

Table of Contents

List of Figures	XXV
List of Tables.....	XXVII
List of Abbreviations and Symbols.....	XXIX
1. Introduction	1
1.1. Motivation and Research Questions.....	1
1.2. Contribution and Structuring.....	4
2. The Logic of Economic Organization.....	7
2.1. Categorizations of Economic Organization from Coase to date.....	7
2.2. Definition and Delimitation of make-and-buy	9
2.3. Prior Research on make-and-buy	12
2.3.1. Theoretical Approaches	19
2.3.2. Empirical Findings.....	25
2.3.3. Research Deficits	28
3. Determinants and Management of make-and-buy: Potential TCE Explanations ..	31
3.1. TCE Assumptions	32
3.2. Is make-and-buy one Transaction? Structuring the Unit of Analysis	35
3.3. Determinants	37
3.3.1. Asset Specificity	37
3.3.2. Uncertainty.....	42
3.3.2.1. Behavioral Uncertainty	43
3.3.2.2. Environmental Uncertainty	46
3.3.2.3. Further Uncertainty Classifications: Volatility versus Ambiguity.....	50
3.3.3. Frequency.....	54
3.3.4. Production Costs.....	55
3.3.5. Transaction Costs.....	58
3.4. Management	60
3.4.1. Administrative Support by Bureaucracy.....	63
3.4.2. Incentives / Incentive Intensity	64
3.4.3. Adaptation.....	65
3.5. Is Transaction Cost Theory a useful perspective for make-and-buy?	66

4. Extending the TCE Framework.....	71
4.1. Making and buying the same assets	76
4.1.1. Determinants – Transactional Attributes	76
4.1.1.1. Performance Ambiguity	76
4.1.1.2. Asset Specificity.....	80
4.1.1.3. Volume Uncertainty	81
4.1.1.4. Technological Uncertainty	81
4.1.2. Management – Governance Attributes	82
4.1.2.1. Administrative Support by Bureaucracy.....	82
4.1.2.2. Incentives / Intensive Intensity.....	83
4.1.2.3. Adaptation	84
4.1.3. Performance Implications.....	84
4.2. Making and buying the same type of assets.....	86
4.2.1. Determinants – Transactional Attributes	86
4.2.1.1. Technological Uncertainty	86
4.2.1.2. Asset Specificity.....	88
4.2.1.3. Performance Ambiguity	90
4.2.1.4. Volume Uncertainty	91
4.2.2. Management – Governance Attributes	91
4.2.2.1. Administrative Support by Bureaucracy.....	91
4.2.2.2. Incentives / Incentive Intensity	92
4.2.2.3. Adaptation	93
4.2.3. Performance Implications	94
4.3. Summary of Hypotheses	96
4.4. Basic Research Model	97
5. Empirical Survey.....	99
5.1. Research Design.....	99
5.2. Empirical Setting.....	103
5.3. Development of the Measurement Model	107
5.3.1. Exploratory Research.....	107
5.3.2. Scale Construction	108
5.4. Survey Administration	109
5.5. Data Analysis Methods	110
6. Empirical Analysis	111
6.1. Applicability of the Dataset.....	111

6.2. Operationalization, Reliability, and Validity of Measures.....	113
6.2.1. Operationalization of Theoretical Assumptions	116
6.2.2. Operationalization and Reliability of the Dependent Variables	116
6.2.2.1. Governance Form (Sourcing Mode)	117
6.2.2.2. Management of make-and-buy.....	118
6.2.2.3. (Sourcing Mode) Performance	121
6.2.3. Operationalization and Reliability of the Independent Variables.....	126
6.2.3.1. Asset Specificity.....	126
6.2.3.2. Performance Ambiguity	127
6.2.3.3. Volume Uncertainty	128
6.2.3.4. Technological Uncertainty	128
6.2.4. Operationalization and Reliability of Control Variables	132
6.3. Descriptive Statistics	135
6.4. Empirical Results	139
6.4.1. Evidence regarding the Determinants of make-and-buy	140
6.4.2. Evidence regarding the Management of make-and-buy	150
6.4.2.1. Evidence regarding the Management of make-and-buy the same assets.....	151
6.4.2.2. Evidence regarding the Management of make-and-buy the same type of assets	155
6.4.3. Evidence regarding the Performance of make-and-buy	159
6.4.3.1. Evidence regarding the Performance of make-and-buy the same assets.....	160
6.4.3.2. Evidence regarding the Performance of make-and-buy the same type of assets	167
6.4.4. Summary of Evidence.....	173
7. Conclusion.....	175
7.1. Critical Assessment of the Theoretical Framework	175
7.2. Critical Assessment of the Empirical Analysis	180
Appendix	183
References	199