

## DECISION FRAMEWORK

# Build vs Buy vs Partner

*A framework for making strategic AI infrastructure decisions.  
When to build, when to buy, and when partnership makes more sense.*

**Build**

Maximum control, maximum investment. Build everything in-house with your own team.

**Buy**

Faster deployment, ongoing costs. License commercial solutions.

**Partner**

Shared risk, shared expertise. Combine internal capability with external specialization.

**4x**

Longer time-to-value (build)

**60%**

Choose hybrid approach

**3.2x**

ROI with right choice

01 - THE TRADE-OFFS

## Each path has real costs

There's no free lunch. Building gives you control but requires sustained investment. Buying is faster but creates dependencies. Partnership balances both but requires coordination.

FACTOR	BUILD	BUY	PARTNER
Time to value	12-24 months	1-3 months	3-6 months
Upfront cost	\$2-5M+	\$50K-500K	\$200K-1M
Ongoing cost	\$500K-2M/year	\$100K-1M/year	Variable
Customization	Unlimited	Limited	High
Talent required	10-25 FTEs	2-5 FTEs	5-10 FTEs
Vendor risk	None	High	Moderate
IP ownership	Full	None	Negotiated

02 - DECISION MATRIX

## When each option makes sense

Recommended Approach by Scenario			
	BUILD	BUY	PARTNER
CORE DIFFERENTIATOR	Best	Avoid	Consider
COMMODITY CAPABILITY	Avoid	Best	Consider
REGULATORY REQUIREMENT	Consider	Consider	Best
TIME-SENSITIVE OPPORTUNITY	Avoid	Best	Consider
UNCERTAIN REQUIREMENTS	Avoid	Consider	Best

### The Real Question

Don't ask "should we build or buy?" Ask "what is our sustainable competitive advantage and where should we invest our best people?"

Build what differentiates you. Buy what doesn't. Partner when you need to move fast but want optionality.



03 - THE OPTIONS IN DETAIL

## Pros and cons of each approach

### Build In-House

Maximum control, maximum investment.

- + Full IP ownership
- + Custom to your needs
- + No vendor lock-in
- + Long-term cost efficiency
- High upfront investment
- Talent acquisition challenge
- Maintenance burden
- Slower time-to-market

### Buy Commercial

Speed and proven capability.

- + Fast deployment
- + Proven, tested solutions
- + Lower initial cost
- + Vendor maintains product
- Ongoing license fees
- Limited customization
- Vendor dependency
- Feature roadmap not yours

### Strategic Partnership

Expertise and flexibility.

- + Access to expertise
- + Knowledge transfer
- + Shared risk
- + Flexible scope
- Coordination overhead
- Less control
- Partner dependency
- Complex contracts

04 - CASE STUDIES

## How organizations decided

### FINANCIAL SERVICES - CHOSE BUILD

#### Tier-1 Bank: AI Risk Management

Built in-house because model risk management is core to competitive position. 18-month build, \$4M investment, now differentiator in regulatory examinations. Right choice: risk management expertise became a moat.

### HEALTHCARE - CHOSE BUY

#### Regional Health System: Clinical Documentation

Bought commercial AI scribe solution. Not a differentiator - all competitors need it. Deployed in 6 weeks at \$200K/year. Right choice: freed resources to focus on patient care innovation.

### INSURANCE - CHOSE PARTNER

#### National Carrier: Fraud Detection

Partnered for initial implementation with knowledge transfer agreement. Uncertain requirements, regulatory complexity, needed to move fast. Partnership reduced risk while building internal capability over 12 months.

## 05 - DECISION CHECKLIST

## Questions to ask before deciding

QUESTION	IF YES...
Is this capability core to our competitive advantage?	<b>Build or Partner with IP transfer</b>
Do we have the talent to build and maintain this?	<b>Build is feasible</b>
Is time-to-market critical?	<b>Buy or Partner</b>
Are requirements well understood?	<b>Buy is lower risk</b>
Do we need to move fast but keep options open?	<b>Partner with optionality</b>
Is regulatory compliance complex?	<b>Partner for expertise</b>
Will vendors have ongoing leverage over us?	<b>Build or Partner</b>
Is this a commodity that all competitors need?	<b>Buy - don't over-invest</b>

### The Hybrid Reality

Most successful AI strategies combine all three approaches. Build your core differentiators. Buy commodity capabilities. Partner for specialized expertise and regulatory complexity.

**Rotascale enables hybrid:** Open-source foundations (build), commercial platform (buy), implementation services (partner). Choose your mix.

### Need help deciding?

Free consultation on your AI infrastructure strategy.

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