

CASE 3
SYMANTEC

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Symantec was found in 1982 by Gary Hendrix, who is an expert in artificial intelligence and processing languages, to deliver and support “a diversified line of software for the information management, productivity, and software development needs of business users.”

(CoursePack) In 1984, Symantec merged with C&E Software resulting in Gordon Eubanks becoming the CEO of the merged companies and Gary Hendrix the vice president of advanced technology. In the five-year stretch between 1984 and 1989, the small software company grew from 30 to 316 employees and fashioned a strategy of obtaining companies that developed competing products with their own. Using this strategy, Eubanks thought as long as they were the best products then it did not matter where to production companies were located. His beliefs led to a lack of socialization with the acquired employees from the new production companies, stating “Once you obtain the products, you must keep building and maintaining them...” (CoursePack) This implies that relocating employees after acquirement will bring spirits and productivity down while in the transition process. Symantec had grown so rapidly that their communication systems were not able to store the operations data for day-to-day use. The employees and executives are irritated with the disruption of operations due to their LAN network and phone/mail system having an information overload.

A company who has experienced the growth that Symantec had from 1984 to 1989 for half a decade require their systems to be updated exponentially along with the staffing fluctuations. This comes with saying that these systems need to be planned prior to the changes taking place. In the case of Symantec, this did not happen. The systems were evolved instead of redesign or analyzed to see if a better solution existed. The IT structure is as spread

out as the company is disconnected between its diversely located “product groups”. The quote by a product manager says everything that needs to be said about the issues that were and did arise, “A methodology for getting information to flow among different departments *was never set up* at Symantec.” (CoursePack) Within a divisionally-structured organization, there needs to be a common mission for all the employees and areas rally around together and accomplish their organizational goals. Their current structure is not refined nor adapted to the change in growth and diversify of work, which in turn makes collaboration between different divisions/areas extremely difficult with no structure to aid the communication required daily that would refocus efforts toward a common mission throughout the organization.

The problem with Symantec in the context of this case study is that their Management of Information Systems department has a lack of specific IT planning in addition to a general effect of rapid growth without any consolidation of the resources whatsoever. The lack of focus on the realization that the smaller, more-contained organizations do not experience the same IT problems than an organization like Symantec because change is slow in a larger organization and the culture is one of disconnect resulting from the lack of a common focus on achieving their mission rather than just maintaining their current systems. The process of not socializing the newly acquired employees to Symantec leads them to believe that this organization supports a culture that does not value their employees. The lack of controls and subsequent standards of Symantec has lead to the disorganization of collaboration and uncertain structural roles of employees to achieve a common, organizational goal.

To further analyze the competitive profile of Symantec, Porter's Five Forces will be used to determine how competitively strong Symantec is and how their industry reacts to newcomers and substitute products. The threat of new entrants is very high due to Symantec being a technological applications and systems software provider. With an organization deeply tied in technology relating to development of their products and services, this threat is consistently high in addition to a high threat of substitutes. These two forces by Porter display the risk that lies within a technological organization that relies on maintaining previous products/services rather than looking for new and creative ways to solve a business problem. The threat of substitutes within Symantec's case is diminished due to their CEO's idea of acquiring any competitors company with a similar or competing product. Clearly, Eubanks did not follow the quote by Porter, "The best CEO's I know are teachers, and at the core of what they teach is strategy." (Porter) This shows that maybe a replacement in leadership might be necessary for the company to survive in this crucial time for their future expansion. The power of suppliers is going to be low because Symantec produces software which does not require any raw materials for production of their systems/products. The power of buyers is low for this organization due to Symantec fluctuating their price along with market so as not to be outsold by competing companies in their industry. With that being said, the final force of the degree of rivalry is very high because similar products/services can be produced by other competitors and new competitors are springing up consistently with their own new, creative products.

Stakeholders:

- Symantec employees & executives
- MIS department
- Gordon Eubanks

- Gary Hendrix
- ROLM phone/mail provider
- LAN network software provider

With Porter's Five Forces and the stakeholders being defined and listed above, the alternative resolutions for the problem will be defined. This problem was created by Symantec's poor leadership and adaptability to changing conditions in their industry and even just in their own organization. In The Goal, Goldratt states to "plant" (Goldratt) and let the idea/culture spread throughout the organization and watch as it blossoms.

First, Symantec can do nothing with their current communication systems and organizational structure, leaving them behind in efficient work that the organization is capable of performing at. Obviously, this is not the best choice as production has already slowed remaining at their current state then this will further irritate the situation and grow their problems to a defining and important decision. Eventually, Symantec's communication systems will become so overloaded that it will become virtually impossible for their employees to complete their job responsibilities. This would allow for the local management to gain power in decision making and further divide the organization from one shared mission/goal to many little organizations rallied under one company name. For the employees who have been long-term workers for Symantec might be comfortable staying in their current processes and with the possibility that this could evolve into a useful system, this is not a choice to completely disregard, but some change is needed.

The second alternative that could aid Symantec to finding a solution and determining their future path would be to adapt one system that will improve their communications. As the company grew from 30 to 316 employees, the executives did not adapt their communications system to allow for the rapid growth of their employee base. This alternative would help in adapting a new system from a provider that has the capabilities of providing to a wide variety of organizational sizes. In this scenario, Symantec does not want to confuse everyone by adding tons of new systems and solutions but instead, they should take the risk with HP and Novell situation but make sure to maintain the email capacity of the Novell system. If their phone and email systems were to go down, their employees will still be able to email, sending once connection is reestablished. The voicemail system, related to the phone system, only requires to be working the majority of the time just so that the email system constantly is functional. Either using live calls or email will be necessary just as long as the information sent always reaches its destination when it is needed and delays due in part to bad communication will hopefully be expunged.

The third alternative is to give the responsibility of deciding what the next steps of the organization would be to hire an external consulting firm to advise on the different cultures, missions, and strategies that should be considered as an implemented system or idea. The first thing that comes to mind when reading this alternative is that it has to be expensive to hire an external consulting firm because consultant rates are not low by any means. The MIS department has been overloaded

with work and is having enough problems with capacity and do not need a complete IT system overhaul added to their backlog of work items. The best approach with this alternative is to divide the workload between the MIS department and an outside consulting firm. The consulting firm will handle phase 1, analysis of requirements and current system status and defining the plan and scope of the implementation of new communications network. While the development of HP as the domain will be the task of the MIS department and all of this will be happening along with communication on an almost daily basis so that the MIS department clearly understands the requirements and so that the consulting firm can design and plan a system that will allow for easy maintenance and stability to maintain inside of the organization. The Porter Five Forces document states “Assessing the organization’s internal capabilities and how well it can respond to external forces.” (Team FME) This exemplifies that Symantec needs to prepare for their growth in the future because they are only going to keep growing by focusing on their internal capabilities and respond quickly to external forces against them.

The following areas combined are to be focused on as the final alternative and are believed to be the most beneficial to the management and operation of Symantec Corporation in this case on their insufficient IT systems. It is necessary that Symantec completely redesign their strategy to the IT structure that has evolved into its current state and a need for an organizational culture shift. Their MIS department has been oblivious to the fact that there is a need for planning that will support a growing number

of employees and end users. They have also made no effort in attempting to conform the company to a system standard across the organization but allowed Symantec's individual product areas decide what their own systems should be. This has created a hinderance in the daily operations by weakening the bond of employees under a common goal and the ability to share information, which is required for an organization to survive. This could have been avoided if Eubanks united all of the acquired competitor's companies under the same systems provided by Novell LAN network and phone provider and maybe even under a centralized headquarters location. The quote from Cash, "Information/knowledge is power." (Cash) highlights the idea that maybe the Eubanks, who has the power might not have the knowledge leading Symantec down a rough path. The fact that Symantec was managing a separate phone system and email system, nowadays, is ridiculous but back in the late 1980s, there were not many providers that could provide both email and phone system in one at an affordable price for someone as small as Symantec to consider implementing in the beginning. With the new system that will be implemented, the Management of Information Systems department should be actively involved in the maintaining of the systems in their infrastructure.

The HP system that has been implemented in Symantec since it was an organization of 30 employees has become insufficient as the growth of the company has outgrown the capacity of the system first used. Since the late 1980s, there have been many smaller providers that have broken into the limelight with similar services for

business needing help with their communications. Finding a new provider that can provide both their phone and email systems would be the most beneficial as the maintenance and stresses would be wound up into one system rather than two separate systems. These systems will also need a reliable LAN network to be able to facilitate this new combined system on one network as the technology is invented and released for business use. Today, there are companies that provide a LAN network, phone system, and email system in a bundled package but again, this was not a standard in the 1980's when this case was observed.

In order for Symantec to overcome the issues that it has created for themselves by neglecting necessary changes as their company acquires others and products in a pinnacle time for technology companies. Gareth Morgan talks about what is needed for an organization to successfully manage "... is captured in the idea that management is a process of planning, organization, command, coordination, and control." (Morgan) These areas are required for Symantec to improve to be able to develop and stable culture that promotes productivity and collaboration. Following the guidelines highlighted above will prove to be useful for Symantec but the biggest takeaway would be for Symantec to change their culture so that the employees feel united under one name and common goal. Goldratt's quote, "Technology is a necessary condition, but it's not sufficient." (Goldratt Necessary...) expands on the idea that technology can easily be replaced and implemented by defining a culture to ensure that your organization survives and succeeds. The outcome of these changes will improve communication,

collaboration, productivity and increase employee loyalty for the long-term of its survival in the harsh technology development and production industry. The only negative outcome would be the training it would take to get the current employees caught up to spend on the new systems, but the pros greatly outweigh the cons in this scenario.

Citations

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