

Michael Bergamini

Symantec

Problem Statement: Symantec is a growing software development company. They make several different products for Apple's Macintosh system and IBM MS-DOS systems. Their problem is achieving effective communication between all levels of the company. This was a focus of CEO Eubanks because a broad task of general management is to ensure that appropriate systems are in place to ensure the needs of the organization are met. (CP, pg. 63). If the technology of the organization does not function, then the other components of the company will struggle (Leanitts). Employees are not comfortable approaching the CEO Eubanks, which is a glaring problem. Employees are broken into product groups, which created an atmosphere of inter-division group alliance. Such as when the software engineers came out with a new product, the marketing team was not communicating with the engineers. This is a symptom of a closed off divisional environment. The software engineers have valuable knowledge of what makes their products competitive, and the marketing team knows how to communicate this message effectively, so communication should be occurring between the two.

Symantec acquired three companies, one in Novato, California, one in Mountain View, California, and one in Bedford, Massachusetts. There are also distributors and marketing teams in other states. Eubanks did not want to relocate these newly acquired businesses and their employees because he believed correctly that employees don't like to move, and he wanted to keep the development teams and their morale intact and in place. This created its own set of challenges though. By having product development teams dispersed around the country, communication became critical in order to keep different product groups within the company functioning harmoniously. This became a great challenge for the company due to cultural issues of departments thinking they always knew what was best and because Symantec as it grew kept experiencing more and more problems with email and phone

communications due to its MIS system. This inhibits data transportation between departments which is directly related to the tools and standards used to facilitate the exchange of information (CP, pg. 181). And due to the physical distance between departments, meeting face to face was not an option.

The top-down issues had to do with management and CEO Eubanks communicating with employees. It was often unclear in meetings if what Eubanks said was an opinion or a policy. The bottom-up issue had to do with employees not questioning their managers and taking their new ideas as policy rather than providing their own feedback. Information Technology was a challenge. Symantec developed its own software in house, which lead to engineers and programmers spending many hours creating and maintaining their in-house systems. They used the HP 935 and POPS system. As the company grew these two systems could not handle the growing number of orders and broke down frequently. This led to sales staff and managers with lots of down time as they waited for the system to be repaired. Their other system was the NOVELL LAN. This system supported email and central file service functions for software development. The email system would corrupt files on a weekly basis and could not withstand noise, making long distance calls impossible. The phone system was unreliable. Callers would be cut-off. Callers could not dial out if too many calls were coming in. All these issues are symptoms of the problem. Symantec's communication issues were affecting every aspect of its business and hindering the functioning of business processes.

Symantec's mission is to design, deliver, and support a diversified line of software for the information management, productivity, and software development needs of business users.

Symantec used the Differentiation Strategy. They competed in the broad software market. They were earning above average returns due to brand loyalty and price (Tanwar, pg. 3). This is demonstrated through their revenues consistently growing. Their entry into the software market was a success

because of their products being tailored to business end users by constantly gathering feedback from users.

Competitive rivalry is high. Software Development has a low overhead. All you need is a computer, a development environment, and some knowledge. New products are always being introduced and tailored to certain market segments.

The Threat of New Entrants is high. Symantec is an example of this. Symantec started as a company of 30 people and over the course of a decade became a company of over 300 people. A large investment is not needed to start a software company thus making new entrants a threat (Tanwar, pg. 20).

The Threat of Substitutes is low. A software product cannot be produced by another industry thus making a substitute very unlikely (Tanwar, pg. 20).

Bargaining Power of Suppliers is low. Computers and software development programs are becoming cheaper and cheaper. There are many companies that produce computers and software development programs, and many open sources option as well, meaning there is healthy competition between suppliers. (Tanwar, pg. 23)

Bargaining Power of Customers is high. There are many software developments companies out there and customers are always looking for the best and cheapest product.

Symantec is organized into a Divisional Structure (CP, pg. 109). Each division is organized based on the software product it produces, thus product groups. The rest of the functions such as HR, financing, marketing are divided into their own divisions as well. And there is cross-functional interaction, such as the programming team communicating with the marketing team.

The stakeholders are the employees, customers and shareholders. The employees have to deal with these communication issues on a daily basis and these issues directly impact their ability to function within the business. Customers are affected because delays in communication cause delays in product release and delays in resolving issues that affect customers. The shareholders are affected because anything that hinders the functioning of the business will have a negative affect on the value of the company.

The first alternative is to do nothing. This alternative would let the MIS Department keep its priority ranking system of service requests. This system frustrates employees whose requests are not top priority, and it also maintains the status quo of having to chase down an MIS team member if you have a critical issue that can't wait for a service request to be received. This negatively impacts employees because unless you are top priority, your issue might not be solved for hours or days. This negatively impacts customers because the business is not functioning optimally. This negatively impacts shareholders because these problems lower the value of the company.

The second alternative is to continue with the current system but focus on improving it while training managers to improve communication. This alternative still would not solve the issue of the MIS system still being a persistent problem. Also, the MIS team would still be busy just maintaining the system, rather than being focused on new ways to take advantage of information, or at least for the time to turn data into information. The training of managers to communicate better should be a given. This would definitely improve cross-department communication and set a new tone for the company moving forward. This alternative would benefit employees by changing the communication culture of the company, but it would not solve the underlying issues of the MIS system. Customers would benefit by seeing better products due to increased communication. Shareholders would benefit from increased communications, but the day-to-day operations would still be affected by the MIS system.

The Third alternative is to make an investment into the MIS system while training managers to improve communication channels. By planning ahead and investing in the MIS system, future problems can be determined and solved before they become a problem. By using the patch as we go approach, the underlying issues of the system were not resolved. Since the MIS is in house, investment is needed to buy new machines, servers, cables, etc. to improve the functioning of the system so data transfers can happen quickly and without error. Training managers to communicate better to improve the culture of communication is a given. With the improved technology and new culture of information sharing, Symantec will benefit the most. This will make employees lives easier by having a reliable communications system geared toward the future while implementing a new work culture of communication. This will benefit customers because customer service and products will improve. This will benefit shareholders because these changes in IT and work culture add value to the company.

The best option is the Third Alternative because it addresses communication issues caused by the current technology and the communications issues caused by the current work-place culture. The other two alternative do not address all the underlying issues affecting Symantec. The do-nothing approach solves none of the problems. The second alternative although it does help the business continue running, it does not plan for the future and the inevitable increase of sales and information that has to be exchanged in order for the company to survive.