MAKE OR BUY IN TRANSPORT MANAGEMENT

The make-or-buy question represents a fundamental dilemma faced by many companies. Today’s global competition forces manufacturing companies to re-evaluate their existing processes, technologies, manufactured parts and services in order to focus on strategic activities. However, companies have finite recourses and many not be able to afford to have all activities in-house.

This has resulted in an increasing awareness of the importance of the make or buy decision, the dilemma organizations face when deciding between keeping technologies/processes in-house or purchasing them from an outside supplier. The ability to make such decisions in a structured and rational manner is likely to improve a company’s overall performance.

The aim of this paper is to descriptions a decision-making methodology that can provide managers in transport sphere with a way of addressing the make-or-buy decision more effectively and with greater consistency and repeatability than existing methods.

Translated by Izabela Dembińska