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9/25/2017

CIS 410 - 01

Symantec Case

Symantec is a company in a heavily competitive and volatile environment. It is one that thrives on innovation, and the difference between getting something to market now or in a couple of months could make all the difference in success and failure. Because of this, the strategy of Symantec is differentiation. It is concerned with putting the best, most advanced products in the market above all else. By acquiring smaller companies that were already doing this, Symantec was able to grow at an incredible rate during the late 80's and early 90's. The structure is primarily divisional, with some central functions including sales, finance, HR, and so on. The current architecture relies on a Novell LAN system, IBM PCs and clones of these, Network Courier for email, and an overloaded phone system. Looking at the architecture and the complaints of Symantec, the problem with this case is in two parts, one stems from the other, but requires its own fix. The first problem is with the architecture, it simply does not meet the needs of Symantec as a whole, particularly the LAN currently in place, as well as the email, phone, and accounting systems. Due to issues with communication mediums, the culture of the company cannot truly value high levels of communication, at least not until the mediums available are stable enough to support such values.

Customers of Symantec have some power, but not too much. Because there are other software packages available, customers can choose to purchase other products if Symantec does not meet their needs. We gather this from the sales force traveling around, talking to distributors and retailers to make sure they push Symantec products, we also see the development teams having issues getting feedback from sales teams about what customers like and don't like about the product. There are other options, but the case doesn't indicate they are much to worry about, if anything, so far Symantec has had great overall products to their

incredible growth. Substitutes aren't really any different from the competition here, there are probably cheaper, less reliable or less powerful solutions out there, but Symantec wouldn't necessarily target the people looking for cheap if their strategy is differentiation. Intra Industry competitors are a threat, at the moment Symantec has the better product as indicated by rapid growth of sales, but if Symantec doesn't continue to lead with innovation, they'll be passed up and swallowed by competition pretty quickly. Suppliers are the development and engineering teams, there isn't a whole lot of power with suppliers, as these particular suppliers have a vested interest in keep Symantec going. If they withhold ideas and information from the company, they really just hurt themselves. The threat of new entrants his high for Symantec, the Symantec corporation was built on acquiring small companies as they entered the market with great products and great ideas. It is entirely possible someone else could come along and start competing with Symantec. At the point in time the case ends, it does not appear it would be in Symantec's best interest to acquire anymore companies until they fix existing issues with the size company they have, so it would be a bigger threat now than in the past.

There are five stakeholders I have identified in this case, first we have the customers who purchase software through retailers and by extension Symantec. Next there is the CEO Gordon Eubanks, who is responsible for the direction and overall function of the company as a whole. The non-management employees will also be considered as a stakeholder in this analysis, as each employee stands to gain or lose something depending on the results of Symantec's actions. Shareholders are another group that requires consideration as some not only have hands in Symantec, but other relevant organizations that could have a direct impact on the performance of Symantec depending on the company's actions. Finally,

management will be the last group considered in this analysis, as management will be effected by the culture (or lack thereof) set forth by the organization in terms of communication.

Of the four alternatives to be considered in this case, the first and foremost always is to do nothing. By this, I mean to simply continue what has already been going on in Symantec. They'd keep the current email, phone and accounting systems, as well as the network architecture. Symantec would also maintain the current standard of communication within the organization. This option is not desirable for a couple of reasons, to begin with, Symantec would be classified as an inventor by Fried, keeping the status quo is almost never acceptable when you thrive on innovation. This option is also not feasible because the systems in place don't meet current demand, there is no way the email, phone, and accounting systems will be able to keep up with future demands as the company continues to grow in personnel and sales. If we do nothing, the systems in place will eventually hinder communication to the point where products will either ship late, or without valuable customer feedback, making Symantec products less desirable. Customers will not want half-baked or late software or upgrades, so customers will be negatively impacted if we do nothing. If customers are not happy, Symantec will lose sales and start to shrink in profitability. At that point board members are unhappy. When board members are unhappy, they put pressure on executives like Eubanks. This means Eubanks is not happy either, the company is shrinking and the board is upset. Now management will feel it, as Eubanks will put pressure on them to increase employee performance. Now no one is happy, and the business is dying. If nothing is done, Symantec will collapse on itself, never a good thing in business. At best, Symantec will lose market

share and struggle more to compete, at worst, they will eventually be swallowed by the competition.

The next option to consider is a two-part solution. First, the architecture will need to be revamped. A new email system will need to be setup, one compatible with Macintosh and DOS machines. Symantec needs to buy more phone lines, and some serious investments are going to need to go into an accounting system capable of handling enterprise level business. Reevaluating the needed architecture to support to Symantec is critical at this point, in the Cash textbook, chapter 4, we see how an architecture that hasn't been clearly defined leads to problems with incompatible hardware and software between groups. We see this in Symantec, it's a symptom of a bigger problem. Now they're spending more on secondary systems that are underutilized, as the primary use of these systems is simply for email and some network access, no other work gets done on the clones in Macintosh group. This kind of problem will continue to occur if the architecture is not clearly defined, and the right tools (ideally a new phone, email, and accounting system) are not brought in to alleviate the issues. Further development of the architecture may require people to buy real IBM machines instead of clones as Hendrix suggested, but that is something that can be addressed over time.

The second, Symantec executives will need to try and develop a culture of communication. We have seen benefits in the case from product groups working together, and the issues caused by sales, product groups, and customer service not communicating. If these issues are going to get worked out, the culture has to change into one that values communicating. That can't happen if the communication mediums are insufficient. Benefits of replacing the existing architecture include opportunities for better communication between Sales and

Product Groups, so the development teams can get a better sense of what the users like and what they do not. Product Groups would also be able to get new found problems out to Customer Service, if customer service is aware of existing issues, they should be better able to handle them when customer call in wanting answers. Product Groups will also have options for more fluid communications between them. Some benefits have already been seen when a couple of these groups collaborate in the case, so if that can be replicated across other relevant groups, Symantec could potentially then produce better products more efficiently. If better ways of doing things propagate throughout the company, the overall quality of Symantec products can rise. Once the new architectural components are in place, executives will have to take the lead.

Hammer (p164) talks about this in his book "The Reengineering Revolution. While this process isn't necessarily reengineering, communication becoming a key value requires the architecture, which we already covered. If the process doesn't have the value built in somewhere, it won't work. Next, is for senior executives to adopt the value of communication. This includes showing managers what and when to communicate, making sure they understand the difference between orders and requests, policies and opinions. Finally, the company as a whole need to take the value seriously. Executives need to behave and believe it is important before anyone else will. When this evolutionary change of sorts takes place, Symantec could expect to see a change in corporate risks as Fried (Ch 5) suggests. With the ability to process and store more information, Symantec may see risks rise in information security and other areas such as how they manage their people, and how employees see themselves and their jobs within the company. These will be issues that must be noted and dealt with, but these risks are also inevitable for a

company moving towards a higher ground of competitiveness in the information age. If these issues can be met, customers will continue to buy Symantec products, they will pay for the upgrades, and Symantec's sales will likely even increase due to better products in a timelier fashion. Shareholders like increased profitability, which in this case would mean an increase in sales, so the shareholders are happy.

Eubanks may not be too happy about spending more money on MIS hardware and software as he thinks it is a managerial problem rather than an architectural one.

Employees will have fewer frustrations in utilizing communication mediums available, so they will be happy about that, as well as new information from other groups that could make the day to day tasks easier. Finally, management will be able to track remote employees, and lose the stress of trying to use unsuitable tools. The idea behind all of this is if you can improve the product by giving customers what they want and by taking care of their needs when they call in, everyone wins. Fixing unsatisfactory architecture and fostering a culture of communication can give Symantec this.

Next we consider just fixing the accounting software. It seems to have the most problems throughout the case, and is something Symantec can't run without. If the customer's purchases can't be tracked, the company can't push upgrades to their existing customers. It also makes licensing difficult to track, and all data collection efforts meaningless. This solution would relieve a large headache of the MIS team, and keep engineering from getting caught up in keep a failing system operational, again. If this new system had specifications that would meet Symantec's projected growth for the next few years, it would give Symantec time to plan for the next system to implement without having to constantly stop and devote resources to keeping the current system afloat. The problem with this approach is it does not

allow Symantec better communication company-wide, which is the other aspect of the architectural issues faced by the company. It would solve one problem, but leave the issues of communication both from a technology and cultural stance wide open. The communication required by an inventive company like Symantec cannot be achieved if the architectural needs are simply ignored. Symantec would be able to notify customers upgrades were available, but only if the email that was sent ever actually reached the customers. Some customers might not notice; others would not be pleased with Symantec's inability to communicate. Ignoring the communication problems denies Symantec executives the chance to reshape company culture for the better. Morgan explores in chapter 5(p130-132) an insurance company that didn't properly tend to its culture. It ended becoming schizophrenic organization of sorts, where ideas weren't discussed, and concerns weren't addressed for the sake of everyone getting along. If the top executives had acknowledged and addressed the issues within their culture, maybe the company wouldn't have simply been acquired. In Symantec's case, the first step to addressing the lack of communication is to make it possible first. Customers won't appreciate the diminishing quality of Symantec's products compared to competitors, they'll switch to better products if Symantec can't produce due to communication issues. Board members do not appreciate declining sales, so they won't be happy either. Eubanks will like not having to spend money on more MIS equipment as he thinks it is a management problem. Management won't be happy dealing with ineffective means of communication, let alone Eubanks accusing them of what seems to be an architectural problem. Finally, Employees will halfway find satisfaction in the working accounting system. They'll still have to deal with

inconsistent email and phone systems, but at least they won't have to worry about always having to play catch up with the accounting system.

The final option to consider in this case is the one Eubanks seems to like the most: just create a culture of communication. This needs to happen, the only problem with it is it's unreasonable without implementing the right architecture. In chapter 25, Leaders, Adams makes a great point over and over again, leadership may have good intentions for the company as a whole, but they have no real concept of how best to make this happen. Pushing for better communication in a system with limited communicative capabilities like Symantec doesn't make much sense. Worse, it ignores underlying architectural problems that will cause bigger headaches later on. Even worse is Eubanks blaming poor management of people rather than the poor planning of people who don't belong in MIS shopping for the MIS department. MIS didn't buy the HP 935, Finance and Ops did. It's a really bad idea to put non-technical people in charge of technical work. The issue that occurred with the HP 3000 and the HP 935 is going to continue again and again if the only efforts made are to increase communication. Amy Anderson talks about this in an article on Forbes, if a company doesn't have the right people doing the right jobs, nothing productive gets done. On the other hand, the right people doing the work can take a humble tool like the Orabrush and make it an instant overnight success. With this, customers still won't get the best possible products or service. Board members have to deal with declining profit, managers have Eubanks breathing down their necks, and Eubanks will ultimately fail if he pushes only a cultural change. This leaves employees pretty frustrated as well. They can't get anything done, and now they have to tell everyone about it. This wouldn't be the ideal solution.

In order to solve the biggest problems Symantec is currently facing, it will need to restructure its architecture and get the right tools to meet its needs. Symantec has to have MIS people who know what they're doing make the call to purchase the right equipment. Succumbing to pressure from board members won't do it any good, it needs to buy the best for itself. The culture needs to change as well, though that can't happen until the architecture is in place, which will never improve if MIS is run by folks who don't belong in MIS (like Dyke). It won't be cheap, but it is necessary and the prospective benefits - sales and product development creating products customers want, product groups sharing tips and tricks, as well as ideas, product groups and customer service communicating more effectively to serve customers, better tracking of accounts - could take Symantec to the next level. Solving one architectural problem or the other won't cut it, and just trying to push a cultural change where there isn't any feasibility currently will just disappoint and aggravate everyone involved. The only real way to keep Symantec on top, is to go all in, start with architecture, then make sure the cultural values are there and can be supported by the architecture.

Work Cited

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