

Cost/ Benefit Model Development of Service Management with Profit Design

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ABSTRACT

In this research, the cost/ benefit model will be developed to integrate service management with profit design on relevant processes. The profit should be properly allocated on service conformance and service improvement by the investments in service management and using the approach of profit design. The customer perception and customer expectation can be used to quantify the service level after considering each service dimension. The service demand will be then increasingly affected by the improvement in service level. The investment in service level can be also considered and relevant cost and benefit are obtained. The model can be used for the decision makers to predict the cost/ benefit of service management with profit design before the investment.

Keywords: service management, service perception, service expectation, investment, profit design