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*Symantec*

Case Analysis

The mission of Symantec is to design, deliver, and support a diversified line of software for the information management, productivity, and software development needs of its businesses users. Based on the case it would seem that Symantec’s generic strategy would be focus differentiation because the only thing Symantec makes is software. Although, they do provide a wide variety of software to help organizations meet all their needs. According to the case, Gordon E. Eubanks, CEO, stats I think most people view Symantec positively. But the information systems are not working, people are complaining about them, and that whole problem is taking on a life of its own.” The problem they are having is not establishing an IT architecture that meets the needs of all their business processes. According to Cash “By establishing a logical, coherent plan, an IT architecture ensure that decisions about technology investment and use are in keeping with corporate strategy and capabilities.” [1] The coherent plan or strategy is missing with each Symantec’s product groups.

In accessing Porter’s Five Forces with Symantec. The bargaining power of Symantec’s buyers seems to be high. According to Porter’s Five Forces, “reduce bargaining power to buyers by increasing switching costs.” [2] Symantec seemed to have no barriers to switching costs. For example, there were no binding contracts requiring the buyers to use their service for a certain period of time (years). Also, since there are so many different product groups and little communication across the product groups. It would seem that none of Symantec’s products relied on one another, again creating no barrier to switching to a potential competitor’s product.

The bargaining power of Symantec’s suppliers seems to be low. According to the case, they created POPS in house to eliminate the time it would take to customize for the input and type of access that Symantec wanted. Considering they can create in house software to fix problems that eliminates few substitutes being available. According to Porter’s Five Forces, factors that increase supplier power “few substitutes are available.” [3] This reiterates Symantec’s suppliers having low bargaining power.

The threat of new entrants seems to be high. According to the case, Symantec became a major player in the software industry, competing with well-established companies like Lotus and Ashton-Tate. If Symantec was able to enter the market with well-established companies, then the barriers to entry must be low for the market segments Symantec was entering.

The threat of competition seems to be low. According to the case, Symantec added nine new products, upgraded and developed different versions of old ones, prided itself on not having missed a scheduled product release date, and established these products as leaders in their respective market segments. This low threat to competition is backed by the fact that Symantec’s products they established were leaders in their respective market segments. If there is any competition it is not affecting Symantec in a substantial way.

The threat of substitutes seems to be low. They did not mention specifically about potential substitutes in the case but I can infer that if there are substitutes, customers are picking Symantec’s product over the substitute. Considering Symantec is a major player in the software industry, have product leaders in certain market segments, and they have enjoyed rapid growth as an organization.

The organizational structure of Symantec is a divisional structure. According to Cash “a divisional structure groups diverse functions such as manufacturing, research and development, and marketing within each division.” [4] According to the case, Symantec has five product groups; each controlled its own product development, marketing, quality assurance, support, and management.

The stakeholders invested in Symantec are the MIS department, Gordon Eubanks (CEO), Symantec’s customers, and Symantec’s shareholders. I’ve accessed Symantec, now I am going to provide three alternatives and how they affect the stakeholders of Symantec.

The first alternative would be to replace the HP or POPS systems. I believe that the structure of the POPS system works well for Symantec but since Symantec is growing so rapidly the POPS system cannot handle all the overhead that is created when orders are submitted. According to Fried, “businesses must plan for the near term of the next 2 to 7 years in order to survive to enjoy the long term.” [5] I think this applies to Symantec because they realized they were growing rapidly but did not plan for the increased overhead systems would need to handle due to the organizational growth. Although, some changes can last for years. According to Fried, “the major airline systems operating today have a core of program code that was developed in the mid-19600s.” [6] However, this is not the case for Symantec. The MIS department will benefit because they will spend less time trying to fix the POPS system and spend more time fixing other IT problems so the business process can continue to be uninterrupted. Gordon Eubanks (CEO) will be pleased because it will make Symantec more efficient due to decreased chances of the system crashing. Symantec’s customers could see a positive result because Symantec could spend more time improving their products instead of trying to keep their business processes functioning correctly. Symantec’s shareholders would enjoy this alternative because it is less costly when improving specific processes than revamping a whole IT architecture.

The second alternative would be to improve the MIS department service. According to the case, Individuals requested MIS services and repairs via email, phone-mail, conversations with MIS people in the hallway, and written service-request forms. This is a very inefficient way of informing MIS of problems that are happening with technology. According to Cash, “criteria for accessing effectiveness includes: Responsiveness, Timeliness, and efficiency.” [7] These three things are what the MIS department needs to improve to help increase efficiency and effectiveness of this local optimum. The solution would be to create a software program ticketing system that product groups can use to communicate problems they are having to MIS. Just like they created the in house POPS system to meet their needs, they can create a ticketing system to meet their needs. The MIS department will benefit because they won’t have such an unorganized system to take requests for their service. This will increase focus on the problems at hand. Gordon Eubanks (CEO) will benefit because efficiencies across all product groups will increase due to problems being fixed by the MIS department in a timelier manner. Symantec’s customers will benefit because they could see a change in product quality because of more focus on the product and not so much on MIS not being able to fix a problem when needed. Symantec’s shareholders would benefit because they could potentially see an increase in throughput due to product groups releasing products faster.

The third alternative would be to reconstruct the IT architecture of Symantec. According to Cash, “IT architecture specifies the tools that will be utilized and the structures and processes by which data and applications will be acquired or developed and made available to users.” [8] The bases to Symantec’s whole problem is not utilizing their tools in a way that is effective and efficient. Since Symantec has a divisional structure they have a wide variety of cultures with different shared frames of reference. Each product group has different social aspects in what they value which that value determines what makes them effective and efficient. If Symantec wants to improve their effectiveness and efficiency, then they must go back to the basics and be able to analyze their business. Symantec needs to come up with a strategy that fits their divisional structure and an I.T. architecture that fits their divisional structure. Without this basis Symantec will continue to have business processes that are inefficient and ineffective. The MIS department would have control systems that would increase the possibility of a positive outcome and less need for MIS. Gordon Eubanks (CEO) would potentially be proud of how efficient his control systems are. Symantec’s customers would potentially have more customer satisfaction because Symantec would be a healthier operating organization. Symantec’s shareholders would potentially dislike this alternative because of the cost it would impose on Symantec. Although, they could be pleased in the long run if this IT architecture proves effective and efficient.

To conclude, I believe the best solution would be alternative three. To reconstruct the IT architecture of Symantec. Symantec needs to come up with a strategy that fits their divisional structure and an I.T. architecture that fits their divisional structure. To start, I believe some of their centralized functions need to be placed in each product group. According to the case, some functions were centralized but not at headquarters; for example, purchasing and manufacturing were in Santa Clara, California, and training was in Novato, California. As stated in lecture, the most important aspects of your organization are placed at headquarters [9]. Training is not at Symantec’s headquarters and is one of the most important aspects to an organization. Without proper training you become ineffective and inefficient. As stated in lecture, the conflict of management and users is constantly conflicted and your job is to come up with a strategy that can compete with that conflict.

**Sources**

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