Ima Student

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Sample Case Study: Siebel Systems

Professor Amazing

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The introduction identifies the central problem.

Siebel Systems faced several problems at the time of this article. Primarily, corporate software customers are looking for integrated "suites" of software applications while Siebel offers only one application—customer relations management (CRM) software ("Siebel"). To solve this problem and to regain a corner of the corporate software market, Siebel Systems and its CEO and owner, Tom Siebel, will have to relinquish the idea of "doing one thing really well" (Kerstetter, 2003, p. 2). In order to grow and expand, Siebel Systems needs to diversify software applications and integrate the applications that corporations seek into one system.

Thesis statement is located at the end of the introduction.

Indeed, corporate software customers want integrated, user-friendly, and cost-effective software systems. Applications for financial data, corporate planning, and human resources (Kerstetter, 2003), as well as what Siebel currently offers, CRM, are in demand. While Siebel should consider modifying its software for manageability or even integrating with rival programs, this is not a long-term solution for the company. Nevertheless, Siebel Systems will continue to shrink and elicit poor customer satisfaction if it cannot create, buy, or partner with other software applications. Siebel should develop a strong suite of software applications quickly before it exhausts revenues and loses its current clientele.

The background section is made up of important general facts.

As a short-term solution, Siebel Systems should work with IBM and Microsoft on creating one version of Siebel's new product line that is compatible with both platforms, saving the companies the $550 million for

Here, the writer begins to develop the proposed solution.

two versions that are in the works (Kerstetter, 2003). However, a long-term solution involves Siebel's creating, buying, or merging with other software companies until an integrated, user-friendly suite of applications has been developed. Once this has been achieved, Siebel Systems must provide customer service that is geared toward problem avoidance rather than problem patches and offer upgrade packages that are cost effective, relevant, and easily implemented.

These modifications should yield a high return on Siebel's investment. Although the cost of acquiring additional applications is potentially greater than the cost of the new product line Siebel Systems is presently considering, the life of the company will be extended.

The writer provides recommendations to execute the proposed solution and the rationale behind why they're beneficial.

Siebel should turn to the companies with whom it is already working on software integration—Oracle, PeopleSoft, and BMC (Kerstetter, 2003)—to negotiate a merger or buyout. This would give Siebel leverage to focus on applications not offered by others but are needed by corporate-software customers. Moreover, Siebel can recruit interns from top technology schools to facilitate and help complete the development of this new software applications suite.

There is a substantial risk with Siebel's inaction and remaining with their current software offerings. Given the limited integration and narrow application market, Siebel Systems will continue to lose market share, revenue, and customers. Immediate action is needed to restore its market position—in particular, merging with another company or an individual provider of other corporate software applications. The ideal merger would combine CRM software with software for financial data, corporate planning, and human resource management.

In researching other companies, I found that in 2006, Oracle Corporation purchased Siebel Systems for $5.8 billion dollars. Siebel now offers all software applications that e-business and 24-hour customer support require as part of the larger Oracle Corporation ("Oracle"). Oracle also acquired PeopleSoft in 2005.

References

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