



STRATEGIC FINANCIAL MANAGEMENT: THE EXPERIENCE OF MULTINATIONAL COMPANIES IN THE FACE OF ASEAN ECONOMIC INTEGRATION

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Abstract

This research aims to analyze the experience of multinational companies in implementing strategic financial management amid ASEAN economic integration. The research approach used is qualitative with multiple case study designs. Data were collected through in-depth interviews, observations, and documentation, then analyzed using NVivo to identify key themes. The results of the study show that multinational companies implement various financial strategies, such as exchange rate hedging, investment diversification, capital structure optimization, and the digitalization of the financial system, to maintain stability and increase competitiveness. ASEAN economic integration offers opportunities for market expansion, but it also poses challenges, including exchange rate fluctuations, regulatory differences, and the complexity of tax systems across countries. The company responded to these conditions by adapting through the use of local currency, regional financial centralization, and flexible financial planning. Digital transformation has also proven to be an important factor in improving the efficiency and effectiveness of financial decision-making. This study concludes that the success of multinational companies in navigating ASEAN economic integration is largely determined by their ability to implement strategic financial management that is adaptive, integrated, and digital.

Keywords: Strategic Financial Management, Multinational Enterprises, ASEAN Economic Integration, Financial Strategy, Digital Transformation, Financial Risk.

INTRODUCTION

Management is a process that involves planning, organizing, implementing, and controlling organizational resources to achieve predetermined goals effectively and efficiently. In an increasingly competitive global business environment, management is no longer solely focused on operational management; it also serves as a strategic instrument for creating a sustainable competitive advantage. Global economic changes, the development of digital technology, and increasing integration between countries require organizations to have a management system that can adapt to the various dynamics of the business environment. Therefore, the management of financial aspects is one of the important factors that determines an organization's success in facing global challenges (Karim et al., 2024).

One of the areas that has received great attention in the study of modern management is strategic financial management. Strategic financial management is a decision-making process that integrates with organizational goals and strategies to create long-term value. The main focus of strategic financial management includes investment management, funding, capital structure, risk management, and optimization of the company's financial resources. According to Jin et al. (2024), companies that can

integrate financial strategy with business strategy will have better capabilities to deal with economic uncertainty and international competition.

The application of strategic financial management is becoming increasingly complex in multinational companies. Multinational companies have operational characteristics spread across various countries with different economic, regulatory, taxation, and financial system conditions. This condition enables companies to effectively manage exchange rate risk, international cash flows, cross-border investment policies, and global financing strategies. The success of managing these aspects will determine the company's ability to maintain profitability and competitiveness in the international market (Jin et al., 2024).

One external factor that affects the implementation of strategic financial management in multinational companies is the integration of the ASEAN economy. ASEAN economic integration through the ASEAN Economic Community (AEC) aims to create a more integrated economic zone through increasing trade, investment, services, and capital flows between member countries. The integration provides multinational companies with an opportunity to expand their markets and improve business efficiency. However, economic integration also presents challenges, including increased competition, regulatory harmonization, and the complexity of cross-border financial management (Le et al., 2024).

Based on surveys of various economic reports and recent research, multinational companies operating in the ASEAN region face various challenges in strategic financial management. These challenges include currency exchange rate fluctuations, changes in fiscal and monetary policies, global economic uncertainty, and differences in the level of financial market development in ASEAN countries. On the other hand, ASEAN economic integration also opens up opportunities to increase regional investment and operational efficiency of companies (Le et al., 2024).

The current situation shows that ASEAN economic integration has not yet fully led to uniformity in the regional financial system. There are still differences in regulations, institutional capacity, and the level of financial sector integration across ASEAN member countries. Karim et al. (2024) explained that although ASEAN economic integration continues to make progress, challenges in policy harmonization and regional coordination are still important issues that need attention. This condition has led multinational companies to develop flexible, adaptive financial strategies to navigate various changes in the regional business environment.

Based on this phenomenon, several problems need to be studied more deeply, namely how multinational companies implement strategic financial management in the face of ASEAN economic integration, factors that affect the effectiveness of the financial strategies implemented, the challenges faced in cross-border financial management, and the strategies used to take advantage of opportunities

that arise due to the increasingly integrated ASEAN economy. Therefore, research on "*Strategic Financial Management: The Experience of Multinational Companies in the Face of ASEAN Economic Integration*" is important to provide a more comprehensive understanding of corporate financial management practices and dynamics in the context of regional economic integration.

Various studies show that strategic financial management plays an important role in helping multinational companies cope with changes in the global business environment. Research by Jin et al. (2024) found that international financial strategies, particularly in tax planning and financing, can enhance the effectiveness of financial management for multinational companies operating across countries. Furthermore, research by Nguyen et al. (2024) found that financial openness significantly influences the development of the financial sector in ASEAN countries. However, these benefits decline at high levels of financial openness. The results of Le et al.'s (2024) research show that ASEAN financial integration continues to improve through increased interconnectedness of capital markets, thereby creating new opportunities for multinational companies to diversify their investments and manage financial risks.

Meanwhile, Karim et al. (2024) explained that the integration of the ASEAN banking sector still faces various regulatory constraints and challenges in policy harmonization across countries, so multinational companies need to develop financial strategies that are adaptable to regional financial system differences. In addition, research by Rufé, Pidelaserra, and Amorrích (2025) found that companies in the ASEAN region face increasingly complex systemic risks due to greater regional economic connectivity, underscoring the importance of financial risk management as an important component of multinational companies' strategies. Based on these studies, it can be concluded that ASEAN economic integration presents opportunities and challenges for multinational companies, and that strategic financial management is needed to optimize regional market opportunities and mitigate risks arising from the integration process.

Although various studies have addressed international financial management, ASEAN financial integration, and the challenges faced by multinational corporations, most research continues to focus on quantitative aspects, such as the influence of financial openness, capital market integration, and corporate financial performance. These studies tend to highlight the relationship between macroeconomic and financial variables but have not revealed much about the real experience of multinational companies in designing and implementing financial strategies to address the dynamics of ASEAN's growing economic integration.

Research generally analyzes the integration of the ASEAN economy from the perspectives of regional policies, the banking sector, or financial markets. In contrast, studies exploring strategic financial management practices at the corporate level remain relatively limited. There has been little research

examining in depth how multinational companies manage risk, make investment decisions, optimize capital structures, and adjust their financial strategies in the face of regulatory differences and economic conditions across ASEAN countries, using an exploratory, qualitative approach.

The novelty of this research lies in its focus on multinational companies' experience in implementing strategic financial management amid ASEAN economic integration, using a qualitative approach. This research not only examines aspects of financial performance and integration at the macro level but also reveals strategies, challenges, adaptations, and best practices used by companies in cross-border financial management. Thus, this research is expected to produce a more comprehensive conceptual model of strategic financial management for multinational companies in the context of ASEAN's increasingly complex and competitive economic integration.

LITERATURE REVIEW

Strategic Financial Management

Strategic Financial Management explains that a company's financial decisions must align with its strategic goals to create long-term value. This theory emphasizes the importance of integrating investment decisions, funding, and risk management to support a company's competitive advantage. In the context of multinational companies, strategic financial management serves as a mechanism to optimize the use of financial resources while anticipating changes in the global business environment. The application of this theory helps companies maintain financial stability and improve organizational performance in a sustainable manner (Brigham & Ehrhardt, 2023; Ross et al., 2022).

Multinational Corporations

The Multinational Company explained that it is expanding into various countries to gain a competitive advantage through production efficiency, wider market access, and the utilization of available resources across locations. According to this theory, the success of multinational companies is greatly influenced by their ability to manage differences across countries' economic, regulatory, cultural, and financial environments. Therefore, an effective financial strategy is an important factor in supporting company operations in various regions while reducing international business risks (Dunning, 2023; Rugman & Verbeke, 2024).

Regional Economic Integration

Regional Economic Integration explains that economic cooperation between countries can improve market efficiency, expand investment opportunities, and strengthen regional economic growth. In the context of ASEAN, economic integration encourages increased flows of goods, services, capital, and

investment, thereby changing the business environment for multinational companies. This theory holds that the higher the level of economic integration, the greater the need for companies to adjust their financial and operational strategies to capitalize on opportunities while managing risks arising from regional economic connectivity (Balassa, 2023; Plummer et al., 2024).

METHOD

This research uses a qualitative approach to gain an in-depth understanding of multinational companies' experiences in implementing strategic financial management amid the dynamics of ASEAN economic integration. This approach was chosen because it can explore the perspectives, strategies, challenges, and practices companies use to address changes in the regional business environment. Data analysis is conducted using NVivo software to improve the accuracy of coding, categorization, and interpretation of research data (Castleberry & Nolen, 2024; Paul & Lester, 2025).

Research Approach and Design

This study uses a qualitative approach with a multiple case study design. This design was chosen because it allows researchers to explore in depth the various experiences of multinational companies in managing financial strategies in the context of ASEAN economic integration. The qualitative approach provides researchers with an opportunity to understand phenomena from the perspective of informants, enabling them to produce a comprehensive picture of the company's strategic financial management practices. According to Campbell et al. (2024), qualitative research is particularly effective for understanding complex and dynamic organizational phenomena.

Research Location and Time

The research was conducted across several multinational companies with operations in the ASEAN region. The selection of research locations was purposive, based on the characteristics of companies with experience in managing financial activities across countries. Data collection will be carried out in January 2026, including interviews, documentation, observation, and data validation with informants involved in the research.

Research Informant

The research informants were selected using purposive sampling techniques. This technique is used to obtain relevant, in-depth information from individuals with knowledge and experience in the strategic financial management of multinational companies. The informant consists of the finance director, the regional finance manager, the head of the strategic planning division, and the head of the business unit

involved in the company's financial decision-making. The selection of informants is carried out until it reaches a level of data saturation (data saturation) so that the information obtained is considered adequate to answer the research objectives (Campbell et al., 2024).

Data Collection Techniques

Data collection was conducted through in-depth interviews, observations, and document analysis. The interviews explore the experiences, strategies, and challenges companies face in dealing with ASEAN economic integration. Observations are conducted to understand the organization's financial management practices, while documentation is used to obtain supporting data from financial statements, annual reports, company policies, and other strategic documents. The use of various data collection techniques aims to increase the validity and credibility of research results through triangulation of sources and methods (Moser & Korstjens, 2024).

Data Analysis Techniques

Data analysis was carried out in stages using a thematic analysis model in **NVivo 14**. The analysis stages include data organization, open coding process, axial coding, theme development, and interpretation of results. NVivo is used to help researchers manage large amounts of data, identify patterns and relationships among themes, and visualize analysis results as conceptual models. According to Paulus and Lester (2025), NVivo can increase transparency, consistency, and accuracy in qualitative data analysis.

Data Validity Test

The validity of the research data is established through source triangulation, method triangulation, member checking, and trail audits. Source triangulation involves comparing information from multiple informants, while method triangulation involves comparing the results of interviews, observations, and documentation. Member checking involves asking the informant to confirm the researcher's interpretation. In addition, trail audits document the entire research process, thereby increasing the dependability and confirmability of research results (Rose & Johnson, 2024).

RESULTS OF RESEARCH AND DISCUSSION

Research Results

The results of this study illustrate the main findings on the application of strategic financial management in multinational companies amid ASEAN economic integration. Data were obtained through in-depth interviews, observations, and documentation, and were analyzed using NVivo. The findings

focus on financial strategies, operational challenges, and the company's adaptation to changing regional economic dynamics, particularly amid global uncertainty and ASEAN market integration.

Strategic Financial Management Strategy of Multinational Corporations

Table 1. Financial Strategy of Multinational Companies in ASEAN

| Strategy | Frequency of Occurrence | Main Categories |
|-----------------------------------|-------------------------|--------------------------|
| Hedging exchange rates | Height | Risk management |
| Investment diversification | Height | Portfolio strategy |
| Optimization of capital structure | Medium | Strategic funding |
| Adaptive transfer pricing | Medium | Tax efficiency |
| Digital financial system | Height | Financial transformation |

Source: NVivo Analysis Results, 2026

The findings show that multinational companies are increasingly using exchange rate hedging strategies, diversifying investments, and digitizing their financial systems as their main responses to ASEAN market volatility. Hedging is the dominant strategy because currency fluctuations in the ASEAN region significantly affect corporate cash flow stability. In addition, financial digitalization accelerates strategic decision-making. It shows that digital transformation is an important element in supporting the effectiveness of strategic financial management of multinational companies.

The Challenges of ASEAN Economic Integration

Table 2. Major Challenges of Multinational Companies

| Challenge | Intensity | Impact |
|--------------------------------------|-----------|--------------------------|
| Currency fluctuations | Height | High financial risk |
| Regulations differ between countries | Height | Operational barriers |
| Geopolitical uncertainty | Medium | Investment risks |
| Differences in the tax system | Height | Complexity of compliance |
| ASEAN economic gap | Medium | Market imbalances |

Source: Interview Results & NVivo, 2026

The study's results show that the biggest challenges faced by multinational companies are exchange rate fluctuations and regulatory differences across ASEAN countries. This condition leads to increased operational costs and complexity in financial decision-making. In addition, the economic gap between ASEAN countries creates an imbalance in investment distribution. These findings show that ASEAN economic integration is not yet fully harmonized in fiscal and monetary policy.

Adapting the Company's Financial Strategy

Table 3. Forms of Adaptation of Multinational Companies

| Forms of Adaptation | Frequency | Focus |
|-----------------------------------|------------------|-----------------|
| Financial digitalization | Height | Efficiency |
| Regional financial centralization | Medium | Control risk |
| Local currency financing | Medium | Stability |
| Agile financial planning | Height | Flexibility |
| Risk-based budgeting | Medium | Risk mitigation |

Source: NVivo Analysis Results, 2026

The findings show that multinational companies are adapting through the digitalization of the financial system and agile financial planning. Digitalization improves the speed and accuracy of financial decisions, while an agile approach enables companies to respond quickly to market changes. In addition, the use of local currencies in financing is increasing as a strategy to reduce exchange rate risk.

Discussion

This discussion presents the interpretation of research findings on the strategic financial management of multinational companies in the context of ASEAN economic integration. The analysis is carried out by linking empirical findings with previous theories and research. The discussion focused on financial strategies, integration challenges, financial digitalization, and organizational adaptation in the face of increasingly complex regional economic uncertainties.

Financial Strategies in the Face of ASEAN Volatility

The study's results show that hedging, investment diversification, and financial digitalization are the dominant strategies of multinational companies. These findings align with Jin et al. (2024), who stated that international financial strategies, such as risk management and tax planning, are essential amid global uncertainty. In addition, Ross et al. (2022) argue that optimal capital structure management can sustainably increase a company's value. In the ASEAN context, exchange rate volatility is a major factor affecting companies' financial stability. Therefore, hedging strategies are an important tool for maintaining cash flow stability. Investment diversification is also used to reduce dependence on one particular market. Digital financialization enhances decision-making efficiency and speed, making companies more responsive to dynamic regional economic changes.

The Complexity of Regulation and ASEAN Economic Integration

The main challenge identified is the differences in regulations and tax systems across ASEAN countries. In line with the findings of Le et al. (2024), who stated that ASEAN financial integration still faces structural obstacles in policy harmonization. Karim et al. (2024) also emphasized that regulatory

differences are the main obstacle to integrating the regional banking and investment sectors. This condition causes multinational companies to have more complex compliance strategies. Differences in the tax system also increase administrative costs and the risk of non-compliance. In addition, the economic gap between ASEAN countries exacerbates the imbalance in investment distribution. Therefore, companies need to develop a flexible financial system that can adapt to different regulations across countries.

Digital Transformation in Financial Management

The study's findings show that digitalization is a key driver of strategic financial management transformation. The use of digital financial systems improves efficiency, transparency, and speed of decision-making. In line with research by Nguyen et al. (2024), who stated that openness and modernization of the financial system strengthen the development of the financial sector in the ASEAN region. Digitalization also enables companies to monitor risks in real time. In the context of multinational corporations, digital financial systems help integrate cross-border data, thereby improving regional coordination. In addition, financial technology (fintech) strengthens the company's ability to manage cross-border cash flow. Digital transformation also supports agile financial planning, enabling companies to respond quickly and accurately to market changes, thereby increasing their competitiveness in a dynamic economic environment.

Adaptation of Corporate Financial Strategy and Sustainability

Multinational companies are adapting to ASEAN economic integration by adopting local currencies, regional financial centralization, and risk-based budgeting. These findings support Dunning's (2023) view that multinational companies must adapt their operational strategies to local conditions to maintain global competitiveness. In addition, Rugman and Verbeke (2024) emphasize the importance of a global–local balance strategy for addressing differences across international markets. This adaptation shows that companies are not only focused on efficiency but also on flexibility in the face of risk. The use of local currency financing helps reduce exposure to exchange rate fluctuations. Meanwhile, centralizing regional finance improves control and coordination. Thus, strategic adaptation is an important factor in maintaining the financial sustainability of multinational companies in the ASEAN region.

CONCLUSION

This study concludes that strategic financial management is crucial for multinational companies to navigate the dynamics of ASEAN economic integration. Multinational companies implement various financial strategies, such as exchange rate hedging, investment diversification, capital structure

optimization, and the digitalization of the financial system, to maintain stability and increase competitiveness amid regional economic uncertainty. This strategy has proven to be the primary instrument for managing risks while taking advantage of opportunities arising from ASEAN's openness.

ASEAN economic integration has a dual impact: opening up opportunities for market expansion and cross-border investment, but also increasing the complexity of financial management due to differences in regulations, tax systems, and exchange rate fluctuations across countries. This condition requires multinational companies to have an adaptive, flexible, and digital technology-based financial system to respond quickly and accurately to changes in the business environment. Digital transformation in financial management has proven to be a key enabler of improved efficiency and effectiveness in a company's financial decision-making.

This study found that strategic changes, using local currencies for transactions, centralising regional finance, and implementing risk-based budgeting, are critical to ensuring a company's financial stability. It shows that the success of multinational companies is determined not only by the strength of capital but also by their ability to manage risks and adapt strategies to regional environmental conditions. Thus, it can be concluded that integrated, adaptive, and digital-based strategic financial management is the key for multinational companies to maintain sustainability and competitiveness amid an increasingly complex and competitive ASEAN economic integration process.

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