

ABSTRACT

With 1977 open economy system, imports and payments were liberalized and price controls and other administrative controls were removed with a view to enabling the market mechanism to operate. The concept of privatization of state assets was introduced with the economic liberalization, recognizing it as an alternative strategy to boost private sector activities in the economy. Private sector enter the healthcare sector also. Sri Lanka's private-sector health care industry has provided the biggest contribution to the mange communicable diseases and non-communicable diseases in the country. The country has established itself as a reliable provider of quality health care services at competitive costs. The Private Sector contribution in the provision of health care in Sri Lanka has been growing tremendously during the last two decades. There were several international standard tertiary care private hospitals established in the recent past and many more are to operate soon. The capacity of these institutions is ranging from highly sophisticated multi specialized hospitals to small-scale medical canters. To identify the dimension of centralization of procurement applicable to ABC laboratory chain. To assess the effect of dimension of procurement on financial performance in ABC laboratory chain. Conceptual frame work consist with Time Compression, Negotiation, Managing Quality, Activity Management and Relationship Management. Financial performance is the dependent variable of the research. According to the respondents Time Compression and Activity management has no considerable effectiveness to the financial performance of the organization. Negotiation management, Relationship Management and managing quality positively effecting to the financial performance of the organization. ABC laboratory chain is one of the main laboratory chain in Sri Lanka which implements centralising procurement activities. Nineteen samples of employees has used and, by using the interview method their ideas regarding the variables were collected. A thematic method is used to analyse the collected data. The study reveals the time compression on financial performance of the organization is very low. Also health care sector, major activities cannot be outsourced due to high risk and Relationship management playing vital role to smooth the operation and control the cost factor. Through the relationship buyer and supplier mutual understanding become very strong.

Keywords: Lead Time, Activity Management, Quality Management, Relationship management, Negotiation, Financial Performance, Centralization.