Symantec Case Analysis

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CIS 410

Symantec Corporation’s mission statement . To translate, this means their generic strategy is differentiation supported by the line “Symantec designed, delivered, and supported a diversified line of software…” (Barker, 157). Their target audience is “... information management, productivity and software development needs of business users” (Barker,157). They deliver these services by developing and maintaining applications for clients.

For the Porter’s Five Forces analysis, I will start with their current industry rivals (Team FME, 6). Currently, there is not a lot of competition for Symantec, however the competition they do have is fierce. Symantec Corporation is en route to be a tech giant in the 90s, so they have to compete with the tech giants at the time like Lotus and Ashton-Tale. These companies are also both young companies with growing pains, but ruthless competition no less.

The threat of new entrants for Symantec Corporation is high. If you look at the chart in appendix I, it shows a clear spike in software developers entering the market starting in about 1980 and peaking in 1985. By the time this case’s issues begin in 1989, these graduated developers have the industry experience to identify problems that businesses face and the technical abilities to write solutions to these problems. This translates to a dangerous and changing market even for a tech giant like Symantec. There are also established giants who could enter their space at any moment like IBM and AOL.

The threat of substitutes is low for Symantec Corporation. For Symantec they have dominant market control in nearly every market their products occupy.

The bargaining power of suppliers is fairly low. For quickly growing companies like Symantec Corporation, I like to assume their main supplier is technical recruiting companies and employees. Because Symantec is a veritable tech giant in the late 1980s, it is presumably an ideal place for budding developers who do not have the experience required to negotiate salaries.

The bargaining power of customers is low. They have high market control in the markets they are in, so there are hardly many good options in most cases. On top of this, they provide many mission critical services to organizations, raising the switching cost the more they are used, such as the data management suite.

There are five stakeholders in this case. The first is Symantec Corporation itself, as the outcome of the decision affects whether they stay afloat. The second stakeholder is the MIS department, they stand to potentially undergo the most change as a result of this decision. The third stakeholder is Symantec headquarters and the fourth are the subsidiaries, these two are different sides of the same coin, they are both affected by any outcome, but they must be separated. The fifth and final stakeholder the clients of Symantec Corporation, they are affected by the decision because it affects how they could interact with Symantec going forward.

There are currently four different alternatives present for Symantec Corporation’s communication crisis. The first alternative is do nothing, which ignores the problem and pushes forward. The second alternative is to attempt to install control systems around the MIS department. The third alternative is to restructure to a more centralized system so that communication to subsidiaries is easier. The fourth and final alternative would be a cultural shift in the company.

In the first alternative for Symantec Corporation, they are doing nothing to address the problems they are facing. This affects Symantec Corporation by stunting their growth. The slow and inefficient communication will have productivity elusively running in circles. The MIS department suffers a more subtle fate, through death by analysis paralysis. This happens because the MIS department has to make many choices and evaluations, and when the half of the users don’t use the system and their stuck in constant rapid evolution and forced to make purchasing choices. Symantec headquarters is affected by a similar fate as MIS, paralysis by analysis, if nothing changes, then nothing will change in how they communicate. As for the subsidiaries, not much changes. They are not as greatly impaired by the stalling and bumbling of MIS in its early days, and they surely will not notice further dawdling. The clients could be affected depending on the severity and importance of the message. In the case it is said that a contractor couldn’t send files because of the service being down (Barker, 202), this can still happen.

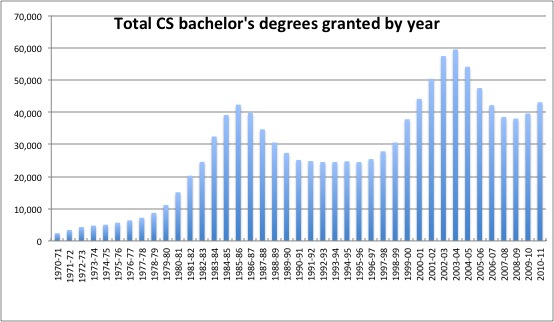
The second alternative is installing a control system around the MIS function. These controls would be have to be short and extreme tight action controls (Cash et. al., 96). The effect of this on the MIS department will be rough, but ultimately positive, after all, the primary goal of a control system is to improve the likelihood of something good happening (Cash et. al., 95). Improved responsiveness in the MIS department leads to MIS that adheres to their goal and way of doing business leads to faster decisions, namely on the email issue. Quicker responses and communication is very helpful in a quickly sprawling business like Symantec Corporation. This is good for both Symantec headquarters and its subsidiaries by centralizing communication channels, which is something both parties complain about in the text. The customers benefit from quicker intra company communication to relay quicker solutions to client problems.

The third alternative is to pack up shop and centralize all of its subsidiaries. One of the initial causes of the development of the MIS department is that there are long distances between Symantec’s subsidiaries. Overall I don’t think that this kind of system is known to positively affect any single job, but instead acted as a part of many other failed jobs. It also creates a large investment from the company's perspective. From the MIS perspective, it creates a lot of work up front, but centralizing IT is something that would give them time to round up requirements and write a decent system that they’d want. It would probably negatively impact the subsidiaries most. The whole reason for allowing them to remain where they were was to foster the entrepreneurial essence in these companies to keep energy up. Centralizing like this would also be bad for the clients. A shift this far against the ideals of the company could be demoralizing and become apparent to the client.

The fourth and final alternative is to shift their culture fundamentally. This alternative would move the company to a slightly more conservative stance and requires a Leavitt’s diamond analysis (Mind Tools Club, 1). This people change would affect the structure by attempting to put resources into centralizing. The change would also the tasks of the people to more internal development roles to ‘get their ducks in a row’ before seriously pursuing expansion. It would affect their technology by making the communications the first priority. This all affects Symantec as a whole by shifting their gears and stalling a little bit. It affects the MIS department by slowing down the rest of the company to accommodate to them. It affects Symantec headquarters by expanding their grounds to accommodate more management inside the main corporate building. It affects the subsidiaries by forcing them to douse some of that entrepreneural fire which made them so attractive. It would affect how customers interact with Symantec Corporation.

The alternative I believe to be the best is to develop a control system around the MIS function. In order to describe this I will explain how it beats the rest. The company cannot go on doing what it’s currently doing. As far as I’m concerned that’s a recipe for more problems to stew until it erupts into something much worse; politics. The reason it’s better than centralization is because centralization actively goes against what the company stood for at first, and decentralization is good for a differentiation business. The culture shift essentially trains the organization to think more functionally about their business, which would loosen their impressive grip around the markets they control, which actually makes them lose money.

**Appendix I - Total Computer Science Bachelor’s degrees granted by year**



(Stack Exchange)

Barker, Robert (2012), Management of Information Systems, Feb 2018.

Cash, James et. al. (1994). Building the Information-Age Organization: Control and Information Technologies. Feb 2018.

Mind Tools Club. (2015). Leavitt’s Diamond - An Integrated Approach. Feb 2018. https://edisciplinas.usp.br/pluginfile.php/1769799/mod\_resource/content/3/texto%2001%20-%20Leavitts%20Diamond%20-%20An%20Integrated%20Approach%20to%20Change.pdf

Stack Exchange (2017). Why did the percentage of CS bachelor’s degrees going to women peak in 1984?. Feb 2018. https://cseducators.stackexchange.com/questions/2875/why-did-the-percentage-of-cs-bachelors-degrees-going-to-women-peak-in-1984

Tanwar, Ritika (2013). Porter’s Generic Competitive Strategies. *IOSR Journal of Business and Management*. Feb 2018.

Team FME (2013). Porter’s Five Forces Strategy Skills. Feb 2018.