Symantec

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Executive Summary

This case covers the rapid growth and growing pains of Symantec in the late 1980s. Throughout this time period Symantec has grown rapidly and acquired a number of other companies. This growth and acquisition has led to some sever communication issues due to lack of planning by the company.

Industry Competition Analysis

Symantec Mission

Symantec produces information management and productivity software for business users.

Symantec Strategy

Symantec's generic strategy is cost leadership. The acquisition of 3 rival companies and the development of new products and upgraded versions of existing products has put Symantec in a strong market position.

Symantec Organizational Structure

Symantec has a top down functional structure. Decision making is handled by top executives at Symantec headquarters. Symantec management is driven by routine which means that the company values fixed boundaries with as little variation as possible.

Symantec Competitors

Symantec's primary competitions include Lotus and Ashton-Tate. Lotus is of particular note due to its strong market position.

Supplier Power

Low. Symantec produces software which required no raw materials to produce.

Buyer Power

Moderate. Symantec's customers do not have a high amount of leverage to negotiate on price beyond group license fees. Symantec's products are priced similarly to its competition in order to no be outsold on price alone.

Threat of Substitution

High. Symantec has bought many of its competitors in the market but there are still many more creating and developing software that is in direct competition to Symantec's own.

Threat of New Entry

High. Symantec is a software applications company. During this time there are a large number of start-ups in the technology sector all looking to create the next new hit. Symantec itself as already acquired a number of its competitors showing just how competitive the market currently is.

The Problem

Symantec is having growing pains. Like many new successful upstarts what works well as a small company of 30 people in one large room tends not to scale well when you have over 300 in across 3 large geographical areas. Currently Symantec's methodology can be described as "fire fighting" which is not conducive to running a long term large scale business. To put it simply they would just find a solution to whatever problem was occurring at the time and implement it with no regard to the longevity of the solution. Largest of the issues faced by Symantec is communication. Because Symantec has 3 locations in Cupertino, CA, Novato, CA, and Bedford, MA communication quickly and efficiently is important. However each branch of Symantec has its own communication network and computer systems that make interaction between locations

difficult to say the least. Symantec need to have better corporate planning which would go hand in hand with improved communication.

Stakeholders

Employees are the most effected by Symantec's communication issue as the problems occur mostly to them.

Management are also effected in much the same way

Shareholders do not receive any direct benefit to the resolution of Symantec's organizational issues however they should be invested in the long term operation of the company which makes this issue a concern for this group.

Solutions

Solution 1 Do Nothing

Doing nothing would obviously leave Symantec exactly as it is now. With an unsolved communication problem that will hamper the company over time which many contribute to its eventual failure if left unresolved. It, then, is clear that doing nothing is not a viable solution to Symantec's problems.

Solution 2 Outsource Software

This solution would see Symantec look outside the company for a communications solution that it could implement at all 3 of its locations in order to better facilitate communication between branches. This has the benefit of quick implementation once software is found and continual support by the 3rd party which would not have to be handled by Symantec leaving it free to

develop new software solutions of its own. This option comes at a cost which may be at odds which shareholders who many only see short term gains.

Solution 3 Create New Software

This solution would have Symantec develop its own in house communication solution. This option would allow Symantec to build a software suite that bests suits its needs as a company. However this new system would take time and money to develop which may ultimately be better spent on its products rather than on something it will see no direct revenue from.

Proposed Solution

Based on the information in the case I propose that Symantec outsource a new communication platform. This will save Symantec time and resources that it can put into developing its products. While Symantec will incur and upfront cost for this new system I believe that the increase in productivity by reducing downtime and increasing cross functional communication will more than make up for any costs that Symantec will occur in the long run. Moreover this solution will free up Symantec from worrying about their communication system so that they can focus on creating new products and services to better compete in the market.

Works Cited

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