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CIS 410-01

Case 4-2 Symantec

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**OVERVIEW**

Symantec was founded in 1982 by Gary Hendrix who was an expert in artificial intelligence and language processing. C&E Software was another company founded by Eubanks. In 1984 Symantec and C&E Software merged under the name Symantec Corporation. Hendrix became the vice president and Eubanks became the president/CEO. In 1987 Symantec acquired three companies: Breakthrough Software, Living Videotext, and Think Technologies. These companies became Symantec’s product groups and stayed in their original locations. Symantec was a divisional organization, and each product group represented a division. Executive staff members were sent to facilitate the transition, assess performance, and replace managers.

**PROBLEM**

The main problem that Symantec Corporation faced was the lack of effective communication channels and flow of information. This created frustration between employees, when certain information was not shared when there were clear advantages had the information been shared. Groups, such as the marketing and engineering departments had much to gain, but as stated in the case, they rarely did so. With the company’s rapid growth, this became an increasing problem. Engineering wanted to know more from customers about what they liked or didn’t like, and the sales people did not disclose enough feedback, which made it hard for the engineers to make the best decisions. There were what appeared to be cultural issues because it was speculated that each group believed they knew the best way to do certain things and did not need to solicit information from the other groups in the company. This would lead to the mentality of “everyone for themselves”, which would reduce synergy, and effectiveness. Managing communication flow was much easier before Symantec merged. Once they became a much larger company, it became very hard to manage communication without a proper system to grow into to make it a smooth transition.

**MISSION STATEMENT**

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. They prided themselves on never mission a product release date. Symantec had a focus on differentiation with their different lines of software.

**PORTER’S FIVE FORCES**

***COMPETITIVE RIVALRY***

Symantec has a high amount of competition being in the software industry. Anyone can write software, since there is very little cost involved. Symantec’s main competitors were Ashton-Tate, Lotus, and other software companies that produced similar products.

***THREAT OF NEW ENTRY***

Symantec would have a high threat of new entrants because this time period is when software and programming really took off. It was a huge, and rapidly growing industry.

All it took was someone to have a computer and a new idea, and some time code, and a new major competitor would be born.

***BARGAINING POWER OF CUSTOMERS***

Bargaining power of customers would most likely be low because of the huge switching costs. A company couldn’t just instantly switch to another provider without a major project and change to business processes.

***BARGAINING POWER OF SUPPLIERS***

Bargaining power of supplies would be low. Symantec’s main supplies were HP and Novel LAN. HP was used for accounting, manufacturing schedules, and inventory control.

***THREAT OF SUBSTITUTES***

Symantec had a high threat of substitutes since competitors could look at their product and improve on it or create something new that they did not currently offer, or even create a product with the same general functionality. If it wasn’t a direct copy and paste of their code, they could basically create that same product.

**STAKEHOLDERS**

**Employees –** These would be all the employees from the different product groups who would primarily be affected through changes in communication methods.

**Shareholders –** Shareholders would be those who have any money invested into Symantec, those who want to see a return on investment.

**Customers –** These would be the ones purchasing Symantec products and the end-users of the products.

**Executives –** These would be any of the upper level management of Symantec, who would also be heavily impacted with changes in communication methods.

**ALTERNATIVES**

**DO NOTHING**

If Symantec were to do nothing, they would continue moving forward with the same communication issues. This would lead to the same problems with email corrupting once per month and the same weekly problems with the Novel LAN system. This would continue to frustrate employees and likely hinder growth and prevent Symantec from reaching full potential, or even worse, prevent them from staying competitive in market due to unrealized ideas.

**Employees –** Overall, employees would see a negative impact. The company would still likely grow, but employees would continue to get frustrated which would create a negative environment and lead to many of them quitting and seeking other opportunities, which there would be plenty of due to their high demand.

**Shareholders –** Some shareholders would be indifferent because they would still see a positive return on investment, but others would see that the company isn’t doing as well as it should by looking at other similar companies who have better communication.

**Customers –** Customers wouldn’t really notice a change until they see that competitors are coming out with better products and are offering superior services due to Symantec’s internal issues.

**Executives –** Executives will continue to hear about internal issues, which will take up a lot of their time until they can come up and enforce a proper solution.

**IMPROVE MIS DEPARTMENT AND EMAIL SERVICE**

The MIS Department was not operating in an efficient manner and not utilizing their time in a way that would handle problems that were holding other employees up. It was a bottleneck in the system. An hour lost at a bottleneck is an hour lost in the entire system (Goldratt). This process would need to be improved, and part of that would be improving the email service since the MIS department depended on it. If a problem doesn’t get fixed due to a missed email, that could cost the company a lot of time and money.

**Employees –** Employees would be able to get on with their day much quicker if they had a better turn around time on solving issues. This would alleviate some frustration and allow them to work more efficiently. Overall this would be a positive impact.

**Shareholders –** If employees are operating more efficiently, the company would likely be making more money which would lead to a higher return on investment.

**Customers –** If employees and shareholders are happy, the company will have more capital to invest in upgrades and new software to continue offering the customer the best possible product.

**Executives –** If the shareholders, customers, and employees are happier, the executives will see a positive impact. They will look like they are doing their job well.

**IMPLEMENT CONTROLS**

Symantec should implement controls to drive desired behaviors such as improving/encouraging better communication and information sharing. There should be positive reinforcement when successes were due to shared information, to continue encouraging this same behavior. Bonuses could be offered based on company performance and not individual performance. This would give different department a direct incentive to share information.

**Employees –** Employees would be able to operate at their full potential when they have the information they need. Better communication would lead to less stress. Overall a positive impact.

**Shareholders –** Shareholders would see a higher return on investment now that employees are looking at the best interest of the company.

**Customers –** Customers will continue to receive a superior product and service because of the lack of internal issues going on within Symantec.

**Executives –** Executives would likely receive higher bonuses and be happy with the overall performance of the company. This alternative would have a positive impact.

**RECOMMENDATION**

My recommendation would be to focus on implementing proper controls to encouraging the desired behavior of the employees. Leaders and managers need to understand how they can shape and help create meaning that are to guide organized actions (Morgan). Simply provided systems to promote better communication and information share is not enough. It needs to be incentivized. If the primary constraint is lack of information sharing, you must exploit the constraint and subordinate everything else to the constraint (Goldratt). Corporate culture is not a simple phenomenon, it cannot be mandated, designed, or made (Morgan). The executives and managers need to put in the correct controls to get employees complete, timely, accurate, and relevant information to minimize or eliminate uncertainty. This will lead to an overall improvement in the company culture. Culture develops during a course of social interaction (Morgan). Employees need a reason to focus on the company as a whole. Providing monetary incentives, such as the bonus based on company performance will help with this. Employees and groups thought they new the best way to do things and would do what was best for their individual groups. These isolated improvements are known as “local optima” (Goldratt). Even though the employee might look good, it would often make things worse. Focusing on the global optimum would provide the best performance for the company as a whole (Goldratt).

**WORKS CITED**

Goldratt, Eliyahu M., and Jeff Cox. *The Goal: a Process of Ongoing Improvement*. Routelege, 2016.

Morgan, Gareth Images of Organization. SAGE publications, CA, 1986