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Case 4-2: Symantec

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I. Mission

Symantec's mission is to develop and distribute software dedicated for the purpose of fulfilling business needs to other companies and consumers. Through innovation and technical expertise, Symantec is able to act as a leading software vendor for information management, software development tools and other useful tools to benefit an organization.

II. Company Strategy

The company strategy of Symantec is focused on the differentiation strategy. Teams that focus on certain business processes such as project, development, and marketing/sales all contribute to the formation of the projects. Systems that have been implemented in the company are Hewlett-Packard system for accounting and financial processes, internal network system to establish communications between Symantec employees, and a ROLM phone-mail system. Due to their differentiation strategy, their company was able to grow from a number of 30 employees to a number of 316 employees. Despite starting out as a small company, it was able to grow into a reputable and competitive leader in the software industry.

III. Problem

With the drastic growth of Symantec, the method of communication is lacking between employees. Symantec consisted of itself and C&E Software Company as a merger. As the company grew, Symantec was able to expand by acquiring several different companies throughout the country. Although the company has expanded drastically, the concern of information flow in the company posed an issue. From the given information, Symantec is

spread throughout the country which creates difficulty in establishing and maintaining communication between the product groups and other facilities. Communication is weak within each facility as well as teams do not communicate information with each other. Groups such as the product groups lacked in sharing information with each other frustrating employees, feeling that certain information was held out from them. Sales even withheld information regarding feedback to the development group so that they could improve upon applications. Eubanks believed that groups thought that their method of executing their process was adequate regardless of information or not. Some employees were not used to the idea of having to share information in a formal method. However, that is needed in a larger organization so that employees can be updated on the company. Management also needs to be able to encourage communication for every employee and for every department. In addition, Symantec has a poorly functioning information system which continued to break down due the large number of information. In addition to that, email and phone systems would break down which further hinder communication.

IV. Porter's Five Forces

a. Bargaining Power - Customers

The bargaining power of customers is relatively high due to the fact that other leading and competitive software industries are relevant today such as Lotus and Ashton-Tale. Customers are important to the company, considering their solicitation of products generates revenue for Symantec which makes it prudent to attract and maintain customer interest. The potential risk for Symantec is that customers may lose interest depending on the company's performance and overall response to customer needs. For instance, customer complaints were shared to sales

representatives which was not disclosed to the developer team. Potentially, customers will realize their feedback is not a concern to company and will turn to a different organization. Methods of communication that include phone and email are also an issue due to it crashing which poses an issue for customers to contact representatives.

b. Bargaining Power - Suppliers

The bargaining power of suppliers is relatively low. As a software development company, majority of their products is manufactured within the company. Symantec's developer team is responsible for creating applications and software to be distributed to customers. In regard to necessary assets, Symantec only needs the hardware required to develop and execute the software. However, Symantec has a wide array of options for acquiring hardware such as computers, monitors, and other tools.

c. Competitive Industry

The risk of competitive rivalry is high, due to the number of software development companies. Companies such as Lotus and Ashton-Tate are relevant and leading software companies that remain on a competitive edge. However, despite the competition, Symantec has proven to be a major competitor in the industry. From the data in Exhibit 1, Symantec has made drastic improvements in revenue and earnings per share which can be associated with the growth of the company. In order to remain relevant, Symantec must learn to organize itself in communication to function more efficiently and allow further potential growth.

d. Substitutes

The risk of the threat of substitutes is high, considering that there are multiple types of software to handle business processes. Software applications such as Enterprise Resource Planning systems is versatile system to handle all different types of business processes in a consolidated system. This can allow multiple business functions to view information based on the whole company and make important business decisions.

e. Threat of new entrants

The threat of new entrants is relatively low. In order to come into the software industry, extensive knowledge in computer applications is necessary along with the hardware to execute those programs. One of the biggest obstacles is that the new entrants will have to build a client base which can take some time.

V. Stakeholders

a. Customers

Customers are an important stakeholder to the company due to the customers' solicitation of goods and service. In turn, this generates revenue for the company to further assist the organization in continuing business operations. It is ordeal to attract new customers as well as retain the current customers in order to ensure an adequate level of income for the organization. It is prudent for Symantec to control the flow of information in order fulfill the needs of customers. "Customers want to interact with companies whose products and services fit their needs." (Kalakota and Robinson 365). Since Symantec is operating through differentiation for their generic strategy, it is crucial to offer excellent services and be able to respond quickly to

customer demands. Without a proper flow of communication, the organization cannot work efficiently.

b. Shareholders

Shareholders for the company are another important stakeholder. Throughout the years, Symantec has increased its earnings per share tremendously. This indicates people have faith in regards to investing in the company. This is another method of generating revenue for the company. However, if Symantec's performance declines, it is possible that their earnings per share will decrease and potential investors will become disinterested.

c. Symantec Employees

Symantec employees are an important stakeholder for the organization. The importance of the employees is that they perform the daily functions needed to operate the business. Employees suffer from the lack of communication within the company. As a result, employees are unsure of what is occurring for the business which hinders their time to respond to current and future needs. For instance, certain groups simply do not communicate with each other due to their unfamiliarity of maintaining formal communication for a large-scale corporation.

d. Symantec Management

Symantec management is responsible for leading and monitoring business processes within the organization. This makes them an important stakeholder due to the fact they have more responsibilities within the company. Due to a lack of control systems to control flow of

information, employees are frustrated. It falls upon the management to conceive a proper control system in order to resolve the issue.

VI. Alternatives

1. Take no course of action
2. Ensure employees are qualified to work in the company
3. Enforce policies and procedures
4. Use employee evaluations
5. Improve information system

Take no course of action: One of the alternatives available for Symantec to act upon is to take no course of action. Symantec can continue to execute business processes without having a certain control system. A benefit to this alternative is that management does not have to strain time away from business processes. This is based on the assumption that the business can continue to operate at this level. No additional effort is needed if there is no course of action. However, taking no course of action has dire consequences that can negatively impact the organization. Symantec suffers from a lack of communication between employees and the different functions of the organization. This can be detrimental due to weak collaboration and cooperation which is essential to perform business processes.

Ensure employees are qualified to work at Symantec (Implement people controls): People controls are intended to supervise human behavior within the workforce. For example, interviews, training employees, and promoting employees are considered people controls. Holding job interviews is important for Symantec so that management can consider whether or

not that employee fits the role of position and if that applicant will fit in the company. This is beneficial towards the company since the future employees will share the same values as the organization. Another important component of people controls is to promote qualified employees. The ideal leader “has a capacity to remain open and flexible, suspending immediate judgment whenever possible, until a more comprehensive view of the situation emerges.”

(Morgan 4)

Enforce policies and procedures (Implement action controls): “Structures, rules, behaviors, beliefs, and the patterns of culture define an organization” which makes it crucial that employees know how to act in the workplace. (Morgan 245). By updating and enforcing policies and procedures, employees will be able to continue to perform business processes within the organization. The lack of communication is a problem since employees do not understand the procedures for communication. Enforcing these guidelines help employees prioritize efficient communication so that information can better throughout the organization. “It is possible to inculcate new values and to do so in a systematic way. But it takes work.” (Hammer and Stanton 163).

Performance evaluations (Implement results controls): Result controls measure performance of employees. These evaluations can help give feedback so that employees can continue to improve. Using performance evaluations will also help pinpoint exactly where performance is weak. This includes performance and communication so that management can act accordingly to resolve the problem.

Improve Symantec Information System: Symantec's information system consists of two components, a Hewlett-Packard System and a network system. When the Hewlett-Packard system was first implemented, the system performed sufficiently. However, as the size of information grew, breakdowns of the system occurred more frequently. Because of the frequent breakdowns, data-entry employees will not be able to perform their daily responsibilities and be assigned to different tasks. As a result, this affected employees' productivity and many employees filed complaints. Symantec is heavily reliant on their phone and email systems for communication purposes. However, breakdowns occurred for these systems which also frustrated employees. With an improved information system it can allow "the possibility of multiple points of access to common databases and the possibility of local rather than centralized information systems." (Morgan 180)

VII. Proposed Solution

Based on the given alternatives, the best course of action is to enforce policies and procedures. The information system is a vital component of the organization, as it helps employees perform the business processes needed to fulfill the needs of consumers. Their current system helps with all aspects of the organization, which include accounting, finance, marketing, application development, as well as communication needs. However, if the system is breaks down, it is difficult to complete daily tasks which hinders productivity. Although lack of communication poses a big problem, a lot of it derives from the crashing of phone and email systems. With the rapid growth of information, the need for a more efficient system that can handle larger amounts of data is essential and how it can be integrated into the business process. "Now that we are entering an age with a completely new technological base, new organizational principles are

likely to become increasingly important.” (Morgan 31) Once a proper information system is implemented, communication can flow much easier as well as remain productive and efficient. For example, the sales team can enter feedback regarding applications into the information system, and in turn the developer team can view that information. Based on that feedback within the system, the developers can make the changes necessary so that customers’ needs can be fulfilled. By implementing an improved information system, this should resolve the employees’ complaints, communication issues, as well as system crashes.

Works Cited

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Morgan, Gareth, *Images of Organization*, Thousand Oaks, Sage Publisher, 1995

Kalakota, Ravi and Robinson, Marcia, *e-Business 2.0 Roadmap for Success*, Upper Saddle River, 2001