# CRITICAL SUCCESS FACTORS AFFECTING BUILD OR BUY DECISIONS FOR IN-HOUSE USED EMBEDDED SYSTEMS IN SRI LANKAN COMPANIES

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Chathi	111 I .	akmalı	Cillnay	vardana

(179111D)

Degree of Master of Business Administration in Information Technology

Department of Computer Science and Engineering

University of Moratuwa

Sri Lanka

April 2021

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Chathuri Lakmali Gunawardana

(179111D)

The dissertation was submitted to the Department of Computer Science and Engineering of the University of Moratuwa in partial fulfilment of the requirement for the Degree of Master of Business Administration in Information Technology.

Department of Computer Science and Engineering

University of Moratuwa

Sri Lanka

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(Signature of the candidate) Date: 19/06/2021

The above candidate has carried out research for the Masters thesis under my supervision.

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#### ABSTRACT

BUILD or BUY embedded systems, which are used in-house/within the company; which is inherently better for the requirement? The decision between these two types gets a lot of effort and focus in many companies around the globe. While some companies fail to meet their minimum expectations due to their decisions, some succeed and some even go well beyond their expected level. This dilemma has been there since companies started using embedded system inside their companies. While many factors may need to be considered when making this decision, identifying the critical success factors for BUILD or BUY decisions on in-house used embedded systems is of vital importance with the heightened competitiveness in Sri Lankan embedded industry. Managers can align their goals and strategize to avail from these critical success factors to propel the company to success while avoiding potential pitfalls.

Since many business owners are vague on the factors to favour when making such decisions, through this study the author identifies the critical success factors for BUILD or BUY decisions on in-house used embedded systems by interviewing Sri Lankan companies who made such build or buy decisions. When analysing the gathered data, Straussian Grounded Theory was used and a case-by-case account of each decision-making event is used to then identify: Decision Maker's Experience, Strategic Relevance, Decision Making Process, Vendor Selection, IT Workforce, and Cost to be the 6 critical factors to consider for a successful decision. The author then constructed recommendations with the above findings.

Keywords: critical success factors, Build or Buy decision, in-house, embedded systems

#### **ACKNOWLEDGEMENT**

I would like to express my appreciation to everyone who supported me to complete my research study on "Critical Success Factors Affecting Build or Buy Decisions for In-House Used Embedded Systems in Sri Lankan Companies".

First and foremost I wish to thank my supervisor, Dr. Kutila Gunasekera, MBA in IT Course coordinator and Senior Lecturer of the Department of Computer Science and Engineering at the University of Moratuwa, for giving me the freedom to explore my ideas and encouraging me to have my way in doing this research but always steering me in the right direction. Thank you for the guidance and continuous support in making this study a success.

I would also like to thank the respondents who participated & generously contributed to the research. Without their passionate participation and valuable input, this research could not have become a reality.

Many thanks, to the staff of the Department of Computer Science and Engineering, University of Moratuwa, and my senior and fellow MBA batch mates for the administration and resources provided.

Last but not least I wish to express my profound gratitude to my beloved parents, family members and my friends for providing me with unfailing support and continuous encouragement throughout my years of study and through the process of researching and writing this dissertation. Your unparalleled support and great belief in my abilities made this accomplishment possible.

All in all, I thank everyone who helped me in many ways and was instrumental in bringing this study a success.

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### LIST OF ABBREVIATIONS

BB Build or Buy

COTS Commercial Off-The-Shelf

DB Database

IoT Internet of Things

IS Information System

PCB Printed Circuit Boards

PHD Doctor of Philosophy

R&D Research and Development

ROI Return on Investment

SIM Subscriber Identification Module

USA United States of America

USD United States Dollar

WFH Working From Home