

Submitted to: Sinan Caykoylu

4th November 2012

A1-Exalt
Best

S1:5
S2:5

VROOM-JAGO-YETTON MODEL

COMPANY NAME: Smartech Technology LLC.

INDUSTRY: Information Technology

VISION: To offer business intelligence solutions like ERP, HRM, and CRM etc. by incorporating the latest information technology like HTML5, CSS 3, Mobile Applications etc.

BOARD OF DIRECTORS FOR THE COMPANY:

- Cherian Sankey – Share percentage – 70% - Chief Executive Officer
- Rajesh Iyengar – Share percentage – 10% - Chief Technical Officer
- Chethan – Share percentage – 10% - Chief Operating officer
- Ravi Muti – Share percentage – 10% - Chief Marketing Officer

Number of employees currently: 25

Location of incorporation: Vancouver, Canada

Decision to be considered: Should we expand into India due to the high potential for growth by incorporating a branch in Bangalore? This would require the company to shift a minimum of 10 employees to Bangalore along with allocation of financial resources such that the company can have an office here to satisfy incorporation rules.

for such a move by considering all aspects of the business i.e. marketing, operations, finance and technology, along with whether the employees will be accommodative to the idea of relocation.

Problem Structure (ST): Yes

The problem in this situation has been well structured as can be seen by the problem definition presented earlier.

Commitment probability (CT): No

If I were to make a decision on my own a few of the subordinates may be committed to the decision whereas the rest of them might find the whole concept of relocation tedious and unattractive.

Goal congruence (GC): No

The organizational goal that will be achieved in solving this problem is growth through expansion into another country. Though my subordinates might share the goal of growth with the organization they might not necessarily want to achieve this through expansion and relocation.

Final solution: C2

Based on the Vroom-Jago-Yetton model we see that the final solution that we arrive at is C2, which stands for consultative 2 where the leader shares the problem with the group but makes the decision alone. In order to achieve this we will be setting up a board meeting along with our employees and raise this issue to see what the response will be.

Advantages of the model

- The model broke down the analysis of the problem into a sequence of steps making the analysis easily understandable.

- The model takes into account the interests of everyone involved with the organization i.e. the partners, employees etc.
- It helps identify a path that the leader can use as a starting point while tackling this situation, which would have been difficult to identify without the model. The results after implementation of this model can be used in similar situations in the future.

Disadvantages of the model

- The implementation of the model is time intensive and hence may not be apt in situations where the decision has to be taken in a short amount of time.
- In certain situations, in my example when I was going over the commitment probability I realized that my answer would not have been a definitive Yes or a No, rather it would have been a maybe for which there is no provision within this model and hence is a flaw.
- The question for leaders information was another stumbling block as every individual has his/her own perception of the amount of information he possesses, this might not be an accurate depiction of the information the leader has and hence can cause discrepancies.