ABSTRACT

Analysis of IT Investment in ACA Co.: Information Economic Analysis
(Case Study in After-Sales Services in ACA Company)

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After-Sales business is important to all IT Integrator companies, because it contributes the biggest profits for the company. The competition in this industry has already fierce and turbulent. Quality of service (QoS) has already become an important consideration to determine the competitiveness of an IT integrator company. After-Sales business refers to maintaining quality of IT services for customers. Major criterion in maintaining QoS are: very short down time, fast response time, very short time in troubleshooting task, full technical support in after office hour and holiday, availability of back-up units etc. There will be penalties for every inappropriate quality of services.

For the last four years, many competitors had successfully in penetrating many of ACA’s key accounts. ACA’s sales revenue had dropped dramatically for the last four years. While operating cost increased tremendously. The most increasing operating cost came from inappropriate maintaining networks task. Inappropriate maintaining networks task had caused losing much of business opportunities. ACA’s management has already concerned with the current situation. The objective of this proposal is to deliver IT formulation strategy in order to create competitive advantage in After-Sales business, and for the analysis method, this proposal uses Information Economic (IE) approach. The outcome of this proposal is to provide feasible study of IT formulation strategy in ACA company.

IE analysis has key advantages in providing intangible benefits analysis. Most of IT benefits appear in intangible forms. The tangible benefits for ACA company appear in cost reduction, while the intangible benefits appear in several forms such as: a better communication and coordination, fast decision making, more creative works, more
productive works, reduce learning time etc. These benefits will improve ACA's competitive advantage.

Intangible benefits are hardly to measure accurately, because they are subjective to everybody. Intensive observations and interviews are required to acquire a clear picture of corporate situations, in order to acquire all intangible benefits. IE analysis provides structural analysis for examining all tangible and intangible benefits from IT formulation strategy. IE analysis enables to deliver analysis in business and technical overview. As result, IE analysis can be a guideline for manager to formulate and review its strategies.
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