

Symantec Case Write-Up

CIS 410

2-15-18

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Symantec is an American based corporation that designs, delivers, and supports software in order to meet the needs of its customers. Symantec was formed in 1982 as a tech company with the same goals as they have today, to design and support a diversified line of software for their business users. After two years Symantec merged with another company known as C&E Software to make Symantec Corporation. The CEO of C&E became the CEO of the newly merged company while the original founder of Symantec became the Vice President in charge of Advanced Technology. While Symantec has enjoyed several years of success and by 1989 had established some of their products as leaders in their market segments they also developed issues with communication and information flow that any corporation could have with rapid expansion. They are struggling with phone and email systems that are very unreliable and because of this have no guarantee of emails reaching their intended recipients or even of the ability to make a phone call on any given day. This is an issue because information at Symantec has traditionally flowed very freely. The CEO of the company often schedules lunches with chief officers and common workers to hear their complaints and every division is in almost constant communication with all the others. However, because the issues with communication within the company are technology based, a lot of the other divisions and groups inside of Symantec believe that something needs to be done to the MIS division of Symantec to ensure the company's continued success.

One of the main considerations the company has in this situation are the outside forces that may impact or be impacted by any decision made. The easiest way to categorize these would be through Porter's Five Forces: suppliers, customers, new entrants, substitutes, and intra-industry competition. (Team FME, 6) Because the decision they are presented with is not

based upon a simple product being developed but instead on the way in which the organization is structured or ran, most of the five forces will be forces that affect their decision and not necessarily forces that are affected by their decision.

Symantec is a technology company that is based on creating and further developing their software for their business users. Because of this they are not necessarily dealing with tangible goods but instead with software that can be downloaded and used on computers. This means their supplier portion of the five forces is not necessarily a materials supplier but falls more in line with electricity companies like LG&E and then suppliers for their hardware such as computers from Hewlett-Packard or IBM. The customers of the company would have to be the customers they sell their products to. Businesses and business owners that are utilizing the software they have purchased from Symantec and that may be return customers as time goes on and the software they have purchased goes out of date. The customers seem to be one of the main factors that is leading the other divisions to request or recommend a change in the MIS department because they are not always guaranteed the ability to communicate with customers if there is an issue or, in some cases, they are not aware of issues that may arise until the customers tell them due to a poor lack of communication.

As for new entrants into the business they face the same issues as mentioned in the Five Forces, they usually come across some form of an entry barrier. (Team FME) However, because the industry is still fairly new at the time in which Symantec is trying to restructure, there would not be much of an entry barrier to keep a new company coming into their industry. At this point though there was not much mention of a threat of new entrants into the industry because Symantec is mainly focused on internal communication issues at the moment. Concerning

substitutes to business software there is not much of a threat though because of the fact that the industry is new. Since the technology being created is new and continually updated there is less of a possibility for the software on the computer to mess up business operations than there would be if the company kept the original methods of doing everything by hand that they had before technology became cheaper to develop and update.

As for competition in this industry there are two names dropped in the very beginning of the case report: Lotus and Ashton-Tate. While these companies are competitors inside the industry that Symantec operates in they are only mentioned in passing during the report when they state that their rapid growth has allowed them to compete with large companies such as the ones named above. Symantec only mentioned them once during the case report because their main concern seems to be the communication and flow of information between the company and not the competition. However, it is important that Symantec fix whatever communication problems they may have because the way they are operating at the current moment is based on their original company size and therefore may not work well with a larger company. In the Five Forces it is mentioned that a company must learn to innovate their systems in order to stay a strong competitor in the industry. (Team FME, 11) This includes the obvious things such as products and services but it also means that if a company cannot communicate effectively among its own divisions they could struggle to compete as well.

There are a total of five main stakeholders in this corporation that will be effected by this decision. The first and most obvious stakeholder is the one who the case follows throughout, the CEO of Symantec, Gordon E. Eubanks. Being the CEO of the company he is seen as the head and therefore in charge of major planning and the direction that the organization

will take as a whole. While the CEO may be the technical head of the company the responsibility of the way the company communicates and operates falls to the Vice President of Finance and Operations, Bob Dykes, who is our second stakeholder. While the case refers to Bob Dykes as the CFO his official title in the organizational chart includes finance and operations so he is the closest equivalent to a COO that Symantec has.

The MIS division of Symantec is our third stakeholders as they are the ones who the decisions made would most affect. Currently every officer in Symantec's chain of command has a different opinion on what the main issue with the company is but most of the ideas revolve around MIS because they are in charge of email and phone service which are the two main forms of communication that the company uses. The fourth group of stakeholders would be the remaining employees of Symantec. The other divisions are affected almost as much as the MIS division is simply because they base their entire operations on the systems that MIS oversees. Because of this they hold a stake in the company and the decisions that the chief officers make.

The final group of stakeholders are one of the most obvious, the customers and clients themselves. They are the ones who have the most to gain out of the increase in communication within the company because it could allow Symantec to further develop its products and to develop them at a quicker pace. However, they are also the ones who could simply switch to the competition if Symantec's communication issues start to delay software releases or lead to a sub-par customer service base. Customers, as always are one of the most important factors in the five forces as well as one of the greatest stakeholders the company may have in any decision. As Dr. Barker stated in class, the main goal of a company is to survive

in its environment. (Barker) If Symantec cannot keep their customers happy they will not keep their customers which in turn means they will not survive.

As for the decision that the company needs to make there are three obvious decisions that could affect the company in several different ways. The first is the most obvious decision as well as the one with the least impact to the company's operations, they do nothing. The second decision would be for the CEO to go through and replace the MIS department with the managers that he sees fit to run the system (since he thinks leadership is the issue). The third is to appoint an actual COO who can work closely with the MIS department to figure out what the issues are with the flow of communication in the company.

If Symantec decides to do nothing they face no issues with transitions or changes within the company but continue to face the issues they are having with communication and the flow of information. This will look bad on our first to stakeholders Gordon Eubanks and Bob Dykes because they are the two Chief Officers stated in the case and therefore are the ones who are supposed to effectively run the company. The MIS department would continue with business as usual and not be forced to make a change in leadership or operations. The remaining divisions would be faced with the continued effects of the communication issues and therefore would have a terrible flow of information that would continue on through to the customers. The customers and clients, our final group of stakeholders would not see any immediate change. But over time if there is poor communication between the divisions you will see products start to arrive late and see an effect in the quality of customer service that could lead some of the customers to leave the company.

The second option would be for the CEO to go through the MIS department (because that's what he has deemed as the problem) and place new management in the division to try and turn around the communication issues they are having. For Eubanks and Dykes this would mean they simply had to appoint and train a new management team within the division which could be successful or unsuccessful for the company depending on who was appointed. For the MIS department it would be the option that altered their day to day the most with a replacement in their chain of command which could fix the issues but could also worsen them since new leaders would be brought in who may not be familiar with the problems. For the other divisions it would do the same thing it did to Dykes and Eubanks in the fact that it would look like the company was doing something but there would be no guarantee that it would work for the company or not and only time would tell. For the customers, provided this method worked they would see an improvement in customer service and in product releases because of the improved level of communication. However, it is just as likely that they would see even worse service and releases due to the fact that there is no guarantee that the leadership was the problem in the first place. Which, in turn, means that there is no guarantee that the communications problem would be fixed if the CEO and CFO/COO were to actually replace MIS leadership.

The third option would be to appoint a full time COO who could further communicate with MIS and determine the issues as well as manage the operations of the company. This would mean the Eubanks and Dykes would then be adding another Chief Officer to their group and would therefore not have to worry as much about the operations of the company and instead could then focus on planning and finances respectively. It would essentially lessen the

burden placed on them of running the company. As for the MIS department they would have the opportunity to actually be heard by an higher up in the company whose main job is to ensure that the company is running smoothly. This would allow them to pinpoint the issues at hand and hopefully solve them in a more timely manner. The other employees would see an improvement in communication due to the simple fact that they would have someone whose entire job was to communicate and make sure the company was running smoothly. The customers, if they had noticed an issue, would hopefully see a return to high quality customer service and great products being designed and updated on schedule.

After looking at all three options I believe the option that would be in the best interest of the company would be option three. While I understand that a division based company means that the Chief Officers have less power than in a functional organization that does not mean that they do not need someone who is in charge of operations and communication within the company. Divisional organizations also struggle with the ability to communicate within the divisions and because of that a COO could be a perfect fix. (Morgan) Currently, Bob Dykes holds the title of Vice President of Finances and Operations. However, in the case he was referenced as the CFO of the company which means he is probably focused more on finance than operations. Since the company is expanding at such a rapid rate I believe their communications and information flow issues are coming from the lack of a dedicated COO. Bob Dykes has claimed he believes the main issue is what MIS has claimed and it is that the company is expanding too far too fast. I'm inclined to believe that Bob Dykes is right and that the issue doesn't lie in the leadership of the MIS department (which is what Eubanks seems to think) but with the company's rapid expansion and poor leadership communication has led to poor

communication company wide and it is centered around the MIS division. That is why I believe option two will not work. Replacing the MIS division leadership would not guarantee a fix of any issues and could possibly make things worse. Improved communication and information flow from the top down is what the company needs. As we learned in class a divisional structure does not necessarily mean that the chain of command is as important as in a functional organization but this does not mean that appointing a COO wouldn't improve the company. (Barker) Option one would not be the advisable option because you would not see an improvement in communication and there would be no actions made to improve it. Ignoring a problem doesn't mean that it will go away especially as the company is almost always expanding and relies on communication between divisions to ensure that it is running properly. In short, appointing a full time COO would mean that there was an officer in the corporate office that could help to ensure that the day to day operations were running as smoothly as possible within Symantec.

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