Case 3: Symantec

**Introduction to Symantec**

Symantec was a software company that designed and provided information systems and other programs to their customers. On paper they were meeting several measures of success. Their revenue was upwards of $50 million, their earnings per share was $1.05 in 1989, and they were creating and maintaining a plethora of products. The company experienced exponential growth and the number of employees ballooned from 30 to 316 in the eight years since it was founded. Unfortunately, Symantec wasn’t achieving a level of employee satisfaction that would be measured as a success.

**Growing Pains**

Symantec’s growth was attributed to several acquisitions and mergers with companies that were smaller in size. Executives believed relocating staff would hurt morale and harm the work environment as a whole. Uprooting employees, introducing them to new office cultures, and training them would be costly and time-consuming. Instead, they decided to support the offices in different locations, and aim their individual focus on their own products and functions.

The lack of communication and shared goal between departments meant little to no cohesion as a company. A lack of streamlined communication, the failure to listen, and presence of departmental blinders leads to distrust and low morale (Bean-Mellinger). The decentralization led to struggles with company identity as a whole.

The specialized departments didn’t value each other since they did not have the same goals in mind. Company executives sought to ease tensions by creating communication channels, but the sheer number alone caused the implementation to fail. The Goal describes productivity as anything that helps the company achieve their goal (Goldratt). Symantec had no shared goal which resulted in a limited level of productivity. Employees with specialized tasks were not trained to assist their coworkers, when they ran out of things to do, they did not seek out more work. Instead they soaked up company resources and did not contribute to other projects due to a lack of knowledge of other functions.

It is understood that a lack of communication between departments and locations was the problem Symantec faced. To understand why it was a problem, one must define it (ASQ). Departments used local optima to measure their productivity, but a global optima would’ve alerted them to massive shortcomings. They were focused on themselves and ignored information from others. They failed to realize that other departments could assist them and achieve the underlying goals of the company. As previously mentioned, the communication systems that were implemented failed due to their difficulty and unreliableness. This deterrence cut departments off and shrouded the objectives of the organization.

Simply put, Symantec needed to define their purpose and clearly communicate it to the entire organization. It was necessary that job responsibilities be outlined to ease confusion and encourage interaction between the departments and locations. When everyone understand the functions of the company, interdepartmental communication will increase. Before making a decision on how to achieve the greatest result, we will need to define Symantec’s processes and the industry it resides in.

**Porter’s Five Forces**

Suppliers are not of concern to Symantec. As a software development organization, they are creating products from nothing. The only physical barriers present are electronics and office supplies that are acquired through wholesalers and retailers. The office supply market is vast and can be scoured for competitive prices.

The case does not mention competition that Symantec faces. As such, they are not known to have immediate threats, on the contrary they are known for acquiring companies with products they view as profitable. When they buy a company, the rearrange it, organize the management, and leave them to operate on their own. Symantec never missed a scheduled product release so competing with their speed would be difficult. They are aggressive in nature, and have a great deal of power in the market.

There isn’t a large threat of new entrants, but there is little no cost of capital necessary to enter the market. They are in the software industry, therefore the skills can be taught and the material costs are almost nonexistent. To deter competitors, Symantec is quick and regularly rolls out products. There will always be a small threat as anyone could enter their market, but continuing to use aggressive practices and strategies will help them defend their position (Porter).

Their customers are those that require software aimed at information management and productivity. Many companies aim at purchasing software that will automate as many of their employees’ tasks as possible. On top of this, ease of use is prioritized for a successful implementation. Symantec is operating in a space that focuses on product differentiation. In addition, they are cost leaders because they have a wide range of innovative products that are offered at low prices. Customers don’t have much buying power, but they may begin to stray because their feedback isn’t being communicated properly. The service departments are not forwarding information to the engineering and development teams due to the poor communication channels. This means additions and changes that customers want are not being implemented, and as such the teams are not improving or supporting their products.

There aren’t many substitutes for Symantec’s products. Software and technological products are difficult to recreate because there are several ways to create and fully develop them. Additionally, Symantec’s efficiency is difficult to compete with. Their developers may be tough to emulate, and without knowing their practices, it could be a lengthy process. Even if a substitute arises, they have a full line of products to keep them safe.

**Stakeholders**

Peter Drucker lists two of the most important stakeholders as the employees and those in corporate positions (Destination Innovation). While a company’s main purpose is to create as many customers as possible, the employees create and deliver the products that the customers consume. Retaining talent is imperative, they are affected by major changes so they should be taken into account when making decisions.

**Doing Nothing**

Symantec could move forward without making any changed to their communication system. They would continue to work independently and lack appropriate communication. This solution is inherently flawed, departments are suffering and there are several complaints about the lack of proper channels. Corporate employees would be unsatisfied due to the employees they manage sitting idle and wasting company time and resources. Regular employees would not be as affected in their day to day but would continue to encounter rising stress levels as the situation worsens. Customers would not see a large shift because the number of complaints was already quite low. This option isn’t feasible because a company cannot operate without a certain level of cohesion.

**Working on Communication**

Tackling the flow of information will surely solve several of the communication issues between the departments and locations. However, the aforementioned groups may still refuse to value other’s information and time. The channels being clear does not mean they will suddenly care about others’ tasks. This negative attitude will remain because the company will still not have a clear purpose. Department’s will continue to view their own requirements as a measurement of the productivity. Corporate employees would be slightly more satisfied due to increased communication. Regular employees would have neutral to unhappy reactions due to viewing the communication as unnecessary. Customers would remain neutral because their feedback may be communicated properly, but still might not be acted on. This option would not spur negative changes but does not tackle the overarching issue.

**Defining a Clear Purpose**

Defining and implementing a clear goal for the company could lead to productivity increases across the entire organization. Each department currently uses a local optima to measure their success, switching to a global optima will connect departments and increase efficiency. It will also subsequently take care of the communication issues. When departments are aware of others’ goals and purposes, they will value each other. Using others as resources will now be seen as productive instead of a waste of time. They can create company wide documentation for software bugs, architecture and security issues, and training resources. This would allow quicker updates and product deliveries. Corporate employees would be ecstatic due to the communication issues being solved, and higher revenue due to increased efficiency. Employees would have a clear purpose and increased job satisfaction. They would have less work to do because other departments may already have solutions to the problems they are facing. Customers will be happier due to quicker bug fixes, more products, and frequent updates. As Torben Rick states, “Connecting people to a purpose is an important way of helping them feel good about your company.” There is a commonality between employees and customers feelings about an organization (Rick). When everyone is connected, the company will succeed. Addressing the company purpose first is the correct course of action.

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