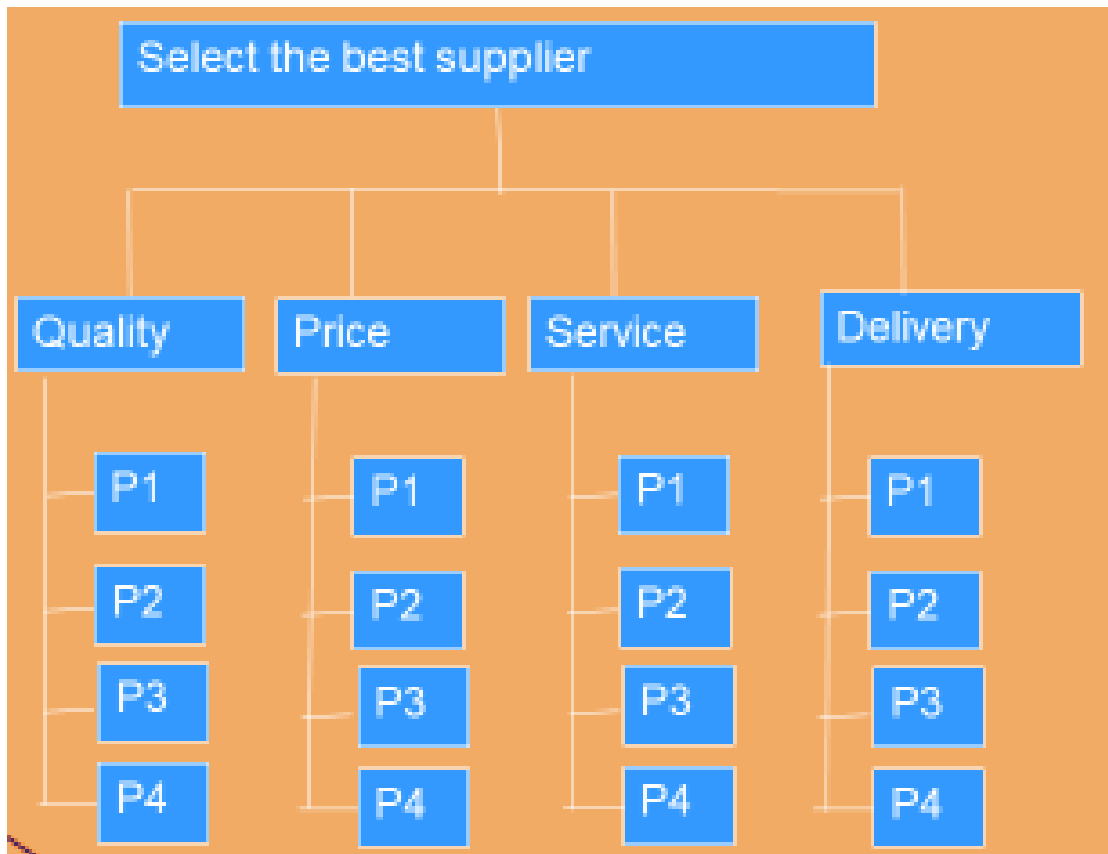


Case - Supplier Selection Problem at Honda.

Honda automotive company is facing tough competition both from imports and multinational companies in the domestic markets. Thus, the new competition is in terms of reduced cost; improved quality, products with higher performance, a wider range of products and better services, and all delivered simultaneously. Honda is evaluating the supplier performance on the above mentioned criteria.



Pairwise comparison matrix and computations: evaluation criteria

	Q	P	S	D
Q	1	2	4	3
P	$\frac{1}{2}$	1	3	3
S	$\frac{1}{4}$	$\frac{1}{3}$	1	2
D	$\frac{1}{3}$	$\frac{1}{3}$	$\frac{1}{2}$	1

Supplier pairwise comparison matrices and priorities

A: wrt quality

	P1	P2	P3	P4
P1	1	5	6	1/3
P2		1	2	1/6
P3			1	1/8
P4				1
Wts	.297	.08	.053	.563

A: wrt price

	P1	P2	P3	P4
P1	1	1/3	5	8
P2		1	7	9
P3			1	2
P4				1
Wts	.303	.573	.078	.046

A: wrt service

	P1	P2	P3	P4
P1	1	5	4	8
P2		1	1/2	4
P3			1	5

P4				1
Wts	.597	.140	.214	.050

A: wrt delivery

	P1	P2	P3	P4
P1	1	3	1/5	1
P2		1	1/8	1/3
P3			1	5
P4				1
Wts	.151	.060	.638	.151

- Determine the priorities for the used criteria.
- Which supplier Honda need to choose?