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## Symantec Case Write-up

### Case Background / Problem

Symantec was founded in March 1982 by Gary Hendrix, an expert in artificial intelligence and language processing. In September 1984, Symantec merged with C&E Software, founded by Gordan Eubanks, merging the company into Symantec Corporation. After the merger, Eubanks became the President/CEO and Hendrix became the Vice President in charge of advanced technologies. Symantec Corporation headquarters were located in Cupertino, California. In 1987, Symantec acquired three new companies: Breakthrough Software, Living Videotext, and Think Technologies. Although not all these companies were located in California; Breakthrough Software and Living Videotext were located in California, but Think Technologies was located in Boston, Massachusetts. None of these companies were uprooted from their current location; Eubanks did not want to relocate the workers of the company and also did not want to impose on the existing cultures of the newly acquired companies. “Culture is self-organizing and always evolving” (Morgan) The three recently acquired companies became Symantec’s product groups.

The problem that Symantec was having involved the communication across their entire organization. The problem appeared to have come about due to their lack of proper planning for the future of Symantec. While it is known that there are different ways to manage a company to

get the desired goals, it is still important to make sure that the goals area actually being met and planned for (Morgan). They did not a lot themselves enough time to properly research and implement the correct hardware and software for their company. The kept coming up with short term resolutions, which would fix their problems for a little bit. Their largest error when coming up with solutions was not incorporating the fact that they were still growing as a company. A large reason the company had such drastic communication problem was because they were so spread apart. Furthermore, their communication between locations was not uniform; they were not using the same communication systems. As Louis Fried said, “you cannot get there unless you have a map” (Fried). Many of these problems could have been avoided if Symantec as a company was better at planning.

## Industry Competitive Analysis

### **Competitive Rivalry - High**

There are many other companies within the same industry as Symantec and they are creating the same products as Symantec. In the case, we are told of Symantec’s biggest competitors Lotus and Ashton-Tate. The services provided by Symantec were not difficult to recreate. Therefore, it would not be difficult for a rival company, creating the same products, to lower their prices and potentially steal business from Symantec.

### **Threat of New Entrants – High**

Symantec is a provider of applications and systems software. In the technology field the risk of tech start ups creates a high threat of new entrants. The fact that Symantec tries to acquire competitors, at an extremely high rate, shows how large and competitive the market is in the technology industry.

### **Threat of Substitutes – High**

As I stated above, the threat of substitutes to the products made by Symantec is substantial. There are many other solutions to the software provided by Symantec. As a whole the technology industry is growing rapidly, so there could be new software solutions developed every week that could compete against the software provided by Symantec.

### **Bargaining Power of Suppliers – Low**

Symantec is a software development company that does not require any raw materials. Their lack of need for raw materials created a low bargaining power for suppliers.

### **Bargaining Power of Customers – Moderate**

I would constitute the bargaining power of customers as moderate because customers can only use their power to a certain extent. Customers could always choose another provider, but Symantec and other service providers within the industry have very similar pricing models, in order to compete with one another. If one of them, including Symantec, prices their services too high then their competitors within the market would take their customers.

## **Stakeholders**

### **Management**

The management at Symantec is made up executives and upper and lower management. Many of the managers within Symantec were acquired when Symantec purchased their company. As a result, many of them were never given formal management training. Leading to them not knowing how to efficiently communicate with corporate. Furthermore, Eubanks, the CEO, has a large, vested stake in the communication within his company, because if his company cannot communicate well it reflects badly on him.

## **Employees**

The employees have a vested stake because they are directly reliant on how the company does as a whole, due to the fact that they employ them. The decision made by the management of Symantec could directly correlate to their employees getting a raise, getting a pay cut, or even getting laid off.

## **Shareholders**

Symantec shareholders rely on Symantec being able to produce a quality product, meet their deadlines, and communicate efficiently within the company. Because Symantec stock price is directly correlated to the successes and the failures of Symantec as an organization.

## **Customers**

Symantec's customers are made up of its distributors, retailers, and end users. Symantec has six major distributors that oversee things such as: managing orders, promotions, inventory levels, and sales to retailers. The way that it works is Symantec sales team sells products to distributors, who then sell the products to retailers, and then finally the retailers sell the product to the end users.

## **MIS Department**

The MIS department is responsible for system failures or technological problems. They prioritize problems by utilizing an online and paper ticketing system. They gave top priority to employee ranking and whether an issue affected the whole group or an individual person. Employees complained that the MIS departments process of prioritizing requests was too time consuming. They also complained that MIS took too long to respond to issues and they often would have to track down MIS employees or resolve the issue themselves. The MIS department is vested in the decision because it could drastically increase their work load or decrease it.

## **Alternatives**

### **Outsource Communication Software to Third Party**

This would entail Symantec obtaining a brand-new cohesive communication system throughout all their branches. This would eliminate their current problem of different locations using different forms of communication software. This would streamline the flow of information throughout the company; helping people ensure that their message is received by the appropriate recipient, instead of just hoping that it gets there and never truly knowing. This is an example of elevating a constraint of a company, which transfers some of the risk onto the outsourced company (Goldratt). With everyone being on a unified communication system Symantec can eliminate a plethora of issues they are currently having.

In my opinion, Management would see the outsourcing to a unified third party as a good thing: it would alleviate tensions of developing a new communication system and place some risk onto a third party and off of themselves. The employees would back this decision because it would streamline the communication between departments and the company as a whole. The customers would benefit from a unified third-party communication system because they would no longer have long wait periods on issue requests. The MIS department would benefit from a unified communication system because they would be able to communicate with other employees on an easier more regular basis.

### **Implement Action and Result Controls**

Symantec wants the culture of their company to be open communication, but they do not have the correct result controls in place to reinforce this behavior. According to Morgan, leaders and managers need to understand how they can shape and help create meaning that is to guide organized action (Morgan). Symantec's current system rewards employees based on their level

of dedication to the company. If Symantec were to implement a new evaluation system that did not reward for dedication, but rather for collaboration or communication. If Symantec implemented this it would likely motivate their employees' to work more cohesively together. Control systems are in place to increase the likelihood that the business will produce desirable results and control systems help to promote company culture (Cash).

Management would be in charge of overseeing the implementation of action and result controls; ensuring that communication is streamlined throughout the company. The employees would back this decision because it would drastically improve communication throughout the company, in turn strengthening the culture of Symantec. Shareholders would be happy with the decision because it will increase efficiency throughout the company, but they will only continue to stay happy if Symantec's stock price stays high. Customers will be happy with the decision because with increased communication comes decreased wait times on customer issues. MIS would see a better flow of information and hopefully would lead to problems being resolved quicker.

### **Do Nothing**

If Symantec were to do nothing there would be no policy changes or new technology obtained to help increase the flow of communication. Symantec would continue to see downtimes often, and also would still be dealing with issues that arise from cross-functional communication. This option would not inhibit Symantec from day-to-day operations, but it would drastically hinder the potential growth of the company in the future.

Management would suffer from this decision being made because Symantec would still be battling communication problems. The employees would not agree with this decision because they would continue to suffer from the lack of communication. Shareholders would not be

behind the decision to do nothing because it would result in the company struggling and potentially becoming less profitable. Customers would not be happy because they would still have problems streamlining issues with the company's products. The MIS Department would not back this decision because they would continue to not be able to communicate well with their co-workers and end users.

## Recommendation

In my opinion, Symantec should make the decision to implement action and result controls. Revamping the way in which they prioritize requests from how dedicated a certain employee is, to collaboration and communication incentives I believe it would result in employees increasing the flow of information throughout the company. According to Cash, control systems are vital in creating conditions that improve the likelihood of desirable outcomes being achieved, despite the environment changing (Cash). The increased communication throughout the company will lead to the development of a strong company culture. Although actions and results will not solely solve the information flow problem, it is a start of a solution.

## Works Cited

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