

Internal manufacturing or collaborative arrangement

[Business](#)



Internal Manufacturing or Collaborative Arrangement Internal Manufacturing or Collaborative Arrangement

The idea of manufacturing the device internally or to get it manufactured through a collaborative arrangement can be taken into consideration by a thorough analysis of the options. The determination of the best option out of the two definitely requires make or buy decision making, which can be based on the cost-benefit analysis for the two given options. However, along with these preliminary analytical procedures, there is also a need to focus on the existing and forecasted business environment in which the company operates and the regulatory environment, specifically pertaining to the manufacturing and selling electronic devices, competitors' costs of manufacturing and existing trends in the market (Daniels, Radebaugh, & Sullivan, 2011).

Apart from this, there are certain areas which need to be considered for the second option, i. e. working in collaboration with another manufacturer(s). For this particular option, it is necessary to take into consideration the quality which can be delivered by the other manufacturer, the regulatory environment and technological competency, if the manufacturer operates in a different country, and other regional factors (Aswathappa, 2010; Dlabay & Scott, 2011).

The idea of going into a collaborative arrangement needs careful consideration from other point of views also. As for instance, it is also necessary that the management is aware as to whether confidential information will be shared with other manufacturer(s), and what will be the repercussions of such sharing in the long run, while having the competitive

advantage of the company in mind (Daniels, Radebaugh, & Sullivan, 2011; Dlabay & Scott, 2011).

After taking into account these factors and areas of concern, a comparative analysis can reveal that which option will suit best to the company.

Reference List

Aswathappa, K. (2010). *International Business*. New Delhi: Tata McGraw Hill.

Daniels, J., Radebaugh, L., & Sullivan, D. (2011). *International Business, Environment and Operations*. Upper Saddle River, NJ: Prentice Hall.

Dlabay, L., & Scott, J. (2011). *International Business*. Mason: CENGAGE Learning.