SYMANTEC

Case 4

OCTOBER 3, 2020
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CIS 410-50

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Executive Summary

Symantec Corporation's most crucial problem is their lack of information flow with its rising company size. This problem seems to arise because the company's aims to "do now, fix later", which means that whenever the company faces a problem, they will try to fix the current issue to make sure the daily operation is maintained, rather than fixing the core problem, which will occur again later. As a successful and big company, some of the problems that Symantec faced include:

- lack of communication between departments and product groups

- lack of direction or instruction

- email connectivity and corruption issues

- software and order entry problems

- lack of communication with the MIS department

This case will examine potential decisions that Symantec can implement in order to resolve their major issues of lack of information flow and frequent corruption of data.

Background

Symantec was founded in March 1982 by Gary Hendrix, an expert in artificial intelligence and language processing. Gordon Eubanks was the founder of C&E Software which merged with Symantec in 1984. After the merger, Hendrix became the vice president in charge of advanced technology and Eubanks became the president/CEO of Symantec Corporation. This company started small with nearly 30 employees and consisted of an informal structure that allows commands and instructions to be followed effectively. However, as

the company grew, it must establish a well-defined communication channel to get information across its employees.

Porter's Five Model

Threat of New Entries

The threat of entries is low because the technology is rising and more business is participating in this field. Technology is in high demand and there are no barriers which results in easy entry to the market.

Competition

Competition is very high because technology is changing and Symantec's product and service can be recreated or imitated by most technology companies such as Lotus and Ashton-Tate. Symantec provides software for their customer so only a computer with a developer toolkit is necessary. The customers will go to another technology company if service or price is better.

Threat of Substitutes

The threat of substitutes is high because Symantec's software packages can be replaced by a better software solution provided by other companies.

Supplier's Power

Suppliers' power is low because a technology company does not require raw materials but provides software that can be generated themselves. The equipment cost is mainly one-time and Symantec will be able to build the products themselves.

Buyer's Power

Buyer's power is high because, with the different rivalry among other competitors, the customer can choose the service provider.

Industry Competitive Analysis

Mission Statement

Symantec's mission is to design, deliver, and support a diversified line of software for areas including information management, productivity, and software development needs of the business users.

Generic Business Strategy

Symantec implements product differentiation as their strategy to distinguish their product from their competitor. "Differentiation is aimed at the broad market that involves the creation of a product or services that is perceived throughout its industry as unique." (Porter)

Organizational Structure

Symantec is organized into product and centralized functions so they are practicing divisional structure. Divisional structures are "groups with diverse functions such as manufacturing, research and development, and marketing within each division" (Cash). Likewise, Symantec is organized into five product groups, and each controls its own product development, marketing, quality assurance, support, and management. Most other functions like finance, human resources, and sales were handled centrally at the corporate headquarters. Two of the five product groups, database management, and utilities are

located at headquarters while the other three product groups are located in different geological locations.

Stakeholders

Customers : the direct influencing factor that determining Symantec Corporation's success in the market. The buyer's power is high so the customers can move to the competitor if the company is not able to provide the service and product under expectations. Customers persist in the right for feedback and support from Symantec and the problem of lack of information flow has created a negative image for their services.

Employees: the employee's daily workflow impacts the functionality of Symantec Corporation and at the same time, the success of the company determines whether they could get pay raises, pay cuts, or even lose their jobs.

Shareholder: people that are investing or contain shares of Symantec. These shareholders will be eyeing on Symantec's performance to determine whether their investments would yield return.

Gordon Eubanks: the CEO of Symantec Corporation. Also a stakeholder of the company and the increasing communication problem directly impacts his role as the CEO.

MIS Department: is responsible for any technical issues and it controls hardware and software systems used for business-critical decision-making within an organization

(Rouse). The MIS prioritized problems utilizing an online and paper ticketing system and also created a priority ranking in which the MIS would deal with problems accordingly to that ranking.

Solutions Alternatives

A. Do Nothing

This strategy involves keeping the company's original structure which means that the communication issues and the "do now, fix later" concept will continue on. This method may help Symantec maintain its current state, but prohibit the companies from growing overall as issues continue on. Problems such as weekly corruption of the Novell LAN system and email as well as many other drawbacks that create a system failure.

This decision overall will negatively impact the shareholders for Symantec because the communication problems between the different departments will create dissatisfied customers as the work quality decreases. As a result, disunion will occur and the likelihood to the detriment of the Company will eventually happen.

B. Hire New MIS Director

Implementing this strategy means that the new director must continue on with MIS's current function of the paper ticketing system. Eubanks believes that Symantec needed a new MIS director who had leadership skills that would be able to work with the current MIS system to solve the company's communication problems.

However, this means that Symantec will be gambling everything on the capabilities of this new MIS director. If the new directors fail to find a solution that would be able to work the system, the company will continue to be bombarded with employees' requests and system downtime every time a corruption occurs. This method is too risky so it is not logical to place a bet on a single person.

C. Restructuring the MIS Department

Priority and ticketing system should be abandoned because it builds up the problem. The highest priority gets tackled down but the requests sent from lower priority are stacked up which resulted in long waits before responses were received. The company should deal and services employees send in for fixes will allow the company to be more effective. However, this method does not fix the core problem that Symantec is facing.

D. Updating Corporate Strategy

Symantec must update their corporate strategy to involve more communication and establish policies that allow the managers to efficiently communicate with all the employees. To do it, the company must determine an unified method of communication based on the sensitivity of the information. The first step for Symantec is to change their email service provider to a service that has less complications and corrupt emails. If this problem does not get fixed, it will be difficult to implement the policies and procedures within the organization.

For example, daily messages contain the lowest security in which the company can use a single messenger tool. As the level of security increases with the rise of the sensitivity of information, the company can establish corresponding encryption based on the sensitivity. This will allow the company to build the communication bridge and also help the employees locate the information more easily.

Recommendation: Corporate Strategy

Symantec's biggest problem is the lack of information flow between its employees so my recommendation is updating its corporate strategy to improve the communication methods within the company. The expansion of communication technology has created efficiency in people's lives, however, under-communication remains a major challenge at work. If it is not implemented correctly, instead of assisting business, it will prevent organizations, and employees, from reaching their full potential instead (Eisenhauer). As Symantec grew and expanded in size, they changed the way of communication by adding a number of different ways of sending a message through phone, email, text, etc. This gradually became ineffective as the employees found challenges to keep up with the different communication methods. This means that Symantec must phase out the multiple method and establish a unified system that allows every member of the company to interact.

By using a single communication tool, it would concentrate the resources in one area which will be easier to maintain and it at the same time reduce the stress of the MIS department. It will also create a stable level of communication throughout the company and reduce the

amount of down time employees face when trying to communicate within their team or across division. A well-established way of communicating is key to having a successful organization. This means that business processes need to adjust to customers' needs in order to remain competitive (Fried). Symantec's must update its corporate strategy to change their business process that allows easier flow of information throughout the company.

Citation

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