confidence interval of [0.0706, 0.2349], which does not include 0, indicating significance. Therefore, the interaction term has a significant effect on enterprise digital investment, and Hypothesis H4 is supported.

Table 7. Test of the Moderated Mediation Model

Interaction Term	Coefficient	t	P-value	95% Confidence Interval	
				Lower	Upper
TMT Digital Attention × Government Subsidies	0.153	3.662	0.000***	0.071	0.235

Note: ***, **, and * indicate significance levels of 1%, 5%, and 10%, respectively.

5. Conclusion and Implications

Taking 284 enterprises as the research sample, this paper examines the mediating effect and contextual mechanism between top management team (TMT) digital attention and enterprise digital capability. Theoretically, this study extends and refines the relevant research on TMT attention and enterprise digital capability. The main conclusions are as follows: TMT digital attention has a positive impact on enterprise digital capability; enterprise digital investment plays a mediating role in the relationship between TMT digital attention and enterprise digital capability; government subsidies positively moderate the relationship between TMT digital attention and enterprise digital investment.

The theoretical contributions of this paper are mainly threefold. First, based on the attention-based view, this study explores TMT digital attention and focuses on attention—a critical cognitive characteristic of the top management team, which provides a marginal contribution to the upper echelons theory. Second, most previous studies have examined TMT environmental attention, TMT risk attention, etc. Against the background of digital transformation, this paper innovatively proposes TMT digital attention, filling the gap in the research of TMT attention in the digital field and enriching the literature on TMT attention. Third, this paper constructs a research framework of "TMT digital attention – enterprise digital investment – enterprise digital capability", which organically integrates the three constructs and offers a unique perspective for understanding the internal mechanism between TMT digital attention and enterprise digital capability. Furthermore, considering external organizational factors, this paper introduces government subsidies as a moderating variable to further explore the boundary condition of how external contextual factors shape the process through which TMT digital attention influences enterprise digital capability via enterprise digital investment, thus providing a new theoretical framework.

TMT digital attention provides opportunities and conditions for enterprises to carry out digital practices, and enterprise digital investment serves as an effective approach to enhance digital capabilities and achieve successful digital transformation. Specifically, the conclusions of this paper provide the following implications for enterprise management practices. First, as a new technological revolution, digitalization emphasizes business process

optimization and is more advantageous than traditional operation models. As enterprise decision-makers, the top management team should raise their strategic awareness and pay sufficient attention to digital issues, so as to improve enterprise digital capability, strengthen competitiveness, implement digital transformation successfully, keep pace with the times, and achieve sustainable development. Second, enterprises should actively acquire government R&D subsidies, fully utilize and properly allocate internal and external resources to facilitate the implementation of digital practices, upgrade digital capabilities, and promote smooth digital transformation. Finally, for the government, it is necessary to strengthen supervision and evaluation mechanisms to ensure the implementation of fiscal policies such as government subsidies. By standardizing and transparentizing the application and deployment procedures of government subsidies, speculative behaviors of enterprises can be avoided. Meanwhile, the government can formulate relevant policies to encourage enterprises to increase digital investment and stimulate the enthusiasm and creativity of top management teams in digital practices.

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