

ABSTRACT

The development of information systems in the industrial 4.0 era is currently highly tight. Thus, every company needs to compete and keep up with the digitalization era developments. These developments directly change the concepts, structures and competencies required for the business world. To keep up with these technological developments, companies need to develop an integrated and dynamic information system to benefit the company. Enterprise Resource Planning (ERP) is an integrated system with high complexity. Hence, the transition process has a complex and expensive process. The amount of investment required offers excellent potential to benefit the company. However, on the other hand, there is a risk of system implementation failure.

This study was conducted to determine the strategy, the Key Success Factors, and the benefits of ERP system implementation. To answer this question, the writer used the Strategic Alignment Model (SAM) as a literature analysis in terms of business strategy and IT strategy, the Key Success Factors in implementing an ERP-based system and the expected benefits for improving company performance.

The study results indicated that the company was aligning its business strategy and IT strategy. This strategy was carried out by collecting an action plan derived from each work unit and monitoring through Key Performance Indicators (KPI). Thus, these derivatives could be aligned with the company's strategy supported by governance, infrastructure, competencies, processes, and IT expertise. On the other hand, top management support was a significant factor in successfully implementing an ERP-based system. As a result, the company could benefit from better information quality and increased employee performance productivity.

Keywords: *Strategic Alignment, ERP, IT integration, Key Success Factors, ERP benefits*