

CIS 410-01

Case Study 3 – Symantec

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Mission Statement:

Symantec designed, delivered, and supported a diversified series of software to assist businesses in the areas of information management, productivity, and software development through differentiation (Symantec Case, 157).

Generic Business Strategy:

Symantec uses product differentiation as their generic business strategy. Product differentiation may be exemplified by rapid delivery, innovative technology, quality, brand image, and superior customer service. Symantec upgraded older products, introduced nine new products, prided itself on not delaying product release dates, and established their products as front-runners in their respective market segments (Symantec Case, 157).

Organizational Strategy:

Symantec operates with a divisional structure. Divisional organizational structures take products and break them into segments, and each of these segments contain its own business function. Symantec as five product groups, and other functions (finance, human resources, and sales) were handled by centralized departments at corporate headquarters (Barker 158).

Industry Competitive Analysis:

Competition:

Symantec's competitors include well-established companies such as Ashton-Tate and Lotus, as well as other software development companies that produce similar products for a better value than Symantec (Symantec Case, 157).

Suppliers:

Hewlett Packard (HP) supplies Symantec with accounting, manufacturing schedule, and inventory controls systems. Novell LAN connects all 320 of the IBM-PC and IBM-PC clones for Symantec as well. Programmers who work at Symantec are also suppliers in terms of the labor they provide. Network Courier supplies Symantec's email system, which is necessary for communication (Symantec, 166 – 167).

Customers:

Symantec's customers are those business where Symantec products are marketed in 23 foreign countries locations who purchase their software for a particular business needs (Symantec Case, 161).

Substitutes:

Companies such as Breakthrough Software, Think Technologies, and Living Videotext are Symantec's substitutes for the services and products that Symantec provides. Symantec acquired these companies, which means Symantec was interested in these companies' products that were available in the market and competing against its own products.

New Entrants:

The threat of new entrants in Symantec's market is high. Symantec operates out of Cupertino, CA and Mountain View, CA – both cities in Silicon Valley. Within this area, there is no shortage of technology masterminds who are one big break away from becoming a technology

industry brand name. The demand for the products and services from companies in Silicon Valley exceed what current supply abilities are.

Problem Statement:

Symantec's company culture does not reward collaboration between the different tiers of the organization. Symantec has attempted to provide good channels of communication through newsletters, meetings and reports but there is a lack of effort placed upon having product group's work together on accomplishing the tasks. This is evident when the case states, "despite all these communication channels, many employees expressed frustration that some information was not shared and certain groups (especially product groups) did not communicate with each other (Symantec Case, 162)."

Another problem Symantec is facing are the communication technologies used at the company is with its email system in which the files become corrupted every month, and it has not been addressed yet how to resolve it (Symantec Case, 167).

Stakeholders:

Customers:

Symantec's customers will be affected by changes in organizational structure and how information flows through the company.

Suppliers:

Suppliers that have large, expensive contracts with Symantec stand to lose a large source of revenue if Symantec were to select an alternative supplier than what is currently used for various services within Symantec.

Symantec Management:

The employees who work in management at Symantec are responsible for making choices now that impact Symantec's short term and long term success. Any choices made that lead to success or failure will be attributed to the changes made by management.

Non-management Symantec employees:

HR personnel, programmers, and other employees at Symantec will feel firsthand the influence a restructured communication system will have within the organization.

Shareholders:

Those shareholders looking to invest, or those who are already invested in Symantec will be watching Symantec's performance and make their investment decisions from there. If hiring and promoting of those individuals who should not be hired or promoted at Symantec occurs due to miscommunication between standards and performance, this will impact Symantec's performance.

Alternatives:

Do Nothing:

Symantec continues business as usual and does not change anything about their current operations.

Modify Technological Communication Structure:

Symantec would choose a new email provider that does not corrupt files once a month and also fix the issues that it is experiencing with HP. Employees cannot be productive and cannot collaborate and communicate when the network fails and when systems are malfunctioning. These failures reduce productivity, and according to the Theory of Constraints, it is necessary to have a satisfactory working environment, which is not happening at Symantec.

Modify Result Controls:

Symantec changes the company's current result controls system to reward collaboration. Currently, the incentive program is a quarterly management by objectives program where employees identify their goals for improvement each quarter in addition to a general performance evaluation with "measures like dedication and punctuality" (Barker 164). Having employees set their own objectives and use subjective measures for "dedication" does encourage employees to collaborate between departments. To fix this, Symantec needs to revamp its measurements and standards for performance evaluation.

Impact on Stakeholders:

Do Nothing:

If Symantec were to continue with business as usual, customers would continue to experience the same quality of service that currently exists. However, given Symantec's geographic and time period location, new competition will enter into the market and, if it

proves itself to be a better product, customers could switch services and move away from Symantec. Management will continue to operate the way it has been, and non-management employees will continue to feel tension in that dynamic. Shareholders will see these impacts, and over time be less likely to invest. Suppliers will maintain the contracts with Symantec until it becomes cost prohibitive if a better company comes along and replaces Symantec's market share.

Modify Technological Communication Structure:

If Symantec changes its technological communication structure, productivity will increase because resources will be consistently and reliability available to help employees complete tasks. Customers will experience increased satisfaction due to higher quality, and suppliers will be able to assist Symantec with any issues it encounters with its supplies. Shareholders will be enticed to invest in Symantec due to increased productivity, and increased customer satisfaction.

Modify Result Controls:

According to Morgan, "Corporate culture is not a simple phenomenon...[it] cannot be mandated, designed, or made" (Morgan, 143). Control systems are in place to produce desirable outcomes for the organization, and there are several ways to promote the company culture via control systems. In Symantec's case, a culture that collaborates openly is what they want to accomplish, however the correct result controls are not in place to reinforce that behavior. A results control, as defined by Cash, is used to compare individual and company performance with forecasted or expected performance (Cash, 61). If Symantec changes its

employees' evaluations to not reward behavior such as an employee's self-evaluated level of "dedication" to the company, and instead to a metric that relates to collaboration and communication, they could reap many benefits from it. Dedication to the company in Symantec's case does not need to be rewarded in a pay raise or bonus because it is not an attribute in their employees that would help Symantec function better, and increase productivity.

Conclusion:

Symantec should reevaluate its standards used to reward employees, and replace unnecessary metrics with ones that are directly related to its strategic plan. These metrics should focus on collaboration and communication. Improved technology alone will not solve the underlying communication issues that exist and put a strain on the company and its culture. The way the company is structured now, there are several divisions and it is apparent that they do not communicate well. By modifying the results controls, Symantec could offer special bonuses to employees who make collaboration and communication a priority and who exemplify the behavior that it wants its employees to be modeled after.

Works Cited

Symantec Case. *Management Information Systems Course Pack*. 2016

Cash, et. All. *Management Information Systems Course Pack*. 2016

Morgan, Gareth. *Images of Organization*. 1986