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**Symmantec, Case 3**

CIS 410-50

**Executive Summary**

Symmantec is systematically arranged into product groups and centralized functions. The five product groups are Database Management, Utilities, Project Management, Outlining and Presentation, and Language products. These product groups each managed its own product expansion, marketing, quality affirmation, support and management. Most other functions (finance, human resources and sales) were controlled by centralized subdivisions at corporate headquarters. Some functions were centralized elsewhere than headquarters, for instance, purchasing and manufacturing were in Santa Clara, California and training in Novato, California.

Incorporation to information swapping, there were organized meetings and frequently provided internal reporting and announcements. Each product group and department conducts their own staff meetings. Top senior management met weekly while managers at Cupertino met quarterly. Sales managers and customer service representatives frequent weekly training sessions to learn about products, upgrades and new features. Customer service representatives frequent meetings held by product marketing managers to study pricing and selling policies. The human resources department meets twice a week to tell new employees about policies and benefits. Inclusion to all of these meetings, Symmantec prints a quarterly newsletter, INSITE, which encompasses general company information and dispensed throughout the company.

Regardless of all these communication mechanisms, many personnel expressed discontentment that some information was not shared and specific groups (like product groups) did not converse with each other. The product groups were not accustomed to sharing information or being responsible to a parent establishment. “Quality alone cannot be the goal. It’s important. But it’s not the goal. Why? Because of costs? … It’s not enough to turn out a quality product on an efficient basis. The goal has to be something else … So technology is important, but it isn’t the goal.” (Goldratt 39)

**Problem Description**

The current system of communication between departments at Symmantec is undependable and inefficient. The smaller freestanding companies do not experience the same technical complications that the headquarters does and no endeavor has been attempted to sync the whole organization to a standard when it comes to their technical methodology. Their proneness to allow acquired firms to pursue operating on their own and in their known locations has spread the organization thin and require a steady and dependable communication arrangement which the organization has not been able to achieve.

**Major Stakeholders**

Symmantec – Symmantec as an organization is undoubtedly the substantial stakeholder. If their communication flow continues to affect them more and more, it has the capacity to ruin the organization. However if they could resolve their communication issues they could potentially increase their profit.

Gordon Eubanks – Gordon Eubanks is the CEO and therefore a major stakeholder. It is his job to make sure that all operations are running smoothly throughout Symmantec and ultimately is his responsibility if they are not doing well.

MIS Department – The MIS department because if Symmantec decides to utilize a new communication structure, they will have to oversee setting it up. They could also produce or create the new network contingent on what decision is made. This would also create new job openings for future or current employees. It could also cost some people job loss because their roles are no longer required if the communication issues are resolved.

Customers – The customers because they could profit from a more efficient communication flow. If Symmantec is able to fix this communication issue, they will be able to stop “fighting fires” and actually focus on forethought and coming up with new sustainable products.

Employees – The employees because their jobs depend on how well the company is doing financially. They could receive pay raises or promotions, pay cuts, or even unemployment based on the outcome of Symmantec’s decision.

**Industry Competitive Analysis and the Role of IT**

Porter’s Five Forces:

Competitive Rivalry: High - Industry Competition is appraised to be high in the software industry, with many competitors, both big and small. Symmantec has obtained smaller businesses such as Breakthrough Software of Navato, California and others, but there are still going to be smaller businesses creating and implementing software every day. Also, Symmantec has its dominant competition coming from organizations such as Lotus and Ashton-Tate, who are organizations that were well-established before Symmantec was. With so many different organizations customers could receive software from, the competition is exceptionally high.

Threat of New Entrants: High **-** Symmantec encountered substantial growth since it was founded in 1982. This means that the software industry is flourishing, which brings the attractiveness of new entrants to grab as much of the financial gain as possible. It is also not very burdensome to create new software, requiring only an adequate, enthusiastic team of programmers and a requirement in the market. A new entrant will have to steal customers from Symmantec and other competitors, but in a software market-place, that is not very strenuous to achieve. Symmantec is a contemporaneous leader in the software market, but with the market being as fluid as it is, there’s no reason that couldn’t change.

Threat of Substitutes: High - Competitors all produce contrastive software that are compared substitutes to Symmantec’s software. In this sense, the threat of customers using replacement software is high. Nevertheless, the threat of customers using an all-embracing substitute to the software is relatively speakinglow.

Bargaining Power of Suppliers: Low - Symmantec creates the software, the only thing that could be compared a Supplier would be a union, which is not mentioned at any point in the case. This bequeaths the employees, or the suppliers, no bargaining power.

Bargaining Power of Customers: High - Symmantec extends various types of software that each offers unique features. So customers possess the final judgment on what products they acquire and use. All Symmantec can effectuate is to continuously be an innovative leader in their market and refurbish their products to match the customers’ requirements. This software is constructed for the customer, so what the customer desires is eventually what Symmantec will design and support.

“Our performance, good as it is, would not be sufficient to command incredibly high multiplier of over one hundred. It is due to the confidence the market has in our industry. It’s not just us, it is also our competitors. All our major competitors are growing about the same rate. Every quarter, every single quarter, everyone of the big players reports a growth rate of forty percent per year. It is now the standard in our industry. It is more accurate to say that the market isn’t just expecting such growth, the stock market is taking our incredible growth rate for granite… We are in that in viable position of not having to develop these products from scratch we don’t have to spend the time needed to develop the product and expertise, We simply locate the best company in the field and we buy it for any price. Do you see we simply locate the best company in the field and we buy it for any price,. Do you see, we don’t have to pay them money. Our shares are so incredibly valuable valuable that we pay with a small fraction of them.” (Goldratt/Schragenheim/Ptak 6)

**Alternative Courses of Action and Impact on Stakeholders**

Option #1: Do nothing - If Symmantec determines to do nothing to their current Information Technology architectonics then they would still be undergoing interior communication and information flow problems, In spite of the fact that the organization would still be making profit just like they always have since the diversification from investments (Cash). The segregations within Symmantec are creating quality software in a punctual manner so by changing nothing the company would not be damaging themselves. On the contrary, the customer’s switching costs are low, the threat of substitution is high and the software industry has low entry barriers. If Symmantec were to change drastically they would be in danger of falling behind and losing their top spot in the market. The lower level personnel would still have communication and information flow problems between departments. The shareholders would still receive returns on their investments because Symmantec is still producing a large amount of profit. Ultimately, the customers and end-users will still be contempt with the products they are purchasing because the quality is still high.

Option #2: Purchase a new Email system - Symmantec uses an email for the predominance of their communication, so by incorporating a new email apparatus it could possibly fix some of the issues of the Novell system. The current arrangement had issues connecting to various types of machines and since the upper level managers did not stipulate what machines each employee must use this was a considerable issue. The new CC mail structure could possibly help them with this issue by improving the reliability of the email communication flows throughout the entire organization. This would intensify the employee’s ability to work with other departments and, specifically, communicate information to the sales representatives before customers notify them of issues they are having. This would benefit the customers by increasing their customer service encounter with Symmantec. The shareholder could benefit from magnified profits if the email system escalated productivity and effectiveness within the organization. Also, since the entry barriers are low and competition is high, it is an advantage for Symmantec to have dependable communications throughout the entire organization so they stay ahead of any potential new entrants.

Option #3: Change the organizational structure - Changing the structure of the organization from a functional organization to a matrix organization could force the personnel to generate a more unified business culture.Right now Symmantec has innumerable divisions and it seems as if each has their own sort of culture that does not match up with the next division. This causes inharmoniousness between the personnel, which discourages good communication between the whole company. In order for this to work, Symmantec would have to be prepared to fund the enthronement of the new CC mail structure. Changing the system would benefit the employees by strengthening the flow of information and consequently improving communication. This could benefit the shareholder because if the communications problem were to be solved they would most likely see an raise in profits. The customers could also see a benefit in the products because when the information extends to them it could be more precise and faster.

**Normative Recommended Course of Action**

The best course of action in this case is to ameliorate the information systems and reorganize the MIS division. An upgraded information structure would benefit employees and managers by enhancing communication throughout the organization and benefit customers by diminishing breakdowns that hinder order processing. reorganization the MIS department would be equally worthwhile because it would reverberate in better trained personnel and expeditious problem resoluteness. Just choosing one of those alternatives is not the enough because the detrimental impact on customers when their orders can’t be settled and the detrimental impact on personnel when their service problems take a very long time to reconcile are both issues that would impact the long-term successfulness of the company.

“They help create cultures where hierarchy they help create cultures of hierarchy do you have a way to webs of inclusion… They help to produce organizations that are true and networked, where the process of doing things is as important as the end result or product. Through their actions and successes their modeling a way of producing corporate cultures that seem to have a lot in common with the Bryn like forms of organization. In developing these points about the importance of gender values, it is interesting to note that we have again ended up focusing on the links between leadership and corporate culture. Powerful leader seem to symbolize so many aspects of their organizations… - Sally Helgensen (*The Female Advantage*)” (Morgan 27)

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