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Case #3

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Symantec is a company that provided information systems and other software to consumers at a fast-paced rate. They lack a shared purpose or goal between their large amount of locations and specialties which led to a lack of communication between departments. This is a problem because “Communication problems lead to distrust and low morale”(Duggan). They have a multitude of different locations and sub-parts of their company that all focus on themselves instead of the company as a whole. Symantec didn’t really know who they are or who they want to be as a company nor did they have a transparent companywide goal to be focused on. This is evident by a couple points in the case. One was that many people believed it wasn’t worth their time to communicate to other departments. If the departments shared a purpose or goal, they would have not viewed things as important as communication as “not worth their time”. In the book, The Goal, productivity is described as anything that helps the company achieve their goal (Goldratt). Clearly there was no shared goal for the company. There was also an interesting point brought out in the case that stated at one point there was a person in charge of data entry, that when they ran out of things to enter they had “literally nothing to do”. Had there been an overall goal of the company, that said person would have found something to do in order to be productive, but since every individual department of the company did only their own specific duty and had no knowledge of other things they could do in order to be productive, they did nothing. Clearly, change needed to be made. The case leans on the problem that there was a communication issue between departments and locations, while this is true, instead of thinking “what is the problem”, we must think of “WHY it’s a problem”. One of the most important steps to problem solving is defining the problem, not simply stating it, by asking why it’s a problem, we can truly define the problem itself and see where it stems from (Beecroft). This communication issue was a problem because departments didn’t feel like information coming from other departments was important to them because they focused on themselves (local optima) instead of an underlying goal for the company as a whole (global optima). What is happening is the company is using local optima as their measurement for productivity instead of global. This can be explained using math, “A local minimum of a function is a point where the function value is smaller than or equal to the value at nearby points, but possibly greater than at a distant point. A global minimum is a point where the function value is smaller than or equal to the value at all other feasible points.”(Mathworks). By viewing things locally, the departments don’t know or care about the objectives of the entire organization.

Symantec must define a clear organizational purpose and goal clearly defined throughout the entire organization so there is no confusion about job responsibilities when it comes to interaction between departments. This way, there will be a greater reason for communicating, and departments won’t view this communication with other departments as a waste of time. Before explaining which decision Symantec should adopt, one must first understand the business and the environment that it resides in. To do this we will look at Porter’s five forces (Porter).

First, we’ll begin with the suppliers for Symantec. There really aren’t very important suppliers in this case when it comes to a pure software derived company. If we want to get really tedious, their suppliers would be the suppliers of the mediums used to produce the software that Symantec produces. They do not hold a ton of power over Symantec because once bought, there isn’t a huge need to continue buying more devices to program on.

Next, we’ll look at the intra-industry competition that Symantec faces. There really aren’t many immediate threats to Symantec. In fact, when they want a certain product, they simply buy the company, reorganize some of the management, and leave it as is. Also, with the speed that they’re pushing out products and the fact that they’ve never missed a product release date, it would take real effort to compete with them fully. If Symantec can continually come out with new products rapidly, they will maintain at least some power over their competitors.

Third, we’ll look at the threat of new entrants. With the manpower that Symantec is needs to complete the tasks that they complete, they keep some power over this force. However, with any software company, the cost of capital needed to join the market is almost nonexistent. This creates a gap in security as far as their market share goes. To counter this, Symantec has been coming out with products on time, and rapidly. This environmental threat will continue to exist as long as they’re a software only company, but they can continue counter it if they proceed how they have been operating speed wise.

Fourth, we’ll look at the customers. In software, many times, companies are intending for their software to handle the most tasks and be the easiest to use from the user’s perspective. Since they are operating in a space that thrives on product differentiation, not only is Symantec producing a different and innovative line of products, they are also doing it at low costs and doing it at scale with the vast number of products they supply, meaning they can create vastly different products than their competition and update those products more quickly than them as well. This all points to the fact that the buyers don’t have much power over Symantec if they want reliable and quickly updated products.

The last force we have to look at is the threat of substitutes. There really are no highly competitive substitutes for what Symantec provides. Software and technology systems are often hard to create a substitute for due to the vastly more efficient ways of software over doing things manually. Due to this, there is no real threat of substitute to their product in the immediate future. Even if a substitute arises for one of their products, their numerous number of products will keep them relatively safe.

Now that we understand Symantec as a company and the environment that they reside in, we need to discuss the decisions that are plausible for Symantec as a company to make going forward. I will stick to three most plausible decisions, define the main stakeholders involved in the decision, and lastly, how the decision will affect them and why it’s the correct or wrong choice.

Stakeholders are people that are impacted by changes in an organization. The main stakeholders I will reference are the customers who Peter Drucker describes as the most important stakeholders (www.destination-innovation.com), regular employees, and corporate employees. These stakeholders are the ones that are most heavily affected by any major change in purpose or goal. These are the people that should be taken into account when deciding any major decision crisis.

The first decision would be to simply do nothing, to not change a single thing about the envisions going forward for the company. They will continue to lack appropriate communication and the parts of the whole will continue to work entirely independently. This idea isn’t even plausible due to the already vast amount of complaints from employees and the fact that once their specific job has no further tasks, they act like a fish out of water that has no clue what to do next. Corporate employees would not be happy due to the lack of communication that continues, and the fact that their employees will at times be unproductive since they have no goal to work towards. Regular employees wouldn’t be affected since their jobs wouldn’t change. Customers would stay the same and be relatively happy since there weren’t any known complaints to the company from customers to begin with. This decision is unacceptable because it will not create a better rapport between the company and its corporate employees.

The next decision would be to focus on the communication and information flow by itself. This will no doubt fix some of the communication between departments but will not change the fact that people view information from other departments and the need for it “not worth their time”. This attitude again stems from the fact that there is no underlying purpose or goal for the company and everyone treats their own department’s requirements as the goal to measure their productivity. Corporate employees would be somewhat happy because communication would improve at least slightly. Regular employees would remain pretty neutral since their jobs won’t change much, they could even become slightly unhappy due to the feeling of being forced to communicate when they deem it unproductive. Customers would remain neutral because their view of the company or interaction with it would not change. This decision wouldn’t make negative changes to the company but would not fix the overall problem.

The final decision would be to implement very clear purpose and goal to measure productivity among ALL departments. Currently, every department views their local optima as the measurement to live or die by. They need to implement clear global optima to get everyone on the same page and subsequently, fix their communication problem. This will keep their communication at a much higher level than before mainly because employees will consider it productive to do so. This will save time due to not having to reinvent the wheel every time a problem comes up since another department may already have a solution. The company will be able to apply updates to software faster and push out new products quicker. Customers will be happier due to the quicker bug fixes. Corporate will be happier because of the better communication and more than likely better revenues. Regular employees will have a clear purpose to follow and will become happier due to the less work that goes along with fixing problems that other departments already have a solution to. They will also be happier because “Connecting people to a purpose is an important way of helping them feel good about your company” (Rick).

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