IT Executive Exchange

Collaboration Tools in Office 2007: ROI and Beyond

Executive Summary

The focus of the first part of discussion was on the way in which the upgrade suite of products for Microsoft Vista, Office 2007, and others related to collaboration interact and provide a platform for collaboration. A high-level but detailed description was given of these interactions for SharePoint and the things it connects to, including Excel, SQL Server, Outlook, Exchange, Windows Mobile, etc. Some time was spent on how SharePoint may access backend systems and provide greatly simplified means of data reporting, including on dashboards. The pros and cons of Groove were examined in light of the functionality of other parts of Office 2007. While Microsoft has provided some forward and backward compatibility, so that it is possible to run some older versions with some newer versions, there are new features in some of these products that appear to be exciting and deserving of serious consideration for upgrading.

The second part of the discussion revolved around ways to justify upgrading. Several concrete examples were given, including using SharePoint as a strong interface for collaboration based on Microsoft Project 2007; providing users with more unified user interfaces by replacing native vendor tools with SharePoint as the portal; using the improved forms tool to implement time reporting; sharing of calendars through SharePoint; and external and internal collaboration revolving around joint document management. It was asserted that process improvements may drive the need for aspects of these tools, which will then drive the justification for upgrading. It was also asserted that collaboration may not, in fact, be a prime driver for upgrading; rather, it may be aspects of the user interface, such as "the ribbon," that prove decisive. Few participants brought any concrete data about savings achieved by using the new tools. It appeared that many are planning their strategies now.

The IT Executive Exchange (ITEE) is a group of IT Executives and College of Business Administration professors at The University of Akron that meets about every six weeks to discuss pressing and leading edge IT issues faced by IT executives. The purpose of this forum is to have a healthy exchange of ideas that will be useful to all attendees. It is sponsored by the Center for Information Technologies and eBusiness (CITe) of The University of Akron's College of Business Administration. For previous topics and summaries, refer to http://cite.uakron.edu

This summary was prepared by Prof. William McHenry, CBA, The University of Akron

Complete Summary of the Session

General Overview Office 2007, Vista, and Related Products

The purpose of the meeting was to explore what features and functions in Office 2007 and Vista might provide sufficient justification for upgrades. At the last ITEE meeting, it was suggested that the collaboration potential contained within Office 2007 and the related products around it could provide just such justification. An outside expert was invited to "seed" the conversation, followed by general discussion.

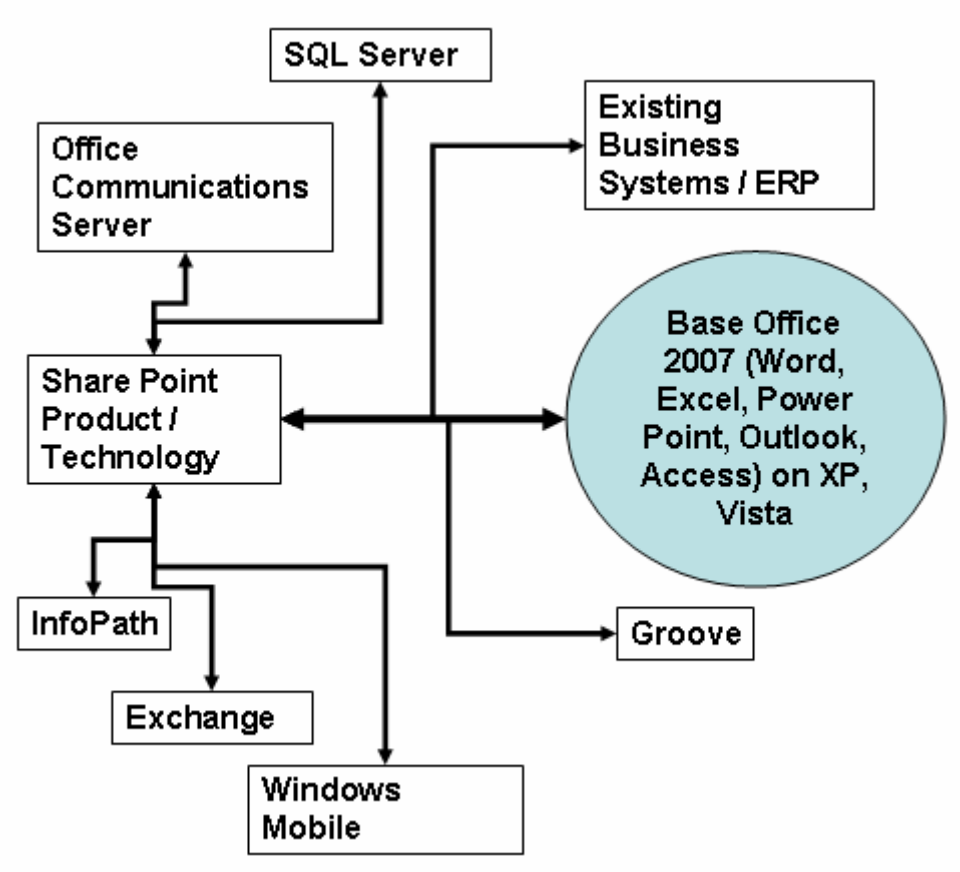
The initial presentation was given by Michael Bazarewsky of Software Answers, Inc.[1] Software Answers is a Microsoft Gold Partner, and Bazarewsky is a senior internal trainer who is very knowledgeable about the entire range of MS products. His slides considered the perspective from each piece in turn, although covering them all in any detail would have been beyond the timeframe of our meeting. Michael determined that the greatest interest was in SharePoint.

The diagram on the next page shows all the products that were the focus of the presentation. At the center are the Base Office 2007 products. These are Word, Excel, PowerPoint, Outlook, and

[1] Note: Text that is contained in brackets such as [text] refers to statements made by participants. All the rest of the text refers to the overview and answers given by Michael Bazarewsky. This convention continues until the next major section, General Discussion.

Access. The assumption is that this base client is on the user's machine. Eight other products are surrounding these five central products. The others may or may not be present, and play roles of varying significance depending on what you are trying to accomplish.

SharePoint



SharePoint is two major products. Windows SharePoint Services is "free" because it is part of the Windows Server License. The second piece is Microsoft Office SharePoint Server (MOSS). There are several SKUs for this, and each requires an extra fee, but we did not go into the details of what distinguishes them.

SharePoint is the central collaboration "place" for a workgroup. Besides record and document storage (a location for file storage), SharePoint includes a meeting space and document workspace. It is a place to put information about a meeting. It can be used as an extranet to allow outside collaborators access to selected content. (For example, press releases, product launch information, a "talking head" video, etc.) The main Office client applications can be used for creating content to store in SharePoint, accessing that content, publishing information, and managing versions of artifacts stored there. Some of the other ways that Michael outlined SharePoint interaction with other pieces included:

- **Excel** can be used to create business intelligence spreadsheets and graphs which can be run using Excel Services under MOSS (Microsoft Office SharePoint Server). Results can then be presented through SharePoint in a dashboard style format. A business analyst who knows Excel can now upload this into Excel Services in SharePoint and have that be the central dashboard location. The spreadsheet may access a backend database, so that the dashboard will display the most recent data. For dashboards, people like red, yellow, and green. They do not necessarily want to know the details. Excel Services can calculate that red light, green light. (Example: are we on track for profits this year.) Drill down is possible. The information is created through the Excel spreadsheet.
- **Office Communications Server** provides presence information, i.e. you can tell who else is online and available, where they are, etc. Presence is the only thing that OCS contributes in this context. SharePoint services offers a person smart tag (and did even in 2.0 and SharePoint Portal 2003). An icon pops up next to the person that tells you that person's state. OCS can maintain that presence information. It does a lot of other things, but not with SharePoint.
- **SQL Server** for storage of data. For example, updating a document. Whether it is done through SharePoint Services or MOSS, which is built on top of SharePoint Server, the document "lives" in SQL Server, the revisions "live" in SQL Server, metadata is all in SQL Server. Fans of SQL Server like this, Oracle proponents are dismayed. The point is that you are not just dealing with a set of files out there, there is a robust storage capability sitting behind them.
- **Groove** in this context is used for an online or offline central collaboration tool and provides for synchronization of SharePoint data through the SharePoint Files tool. Even though SharePoint is fundamentally web-based, this permits offline work with it. (Those who know Lotus Notes, know this capability has existed in Notes since time immemorial, but this is new for Microsoft.) Groove is document-oriented for this. Groove makes it possible to share documents in an untethered way. Groove is more ad hoc. Groove may be hosted on your own server or it may be hosted by a central server or by Microsoft. The Groove workspace lets you do document management, but is not as powerful as SharePoint. In Groove you just get the current version of the document. With SharePoint, you get a true document versioning management system. Groove can do instant messaging and offline functionality. That has always been a strongpoint for Groove. Groove was created by the same guy who was a guiding source behind Lotus Notes. Groove kept things Notes does well and got rid of things Notes did poorly. Groove uses a normal Windows User Interface. (Not like the Notes client.) It acts like a Windows program. Groove does what SharePoint should have done all along.

  SharePoint is not completely structured; it can be user self-service. Users can set up their own ad hoc projects and meeting sites as part of collaboration. It's all part of user buy-in. Users can be told, you can do this too.

- **Outlook** also includes offline synchronization support for basic SharePoint lists (e. g. tasks). Outlook is calendar-oriented.

- **Business Data Connector** or custom Web Parts to support access to existing data. This does not necessarily have to be Microsoft Dynamics. It can be other ERPs. For example, SAP has SharePoint web parts that they have written and support in the SharePoint environment. In MOSS 2007 (another new feature), there is a tool called the Office SharePoint Business Data Connector (BDC). This allows the connection to the backend data once you have told BDC about the backend data schema. You can build the dashboard this way (rather than using Excel). So you do not have to write a lot of code to write the dashboard. Also this can work for searching. SharePoint can index and query information in the backend system. Michael plans to implement a system that will allow you to search for a person in a workgroup, bring up the documents he/she is working on, and get contact information (e.g. call history) from the backend database. No custom code need be written.

  SQL Server has data mining and OLAP tools. How can SharePoint be used to enhance this functionality? For some organizations, using OLAP is too complicated. Excel is much easier. So instead of using OLAP from within SQL Server, data can be presented through SharePoint using Excel. A second way to present data mining results is to use Reporting Services within SQL Server. These reports can also be exposed to the world through SharePoint Services.

- Connections to **Windows Mobile**. You can get a basic text view of the data on any one of a number of "smart" phones and PDA devices (PALM, Blackberry, etc.). The phone can use pocket Internet Explorer or any other browser. SharePoint 3.0 has mobile view functionality. You do not have to have a Microsoft phone. This is built into SharePoint. You do not get the full formal experience. No cool Excel graphs. Just a stripped down text view.
- **Exchange** plays a role. It acts as your email server, but SharePoint can send out alerts to any SMTP server. If you are an Exchange shop, public folders will "go away" in future versions. Public folders will be replaced with SharePoint services. SharePoint will be an underlying piece of the infrastructure. Exchange 2007 includes a mobile interface to SharePoint that is a little nicer than the SharePoint native one.
- Finally, **InfoPath** is a form tool to create, write, and submit forms. SharePoint 2007 has an InfoPath form server. Before you had to install the InfoPath client everywhere. Just like Adobe reader? No, that was free and InfoPath cost a lot more. But now, it is included. Word or Excel can be used to write the form and you can import it to InfoPath and then connect it to SharePoint. So for example you want to present a form on an Extranet to a customer on a SharePoint extranet, submit it to the back end, and you are set.
- Other functions: single sign-on to manage multiple, different logon accounts used for accessing that data; and indexing to index that data for search
- The web browser on the client (XP, Vista, or 3rd party, including 3rd party browsers on multiple operating systems) accesses the SharePoint space

SharePoint is the structured way to share documents. SharePoint is intended for the use of a project team, although the team can grow in size to 100s or even 1000s of people. In this sense the use of SQL Server to store SharePoint records makes the product more scalable.

[How do 2007 Office products work with an older version of SharePoint?]

The Office Communication Server piece (OCS) works fine with SharePoint 2.0/2003. The SQL Server storage has not changed significantly. Groove can talk to SharePoint services 2.0 but not very easily, and if you called up with a problem, they would probably not care. If you wanted to talk to your existing backend or ERP system in SharePoint Services 2.0, Office 2003 level, you would have to write code. You would have to use Visual C, .net, or .net 2003 etc. You could use Visual Studio .net 2003 (.net 1.1), but not Visual Studio 2005, that is too new for SharePoint 2.0. So a .net programmer would write web parts to expose the data to the web. In SharePoint Services 3.0/2007 you do not have to write code to do this. The backend connection is built in. Windows level support is new in 2007 vs. 2003/SharePoint Services 2.0. The Exchange support really has not changed. The InfoPath forms server is new in 2007.

[Can you use SharePoint 3.0 (2007) with Office 2003?]

The short answer is no, Office 2003 does not understand SharePoint 3.0, and will restrict you to using the functions in SharePoint that it does understand. So the offline synchronization under Outlook will not work. Word understands how to check in and check out, so you get the basic version management. Some of the metadata management changes are getting very deep. In 2007 you have to put in certain metadata for documents (it can be required). You can use InfoPath to create a form (for example for Excel or Word) and show that to the user to conveniently get the metadata. In 2003 you would have to rely on the user to remember to go and enter the metadata or use the metadata entry supplied interface that was native to that product. So other than this, the entry level functionality is there with Office 2003, but you do not get the full experience.

So you cannot get the full experience from the new pieces if you are still running Office 2003, but it is not entirely broken either. And that is pretty much the way it works across the board. There's really no combination where, if you have the older version, you completely lose. Microsoft tries very hard to get that backwards compatibility. You won't ever buy the new version if you can't use a mix of new and old, and you ever won't trust the next version if you can't use a mix of new and old. From a business point of view they know they have to do that.

Accessing the Back End

To summarize the relationship of the backend systems to SharePoint: you can use your existing business system, ERP system, CRM system, etc. as a source of data for many different activities in the collaboration space:

- The main **Office** client applications can be used to access data in the back-end system through code or through direct functionality (in particular, Excel and Access data capabilities). Excel can be an extremely powerful tool for managing business intelligence data and reporting!

- **SQL Server** may be your back-end system now for your business information, or it could be used as a place to do OLAP (using SQL Server Analysis Services), BI work (using SQL Server Reporting Services), or customer notifications (using SQL Server Notification Services). You can get to the data using SQL Server Integration Services to replicate or using SQL Server's native ODBC linking capabilities
- SharePoint sites can use **Web Parts** or the **Business Data Catalog** functionality to expose back-end data to users through search, or Excel Services to provide Business Intelligence information such as charts and red light/green light dashboards.
- The rich client functionality of **Windows Mobile** devices lets you leverage full client applications or web thin-client applications provided by the business system vendor.
- **Exchange** provides the back-end mail system to support receiving notifications, reports, etc. from your business system. SMTP as the native message protocol means any system can easily send messages to Exchange users.
- **InfoPath** can be leveraged to support business forms-oriented processes that display or manipulate back-end business data through custom code or open web services processes. This will replace filling out paper forms and give you a way to get data right into those systems. Maybe a time card would be submitted directly to the ERP.

[You said it can connect seamlessly to any ERP?]

Not necessarily, although Microsoft might say so. If you have a legacy system or ERP in which you have written a lot of custom code over the years, then getting it to link up is likely to require more custom code. SharePoint does not know about every backend system in the world. You can write the interface without too much code. You can tell SharePoint what the schema is, where the data lives. The ERP vendor may be doing that work for you. SAP has been very good about working with the SharePoint product. SAP and Microsoft have a strong relationship. For a custom in-house ERP with wonderful COBOL code on a mainframe writing IBM flat text files—you may have to do a lot of work to get that mapping to work. Windows doesn't know how to talk to that backend data source.

Microsoft wants its products to work with products of other vendors. It depends of the backend product and what front end you want to use. So if you are using an Oracle backend of SQL Server, there is no problem to get Excel and other office products to talk to it. Anything through ODBC will work. This is true for Office 2003, although you may get the base functionality, whereas Microsoft has created a lot of nice wizards for setting up connections in Office 2007, plus prettier manipulation of the data. You can use SQL Server Integration Services in SQL Server '05 (what they used to call data definition services in 2000)—The '05 version is a complete replacement and is much more powerful. This permits synchronization of data between SQL copy and the ERP. Then you can use the data mining tools in SQL Server and use the synchronization SSIS (SQL Server Integration Services) to keep the data up-to-date. Microsoft of course wants you to come to the conclusion that SQL Server is so good that it is the only thing you need for the central data store.

Mobile devices can also be used to access the backend. You may already have a web interface that can be used on a mobile device, or some products have custom clients for mobile devices.

For example, Microsoft CRM already does. Microsoft has a market share in the mobile space that is smaller than what they want, but is respectable given the amount of time they have been in the market. Windows Mobile market share is rapidly growing to where vendors recognize the value of supporting the platform.

[Do you always go through SharePoint to get to the backend data?]

No, because of the rich Windows ODBC functionality that exists for major products such as DB2, Oracle, SQL Server, etc., you can just get the data directly. If, for example, you wanted to have a search capability for backend data that is presented in SharePoint, you might go through SharePoint.

The Role of Third Party Tools

[Why would an organization use these tools sets rather than using the vendor-supplied tool sets?]

That's an excellent question. Their answer would be, you are always using these products in other ways (Excel, browsing), so why would you make them learn yet another User Interface? Office is the center of the universe. It is the UI users use every day. That's what most organizations are doing. Why not leverage that knowledge to access other data too. Now the developers may want to use the vendor tools, but once in a while we should care about the end users, right?

[What do you mean by Vendor Tools? Documentum or Worksite?]

A vendor-supplied portal, data warehouse, OLAP tool, etc. SAP, Peoplesoft, Oracle all have tools that do these types of things.

[If you are running Documentum as a repository or Worksite, you would then access the documents there through SharePoint? Then what about storing documents in SharePoint?]

Microsoft's long term vision is to get you to switch to SharePoint as the central repository for your documents. But in the meantime, it will serve as a unified means of accessing them in Documentum. The idea is that when you login in the morning, you will just login to SharePoint. From there you may be jumping around to data in various systems, but accessing them using the single user interface. Microsoft would argue that vendors like SAP have a vested interest in making their products work with each other (SAP wants to talk to SAP). Microsoft wants its products to talk to each other, for sure. But it also has a vested interest in talking to all the other vendors' products, and doing this in such an exemplary fashion that users can feel comfortable making the Microsoft user interface the center of the universe. SAP, Oracle applications will not be turned off. Microsoft is the intruder into those spaces, so they have to play nice.

[Another participant] Microsoft is also trying to partner with software developers such as CRM developers so that Microsoft interfaces get used from the start. So if a product needs to have a portal interface, Microsoft will say to them: don't develop your own and re-invent the wheel. Just use ours, and by the way, here's the code to make it easy for you to do this. For example, Epicore in its CRM.net product leverages SharePoint as its portal. The same thing in the GI

space with OutlookSoft. They used to write their own, but they are moving to SharePoint. This seems to be another trend or angle.

MB: Yes, SharePoint Services is the underlying infrastructure for this. It's the platform and architecture, and Microsoft is trying to make it easy for other vendors to write to this architecture. Other vendors can easily write Web Cards to talk to the SharePoint infrastructure. The only case in which this is not particularly true is with Oracle. It's well known that Bill (Gates) and Larry (Ellison) do not get along well. Just about everyone else recognizes that they need to work with Microsoft. It benefits both sides.

Groove

Groove is fundamentally a collaboration tool designed to share documents for smaller teams that are working as a team of equals. Groove connects to some of the other products in the big picture to facilitate that collaboration including offline support:

- The main Office client applications are used for creating content for Groove collaboration; for example, you might have a project plan for company-wide implementation of Office 2007 that includes an implementation team of IT staff, Help Desk staff, and pilot users. That plan might include Word and Excel planning documents that could be manipulated in Groove.
- SharePoint document libraries can be synchronized through the SharePoint Files tool, which allows the use of richer SharePoint versioning and workflow while still facilitating offline access and quick on-line and off-line collaboration
- Exchange for sending invitations and contact information by e-mail
- InfoPath for creating, publishing, and completing forms shared though a Groove workspace

The latest version of Groove contains some nice new features but eliminates some that were found useful in the past. Why? While Microsoft has explained this by saying they did not feel that some features could be made to work at the standard of Microsoft, some question this and argue that it is probably so that Groove fits better into the overall functionality of the Office Suite. It has always been a "step child" product, but the 2007 version is the first with the real Microsoft stamp. Groove is more of an ad hoc collaboration tool. SharePoint is the organizational collaboration tool. SharePoint might work for something like the weekly IT department meeting. Groove might be for spending two weeks on a design document which might then be added to the SharePoint site. Then it can be visible to the organization. There would not be a group workspace with 3,000 users in Groove. That would be insane. SharePoint can handle thousands, with no problem. It was designed for that. Groove might be used for working on stuff off line, more one on one or small numbers collaborating.

[Why is Groove separate? The functionality seems to overlap.]

An excellent observation. Has Microsoft really figured out what to do with Groove? Perhaps not. Eventually Outlook and SharePoint might provide all the functions of Groove.

Groove has a messaging function which is completely independent of the Instant Messaging infrastructure of Microsoft IM in the Office Suite. Groove is point to point IM, whereas the Office solution is centralized. Why would the user want to deal with two different IM solutions? That's insane. It's enough to have IM accounts from AOL, and other providers. Groove is in a transition period. Microsoft wanted all the knowledge they could get from Groove, and its designer. In 10-15 Groove will be replaced by similar functionality in the other tools.

[Microsoft vs. Lotus almost borders on a religious war. Microsoft is adding some of those features that are perceived as best in Lotus.]

[How many different physical servers do you need to for all these services? Can they all work together on one physical server?]

In theory you could put them all on one box. The example is that Small Business Server does almost all of this on one box. It does not run SharePoint Services 3.0 very well yet, however. It is designed for up to 75 users, so it is not enterprise scale. But it can be done. Should you do it? SQL Server and Exchange both want to use as much RAM as they can get. They are designed with that in mind. They do not necessarily get along well on the same box. To put a SQL Server on the box for the Central Exchange Server is probably not a good idea, although they will play nice. [But they do play nice, one participant notes.] They do play nice. [Currently there is a demonstration server that this same participant's firm has set up. It uses all the products mentioned plus Project 2007. There is pretty intense demand on it. It has about 30 users. You could not have said this for Office 2003. The users' responses have been wildly enthusiastic.]

Update on Tests and Results from Vista and Office 2007

Jim Sage reports: The University of Akron is well down the road in testing Vista and Office 2007. We have had some issues. Our wireless communications protocol LEAP will not work with Vista. So we will have to change protocols. Our students in particular will not be happy with this. And they let me know in the college newspaper. We have some issues with Office 2007 compatibility with applications. Out VPN client doesn't work. We have a few other applications that do not work. It has been an interesting experience. [What VPN client do you use?] I don't recall.

MB: The VPN client was a serious pain point for users, especially during the Beta. Other vendors had not had a chance to keep up, and Microsoft made some significant changes in the communications portion of Vista, relatively speaking, very close to the end of the process. The entire network stack was revamped in a serious, substantial, "Oh man I can't believe it changed that much" type of way. This was a huge big deal for developers. A lot of people are using the Cisco VPN client. The Cisco VPN client is still not exactly stable under Vista. There is an official release of Vista that has the SmartNet that talks to Cisco VPN, but it is still not exactly stable. But Vista is still very new. The commercial release was about a month and a half ago, and the corporate release was back in November. Companies have not had a chance to catch up yet. In a year, year and half, that will be different. Service Pac 1 will be out by then. Which is what

everyone is waiting for anyway. I'm a realist. It is rough going right now, but we will get there. That said there is a reason I keep an XP virtual machine around on my Vista machine.

[To Jim Sage: Why are you moving so quickly to upgrade to Vista and Office 2007?]

Primarily because the students are expecting it to be available. When the students come here they expect to have access to the latest and greatest technology. Especially our information systems and engineering students. So when they bought Vista and it would not sync with the LEAP protocol, they were not happy campers, so we are working to address that issue. There are easy solutions, it's just a matter of deploying them.

[Another participant] In higher education you have students bringing in their own laptops. [And that will never happen in the corporate world! – *ironic laughter all around*] Well, unless it's higher management you can tell them that they cannot do this. We just don't support Vista right now. If it's some end user's secretary (not the executive's secretary), you can tell them to wait. In higher education if you have parents coming in and saying I am paying X thousands of dollars per year in tuition and I just spent $5000 for this laptop, you will make it work, and make it work now…

[Jim Sage]: I think that is all culture dependent. There are organizations where you can do just that. I have worked in organizations that if people in the sales department came in with Vista, you had well better support it.

General Discussion: ROI and Office 2007

Note; The following section headings refer generally to the topics discussed, but the information is presented with the full richness of the ebb and flow of the discussion, so there is some overlap.

MS Project 2007 and SharePoint

One of the participants spoke about a case in which SharePoint is being used as the front end to the new version of Microsoft Project 2007. This is not a trivial implementation. SharePoint is now being used as the primary interface to Project. What is driving the ROI on the upgrade is international collaboration. Using Microsoft Project 2007 has allowed this firm to work across divisions and across firms at the level of low-level resource utilization, including people working at international sites. The ability for them all to access the project plan through SharePoint is proving to be quite valuable.

[Michael Bazarewsky comments] MB: From what I have seen and read, the Microsoft Project 2007 is the first upgrade for that product that has really been worth the upgrade in quite a while. It is getting outstanding reviews.

[Same participant] One of the key reasons that it is worth upgrading is because the load management core engine is much more understandable and dynamic. In the previous versions

this part (first level task allocation) was not well documented. It created a lot of confusion with plans. Users would hard code resource allocation task by task by task, which is incredibly inefficient. The new 2007 version has mature, accurate, and dynamic resource calculations. It adjusts automatically to changes in the plan.

MB: Microsoft is doing a very good job of using its own products. We call this "dog fooding." Microsoft is not telling you what you have to do, but is showing how it can be done. SharePoint Services is a critical part of the MS Project web interface, and Microsoft is showing how it can be used that way.

MB: From a collaboration viewpoint, Vista on the desktop is not very exciting. There are some features for very small workgroups. For example, there is instant collaboration—up to ten users can get together and chat, use a whiteboard, etc. In an enterprise that is not too exciting. But Microsoft has been running the latest builds of these products, Vista, Exchange, etc., so that every morning Microsoft employees will log in to the latest build (or however often they were pushed out). Some of these builds were probably very buggy. They wanted to feel the pain! They want to make sure the product can be used.

Replacing Vendor Tools

Another example was given by a participant of how SharePoint is replacing vendor tools. They built a data pump using tools a vendor supplied. The data pump took information from the legacy systems, put it into a proprietary database and then all the reporting was driven off that database. The whole organization was completely dependent on the proprietary database for reporting, This firm built an ODBC backend original data. Within two months the use of that proprietary database has dried up almost completely as the reporting was being done through SharePoint. This resulted in savings of about 1,000 hours per year on maintenance of the proprietary database and keeping specific user requirements alive for the reporting. Plus they eliminated a licensing fee for the vendor of this database vendor. This was done in less than a year.

Time Reporting

MB: A significant pain point in out organization is that the time reporting system "sucks." I have to spend an hour every week doing my timesheets. That's unacceptable. InfoPath would save me a lot of time. I would not have to clone Excel spreadsheets every week if there was a smart form to receive my data. It's not there yet but it is on the official list of pain points to fix. I am a consultant, a trainer, if I am sitting at my desk doing timesheets I am not generating revenue. We can see that every week. Nothing complicated. In the slides provided, there is information about how Software Solutions is or will be using the various Office 2007 components. (See Table Below.)

Office 2007 Component	Example of Use at Software Solutions
SharePoint	ProgressBook business unit development collaboration and data storage
Office Communications Server	Facilitates real-time communications between consultants in the field and management at the office

Microsoft SQL Server	Main back-end storage including web site, MOSS 2007, course scheduling, CRM
Groove	Project collaboration for ProgressBook training and documentation while users are on the road, synchronized with SharePoint
Back End systems	Microsoft CRM integration
Windows Mobile	Push-email, mobile CRM, always-up-to-date calendaring/appointment management
Exchange	Exchange mail platform of choice since the company was founded
InfoPath	Timesheets

MB: Software Solutions also has customers that are using Office 2007 collaboration.

Joint Calendaring and Presence Information

[Another participant] We are a small company (less than 20 people). The challenge was to know where everyone is at any given time. In the last few months, we have installed and configured SharePoint 2007, which we use for document management, so that we can now view our calendars side by side on the desktop. So I can open my personal calendar and drag this meeting onto the SharePoint calendar, thereby making it public to other individuals in the company. This is a powerful and simple way of sharing calendars without having to implement Exchange. I can see where everyone is at today.

MB: Side by side calendaring is an awesome example. A small thing from a concept point of view. But very significant. A big win. My direct boss went to Outlook 2007 just to get that feature. You have no idea how incredibly awesome it is to be able to see the calendars side by side until you do it. Or you can also overlay the calendars. We can coordinate who is going where next Tuesday. Outlook is where you get a lot of the gee whiz things that make your life better. You are in Outlook all day. Every little bit of functionality that users take advantage of is a big win. Outlook tends to drive Office upgrades. Especially 2007 vs. 2002. You could print out calendars and write on them or open two windows and look at them, but how neat is overlaying them. It does not save millions per year but it is a win. It is a big collaboration tool.

Jim Sage: But you know Michael we need to show that we are saving a million per year because it will cost us a million to upgrade.

MB: Does one feature save you a million? No, but when you add them all together…

JS: But if we say at the University of Akron that we are going to upgrade to Vista campus-wide, it would cost something like $5 million, $10 million, I don't know but it is significant. So how do you justify it by these incremental improvements?

External and Internal Collaboration, Document Management

[Another participant]: At our firm we use SharePoint Portal Services. The most common use for it is project collaboration. We would run a project for a company, an implementation project, and the project team would leverage the SharePoint portal to collaborate on the project calendar, the steps, the tasks, issues, documents, everything revolving around that project. Because the team is fairly virtual, people are all over the place. So for external projects we use it for collaboration.

[A different participant] We had a client who was not on the cutting edge, a manufacturing company. We built a SharePoint site for them so they could collaborate with their manufacturing group in China. It was meant for internal collaboration from that remote group perspective. Implementing that site helped them win a huge product development opportunity because they were able to open up the SharePoint collaboration site to even a competitor vendor with whom they needed to collaborate in order to win that account. They were able to win the account because they were able to do this and the other competitors was not. Collaboration ROI depends on your specific business, what you do, where your teams are, etc. Nobody can walk in and tell you the ROI for this specific application in advance. This customer did not expect to win this contract. But when they did, obviously the ROI was there.

[Another participation] When you come to the table with a more robust value proposition, other people are going to hire you or buy your products. You can demonstrate how you will do this better leveraging technology, such as SharePoint. These two little points of "wow factor" that no one else had will make a huge difference.

[Another participant] Another example is internal projects. We had a company-wide initiative to evaluate our sales staffing, retention, training, and monitoring process. We had people involved in that across the firm. We used SharePoint for all the follow up tasks, the documentation that we gathered as part of the process and now it remains as a repository of all the output of that project. So if I want to see what did we learn, I can just go there and see what we said. That's the most common use where we get value from SharePoint at our firm.

MB: If I can comment on the document management piece. The nice thing is that you don't have to worry about who has the latest version of the document. You don't have to call up people to see if they have edited the document. Two specific examples recently. We have a partner company for whom we do training, and we have used SharePoint to work on developing and editing the training curriculum/documents for a product they make. With SharePoint we can always have the latest revision of the curriculum available. So there is a never question of someone waiting for an email with the latest revision. No, everyone can see the most recent version on the SharePoint site. They can be alerted "hey a new version has been placed there." Eliminating the manual back and forth.

MB: Another example: we created a presentation in late 2005 or early 2006. We had a launch event for SQL Server 2005 and Biztalk 2005 launch. We had labs for that where users would come up to a classroom and we would let the users to touch the product. The way we worked on them was that we had the lab writers and the QA people and we staged the labs in SharePoint. Why? The QA people always knew what the latest version was. No more phone calls, instant

messaging, etc. Not necessarily a big ROI. There is no easy way to give an ROI for this. (You are always making up stuff for ROI). I can't give you a dollar amount for how much the time was worth. There was some ROI there. It was a better experience, people were happier, we were much more efficient. We got the project work done faster, the labs done faster, they were more accurate, done better.

[A different participant]: A lot of legal firms have used document management for a long time with good version control. When use of technology goes up to the level of the law firms, version control, sharing, etc. it is significant. Once people collaborate you can actually eliminate positions.

Process Improvements Trigger the Upgrade

[A different participant]: I have had personal experience with SharePoint and Groove. Groove is nice, we used it to support a bunch of engineers to keep one set of documents. Versioning control wasn't there, but that wasn't that hard. But is this something that would make me go to Office 2007? Absolutely not. I have a hard time connecting those two. SharePoint? Absolutely. Portfolios make good sense. SharePoint gives the way to collaborate. But you don't have to have 2007 for this, so what's the justification? Especially the pricing. And if you don't have an upgrade pack... And of course there is Software Assurance. It's a 30% increment from the price of the product. So you have to have something that's pretty compelling to cost justify it.

MB: My belief is that much of the justification for upgrading the client does not come from the collaboration. There are other justifications that do not directly apply to collaboration. For example, the upgraded User Interface, the Ribbon, for Excel. Microsoft did a lot of testing of where the buttons should go on the ribbon. The argument is that, if you are a new user, it is much easier to find things. That's not a collaboration feature. I found that where I use PowerPoint, for example, I could never remember how to start a presentation from the current slide (Shift F5). I could never remember that, I had a mental block. Some did not know it is possible. The ribbon has a big button: start slide show from current slide exactly where you would expect it to be. Is there an ROI there? I don't know, a quarter cent? Does it help the user become more efficient? Is it more friendly? Yes.

[Another participant]: We have always seen these kinds of incremental improvements with Office upgrades. There is always a new set of features that are hard to justify from ROI. But looking from the process side... A lot of the organizations I work with have SharePoint. A lot of it is project-based internal Intranet stuff. You try to come up with a process to force the users to use document management. What happens is it is much easier to drag and drop to a network folder than to check in/check out. And then the boss says email it to me. And multiple versions crop up. We were getting ready to do an operations review and 50 versions of the PowerPoint were circulating. We were emailing around massive files. The single version of the truth, having a seamless way to do this in Office 2007, integrated into the product, that might be the carrot that justifies the firm, you know saving dollars, document storage, multiple versions, Excel files, etc. You want to have a central repository of the PowerPoint templates that everyone pulls from.

There are many process ways to justify it just from that. A lot of organizations are trying this in some form or fashion but not using it all the time. They are not really using it all the time, they have the folder on the local laptops, on the network drive, n-on the SharePoint site, but that is very, very inefficient. Being able to seamlessly update on the SharePoint site while you are working locally could be the feature that brings the justification. From the individual point of view I am looking at all the features of the evolutionary upgrade, but from a business point of view I am looking at all the processes that it gives you.

And then you could do some SharePoint development. We have done a lot of new product development work in SharePoint. And then we tried to share this with vendors in Asia. We tried a VPN, we tried the SharePoint external connector. Now we can use the group proxy and share them with the vendor. And that is how Groove might fit in. So it is sort of a natural extension. You go back to the emailing of all the files all around and multiple versions of the truth, that a high level way of generalizing it, but they may provide the inroad into justifying it.

JS: This is all just another tool that we (IS people) have in our tool bag. We can pull it out and apply it if necessary. Or you pull out PeopleSoft or Course Management. It's another tool to improve and streamline business processes. I've been trying to justify the big investment. Maybe what I need to say is: I've got another capability here, and when the business need arises that this tool can address, I will apply it.

[Another participant] To justify the new software a couple of years ago we did not start with collaboration. Then it was called by Gartner the Smart Enterprise Suite: you had a portal, web content management, collaboration; IBM and others (Plumtree, now owned by BEA) had versions of that. We were able to justify the ROI by putting all of our internets and extranets in a unified infrastructure with a shared security model, and oh by the way, we also got collaboration with team workspaces.

We've been very successful with project team worksites (not Microsoft, but same idea). The business has embraced it and almost pushed it beyond its bounds. We have a consumer product goods process where moving the product as quickly as possible to market is real money. You can go from months to days. People are using team workspaces to try to join them together to move documents from product development to marketing to sales, etc. It overextended the purpose of the collaboration tool. This allowed us to identify a business case for Business Process Management. And yet another tool, one named Fuego and some from a couple of other vendors. The idea is to connect collaboration across these business processes to get the timeline to days, and really build the ROI.

[Another participant] The sharing of files is not necessarily a business process, but when you start analyzing them, looking at the value stream, other business processes… So you start here, and bring down this data from the mainframe to Excel, and you start mapping out the flow, it just happens to be one of those underpinnings of any business process, there are so many inefficiencies that this can solve. If it is a large scale business process like time to market it can really be streamlined. That is going to be the driver of this. The users know how to use Office and Excel, so rather than trying to email and download and access it offline, these tools solve a lot of these pain points. When you spread this across many business processes, it can be justified.

MB: How do we justify Office 2007? What may be different in this case vs. the past is that as you are implementing the server side pieces to fit the various processes you can say something like Office SharePoint Server 2007has particular feature a, b, c which will help out with these processes. For example it has records management that allows you to say this document has to be archived for 5 years, so I can meet this legal or auditing requirement. And oh by the way, we can put a hold on it, so that even if it is deleted, and its supposed to get deleted, there's a lawsuit going on, so you can tell it, no, keep this around. So to get very specific feature a, b, c—I can't get that with Office 2003. For example, I can't get Outlook offline synchronization of a calendar with Outlook 2003, so that's going to justify saying to get that, I need to upgrade the Outlook client.

So I think what's going to happen here is that in many cases you're not going to have the client coming first from a business point of view, trying to work out what you ROI will be. The server side will come first. You justify the server side with MOSS 2007, forms server, the Excel services piece, etc. and that leads to upgrading the client. This is not necessarily the way people think about the Microsoft stuff. They tend to think about putting the new client in and figuring out what I can do with that. It's coming the other way around. I'll upgrade the server, and then to get the really cool stuff that the server provides, I'll have to upgrade the client. That's where the cost reasoning comes in. I have this particular requirement; I couldn't do offline synchronization of the calendar before with the SharePoint calendar, that simply wasn't available on the server side, now it is. But it means I have to upgrade the client. That's where the justification for updating the client comes into play.

[Another participant] The idea of the tool set is like turning on a light bulb. Often in the IT world we are brought problems to solve. Sometimes we say we could solve it, but it's not cost effective. But with these tools the cost of solving the problem comes down. I could say I can put an ASP developer on this, it might not be justified. But if I can say, yes I can develop a SharePoint site for you in an hour, then the cost comes down and it can be done. So part of the justification is being able to do a lot more development at lower cost.

[Another participant] Another example related to cross-process automation. A local firm had SharePoint in place for some time, but had not made that much use of it. They put in a cross-process automation and they were able to bring their time to market down from 18 months to 6 months. SharePoint did not help them until they decided to implement cross-process automation. Then it did.

[Another participant] But if you are already a portal-based business with a collaboration suite and you already have a lot of this stuff, then the opposite argument can be made. It makes no sense to upgrade to Office 2007. You've already got all of that in place, and you are not going to have to go after arguing for the cost of all the Microsoft products. You can justify the wait for the robustness of the product. A lot of companies that have already invested heavily in those, it justifies not upgrading.

MB: A very valid point. There are two targets: I have nothing that solves this problem, and how does upgrading help me to solve it, versus: I have these tools already that do solve it, and why is

Microsoft better. The arguments are very different, the questions are very different. Today we have been focusing on the situation where you do not have anything, how can Microsoft help me. And the arguments for why Microsoft is better than product XYZ is a completely different set of arguments and a different mindset. I personally will admit that this is not how I came into this in general. My mindset is we don't have any collaboration right now or we need much better collaboration, how can Microsoft help us to deal with that.

Will Other Parts of Office 2007 Justify Upgrading?

[Another participant] You've already gone down the route of talking about SharePoint. There is another way of justifying this: it helps people work better with Excel and PowerPoint. I have kids in high school and they make routine use of these tools all the time. They are going to know them when the come into the workforce. They will have to learn the new stuff. But there is always going to be a lag between the tools and how users use them. We have a culture of people coming in to the workforce who have been using this stuff for 10 years, they are used to it. There is no new Office user.

[Software Solutions person] That's an argument for SharePoint, because your workforce already knows those tools. Moving them to a completely different user interface on a different portal makes no sense. You would have to train them on that tool set even though they already know Office.

MB: As long as the tools you are using are based on Microsoft Office. If you are using a CRM that is really based of an Excel spreadsheet, then it still works. If the newer environment you are going into, and you have to put that infrastructure up, and it is not tailored for the Excel or the PowerPoint environment, yeah, you're going to have to rebuild it.

[Another participant] To the point that there is no new Office user. Just because someone uses the product does not mean he or she uses it correctly or knows it well. When I was in college I worked for a scientist who did not know PowerPoint. When he wanted a good looking presentation he would rough it out with the words in the PowerPoint file and then give it to me to make it look nice and work well. His would look like garbage but I would make it a better presentation. It's easier for people to use the tool right in the first place. It's easier for them to get to where they want to be with Office 2007. I am sure your kids are very good at PowerPoint, but I think in my personal experience a lot of people do not know how to use them well. Office 2007 helps them use it well. Whether you can measure this and put an ROI on it, I don't know. I do know that when I use 2007 I find using it much more pleasant. It gets me to where I want to go much quicker. And this hasn't happened for a long.. forever! Office XP and Office 2003 were just incremental improvements and did not have this effect. There was nothing I could say to get people to go from 2000 to 2003, but I can say that for 2007.

JS: We are getting a lot of pressure in higher education to assess ourselves, to show meaningful learning outcomes. We can give students the ability to capture their learning outcomes in portfolios and take these with them, to show potential employers, etc. what they have done. I can

see putting portfolios into SharePoint server. You can demonstrate what you have done when you graduate.

[Same participant]: This is not just for the college level. Students are starting to have outcomes follow them from kindergarten or elementary school onwards. Individuals are pumping in data that travels with them. Data follows the child.

A Challenge

[McHenry] As you are transitioning to 2007, think about putting a process in place to more formally capture all these stories, and relate them specifically to ROI. Have an independent evaluator within your organization who is qualified to audit the ROI claims, so that those claims that are accepted then can be rewarded and can enter the corporation as valid stories of success. Get them to the CEO level. Get support for that. Be able to say at the end of the year: we saved $200K because here at the 10 stories that shows it. Many people are at the early stages. We can come back a year from now and all say how much ROI we got from these tools.

[Another participant] Plus you can use SharePoint services to collect and store the stories!

[Another participant] For collaboration projects, it is much more important to have buy-in from key participants. A collaboration tool not used by anyone is useless. Key executives have to be onboard saying we are really going to do this. Otherwise you will be wasting your time.

JS: That's why you start with the process.

Next Meeting

The next meeting will be held on May 18 from 3:00 pm to 5:00 pm in Murphy room (CBA 259).

The topic: New rules for civil procedures, records managements, archiving data, archiving email, being able to pull it back when attorneys come, litigation hold, public records discovery.

