

## ABSTRACT

The rapid growth of information technology has brought such significant impact upon current principles regarding management concept. Those business do-ers have been expecting interesting benefits from a transparent business process, low operation cost, competitive interest, global reach, and consumer management. Thus, industrial world must soon realize the importance of **E-procurement** within **procurement** business process. If currently the firm is still implementing manual system, it means that firm might have lost from the competitiveness matter. Business do-ers would expect their business partner to apply **E-procurement** system and vice versa.

That is why it takes certain re-evaluation towards current goods procurement in STT Telkom, it is based on time average upon goods procurement cycle time which is two up to seven days for goods under five million price, four up to then days for goods which costs between five and twenty million, and two weeks until a month is needed to order goods around twenty to a hundred million. Meanwhile, another case happens when ordered goods don't meet the required specification. These conditions are to change, thus it needs certain business process re-design based on E-procurement.

This research was started by observing activities within existing procurement business process. The whole conducted activities would be measured by using value-added analysis. Then, streamlining process was done by involving 13 tools. Supply Chain Management (SCM) had become one of the considerations as well. Besides that, to designing proposal business process should follow upon the written rules made by YPT. The result of the effectiveness measurement would be used as feedback in developing proposal procurement business process.

**Re-design** of procurement business process in STT Telkom based on the good value. The result has successfully reduced 43 activities out of 122 activities in total, become 79 activities only. E-procurement business process is an electronic based-design which is hopefully going to be a tool to bridge goods procurement and reducing bureaucracy complexity, connecting STT Telkom with partners and amongst intern sides of STT Telkom itself.

**Key Words : re-design, procurement, E-procurement**