

# THE OFFICE 365 ADVANTAGE

For small businesses, Microsoft's affordable cloud-based productivity suite is worth a look.

## Executive Summary

Does your business need access to e-mail, contacts, calendars and documents from virtually anywhere, using almost any device? In today's mobile environment, the answer will likely be "yes" for most of those users.

Small businesses no longer need to face the expense and complexity of deploying Microsoft Exchange Server or SharePoint Server in house to have a state-of-the-art messaging and collaboration infrastructure for their users. The Microsoft Office 365 suite of web-enabled tools and cloud-based services can help companies of every size provide powerful messaging and collaboration capabilities at an affordable price.

Businesses can outsource messaging and collaboration to Microsoft using Exchange Online and SharePoint Online, two of several Office 365 cloud-based services. And the IT team also won't need to deploy Office to each user's desktop system. Instead, Office 365 provides users with Office Web Apps, browser-based online versions of Word, Excel, PowerPoint and OneNote.

Office 365 is easy to set up and manage: A simple web-based console enables administration of each its different features. The IT team or help desk can create new users, assign licenses and even purchase new storage as the business grows.

Backed by a 99.9 percent financially based uptime guarantee from Microsoft, the services also include powerful security features to help protect sensitive business data. Even with this abundance of features, Office 365 is easy enough for a small business to set up and maintain without specialized IT knowledge.

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## Intro to Office 365

Office 365 delivers familiar Office collaboration and productivity tools to business users through the cloud so they can be productive anytime and anywhere on any device – from PCs and notebooks to tablets and smartphones. It is Microsoft's successor to Business Productivity Online Services (BPOS), which was the company's first foray into cloud computing.

BPOS helped businesses establish messaging and collaboration infrastructures quickly and without the upfront cost and expertise required for deploying such services on premises. Under the BPOS model, servers running Microsoft Exchange, SharePoint, Office Communications Server and Office Live Meeting were hosted online in Microsoft-managed data centers and delivered to customers as cloud-based services known as Exchange Online, SharePoint Online and Office Communications Online.

Office 365 extends and improves upon that model in several ways. First, the cloud-based server infrastructure behind Office 365 now uses the most recent versions of Microsoft's messaging and collaboration platforms: Exchange 2010, which powers the Exchange Online service; SharePoint 2010 for SharePoint Online; and Lync Server 2010 for Lync Online, which replaces Office Communications Online. Microsoft Global Foundation Services hosts these servers at data centers distributed around the world.

When a business signs up for a subscription to Office 365, the service's hosted environment is automatically provisioned at an appropriate data center based on geographical location. Each individual organization's Office 365 users are hosted at the same data center.

Also, users access services in Office 365 differently than in BPOS. BPOS employed the traditional model of one application per desktop and required users to install the apps they needed locally on their client systems. By contrast, Office 365 uses a software as a service (SaaS) approach, delivering a single app to multiple users (irrespective of their locations or devices) via a cloud infrastructure.

With Office 365, a company's employees use Word Web App to edit a document hosted on a SharePoint Online team site. Word Web is a browser-based version of Microsoft Word that works with hosted documents directly from web browsers.

The SaaS approach eliminates the hassles associated with deploying and maintaining client apps. It can also save money because it is subscription based and generally costs less than licensing traditional desktop apps.

Office 365 is also easier to administer and maintain because the management and security overhead are offloaded to a service provider instead of being handled in house. And it's more convenient: staff can access data whenever they want, from wherever they are working.

Depending on the type of Office 365 subscription purchased, users can also download and install full Office Professional Plus 2010 programs. These full versions can provide advanced functionality not available in the simpler Web Apps.

## Plans and Licensing

There are four main Office 365 plans available:

**PLAN P1:** This plan targets small businesses that have from one to 50 users, but is best suited to organizations with fewer than 25 employees with no on-premises IT staff. It includes Office Web Apps for Exchange Online, SharePoint Online and Lync Online. P1 subscribers also have the option of purchasing and downloading Microsoft Office Professional Plus 2010 desktop software for an additional fee.

**PLANS E1 TO E4:** The E plans fit midsize businesses and enterprises, even those with thousands of users. The pricing depends on the features included. With E3, for example, an organization would receive everything in P1 plus unlimited e-mail storage and archiving, hosted voicemail support, Directory Synchronization (a tool to synchronize its on-premises Active Directory service and the Office 365 directory service), an Office Professional Plus 2010 subscription for up to five devices and live 24x7 phone support. (Note: It's currently not possible to convert an existing P1 plan to an E-level plan.)

**PLANS K1 AND K2:** These plans target kiosk workers who need access to e-mail and documents hosted on team sites. The K plans' pricing depends on whether Office Web Apps are included.

**EDUCATION PLANS:** These plans, for teachers and students, include various feature packages and pricing levels.

Office 365 subscribers can manage their licenses from a web-based management console. The console lets the enterprise assign and revoke licenses as needed. A business can also purchase additional licenses at a prorated price. Alternatively, it can scale back on licenses or storage space and a prorated cost reduction will be applied to the subscription.

## Messaging and Collaboration Apps

It is what's under the hood, so to speak, that really makes Office 365 adaptable: Exchange Online, SharePoint Online and Lync Online.

Exchange Online provides hosted messaging as a cloud-based service powered by Microsoft Exchange Server 2010. By using this service, users can access their e-mail, calendar and contacts from almost anywhere at any time and from any device.

Each user has a 25-gigabyte mailbox and can send messages as large as 25 megabytes. Exchange Online also provides enterprise-grade security based on Microsoft's Forefront

Online Protection for Exchange, which uses multiple filters and virus-scanning engines to thwart malware and reduce spam.

SharePoint Online provides businesses with the power of Microsoft SharePoint without the administrative burden of installing and deploying SharePoint Server 2010 on premises. Users can create team sites for sharing documents online and tracking project milestones. A team can control who accesses, reads and modifies documents shared on its sites, thereby safeguarding critical business information.

SharePoint Online also lets users upload custom solutions such as web parts coded in .NET and C# by making use of the app's Sandbox Solutions feature. It's even possible to publish, edit and share Microsoft Access 2010 databases from within a web browser. SharePoint Online also provides a public-facing website (that can be associated with an existing URL) so a business can publish company information online.

Lync Online provides instant messaging, audio/video desktop-to-desktop calling capabilities and web-based conferencing so that users can conduct online meetings, make presentations, share whiteboards or desktops, and collaborate in real time in other ways with colleagues and customers. The app publishes the presence capabilities of Lync Server 2010 to a company's team sites and makes the information visible from within Office applications and Office Web Apps. In this way, users can quickly see which coworkers and partners are currently available for real-time communication.

## Desktop Apps

The Office Web Apps – convenient online versions of Microsoft Word, Excel, PowerPoint and OneNote – are included in P1 and most of the E plans.

These apps provide a simple and easy way for users to access, view and edit documents and other Office files from a web browser. When an Office 365 user clicks on a document stored on a SharePoint Online team site, for instance, the document opens directly in the user's browser and appears virtually the same as it would if the user had opened it from within a locally installed version of Word 2010.

The advantages of using the Web Apps as opposed to the more powerful Office 2010 programs are numerous. The Word Web App lets a user work with documents on a multitude of client platforms. The Web Apps also can save on licensing costs because the Office 365 versions of Microsoft's productivity tools can often meet the needs of many users within a small business. And the OneNote Web App lets multiple users see who is editing particular parts of a notebook.

Subscribers to P1 also can purchase licenses for Office Professional Plus 2010 on a monthly basis. Once purchased, Professional Plus can be downloaded and installed on users' computers to gain two key advantages over using the Office Web Apps.

## Other Hosted Services from Microsoft Online Services

Don't need all the services wrapped into Office 365? Some Microsoft Online Services can be purchased separately.

Exchange Online is available in two stand-alone plans: One provides standard messaging and collaboration services, and the second includes unlimited storage, hosted voicemail, and advanced archiving and compliance capabilities.

Other hosted services offered by Microsoft Online Services include:

- **Microsoft Exchange Online Archiving:** This helps organizations meet the challenges of archiving, compliance, regulatory requirements and e-discovery.
- **Microsoft Exchange Hosted Encryption:** This service enhances Exchange Online with policy-based encryption from sender to recipient.
- **Windows Intune:** Small businesses can centrally manage and secure client devices using this service's simple web-based console.
- **Microsoft Dynamics CRM Online:** With this customer relationship management tool, businesses can centralize customer information and streamline business processes.

First, the Office 2010 programs have additional features not supported by the simpler Web Apps. And second, after downloading Office documents, users can then work on them offline. By contrast, the browser-based Office Web Apps perform much of their rendering in the cloud and therefore require an Internet connection.

## Management

The web-based Office 365 admin console lets a business manage almost every aspect of the subscription service and environment. Using the console, the IT team can perform numerous administrative tasks such as:

- Creating new users and adding custom domain names
- Assigning licenses and storage
- Setting up new team sites
- Managing permissions and templates
- Configuring general settings for Exchange Online and Lync Online
- Designing and editing public-facing websites
- Viewing the health of Microsoft Online services
- Monitoring scheduled maintenance
- Delegating administrative privileges
- Opening support tickets

Administrators of E-level plans can also use Windows PowerShell to perform many Office 365 management tasks from the command line. PowerShell cmdlets can perform tasks for managing:

- Users, groups and role membership
- Domains
- Identify-federated, single sign-on domains
- Subscriptions and licenses
- Company information and services
- Exchange Online

Plan E subscribers can also take advantage of the role-based access control (RBAC) model – defining permissions and capabilities based on administrative role. The individual who signs up for Office 365 automatically assumes the role of “global administrator.” But other administrative roles cover billing, passwords, services and user management. Each role has its own distinct set of permissions and privileges.

## Security

The security aspects of Office 365 involve both the back-end infrastructure of the Microsoft hosting sites as well as protections at the end-user level.

Because of its commitment to securing a cloud infrastructure that supports more than 200 cloud services, 20 million businesses and more than one billion users, Microsoft designed fault-tolerant and redundant hosting facilities built on a layered defense-in-depth security architecture. For this reason as well, each of the data centers has its own Active Directory service.

For Microsoft Global Foundation Services to provide the cloud infrastructure for Office 365 while adhering to regulatory, statutory and industry standards, the Online Services Security and Compliance team has established a set of industry best practices for its online services. This Compliance Framework for Online Services reduces the risk of operational disruptions, which in turn should increase customer confidence in service stability.

Additionally, subscribers to the E plans for Office 365 can take advantage of single sign-on capability, which lets users access services using their existing Active Directory usernames and passwords. Single sign-on requires Active Directory Federation Services (AD FS) 2.0.

The primary benefit of this feature is that users don't need to maintain multiple passwords to use Office 365 services and apps. Single sign-on also supports the use of two-factor authentication through customization of the AD FS 2.0 sign-in page. Exchange Online uses filters and scanning tools (through Microsoft Forefront Online Protection for Exchange) to protect users from malware and spam.

## Next Step: Migrating to Office 365

For efficiency, businesses that subscribe to Office 365 may desire to migrate some or all of their existing in-house e-mail systems and SharePoint sites to Exchange Online and SharePoint Online.

Office 365 supports mailbox migration from on-premises Microsoft Exchange Server 2010, 2007 and 2003 environments; Hosted Exchange environments; Internet Message Access Protocol (IMAP) servers; and some third-party platforms. Migration from other e-mail platforms will require use of third-party tools and processes.

Content in on-premises SharePoint sites can be migrated to SharePoint Online, either manually or using third-party tools; Office does not provide support for SharePoint content migration.

## Soaring Through the Clouds

Staying connected 24x7 has become essential for every business. Whether workers need to tap into e-mail, video conferencing, document sharing or calendars, Microsoft accommodates anywhere, anytime access with Office 365. Equipped with improved collaboration, the latest version of the Microsoft productivity suite now delivers services through the cloud, granting workers (and therefore businesses) increased flexibility and accessibility.



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Microsoft® Office 365 is a subscription service that combines the familiar Microsoft Office Web Apps with a set of web-enabled tools that are easy to learn and use, that work with your existing hardware and that come backed by the robust security, reliability and control you need to run your organization. Everyone can work together easily with anywhere access to e-mail, web conferencing, documents and calendars.