## **ABSTRACT**

The utilization of internet in the business industry in Indonesia provides opportunities to optimize the role of the internet in encouraging the development of the industries. Indonesia's telecommunication industry is entering a period of efficiency that must be done, due to the increasing number of operators and the the quality competition between operators. One of strategies that can be done is optimize the supply chain through procurement. The internet technology allows for an electronic procurement process called e-procurement. PT Telekomunikasi Indonesia is one of BUMN companies providing telecommunication services in Indonesia that have been procuring electronically using an application called SMILE (Supply Management Information for Logistic Enhancements).

The sub-variables used are user acceptance, reliability of information technology, e-procurement system performance monitoring, employee and management commitments, and top management support from e-procurement implementation variables from Mose et al., (2013) research.

This research uses quantitative method using descriptive statistic analysis and Importance Performance Analysis (IPA) by using SPSS. This research used questionnaire as a data collection tool to 60 SMILE user respondents from SSO Procurement and Souring Center division and also the work partners of PT Telekomunikasi Indonesia.

The results showed that overall performance of e-procurement application has good category. While the importance has very important category which means that users have very high expectations of the successful implementation of e-procurement. The success rate of the overall sub-variables indicates the category is not successful. There are 12 supporting indicators for the successful of e-procurement, which is considered importany by user. These indicators including monitoring the performance, changing manual procedures in favor of e-procurement, training on e-procurement usage, information up to date of e-procurement information, regular e-procurement performance measurement, user willingness to use e-procurement system, new processes designed for automation, reliable information available on website, efficient management risk, availability of e-procurement operation instruction, and top management care about e-procurement.

According to the result, PT Telekomunikasi Indonesia need to maintain and improve the performance of overall sub variables to classified as very good category. The company have to improve 5 indicators which has low performance. The indicators are related to performance monitoring and employee and management commitment.

Keywords: Descriptive Statistic Analysis, E-Procurement, E-Procurement Success, Importance Performance Analysis (IPA), SMILE